

NTT 21-60 Questions and Answers

(Promised Net Cost/Costs/Adjustment Code 1)

With this change, the Vendor must submit COST changes 30 days prior to the effective Start Date of the COST change. The Vendor must also submit the Non-Negotiated Promotions (Adjustment Code 1 – EDI Off Invoice) 30 days prior to the effective Start Date. Cost and Non-Negotiated Promotions (Adjustment Code 1) that are submitted by the Vendor less than or equal to 30 days of the effective Start Date will be auto rejected with the reason code 0600F (Effective Date past Cutoff) for Cost, and 0504F (Missed Cutoff Date for Promotion) for Adjustments.

** If rejected, how much time do we have to resubmit the file to meet the existing deadline of the 30 days?

Response: The current rules for a late submission still apply. If after the deadline has passed, the category team chooses to accept a late or improved offer, they have the ability to do so.

** Do vendors need to notify DeCA via email when new costs or adjustment code 1 are ready for their approval? Currently even though vendors hit “next status” for agreements, DeCA requires vendors to email the category team to notify them of a new submission.

Once the submission has passed the DeCA-defined business rules, the COST and ITEM ADJUSTMENT CODE 1 records will no longer be auto approved. These submissions will reside in the Vendor Portal Staging table in an OPEN status and will require DeCA Category Management to manually **Accept** or **Reject** the costs or item adjustments and **Apply** the action to the Power HQ operational tables.

Response: We are working on defining internal process rules for this change. DeCA Cat Teams will be encouraged to check DAILY for changes. Open Communication is always encouraged.

**Does this change apply to all categories?

--Example eggs is weekly priced so does that mean my team will need approved cost changes on eggs each week.

Response: This change applies to all categories. The DeCA Category Management teams will have to approve cost changes on eggs each week. The same applies to all the weekly vendors that submit Costs or Adjustments weekly (Fresh Produce, Tyson, etc).

**What is being done to consider commodity based cost changes on a regular basis? Is there a ceiling/range for these items?

Response: All cost changes will fall under this new development.

**Can VPR be sent for entire quarter? Or ½ year?

Response: The answer is simply, Yes.

**Will EDLP's that are in place for a certain length of time continue or will they need to be submitted monthly?

Response: DeCA is reviewing any cost and adjustment code 1 changes submitted by Industry. Once a change is submitted, no matter the length, it will remain effect until another change is submitted. There could be exceptions as with everything, however, so a good line of communication is always important.

**With the new process, would it make sense to accept AK/HI as Code 2 when CONUS is accepted rather than Code 1 at a later date? Currently, we cannot print signs for AK/HI because we do not have Shelf Pricing. Is there a plan going forward where we would receive a spreadsheet with AK/HI shelf pricing? To do this, I would think you would need to accept the adjustments at the same time as CONUS and then work the same process as you do to provide us CONUS shelf pricing. Currently when we make an offer for K-coded items, Code 2 for an Event, we enter for Zone 999 (excluding AK/HI & OCONUS). After the Promo Team releases the DP package, then we enter Code 1 adjustments for AK/HI. (Some of our manufacturers must enter Code 1 adjustments for OCONUS also, since their systems can only handle WW costs for invoicing. They know OCONUS process is VCM's.)

Response: As of now, the process will remain the same, however we will keep the inquiry under consideration.

**Currently even though some agreements are mandated by DeCA, like the Type 3 markdown for seasonal items, when vendors enter Type 3 markdowns and notify via email the agreement is available, the Type 3 agreements go unprocessed by DeCA HQ. Will the cat man team be forced to either accept or reject?

Response: We are working to define internal process rules for this change. Best practice is for DeCA to either ACCEPT or REJECT the records in the Staging table. Leaving records in an OPEN status doesn't send anything to the Vendor or send the response in the EDI 824. All COST and ADJUSTMENT CODE 1 records left in an OPEN status will be automatically set to "REJECT" the day after the Start Date has been reached. However, this doesn't provide advance information to the Vendor to re-act to if it's systematically rejected after the Start Date.

** We currently transmit our pricing via EDI and our adjustments attach to each individual cost zone. Is there a way we can transmit pricing to zone 999 via EDI, or zone 99 for base cost changes? Or will we need to start uploading our pricing in Vendor Portal?

Response: Zone 999 is currently not supported in the EDI Transaction sets today. This type of change would have to be initiated by DeCA thru the Change Request process. This would require changes in the EDI Transactions submitted by the Vendors and would require changes in the EDI Translator (ManTech), and changes to the PHQ EDI Import. This is "not" supported in EDI today.

**We have some Industry partners claiming they do not receive 824 reports, have never heard of them, and don't know where to find them. Where should they go to receive those reports?

Response: 824 reports are only sent to EDI Vendors (the 824 is an EDI Transaction). For Non-EDI Vendors, the Vendors can look at the status of the records in the Vendor Portal.

**What will the approval or rejection look like for 879 and 889 entries? Currently, entries highlighted yellow are pending, red are rejected and grey are accepted. Will this color-coding process stay the same?

Response: No change from what you currently see.

Changes After Accepted Agreement

Changes After Agreement Accepted – DeCA Ends Before Agreement Starts

DeCA may choose to end the agreement before it starts by changing the Next Status to **DELETED**.
An email is sent to the Vendor.

**DeCA shouldn't be able to end an agreement after it's accepted, but before the display starts. Once DeCA approves an agreement, the vendor has taken many actions including but not limited to procuring inventory to meet increased sales demand, providing expensive shelf signs, providing POS and décor to decorate displays.

Response: The option for DeCA to delete an agreement needs to remain for multiple reasons, including but not limited to a vendor not holding up their end of a deal. Again, communication between DeCA Cat Teams and Industry is important.

**I don't currently have a CPI agreement on my accounts. If I have a price increase and it follows the 30 day window, I am not going to be billed back the difference correct?

Response: If the Vendor has items on a paper CPI Agreement form, the Vendor would be expected to enter those in the Vendor Portal Agreement form for Promised Net Cost. As stated in the Training guide, Promised Net Cost Agreements in the Vendor Portal are 'not' bill-backs. If the item is on a Promised Net Cost Agreement in the Vendor Portal and the Promised Net Cost Agreement is violated, the system automatically generates an off-invoice adjustment, not a bill back invoice. If you have no agreements, the process described above is null.

**Will this mean we also have to approve the CDC's adjustments they are entering?

Response: Vendors do 'not' submit adjustment code 1 records to the CDC Vendor. The OPP is on the Contract with the Vendor (not the CDCs). The Adjustment Code 1 records that are submitted for the CZones associated with the OPP will need to be manually approved/rejected by DeCA. Once the Adjustment Code 1 records are approved and applied for the OPP Zone in the Staging Table, the Adjustment Code 1 records will be automatically applied to the CDC Vendor numbers for that item.

**Will the ROA contract be updated to indicate new dates required for changes? (right now it states 10th and 25th)

Response: Yes, the contracting team is working on this.