

TO: BOARD OF TRUSTEES
FROM: SUPERINTENDENT

COMMUNICATION NO. 170-2009/10-BS

Prepared by the Office of Vice President Business Services
for Presentation to the Board of Trustees
March 8, 2010

SUBJECT: LETTER OF PARTICIPATION WITH PREMIER PURCHASING PARTNERS, L.P. – GROUP PURCHASING ORGANIZATION

A. BACKGROUND

The Cafeteria is currently utilizing two broad line food distribution companies (US Food Service and Sysco). In October, the Director of Auxiliary Services began the process of researching a single vendor to better meet the needs of the district. Contract pricing was requested from both US Food Service and Sysco.

US Foodservice responded by bringing in a group purchasing organization (GPO), Premier Purchasing Partners, L.P. The GPO's pricing structure, features and benefits will help to reduce food costs a projected 3-7% over the next year. In addition, Premier will introduce new retail concepts, track rebate opportunities, offer menu development and food shows. As an added benefit, the District as a whole will be able to use the GPO for many of its purchasing requirements.

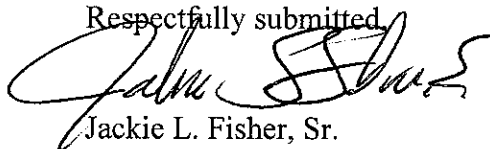
B. BUDGET IMPLICATIONS

A savings of up to \$11,500 could be realized by the Cafeteria over the next fiscal year.

C. RECOMMENDATION

It is recommended that the Board of Trustees authorize the Vice President Business Services to sign the Letter of Participation with Premier Purchasing Partners, L.P.

Respectfully submitted,



Jackie L. Fisher, Sr.
Superintendent/President

Prepared by:



Deborah Wallace
Vice President Business Services

Office of Business Services

COMMUNICATION NO. 170-2009/10-BS

March 8, 2010

**LETTER OF PARTICIPATION WITH PREMIER PURCHASING PARTNERS, L.P. –
GROUP PURCHASING ORGANIZATION**

Letter of Participation
Premier Essentials



*INDICATES REQUIRED FIELDS

Part I - Account Information

*Facility Name ("Participating Member"): Antelope Valley College

*Primary Street Address: 3041 West Avenue K

*City: Lancaster *St: Ca *Zip: 93536 *Phone: 661.722.6300 *Fax: _____

Member Type: Provider Select

*Sponsoring Premier Owner/Group Affiliate/Supply Chain Affiliate: Foodservice Solutions

Direct Parent (parent company, if different from above): _____

*Relation to Direct sponsor: Owned Leased Managed Affiliated

Primary Service: College/ University K-12 Private School K-12 Public School
 Other: _____

Part II - Contact Information

*First and Last Name: Dawn McIntosh

*Title: Director, Auxiliary Services Email Address: Dmcintosh1@avc.edu

*Phone: 661.722.6300 ext 6986 Fax: 661.722.6320

Part III - Rebate Information

(To the attention of)

*First and Last Name: Dawn McIntosh

*Title: Director, Auxiliary Services Email Address: Dmcintosh1@avc.edu

*Phone: 661.722.6300 ext 6986 Fax: _____

*Address 43934 Halcom Ave *City Lancaster

*State CA *Zip: 93536

Enrollment By Program Area:

Please check off each of the Program Lines this entity is eligible for within the Provider Select Portfolio:

- | | | | |
|--|---|---------------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> All Programs | <input type="checkbox"/> Facilities | <input type="checkbox"/> Housekeeping | <input type="checkbox"/> Lab |
| <input type="checkbox"/> Foodservice | <input type="checkbox"/> General Services | <input type="checkbox"/> Capital | <input type="checkbox"/> IT/Telecom |

General Terms and Conditions:

Participating Member agrees to the following:

- A. Participating Member hereby designates Provider Select, LLC ("Provider Select") to act as Participating Member's group purchasing agent for any and all products purchased by Participating Member through the Provider Select group purchasing program (the "Program"). Participating Member hereby acknowledges and agrees that Provider Select will act as Participating Member's primary group purchasing organization for purchasing for the Foodservice Program and evaluate and utilize the Premier portfolio wherever possible.

- B. Provider Select hereby discloses to Participating Member that, in consideration of the administrative services rendered in connection with the Program, Provider Select will be paid an administrative fee by contracted manufacturers, distributors and suppliers in an amount which will not exceed a total of three percent (3%) of the purchase price of aggregate purchases by Participating Member.
- C. Participating Member acknowledges and agrees that all products and supplies purchased through the Program are intended solely for use by Participating Member and are not for resale.
- D. Participating Member acknowledges and agrees that any action by Participating Member which is inconsistent with the Program's spirit of intent or participation requirements may result in the termination by Provider Select, at Provider Select's sole discretion, of Participating Member's participation in the Program, provided that Provider Select provides written notice of any such termination to the Participating Member. By signing this Letter of Participation, Participating Member acknowledges its intent to: (i) participate in the Program and (ii) comply with the participation requirements described herein.
- E. This Letter of Participation may be canceled without cause or penalty at any time by Provider Select or Participating Member by giving at least thirty (30) days written notice of cancellation to the other.
- F. This Letter of Participation represents the entire agreement between Provider Select and Participating Member regarding the Program and supersedes any prior oral or written agreement concerning such subject matter.
- G. Participating Member agrees, upon termination of its participation in the Program, to promptly purchase or cause a third party to promptly purchase any remaining inventory of specially ordered and/or proprietary products stocked exclusively for the Participating Member.
- H. Participating Member agrees to protect the confidentiality of Program's group contract prices and terms, and in no event to leverage the Program's prices to obtain a better price.
- I. Provider Select shall have the right to assign this Letter of Participation and its rights and obligations hereunder to any of its affiliated entities. For purposes of this Letter of Participation, "affiliated entities" shall mean Provider Select's parent entity and/or any other entity that owns or controls Provider Select or is under common control with Provider Select.
- J. In the event Participating Member is operated by a state, federal or municipal agency and therefore subject to applicable open records laws which may require Participating Member to release confidential or proprietary information of Provider Select, Participating Member agrees to promptly notify Provider Select of any request under such laws for the release of such information. Further, Participating Member shall cooperate in good faith with Provider Select and use its best efforts to assist Provider Select in preventing the release of such information to the extent consistent with applicable law.
- K. Participating Member hereby acknowledges that the discounts available under Program contracts are exclusive of any additional incentives or rebates that may be offered by contracted suppliers under separate programs. Participating Member hereby agrees not to attempt to access such other incentives or rebates to the extent the applicable products or supplies purchased by Participating Member are purchased under Program contracts.

Foodservice Program Participants Terms and Conditions:

If you selected all Programs or Foodservice above, the following program terms and conditions apply:

Please include your estimated Annual Foodservice Purchases:

\$ 165,000

Average Day Sales Outstanding: \$ \$3,000

Scheduled Deliveries per week: 2

Average Drop Size: 2,200

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- A. Participating Member agrees to utilize US Foodservice™ (the "Authorized Distributor") as its prime vendor for foodservice distribution.
- B. Participating Member agrees to comply with the terms and conditions of participation in the Provider Select foodservice distribution program and manufacturer programs.
- C. Participating Member agrees to make payment to the Authorized Distributor according to the terms set forth in the foodservice distribution program.
- D. Participating member will receive all rebates earned as a result of the Committed Manufacturer Agreement program via Electronic Funds Transfer (EFT). Rebates earned will be deposited directly to your secure financial institution. Please complete the below information.

Direct Deposit Designation

I authorize Premier Purchasing Partners, LP to initiate credit entries to my:

Checking account Savings account

I acknowledge that the origination of Automatic Clearing House (ACH) transactions to my account must comply with the provisions of U.S. law. This authority will remain in effect until it is cancelled in writing.

Member Entity Name, Address, City & State

Facility Name: Antelope Valley College

Primary Street Address: 3041 W. Avenue K

City: Lancaster St: Ca Zip: 93536

Email Address: Dmcintosh1@avc.edu

Deborah Wallace, Vice President Business Services// Dawn McIntosh Director,

Printed Name & Title: Auxiliary Services

Signature: _____

Please Attach a Copy of a Voided Check for Verification of all Financial Institution Information

Bank Name:	<u>Bank of America</u>
Bank ABA Number for ACH:	<u>122000661</u>
Account Name:	<u>Antelope Valley College Cafeteria</u>
Account Number:	<u>0619100108</u>

Housekeeping Program Participants Terms and Conditions:

If you selected all Programs or Housekeeping above, the following program terms and conditions apply:

Please include your estimated Annual Housekeeping Purchases:

\$ _____

Participating Member agrees to the following:

- A. Participating Member agrees to utilize one of the following approved housekeeping distribution options available through Provider Select for distribution:
 - 1. US Foodservice PP-DI-001A
 - 2. Afflink, Inc. PP-FA-124

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- 4. Unisource Worldwide, Inc. PP-FA-127
- 5. Network Services Company PP-FA-126

- B. Participating Member agrees to comply with the terms and conditions of participation in the Provider Select distribution programs and manufacturer programs.
- C. Participating Member agrees to make payment to Housekeeping Authorized Distributor(s) according to the terms set forth in the distribution agreement Terms.

Facilities/General Services and/or Capital Program Participants Terms and Conditions:

If you selected all Programs or Facilities/General Services and/or Capital above, the following program terms and conditions apply:

- A. Participating Member hereby acknowledges and agrees that Provider Select will act as Participating Member's primary group purchasing organization with respect to facilities, general services and/or capital purchasing.

If multiple facilities within a system are declaring participation in the Program, a Letter of Participation MUST be completed for each facility.

Participating Member Authorized Contact:

Accepted By: Provider Select, LLC.

Signature

By

Please print name

Date

Date

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