

June 8, 2017

Mr. Eric Lowe, Superintendent
Mrs. Stacy Williams, Treasurer/CFO
46088 Bell School Road
East Liverpool, OH 43920

Dear Mr. Lowe and Mrs. Williams,

We at The Nutrition Group are pleased to partner with your district for the 2017-18 school year.

In developing your 2017-18 budget, we considered the factors that affect annual income and costs. We employed our proven forecasting tools to develop a budget that realistically addresses changes in government regulations and reimbursements, enrollment, food and labor costs, and meal-price equity and its effect on participation. The Healthy Hunger-Free Kids Act (HHFKA), Affordable Care Act, and staffing needs continue to challenge all food service operations. Though we applied our knowledge of your operation's past performance in creating this year's budget, unforeseen variables may prompt us to offer recommendations for change as the 2017-18 program unfolds.

We're all well versed in the demands of governmental entities on all aspects of district administration. Nutrition continuously implements required changes and works to offset any negative financial impacts. The Nutrition Group will strive to provide an exceptional food service program that exceeds the expectations of the state and federal requirements. Our efforts in the Beaver Local School District will focus on the goal of 100% customer satisfaction.

Enclosed is your Nutrition Group 2017-18 FSMC renewal contract with our budget projections, assumptions, and qualifications. Please contact us with any questions.

Sincerely,



Kimberly L. Ohler

Regional Manager

Budget, Guarantee, Accounting and Contract Criteria & Financial Considerations

Budget and Guarantee Criteria and Stipulations

Nutrition, Inc.'s budget and guarantee were developed using the following criteria provided by the Beaver Local School District

- Meal service days: 178 Breakfast Days and 178 Lunch Days
- Specified enrollment of 1,831
- Specified breakfast and lunch prices
- RFP specified traditional menu planning option (including menus) and Offer-vs-Serve at all grade levels
- Specified employee wages
- Specified staffing, labor hours, and benefits
- All other information as specified on RFP worksheets and documents

Inaccuracies in the RFP or in supplementary information provided by the Beaver Local School District that result in a budget variance will necessitate an adjustment in Nutrition, Inc.'s financial guarantee. Such adjustments might include district labor and benefit adjustments, and or agreements or contracts entered in prior to contracting with Nutrition, Inc. The financial guarantee may also be subject to adjustment due to occurrences or conditions beyond Nutrition, Inc.'s and the District's control.

Nutrition, Inc.'s guarantee is dependent on, but not limited to, the following factors and is subject to adjustment if the Federal or State governments, District Administration, or District School Board Members enact policies that negatively affect Nutrition, Inc.'s budget projections. Nutrition, Inc. guarantees the Beaver Local School District that our 2017-2018 projected food service budget will result in a loss of \$60,411.21. Nutrition, Inc.'s guarantee is limited to our Management Fee. Barring budget variances, if Nutrition fails to achieve the projected loss, we will forfeit any portion of our Management Fee, totaling \$10,281.47 to achieve the guaranteed loss.

- Federal & state reimbursement rate changes
- USDA commodities usage rate of \$0.2300
- FSMC wages/fringe/benefit costs
- Nutrition, Inc.'s recommended Ala Carte and Menu pricing
- USDA commodity processing agreements
- Nutrition, Inc. retains exclusive selling rights within cafeteria boundaries, and this agreement supersedes any new vending contracts with other vendors that negatively impact sales included in projected revenue.

Accounting Procedures

- Accounting: The Nutrition, Inc. Group shall maintain such records as the School District will need to meet its requirements to the Department of Education and United States Department of Agriculture. In order that the district know the exact financial status of the food service program and to insure total accountability, Nutrition, Inc. will provide the district with detailed monthly Operating Statements. Please see Accounting & Reporting Systems Tab for sample forms.
- Billing and Payment Terms: Nutrition, Inc. agrees to comply with the billing method indicated in the Request for Proposal.
 - On a Cost Reimbursable basis, Nutrition, Inc. will bill the district expenses on a monthly basis. The district is expected to pay all bills within 30 days of receipt. Any invoices that remain unpaid past 30 days, the SFA will be assessed a 5% late fee. Late fees may not be paid out of the SFA food service account.
- Initial Payment: Nutrition Inc. will submit to the District an invoice estimating the amount of costs that Nutrition expects to incur for one month of operation on or about July 1. The District will be expected to pay the amount of this invoice upon receipt of the invoice. The purpose of such initial payment is that Nutrition, Inc. must pay for hourly labor (if on Nutrition Inc.'s payroll), our FSD, and upper management team labor on a bi-weekly basis. Nutrition, Inc. must also pay our food and supply vendors in a timely manner to insure competitive prices. Daily cash income and State and Federal reimbursements get deposited into the school district's account; however, Nutrition, Inc. has no daily access to these receipts. At the end of the school year, the district and Nutrition, Inc. will reconcile the account. At that time, the initial payment will be returned/credited to the District prior to July 2018.
- Financial Guarantee Settlement: Should monies be owed the district to satisfy the conditions of Nutrition Inc.'s guarantee, the guarantee amount owed will be agreed upon based upon the Food Service Financial Audit Report for the settlement school year.
- Special Diets: If Nutrition, Inc. is required to provide special diets which require costly ingredients, Nutrition, Inc. will bill the district separately for those additional costs.
- Monthly Statement: To insure that the District always knows the exact financial situation of the food service program, Nutrition Inc.'s corporate accounting services will provide you with detailed operating statements.
- Purchased Inventory: Nutrition, Inc. will comply with the RFP language. If Nutrition, Inc. currently owns the purchased inventory and Nutrition, Inc. is awarded a FSMC contract in which the District selects an RFP option that transfers ownership of the purchased inventory to the SFA, the current purchased inventory on-hand will be purchased by the SFA from Nutrition, Inc. at Nutrition, Inc. pricing.
- Rebates, discounts and credits: Nutrition, Inc. will individually identify the amount and source of each discount, rebate, and other applicable credit on all bills and invoices presented to the SFA. In the case of other applicable credits, Nutrition, Inc. will identify the nature of the credit. A sample invoice /bill is included in Section 10 under Accounting Procedures. Nutrition, Inc. will report discounts, rebates and other applicable credits allocable to the contract that cannot be reported prior to the conclusion of the contract by mailing a

credit to the SFA if there is still outstanding monies owed Nutrition, Inc., or will mail a check in the amount of the discount, rebate and other credits when the discount, rebate and/or other credit is received by Nutrition, Inc. from the appropriate sources.

- Nutrition, Inc. will maintain documentation of costs and discounts, rebates, and other applicable credits and will furnish such documentation upon request of the SFA or the Department of Education, Division of Food and Nutrition
- Commodity Credit and Inventory: Nutrition, Inc. will credit the District for the value of all commodities when received for use in the food service program. For fixed price accounts, crediting will occur monthly on the last weekly billing of the month. For cost reimbursable contracts the monthly invoice will reflect the value of commodities received in the month and the savings resulting from utilization. At termination of the contract, Nutrition, Inc. will take the "other unused donated foods at the discretion of the SFA.

Contract Stipulations

- Waiver of Subrogation: Nutrition, Inc. and Client hereby waive all rights of subrogation against each other, arising out of damage to the premises, personal property, fixtures or equipment on the premises caused by fire, lightning, windstorm or other casualty, whether or not the same be caused by the negligence of either party, its agents, employees or servants. The waiver contained in this provision is limited to the coverage by the provisions of the Standard Fire and Extended Coverage Insurance Policy. Any insurance maintained by either party shall contain an endorsement expressly waiving any right of subrogation of the insurer against the other party, provided this provision shall not bind either party unless both parties can obtain such an endorsement without cost. In the event such endorsements are obtained, each party shall deliver a copy of such endorsement to the other.
- Hold Harmless Clause: Nutrition, Inc. shall indemnify and hold harmless the Client and its agents and employees from and against all claims, damages, losses, and expenses, including attorney's fees arising out of or resulting from the sale of food products or other operations performed by Nutrition, Inc. on the premises in connection with this Agreement, including sales and operations, and including claims, damages, loss or expense attributable to bodily injury, sickness, disease or death, or injury to or destruction of real and tangible property, including the loss of use resulting there from and including damage and injury caused in whole or part by the sale of food products or other operations performed by Nutrition, Inc. and including any negligent act or omission of Nutrition, Inc. and anyone directly or indirectly employed by Nutrition for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.
- Hiring Restrictions: Neither party to this Agreement will hire, or attempt to hire, any management employee of the other while this Agreement is in force and for three (3) years after the termination or expiration of this Agreement without the consent of the other party.
- The labor costs utilized in this RFP are subject to change based on the Patient Protection and Affordable Care Act. In January 2014, affordable healthcare must be offered by employers to all employees who work a minimum of thirty (30) hours per week for the measurement period. This Mandate by the Federal Government may increase the health care cost portion of the labor costs bid in this contract. Any increase in Labor Costs due to an increase in Health Care Cost during the initial year of the contract and any of the subsequent renewal years will be passed on to the client.

- Prospective New Hires are likely to be hired. This likelihood is dependent on their ability to pass the required health assessment, drug tests, State Criminal History Background Check and Federal Criminal History Record check requirements and be willing to work for the wages offered and work the times we, the employer, assign. If a union is involved we will begin negotiations immediately and hope for an applicable quick settlement. If this settlement is not timely, we fully expect negotiations from both parties to be in good faith.
- It is understood and agreed that Nutrition, Inc. and/or its affiliates shall, under no circumstances, be compelled to participate in and/or contribute to any health insurance plan, or defined benefit or defined contribution deferred earnings plan that it was not originally signatory to, by virtue of being awarded this bid to provide food services to the school district. The school district or prior employer of school cafeteria workers shall be responsible for any and all required contributions to such plans, including any withdrawal liability that may be assessed as a result of their termination of participation in said plans. Such liability, if any, shall not extend to Nutrition, Inc. and/or its affiliates, and the school district or prior employer shall indemnify and hold harmless Nutrition, Inc. in connection with such obligations.

Healthy Hunger Free Kids Act and the Affordable Care Act

- Changes in Affordable Care Act or other State and/or Federal regulations relating to medical and/or other benefits for employees. Additional costs resulting from the Act may result in the necessity to alter the projected bottom line, guarantee, and the need to submit additional charges incurred stemming from the implementation.
- Changes in HHFKA or other State and/or Federal regulations including, but not limited to, that relating to Ala Carte foods allowed to be offered. Additional costs resulting from the Act as currently in operation may result in the necessity to alter the projected bottom line, guarantee, and the need to submit additional charges incurred with the changes.

**Projected Operating Costs
School Nutrition Programs**

2017-2018

Contract Begin Date	<u>7/1/2017</u>	School Food Authority	<u>BEAVER LOCAL S D</u>							
Contract End Date	<u>6/30/2018</u>	Food Service Management Company (FSMC)	<u>The Nutrition Group</u>							
Days of Service	<table border="1"> <tr> <td>Breakfast</td> <td align="center">178</td> <td>Lunch</td> <td align="center">178</td> </tr> <tr> <td>CACFP</td> <td align="center">0</td> <td>Snack</td> <td align="center">0</td> </tr> </table>	Breakfast	178	Lunch	178	CACFP	0	Snack	0	<input type="checkbox"/> Breakfast in Classroom <input type="checkbox"/> CEP <input type="checkbox"/> CACFP
Breakfast	178	Lunch	178							
CACFP	0	Snack	0							

Actual "In-School" Revenue

(Include Seamless Summer Option (SSO) Actual Revenue, if applicable)

	<u>ADP</u>		<u>MEALS</u>		<u>RATES</u>		
BREAKFASTS:							
Elementary Paid	154.00	#	27,412	X	-	=	-
Middle School Paid	-	#	-	X	-	=	-
High School Paid	224.00	#	39,872	X	-	=	-
Elementary Reduced	15.00	#	2,670	X	-	=	-
Middle School Reduced	-	#	-	X	-	=	-
High School Reduced	33.00	#	5,874	X	-	=	-
Adult Paid	-	#	-	X	-	=	-
A la Carte Sales	-	#	-	X	-	=	-
Subtotal Breakfasts			75,828				-
LUNCHES:							
Elementary Paid	122.00	#	21,716	X	\$2.55	=	\$55,375.80
Middle School Paid	71.00	#	12,638	X	\$2.80	=	\$35,386.40
High School Paid	128.00	#	22,784	X	\$2.80	=	\$63,795.20
Elementary Paid Tier	-	#	-	X	-	=	-
Middle School Paid Tier	-	#	-	X	-	=	-
High School Paid Tier	-	#	-	X	-	=	-
Elementary Reduced	30.00	#	5,340	X	\$0.40	=	\$2,136.00
Middle School Reduced	-	#	-	X	-	=	-
High School Reduced	44.00	#	7,832	X	\$0.40	=	\$3,132.80
Adult	45.00	#	8,010	X	\$1.00	=	\$8,010.00
A la Carte Sales	638.00	#	113,564	X	\$1.00	=	\$113,564.00
ALA Carte Sales Rev Increase	-	#	-	X	-	=	-
Other Revenue - Vending Sales	26.00	#	4,628	X	\$1.00	=	\$4,628.00
Subtotal Lunches			196,512				\$286,028.20
SNACKS/SUPPLEMENTS:							
Paid	-	#	-	X	-	=	-
Reduced	-	#	-	X	-	=	-
Adult	-	#	-	X	-	=	-
A La Carte	-	#	-	X	-	=	-
Subtotal Snacks/Supplements			-				-
OTHER:							
Special Milk	-	#	-	X	-	=	-
Vending Commissions/Concession	-	#	-	X	-	=	-
CACFP Billed through Spec. Funct.	-	#	-	X	-	=	-
Special Functions / Catering	70.00	#	12,460	X	\$1.00	=	\$12,460.00
Subtotal Other			12,460				\$12,460.00
Total "IN-SCHOOL" Revenue		#	284,800				\$298,488.20

School Nutrition Programs

To Be Completed By SFA

2017-2018

Contract Begin Date	<u>7/1/2017</u>	School Food Authority	<u>BEAVER LOCAL S D</u>
Contract End Date	<u>6/30/2018</u>	Food Service Management Company (FSMC)	<u>The Nutrition Group</u>

Federal Reimbursement

(Include SSO Reimbursements, if applicable)

		MEALS		RATES	
BREAKFASTS:					
Paid	378.00	#	67,284	X	\$0.29 = \$19,512.36
Free	-	#	-	X	- = -
Free, Severe Need	282.00	#	50,196	X	\$2.04 = \$102,399.84
Reduced	-	#	-	X	- = -
Reduced, Severe Need	48.00	#	8,544	X	\$1.74 = \$14,866.56
Subtotal Breakfasts		#	126,024		\$136,778.76
HIGH RATE LUNCHES:					
Paid	321.00	#	57,138	X	\$0.32 = \$18,284.16
Free	448.00	#	79,744	X	\$3.18 = \$253,585.92
Reduced	74.00	#	13,172	X	\$2.78 = \$36,618.16
Subtotal High Rate Lunches		#	150,054		\$308,488.24
LOW RATE LUNCHES:					
Paid	-	#	-	X	- = -
Free	-	#	-	X	- = -
Reduced	-	#	-	X	- = -
Subtotal Low Rate Lunches		#	-		-
SNACKS/SUPPLEMENTS:					
Paid	-	#	-	X	- = -
Free	-	#	-	X	- = -
Reduced	-	#	-	X	- = -
Subtotal Snacks/Supplements		#	-		-
SPECIAL MILK					
Paid	-	#	-	X	- = -
Free*	-	#	-	X	- = -
Subtotal Special Milk		#	-		-
Performance Based Reimbursement (if certified)	843.00	#	150,054	X	\$0.06 = \$9,003.24
Subtotal Performance Based Reimbursement			150,054		\$9,003.24
Total Federal Reimbursement		#	276,078		\$454,270.24

*Complete with SFA's prior year federal reimbursement amount for free supplements.

School Nutrition Programs

To Be Completed By SFA

2017-2018

Contract Begin Date 7/1/2017 School Food Authority BEAVER LOCAL S D
 Contract End Date 6/30/2018 Food Service Management Company (FSMC) The Nutrition Group

State Reimbursements
 (Include SSO Reimbursements, if applicable)

			<u>MEALS</u>		<u>RATES</u>	
BREAKFASTS:						
Paid	378.00	#	67,284	X	- =	-
Free	-	#	-	X	- =	-
Free, Severe Need	282.00	#	50,196	X	- =	-
Reduced	-	#	-	X	- =	-
Reduced Severe Need	48.00	#	8,544	X	- =	-
Subtotal Breakfasts		#	<u>126,024</u>			-
LUNCHES:						
Paid	321.00	#	57,138	X	- =	-
Free	448.00	#	79,744	X	- =	-
Reduced	74.00	#	13,172	X	- =	-
Breakfast Incentive .02	-	#	-	X	- =	-
Breakfast Incentive .04	843.00	#	150,054	X	- =	-
Subtotal Lunches		#	<u>150,054</u>			-

Total State Reimbursement **\$7,000.00**

SUMMARY:

Total "IN-SCHOOL" Revenue	\$298,488.20
Total All Reimbursements	\$461,270.24
Other Income:	
-1/2 PSERS & 1/2 Retirement	-
Reimbursement	1.50% \$6,112.06
Interest Income	-
To Equal Bid Revenue	-
Catering	-
PDE 3086 Agreements (Sponsor to Sponsor)	-

Total Revenue **\$765,870.50**

School Nutrition Programs

(This page to be completed by FSMC and SFA)

Contract Begin Date	<u>7/1/2017</u>	School Food Authority	<u>BEAVER LOCAL S D</u>
Contract End Date	<u>6/30/2018</u>	Food Service Management Company (FSMC)	<u>The Nutrition Group</u>

	<u>TOTAL COST</u>	<u>COST/MEAL</u> (if applicable)
EXPENSES:		
Food Cost-Including Commodities	\$436,146.86	
Commodity Delivery Charge	-	
Labor Cost	-	
Fringe Benefits	-	
On-Sites Manager Salary and Benefits	\$64,052.87	
Other Direct Costs	\$18,591.67	
Trash Removal and Pest Only	-	
Paper and Cleaning Only	\$16,050.97	
Special Functions:		
Food, Labor, and Supplies	\$11,328.63	
PDE 3086 Sponsor to Sponsor Food & Supplies	-	
FSMC Administrative Costs	\$15,422.21	\$0.0494
FSMC Management Fee	\$10,281.47	\$0.0329
Other: (please specify)		
FSMC Other Costs Section Q	-	
SFA Hourly Labor (Wages)	\$186,933.09	
SFA Benefits/Related Costs	\$119,600.36	
District Costs Responsibility (see attached)	\$2,500.00	
Less Rebates, Discounts and Applicable Credits	<u>(\$20,114.00)</u>	
Subtotal Expenses/Total Cost Per Meal	\$860,794.13	
Less Commodity Usage @	\$0.2300	
Per Reimbursable Lunches:	150,054	
	<u>(\$34,512.42)</u>	

Total Expenses	\$826,281.71
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SUMMARY:

Total Revenue		\$765,870.50
Total Expenses		\$826,281.71

Guarantee to SFA (\$60,411.21)

School Nutrition Program-Profit or (Loss)	(\$60,411.21)
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RENEWAL AGREEMENT PAGE

The bidder/offeror certifies that the FSMC shall operate in accordance with all applicable state and federal regulations.

The bidder/offeror certifies that all terms and conditions within the Bid Solicitation shall be considered a part of the contract as if incorporated therein.

This Renewal Agreement shall be in effect for one year starting July 1, 2017 and may be renewed by mutual agreement for up to two (2) additional one-year periods. The provisions of the contract shall remain in full force and effect

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

ATTEST:

SCHOOL FOOD AUTHORITY

Beaver Local School District

Name of SFA

Signature of Authorized Representative

Typed Name of Authorized Representative

Title

Date Signed

FOOD SERVICE MANAGEMENT COMPANY:

ATTEST:

Nutrition, Inc. d/b/a The Nutrition Group

Name of FSMC

Signature of Authorized Representative

Kimberly L. Ohler

Typed Name of Authorized Representative

Regional Manager

Title

Date Signed

INDEPENDENT PRICE DETERMINATION CERTIFICATE

Both the School Food Authority (SFA) and the Food Service Management Company (Offeror) shall execute this Independent Price Determination Certificate.

Nutrition, Inc.
Name of Food Service Management Company

Beaver Local School District
Name of School Food Authority

A. By submission of this offer, the Offeror certifies, and in the case of a joint offer, each party thereto certifies as to its own organization, that in connection with this procurement:

1. The prices in this offer have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor.
2. Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed to the Offeror and will not knowingly be disclosed by the Offeror (to whom?) prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other Offeror for the purpose of restricting competition.
3. No attempt has been made or will be made by the Offeror to induce any person or firm to submit or not submit an offer for the purpose of restricting competition.

B. Each person signing this offer on behalf of the Offeror certifies that:

1. He or she is the person in the Offeror's organization responsible within the organization for the decision as to the prices being offered herein and has not participated, and will not participate, in any action contrary to A.1 through A.3 above; or
2. He or she is not the person in other Offeror's organization responsible within the organization for the decision as to the prices being offered herein, but that he or she has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated and will not participate in any action contrary to A.1 through A.3 above, and as their agent does hereby certify; and he or she has not participated, and will not participate, in any action contrary to A.1 through A.3 above.

To the best of my knowledge, this Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any government agency and have not in the last three years been convicted of or found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to proposalding on any public contract, except as follows:

Signature of Food Service Management Company's
Authorized Representative

Regional Manager
Title Date

In accepting this offer, the SFA certifies that no representative of the SFA has taken any action that may have jeopardized the independence of the offer referred above.

Signature of School Food Authority's
Authorized Representative

Title Date

NOTE: Accepting a proposalder's/offeror's offer does not constitute award of the contract.

UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)
SUSPENSION AND DEBARMENT CERTIFICATION

**Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion -
Lower-Tier Transaction**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, Title 7 CFR Part 3017, §3017.510, Participants responsibilities. The regulations were published as Part IV of the January 30, 1989, *Federal Register* (pages 4722-4733). Copies of the regulations may be obtained by contacting the USDA agency with which this transaction originated.

(Before completing certification, read instructions on next page.)

1. The prospective lower-tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the prospective lower-tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Nutrition, Inc.
Organization Name

Beaver Local School District
PR/Award Number or Project Name

Kimberly L. Ohler, Regional Manager
Name(s) and Titles of Authorized Representative(s)

Signatures

Date

INSTRUCTIONS FOR SUSPENSION DEBARMENT CERTIFICATION

1. By signing and submitting this form, the prospective lower-tier participant is providing the certification set out on the previous page in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower-tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower-tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower-tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms *covered transaction*, *debarred*, *suspended*, *ineligible*, *lower-tier covered transaction*, *participant*, *person*, *primary covered transaction*, *principal*, *proposal*, and *voluntarily excluded*, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower-tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower-tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower-tier participant further agrees by submitting this form that he or she will include this clause titled *Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower-Tier Covered Transactions*, without modification, in all lower-tier covered transactions and in all solicitations for lower-tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower-tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principles. Each participant may, but is not required to, check the Non-procurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant are not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower-tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

LOBBYING CERTIFICATION

Applicable to Grants, Subgrants, Cooperative Agreements, and Contracts exceeding \$100,000 in federal funds

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with awarding of a federal contract, the making of a federal grant, the making of a federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of the undersigned shall complete and submit Standard Form LLL, *Disclosure Form to Report Lobbying*, in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Nutrition, Inc.

580 Wendel Road, Suite 100

Irwin, PA 15642

Name/Address of Organization

Kimberly L. Ohler, Regional Manager

Name/Title of Submitting Official

Signature

Date

DISCLOSURE OF LOBBYING ACTIVITIES

STANDARD FORM -LLL

APPROVED BY OMB

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

(SEE NEXT PAGE FOR PUBLIC DISCLOSURE)

<p>1. Type of Federal Action</p> <p><input type="checkbox"/> A. Contract</p> <p><input type="checkbox"/> B. Grant</p> <p><input type="checkbox"/> C. Cooperative Agreement</p> <p><input type="checkbox"/> D. Loan</p> <p><input type="checkbox"/> E. Loan Guarantee</p> <p><input type="checkbox"/> F. Loan Insurance</p>	<p>2. Status of Federal Action</p> <p><input type="checkbox"/> A. Proposal/Offer/Application</p> <p><input type="checkbox"/> B. Initial Award</p> <p><input type="checkbox"/> C. Post award</p>	<p>3. Report Type</p> <p><input type="checkbox"/> A. Initial Filing</p> <p><input type="checkbox"/> B. Material Change</p> <p>For Material Change Only: Year: _____ Quarter: _____ Date of Last Report: _____</p>
No Activity		
<p>4. Name and Address of Reporting Entity (If reporting entity is a subawardee, enter name and address of prime contractor, if known)</p> <p><input type="checkbox"/> Prime Contractor</p> <p>_____</p> <p>Congressional District, if known: _____</p>		
<p>6. Federal Department/Agency: _____</p>		
<p>7. Federal Program Name/Description: _____</p> <p>CFDA Number, if applicable: _____</p>		
<p>8. Federal Action Number: (if known) _____</p>		
<p>9. Award Amount: (if known) _____</p>		
<p>10. a. Name and Address of Lobbying Entity: (if individual, last name, first name, MI) _____</p>		
<p>10. b. Individual Performing Services: (including address if different from No. 10 a) (Last name, first name, MI) _____</p>		
<p>11. Amount of Payment: (check all that apply)</p> <p>\$ _____</p> <p>Actual <input type="checkbox"/> Planned <input type="checkbox"/></p>		
<p>12. Form of payment: (check all that apply)</p> <p><input type="checkbox"/> A. Cash Nature _____</p> <p><input type="checkbox"/> B. In-kind (specify) Value _____</p>		
<p>13. Type of Payment: (check all that apply)</p> <p><input type="checkbox"/> A. Retainer</p> <p><input type="checkbox"/> B. One-Time Fee</p> <p><input type="checkbox"/> C. Commission</p> <p><input type="checkbox"/> D. Contingency Fee</p> <p><input type="checkbox"/> E. Deferred</p> <p><input type="checkbox"/> F. Other: (specify) _____</p>		
<p>14. Brief Description of services performed or to be performed and date(s) of service, including officer(s), employees, or members) contracted for payment indicated in Item 11. (Attach Continuation Sheets if necessary)</p> <p>_____</p>		
<p>15. Continuation Sheets Attached: Yes <input type="checkbox"/> No <input type="checkbox"/></p>		
<p>16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. The disclosure of lobbying activities is a material representation of fact upon which evidence was placed by the above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. The information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosures shall be subject to a civil penalty of no less than \$10,000 and no more than \$100,000 for each such failure.</p> <p>Signature: _____</p> <p>Print Name: <u>Kimberly L. Ohler</u></p> <p>Title: <u>Regional Manager</u></p> <p>Telephone Number: <u>888.272.8160</u></p> <p>Date: _____</p>		
<p>Federal Use Only</p>		<p>Authorized for Local Reproduction</p>

INSTRUCTIONS FOR COMPLETION OF DISCLOSURE OF LOBBYING ACTIVITIES FORM

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation or receipt of a covered federal action or a material change in a previous filing, pursuant to Title 31 U.S.C. Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered federal action. Use a Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget (OMB) for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered action.
4. Enter the full name, address, city, state, and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include, but are not limited to, subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks *Subawardee*, then enter the full name, address, city, state, and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if know. For example: Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in Item 1; e.g., Request for Proposal (RFP) number, grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the federal agency. Include prefixes; e.g., *RFP-DE-90-001*.
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in Item 4 or Item 5.
10.
 - a. Enter the full name, address, city, state, and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.
 - b. Enter the full name of the individual performing services, and include full address if different from 10a. Enter last name, first name, and middle initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made

(planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

12. Check the appropriate item. Check all items that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box. Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the dates of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials. Identify the federal officials or employees contacted or the officers, employees, or Members of Congress that were contacted.
15. Check whether Continuation Sheets are enclosed.
16. The certifying official shall sign and date the form; print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.