

VALUE PASS THROUGH SYSTEMS (VPT)

PRESENTED BY CANDACE VAUGHAN J.T.M. FOOD GROUP



West Texas Food Service Cooperative

Growing Successful Partnerships

LET'S CREATE GREAT DISHES TOGETHER.®

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2. Indirect Discount or NOI

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Value Pass Through Methods (VPT)



- Refund or rebate
- Direct Discount
- Indirect Discount
- Fee For Service
- Approved alternative method

Indirect Discount or NOI



- Net Off Invoice
- Processor sells end products to a commercial Distributor
- Distributor sees the RA has pounds in the tracking website for that USDA Food and gives a discount to the RA
- Distributor bills back to the Processor for the dollar value of the discount they gave to the RA.

NOI Example

- 5722 Alfredo Sauce PTV is \$13.02
list price is \$53.90/cs
- Distributor will show on their invoice:
\$53.90 - \$13.02 less any bid discount
- Distributor will bill back for the
\$13.02/cs

FEE FOR SERVICE (FFS)



- 3 kinds of Fee for Service
 - Processor invoices RA and ships directly to RA
 - Processor invoices RA and ships to authorized Distributing agent
Fee for Service through a Distributor
 - Processor invoices Distributor and ships to Distributor
Modified Fee for Service



Know The Why & How Of VPT?

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