

### EVALUATION QUANTITIES

Base Year

01	Paper (per sheet)		
	A	8½ x 11 20-lb. White Bond	105,854,000
	B	8½ x 14 20-lb. White Bond	19,168,000
	C	11 x 17 24-lb. White Bond	6,194,000
02	Print Mode (per impression)		
	A	Simplex - 8½ x 11	68,711,000
	B	Simplex - 8½ x 14	12,442,000
	C	Duplex - 8½ x 11	99,064,000
	D	Duplex - 8½ x 14	13,452,000
03	Features (incremental price above baseline B&W)		
	A (per impression)	Spot Color	80,634,000
04	Finishing		
	A (per fold)	Folding	68,870,000
	B (per staple)	Stapling	5,720,000
	C (per finished piece)	Saddle Stitch	4,859,000
	D (per finished piece)	Tape Binding (8½ x 11)	1,558,000
	E (per finished piece)	Tape Binding (8½ x 14)	174,000
	F (per finished piece)	Apply tabs to self mailer	1,558,000
05	Envelopes (each)		
	A	#10 envelope	28,918,000
	B	Flat envelope	9,023,000
06	Inserting (per envelope)		
	A	#10 envelope	28,918,000
	B	Flat envelope	9,023,000

**PAST PERFORMANCE EVALUATION REPORT**  
**PLEASE PROVIDE 20 OF YOUR CUSTOMERS TO BE SURVEYED**

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**CUSTOMER NAME:** \_\_\_\_\_  
**NAME OF CONTACT:** \_\_\_\_\_  
**CITY/STATE:** \_\_\_\_\_ **PHONE:** \_\_\_\_\_

---

---

**(PLEASE DUPLICATE AS NEEDED TO PROVIDE 20 CUSTOMER NAMES)**

**UNITED STATES POSTAL SERVICE**

*(AGENCY NAME)*

**2051 KILLEBREW DR STE 610**

*(AGENCY STREET ADDRESS)*

**MINNEAPOLIS MN 55425-1880**

*(CITY, STATE, ZIP)*

**612-851-1117**

*(AGENCY PHONE NUMBER)*

**612-851-1122**

*(AGENCY FAX NUMBER)*

**MICHAEL NORTON**

*(CONTACT NAME/ATTENTION)*

**RFP #: 266351-00-A-0076**

***SECTION THREE:***  
**PAYMENT INFORMATION**

**BILL ME - SEND INVOICE TO THE ADDRESS SHOWN IN SECTION ONE**

**BILL TO MY CREDIT CARD:**

**AMERICAN EXPRESS**

**VISA**

**MASTERCARD**

**CARD NUMBER:** \_\_\_\_\_ **EXPIRATION DATE:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**I AGREE TO PAY \$125 FOR THE PREPARATION/DISTRIBUTION OF MY PAST PERFORMANCE EVALUATION REPORT, COPIES OF WHICH WILL BE PROVIDED BOTH TO MY COMPANY AND THE AGENCY IDENTIFIED IN SECTION TWO ABOVE.**

**QUESTIONS? CALL (800) 476-2446**

**ATTACHMENT III**

**PAST PERFORMANCE EVALUATION**

*(TO ORDER, FAX THESE FORMS)*

**FAX TO: DUN & BRADSTREET CORPORATION  
FAX NUMBER: (610) 807-1075  
ATTN: PAST PERFORMANCE EVALUATION FULFILLMENT**

***SECTION ONE:***  
**ABOUT YOUR COMPANY**

**PLEASE PREPARE AND DISTRIBUTE A PAST PERFORMANCE EVALUATION REPORT ON MY COMPANY, AS LISTED BELOW:**

\_\_\_\_\_  
*(YOUR COMPANY NAME)*

\_\_\_\_\_  
*(YOUR COMPANY STREET ADDRESS)*

\_\_\_\_\_  
*(CITY, STATE, ZIP)*

\_\_\_\_\_  
*(YOUR COMPANY PHONE NUMBER)*

\_\_\_\_\_  
*(YOUR COMPANY FAX NUMBER)*

\_\_\_\_\_  
*(YOUR PERSONAL/CONTACT NAME)*

***SECTION TWO:***  
**THE RECIPIENT OF THE INFORMATION**

**PROVIDE ONE COPY OF THE PAST PERFORMANCE EVALUATION REPORT ON MY COMPANY TO THE FOLLOWING:**

- G.4.3 If more than one proposed change is submitted, the accompanying floor plan(s) must include the changes being requested plus all previous changes that have been made.
  - G.4.4 Modifications must not be made until contractor receives WRITTEN approval from the CO.
  - G.4.5 All authorized changes affecting barriers or boundaries, equipment, security devices, etc., must be approved in writing by the contractor's security director in addition to the designated contractor's authorized representative who is submitting the request for approval.
  - G.4.6 All versions of floor plans must be kept updated, i.e., if the contractor submits an enlarged department plan denoting proposed changes, the contractor must also submit the overall floor plan for the entire floor with the same proposed changes noted.
  - G.4.7 The procedures for submitting all floor plans are found in Section B.4.
- H LIAISON WITH LAW ENFORCEMENT: The contractor must provide, as part of the security plan, documentation reflecting a good working relationship with local law enforcement organizations. A statement must be included as to the location of law enforcement offices in relation to the plant and their response times in the event of emergency.

vehicles. The inspection(s) will be at a prearranged time agreed to by all parties. The contractor will be liable to insure that all vehicles used to transport Mailing Online mail pieces meet the requirements. Only vehicles in good condition may be used to transport mail pieces. Trailers must offer the best security features available such as heavy duty construction, locking hasps, and must:

- a. be fully enclosed;
- b. be weatherproof;
- c. provide a safe and dry storage area;
- d. if equipped with skylights, skylights must be secured with non-removable screws and/or reinforced with materials consistent with the construction of the side walls;
- e. not have side doors;
- f. have rear swing doors equipped so they can be security sealed;
- g. have the minimum insurance requirements of DOT for the GVW.

E.2.7 The trailer must be sealed by the contractor personnel at the contractor's facility and will be unsealed at the destination. Both the sealing and unsealing will be witnessed by the driver or other personnel of the carrier. Sealing must include the use of a high-security padlock, positive locking/non-spring loaded, one-half inch, case-hardened shackle in a case-hardened, steel-cased padlock, approved by the CO and Inspection Service which must be used on the trailer door locking hasp.

E.2.8 Evidence of delivery must be submitted to the contractor by the carrier. Such evidence must be a receipt, signed by an individual at the final destination.

## G IMPLEMENTATION OF SECURITY PLAN

G.1 POST-AWARD INSPECTION: The Contracting Officer will conduct a post-award inspection of contractor facilities to determine that implementation of the approved security plan has occurred prior to commencement of production. Deficiencies identified at post-award inspections must be corrected before work begins under this contract.

G.3 PERFORMANCE: The Postal Service will monitor adherence to the security plan throughout the duration of this contract by means of inspections, surveys, and audits, both scheduled and unscheduled.

G.4 MODIFICATIONS: After approval of the security plan by the Postal Service, contractor must not modify provisions of the plan without express written approval from the CO. Such modifications must include but not be limited to the following elements:

G.4.1 All proposed modifications must include a narrative of all physical security changes to be made.

G.4.2 All proposed modifications must include a copy of the most recent floor plan with the proposed changes noted accordingly.

- D.3 SECURITY DEFICIENCIES: Any event which could jeopardize security must be immediately reported by telephone to the Postal Inspector in Charge of the manufacturing facility area. The USPS CO must be notified by 8:00 a.m. Eastern Time the following business day.
- E.1 TRANSPORTATION SECURITY PLAN REQUIREMENT: The security and accountability plan must address security measures for transportation of unfinished Mailing Online mail pieces if different processing facilities are used for printing and finishing. These requirements also apply to the transportation of finished mail pieces to a point where the Postal Service accepts custody. A statement including the precise street address of the printing and finishing facilities must be included. If they are different, the security plan must address transportation security requirements in E.2.
- E.2 HIGH-SECURITY CARRIER SERVICE: The contractor must provide a high degree of security in transit between its printing and finishing facilities or between its facilities and the point where the Postal Service accepts custody, whether using its own equipment or subcontracting with another carrier. This plan must specify the precise security requirements the carrier will follow in protecting the mail pieces in transit. The Mailing Online mail pieces may not be carried on the vehicle with any other items, with the exception of other mail being handled by the contractor. In no event may the Mailing Online mail pieces be commingled with other mail. The following minimum requirements must be imposed on the carrier.
- E.2.1 Arrival at destination must be as soon as possible, after departure, considering road conditions.
- E.2.2 All drivers/riders must have undergone the clearance procedures as listed in C.2.1 and all drivers must have the proper Commercial Driver License for the vehicle which they are driving. One driver must remain with the vehicle at all times, and during stops the vehicle must be under constant surveillance.
- E.2.3 The carrier must designate one primary and one alternate contact. The contact will be responsible for all communication between the carrier and contractor, US Postal Service, and Inspection Service personnel. Additionally, the contact will supervise the operation of the route and must be easily contacted by telephone in the event of unexpected problems.
- E.2.4 In the event of distress alert, the carrier and/or contractor must immediately notify the police department in the jurisdiction where the vehicle is located, then notify the local postal inspector, then notify the CO and COR, and then notify the contractor, if contractor is not equipped for monitoring. A current list of postal inspector telephone numbers will be provided by the Postal Service to the contractor. The contractor must furnish the list of telephone numbers to the carrier. A current list of telephone numbers for the police jurisdictions covering the entire route must be maintained by the carrier and be available at all times to the persons monitoring the shipments. In the event of delays en route, for any cause, the carrier must notify the official designated by the CO and an official of the contractor by telephone, stating the point at which delayed, reason for the delay, and estimated time of arrival.
- E.2.5 The carrier must provide in advance to the Inspection Service a copy of the routing. The CO will provide the Inspection Service address.
- E.2.6 US Postal Service and/or Inspection Service personnel will conduct a cursory inspection of the vehicle(s) to be used to transport the mail for adherence to the requirements for the

made at least 10 calendar days before the visit. However, the provisions of C.3.2 must be followed for the visiting person(s).

- C.3.5 US Postal Service and Inspection Service Personnel: The contractor must grant unannounced access to the facility, including non-normal working hours, to all US Postal Service Purchasing and Inspection Service personnel bearing credentials as specified by the CO. US Postal Service and Inspection Service personnel are not subjected to security clearances using the contractor's security clearance procedures. The CO will furnish a list(s) of US Postal Service and Inspection Service personnel who will frequently visit the contractor's plant. These personnel must be issued distinctive badges by the contractor. Any US Postal Service personnel assigned to the contractor's plant must be issued a distinctive badge by the contractor. Other US Postal Service and Inspection Service personnel who are properly identified by photo identification badges and are visiting the contractor's facility on official business may have access to the production areas, however, the provisions of C.3.2 must be followed for visiting US Postal Service personnel. The contractor must provide suitable work space for authorized US Postal Service and Inspection Service personnel who may visit or be stationed at the contractor's facility upon request by the CO. Audits and inspections may be made at any time at any facility, including subcontractors, to insure compliance with accountability procedures, quality control procedures, and security provisions of the contract.
- C.3.6 Pick-up and Delivery Personnel Holding Area: In some instances, non-contractor employees such as truck drivers are required to wait in the contractor's plant for a given period of time while pursuing their duties. The contractor must establish a holding area for such persons. These persons may not leave such an area without an escort cleared under the terms of C.1 above unless they have been provided a USPS security clearance. In any case, persons assigned to a holding area must be logged in and out of the facility creating a record of the precise time and date of each truck driver's entry or exit from the holding area.
- C.3.7 Access Log: Control stations with manual sign-in/sign-out logs or electronic access control devices that catalogue and retain access information must be established at entrance and exit points of all secure floor plan areas where the Mailing Online mail pieces are produced and stored. The date and precise time must be recorded each time a person enters or exits a secure Mailing Online area. This requirement must also apply to the facility's main entrances and exits, as well as loading dock areas.
- D.1 CONTROL OF MATERIALS: The plan must include how any accountable material will be handled within the contractor's facility and the safeguards to limit access to the material. Structured internal control and accountability procedures must be defined which require the contractor to reconcile accountable material to conforming finished product and waste at the conclusion of each day. The offeror must develop and submit with its offer a reconciliation plan and procedures for any accountable material. The contractor's internal control and reconciliation process may be audited for accuracy and verification by the USPS on an unannounced basis.
- D.2 PREVENTION OF THEFT AND PILFERAGE: The Postal Service considers all areas where its products are being produced and processed as highly critical and vulnerable areas. This also includes areas used for the storage of finished product and waste and those used for the destruction of the waste. The contractor must place special emphasis on a pilferage and a theft control program for these areas. The program must include quarterly audits by the contractor of all manufacturing process records, all accountability records, and all procedures followed in the shipping and receiving department. Copies of these audits must be made available upon request.



C.2 PERSONNEL SECURITY CLEARANCES: The contractor must conduct background investigations of all prospective and current employees assigned to work on Mailing Online to determine their suitability to work under this contract. (See USPS Administrative Support Manual section 272.3, as amended 9/25/97 and 4/9/98). The contractor's security plan must describe in detail how background checks are conducted, and what criteria the contractor will apply to background information to determine suitability. A release form detailing the specific steps to be taken during the background investigation must be created and signed by current employees and applicants. The form must authorize the release of information necessary to complete the personnel clearance. The contractor must provide the criteria both for refusing to hire and for terminating an employee.

C.3 IDENTIFICATION AND CONTROL OF PERSONNEL

C.3.1 Assigned Employee Badge System: The contractor must establish a system for the identification of individuals having access to the secure Mailing Online production area. At a minimum, before beginning any work in the secure area, each employee must be issued a laminated identification badge with a color photograph of the bearer. Badges must be of such a nature as to clearly distinguish the bearers from employees who do not have legitimate access to the Mailing Online production area. Accountability controls for badges must be developed. The offeror must submit a sample badge with its proposal.

C.3.2 Access by Unassigned Employees: All employees entering the secure Mailing Online areas who are not assigned normal duties in the production of Mailing Online mail pieces and have not been cleared under the terms of C.2 above, must be signed-in and signed-out of the area(s). Persons described above must be accompanied at all times by a cleared employee. Persons described above must be assigned a "Visitor" badge.

C.3.3 Access by Subcontractor (Supplier) Personnel: All persons of any subcontractor (supplier) requiring routine entry to the secure production area(s) within a quarter year must conform to the following. A request stating the reason and what area(s) such person(s) need access to, must be furnished by such person(s) and concurred by a responsible official of the contractor in writing to the Contracting Officer and USPS Inspection Service. Once the person(s) has been cleared by the USPS, they may have access to the production area(s) which they have been cleared for, however, the provisions of C.3.2 must be followed for visiting by said personnel. All initial requests must be made at least 10 calendar days before the first visit. A quarterly request must be furnished by the person(s) and contractor for continued access to the production area(s). The quarterly request must also include a listing of all visits by said personnel. The listing must include date and length of access to the production area(s). Failure to renew access prior to the end of the quarter will require denial of access to the production area(s) until such time as a new request is cleared by the USPS. Additionally, such person(s) must be denied access to any area for which they have not been cleared. All requests must be on the prime contractor's letter head.

C.3.4 Other Non-Personnel Clearance Requirements: Persons requesting periodic entry to the secure Mailing Online production area other than those who normally conduct business in that area must conform to the following. A request by such persons must be in writing to the Contracting Officer (or the Contracting Officer's Representative) with notification to the USPS Inspection Service stating the reason for the visit and the names and identification of person(s) making the visit. Once person(s) has been cleared by the USPS and the contractor, there must be no deviation in person(s) making the visit. All requests must be

- B.6 ELECTRONIC SURVEILLANCE SYSTEM: Electronic surveillance systems such as closed circuit television (CCTV) and anti-intrusion devices may be utilized to enhance the security being afforded Mailing Online mail pieces. If used, the CCTV system must provide exterior and interior coverage of all doors and windows on all sides of the secure Mailing Online production area. (A sky-light is defined as a window.) The system must have the capacity to record all cameras using a multiplex system. All video tapes must be stored for a minimum of 30 days. Provisions must also be made for standby or emergency alarm systems. Alternatives to these requirements that satisfy USPS security objectives may be approved in writing. Consideration will be on a case-by-case basis.
- B.7 ALARMS AND ALARMED AREAS: The contractor must include detailed information for the following items:
- a. What alarms (internal and external) are directly wired to a central station.
  - b. What alarms can be shunted.
  - c. During what hours EACH alarm can/will be shunted.
  - d. In the event an alarmed area is breached, the procedures to be followed by guards, police, alarm company, and employees.
  - e. Alarms and intrusion detection response times. The Postal Service reserves the right to find unacceptable response time exceeding two minutes.
- B.8 VEHICLE SECURITY: All vehicle and vehicle personnel with the authority to enter loading areas or vehicles which are to be unloaded/loaded from an exterior dock must be identified. The contractor's security plan must include such a procedure. All trailers must be inspected prior to opening contractor's doors. Definitive security procedures used by employees when loading/unloading vehicles must be specified.
- C.1 EMPLOYMENT POLICY: The contractor must provide the Postal Service, as a part of its security plan, a statement of personnel policy, a copy of the employee rules, and an example of the company's application for employment. The employment application must require current employees and applicants to make a definitive statement concerning prior felony criminal convictions. A felony criminal conviction is defined as an offense which carries a maximum potential penalty of incarceration for more than one year. At the beginning of each year, the contractor must provide the Postal Service with a list of employee holidays. Persons with the following qualifications are not permitted to provide services under this contract:
- a. A person on parole, probation, or under suspended sentence for commission of a felony.
  - b. A person with a known recent criminal record which involve convictions for offenses involving moral turpitude, dishonesty, or financial gain.\*
  - c. A person who has recently engaged in the illegal use, possession, sale, or transfer of controlled substances.\*

\* The term "recent" as used in these requirements means within the last three to five years depending on the severity of the crime (i.e., grand theft verses petty larceny) or number of convictions (i.e., habitual criminal versus one time).

- B.4.1 Outer Perimeter: An outer perimeter plan must be provided that will clearly indicate all barriers or boundaries, structures, and all security features that are or will be in place at the time of contract performance.
- B.4.2 Interior Floor Plan: An interior floor plan must be provided showing the entire facility. The plan must clearly indicate the exact location of all interior features. This plan must be clearly marked to denote (1) the departments within the facility, (2) areas in which the work under this contract will be performed, (3) area(s) where finished work will be stored, (4) area(s) where waste will be stored prior to destruction, and (5) area(s) where destruction of waste will be performed.
- B.4.3 Outer Perimeter/Floor Plan Documentation:
- a. Must include date of drawing.
  - b. Must be the equivalent of an architect's floor plan (hand-drawn plans are not acceptable).
  - c. If the facility has more than one floor, one complete plan must be submitted for each floor. When necessary, separate departmental plans must be provided to denote details.
  - d. Different symbol must be used for type of security feature. Each individual security feature must be identified by type and number, as in the following examples,  
  
CCTV fixed 1, CCTV fixed 2, etc.  
CCTV scan 1, CCTV scan 2, etc.
  - e. All doors must be identified by type and number, as in the following examples,  
  
Cargo Loading Doors: CLD1, CLD2, etc.  
Inner Doors: ID1, ID2, etc.  
Fire Doors: FD1, FD2, etc.  
Outer Doors or Employee Entrances: D1 OR EE1, etc.
  - f. A legend identifying each symbol must be provided.
- B.5 BUILDING SECURITY: Areas where Mailing Online mail pieces are being produced or stored must be compartmentalized to the extent required so that these areas are accessible only to contractor personnel involved in the above-referenced production or storage activities. Movement of personnel and equipment in and out of these areas must be rigidly controlled during all operational hours and secured during non-operational hours. (Operational hours are defined as the time beginning when Mailing Online documents are moved from the file server to the printing equipment until the finished mail pieces leave the facility.) A complete audit trail, by computer or manual log entry, for all personnel entering or leaving must be maintained. The contractor must establish a policy requiring a minimum of two persons in the secure Mailing Online area any time any person is in the area. The contractor must develop internal procedures to be followed during operational and non-operational hours when entering and exiting all Mailing Online production areas (including breaks, lunches, after hours, weekends, etc.). The contractor must identify the methods used to secure each area (locks, seals, alarm, etc.) as well as the persons responsible for securing departments.

**ATTACHMENT II**  
**SECURITY REQUIREMENTS**  
**FOR MAILING ONLINE PRINT SITE**

- A SECURITY PLAN DOCUMENTATION: The Security Plan must be submitted at the time of offer and dated and signed by a responsible official of the offeror. Individual security plans for each subcontractor site must also be submitted. This plan shall, at a minimum, provide information by responding in a structured format to the following headings. The agreed upon plan must be signed by the CO, Inspection Service, and a responsible official of the contracting firm and will be incorporated into the contract. The contractor shall review the plan annually and shall make any necessary revisions at that time. Any revision document shall also be signed by the parties indicated above.
- A.1 CONTRACTOR'S RESPONSIBILITIES: The Postal Service requires the contractor to develop and implement a comprehensive security system for the protection of all work in progress. This system must encompass a broad scope of controls including both physical security and complete control of all materials. This plan must be endorsed by management and must be clearly prescribed. Personnel identification, responsibility, authority, and function within the organization must be detailed. The contractor must establish and maintain a workable and effective security program which ensures the integrity of the mail. This must include all phases of printing, finishing, storage, and delivery to the Postal Service. The security control plan must outline in detail how the applicable security requirements will be met. The control of waste must be included in the contractor's written Quality Assurance Plan. If contract performance is at more than one site, individual security plans must be submitted for each site. It must be the contractor's responsibility to assure all subcontractors conform to USPS security requirements.
- B PHYSICAL SECURITY OF FACILITY: All proposed sites must be located in an area which assures the Postal Service a high degree of confidence in the security of the contractor's operations.
- B.1 PERIMETER SECURITY: Perimeter security must consist of a barrier or boundary around the Mailing Online production area that will clearly demarcate the area and property to be protected and that will effectively deter or delay unauthorized intrusions. The barrier must also provide for the orderly and controlled ingress and egress of vehicular and pedestrian traffic.
- Note: All structures may not have an exterior fence or recognizable boundary. In such cases, the exterior walls, windows, and doors of the building may be considered the barrier and be secured accordingly.
- B.2 SECURITY AREA: The security area is the area between the perimeter boundary and the plant or structures comprising the facility. This area must be maintained clear of any materials or natural growth which would interfere with the observation of the area by security personnel.
- B.3 PROTECTIVE LIGHTING: All areas outside and inside the complex must be well illuminated. The system must also provide adequate illumination for the outer perimeter barrier, especially at entry and exit points. The lighting system must be of such type that it can be easily controlled and maintained from a secured area.
- B.4 OUTER PERIMETER/FLOOR PLANS: Procedures for submitting all floor plans (internal and external) must be as follows:

- (4) Notifying a mailer of addressing inaccuracies affecting OCR readability if the film or copy is secured in a locked cabinet, then destroyed as soon as the mailer resolves the inaccuracies.
  - (5) Facilitating internal postal operations under specific authorization from the chief postal inspector and written instructions from the records officer not to disclose the information outside the Postal Service, and to destroy the film or copy after a given retention period.
  - (6) Resolving a problem of machine miswriting or of miscode or unreadable OCR mail if the information is disclosed only to the postal employees resolving the problem and that the copy is destroyed immediately after resolution of the problem.
  - (7) Resolving a problem that involves Express Mail and is based on a complaint from the sender or addressee, a refund request from the sender, or an internal service report if the information is disclosed only to the postal employees resolving the problem and that the film or copy is destroyed immediately after resolution of the problem.
  - (8) Providing information to a Postal Service contractor in the performance of a contract with the Postal Service, but only if disclosure is authorized by the chief postal inspector and use of the information is in strict compliance with contract clause 1-7, Non-Disclosure of Address Information (Appendix B of Publication 41, USPS Procurement Manual).
- g. From the covers of mail to document the mailing of an item that has, or is reasonably suspected of having, improper postage of any kind. This subsection may be used only by a postal inspector or by a postal employee acting at the direction of a postal inspector, and any documentation must be destroyed when it is no longer needed for official use.
  - h. If otherwise permitted by postal regulations.

**[Section 274.6 omitted]**

#### **274.7 Cooperation With Federal, State, and Local Agencies**

A postal employee receiving a request from a federal, state, or local law enforcement, intelligence, or other government agency, for access to, or information about, particular mail matter of any class in the custody of the Postal Service must refer the request to the Postal Inspection Service. The employee must include an explanation that the Inspection Service is responsible for liaison with all government agencies with respect to a request of this kind. No employee of the Inspection Service may comply with such a request, unless authorized by postal regulations.

**[Sections 274.8 and 274.9 omitted]**

- d. A postal employee acting in strict accordance with postal regulations (for example, 274.4 or DMMT 153.145).
- e. A postal employee acting under postal regulations with the addressee's or sender's express consent (for example, DMM D030 or DMMT 153.19).
- f. A postal employee acting under an order issued under 39 U.S.C. 3005, relating to false representations, lotteries, and unlawful matter.
- g. A postal employee acting under 274.62.
- h. A postal employee conducting a mail count by direction of a postmaster or a postal inspector.
- i. A postal employee acting under a federal court order.
- j. A postal employee, during the period required to seek and obtain instructions under DMMT 153.7, concerning mail whose delivery is in dispute, or under 424.1 of the Postal Operations Manual (POM) concerning legal process, other than a search warrant duly issued under Rule 41 of the Federal Rules of Criminal Procedure, purporting to require the surrender of mail matter.
- k. A postal employee or an agricultural inspector of a state or territory of the United States, acting under the Terminal Inspection Act (7 U.S.C. 166) and in strict accordance with pertinent procedures in Publication 14.

#### **274.32 Unsealed Mail**

Mail not sealed against inspection may be delayed or detained for the reasons in 274.31, and as otherwise expressly permitted by postal regulations.

#### **[Section 274.4 omitted]**

#### **274.5 Disclosure of Information Collected From Mail Sent or Received by Customers**

Except under 274.5a through 274.5g, no employee may, in the performance of official duties, disclose information on the cover of a piece of mail; information from the contents of a piece of mail inspected as authorized; or other information about a piece of mail sent or received by any sender, addressee, or group of senders or addressees. An employee may disclose such information:

- a. To the Postal Inspection Service for its official use, including appropriate reference to law enforcement authorities, when there is a reasonable basis to suspect that such information is evidence of the commission of a crime. This exception does not apply to information obtained by opening sealed mail in a mail recovery center, as that information may be used only in seeking to identify an address at which the mail can be delivered.
- b. Under 213 regarding mail covers.
- c. Under a search warrant in accordance with 274.6.
- d. Under a federal court order.
- e. At the request of the sender or addressee, or the authorized agent of either.
- f. From the covers of mail by films or photocopies of the covers only for the following postal operations:
  - (1) Resolving or recording a service complaint when the complaining customer presents the cover as evidence.
  - (2) Serving in place of Form 3546 if the film or copy shows nothing but the addressee's prior and current addresses, and does not reveal the sender's name and address, the postmark, or any other information.
  - (3) Serving in place of Form 3547 by showing the cover with an address-correction label affixed in reply to a mailer's request for address correction on First-, third-, or fourth-class mail.

The following terms and definitions apply:

- a. For purposes of this part, the terms “mail sealed against inspection” and “sealed mail” mean mail on which appropriate postage is paid, and which, under postal laws and regulations, is included within a class of mail maintained by the Postal Service for the transmission of letters sealed against inspection.
- b. The terms include first-class Mail, Priority Mail, Express Mail (domestic and international), Mailgram messages, and the international letter mail forming part of the LC class of Postal Union mail. See the definition of Postal Union mail in the International Mail Manual.
- c. The terms exclude incidental first-class matter permitted to be enclosed in or attached to certain second-, third-, or fourth-class mailings (see DMM E070) and international transit mail (see 274.8).
- d. When sealed mail is part of a mixed class mailing (see DMM E070), the sealed mail component of the combination item is treated as sealed mail only if it is contained in its own envelope or other form of sealed container.

#### **274.232 Mail Not Sealed Against Inspection**

The following terms and definitions apply:

- a. For purposes of this part, the terms “mail not sealed against inspection” and “unsealed mail” mean mail on which appropriate postage for sealed mail is not paid, and which under postal laws or regulations is not included within a class of mail maintained by the Postal Service for the transmission of letters sealed against inspection.
- b. The terms include Periodicals, Standard Mail, incidental first-class attachments or enclosures mailed under DMM E070, and (as defined in the International Mail Manual) international parcel post mail, the AO class of Postal Union mail, and the international post cards and postal cards forming part of the LC class of Postal Union mail.
- c. The terms do not include international transit mail (see 274.8).

**[Section 274.24 omitted]**

### **274.3 Permissible Detention of Mail**

#### **274.31 Sealed Mail Generally Not Detained**

No one may detain mail sealed against inspection (other than a postal employee detaining dead mail), except under the following conditions:

- a. A postal inspector acting diligently and without avoidable delay, upon reasonable suspicion, for a brief period of time, to assemble evidence sufficient to satisfy the probable-cause requirement for a search warrant under 274.6, and to apply for, obtain, and execute the warrant.
- b. A postal inspector acting under 39 U.S.C. 3003 who causes to be withheld from delivery mail that he or she believes is involved in a scheme described in that statute if prompt written notice is given to the addressee advising the addressee of such action, the reasons for the action, and the addressee’s right to have such action reviewed under 39 CFR 964.
- c. A postal inspector acting under 39 U.S.C. 3004 who causes to be withheld from delivery letters or parcels sent in the mail to places not the residence or regular business address of the person to whom they are intended to enable the person to escape identification, if prompt written notice is given to the addressee advising the addressee of such action, the reasons for such actions, and the addressee’s right to have such action reviewed under 39 CFR 964.

## PART 4 - ATTACHMENTS

### ATTACHMENT I (EXCERPTS FROM USPS ADMINISTRATIVE SUPPORT MANUAL)

#### 274 Mail Security

##### 274.1 Importance

The Postal Service must preserve and protect the security of all mail in its custody from unauthorized opening, inspection, or reading of contents or covers; tampering; delay; or other unauthorized acts. Any postal employee committing or allowing any of these unauthorized acts is subject to administrative discipline or criminal prosecution leading to fine, imprisonment, or both. In cases when an employee having a question about proper mail security procedures cannot consult a supervisor and when the procedures are not clearly and specifically answered by postal regulations or by written direction of the Inspection Service or General Counsel, the employee must resolve the question by protecting the mail in all respects and moving it, or letting it move, without interruption, to its destination.

##### 274.2 Opening, Searching, and Reading Mail Generally Prohibited

###### 274.21 Mail Sealed Against Inspection

No person may open mail sealed against inspection; or search, inspect, read, or disclose information obtained from the mail or its contents; or surrender all or any part of such mail, whether or not such is believed to contain criminal or other nonmailable matter; except to the extent one or more of these actions is permitted because the person is:

- a. A postal employee in a mail recovery center acting under the dead mail regulations in Postal Operations Manual (POM) 65.
- b. A postal employee acting with the consent of the addressee or sender.
- c. A person executing a search warrant under 274.6.
- d. An authorized U.S. Customs Service or U.S. Department of Agriculture employee acting under 274.91 or 274.92.
- e. A postal inspector acting under 274.91d.
- f. A postal employee disclosing information under 274.5.
- g. An agricultural inspector of a state or territory of the United States, acting under the Terminal Inspection Act (7 U.S.C. 166) and in strict accordance with pertinent procedures in Publication 14, Mailing Animals, Plants, and Related Matter: Restrictions and Prohibitions.
- h. Acting as otherwise expressly permitted by federal statutes or postal regulations.

###### 274.22 Mail Not Sealed Against Inspection

Mail not sealed against inspection may be opened, and its contents searched, inspected, and read, all or any part of it surrendered, and information obtained from it released, but only to the

extent a person is permitted to take one or more of these actions under the following conditions:

- a. Under any of the conditions that qualify for an exception under 274.21.
- b. When an authorized postal employee must determine the mailability of the contents or the applicable postage.
- c. As otherwise expressly permitted by federal statutes or postal regulations.

##### 274.23 Definitions

###### 274.231 Mail Sealed Against Inspection



10. Accounting systems; and
  11. Postal Service property controls.
- b. Offerors are also advised that accomplishment of this survey is a part of the evaluation process and is not an indication that an offeror will receive an award.

**f. Provision A-23 Place Of Performance (January 1997)**

If the offeror intends, in the performance of any contract resulting from this solicitation, to use one or more facilities located at addresses different from the offeror's address as indicated in this proposal, the offeror must include in its proposal a statement referencing this provision and identifying those facilities by street address, city, county, state, and ZIP Code, and the name and address of the operators of those facilities if other than the offeror.

**g. Provision 3-1 Notice of Small, Minority and Women-owned Subcontracting Requirements (February 1999)**

All suppliers, except small businesses, or unless this purchase is being made under commercial procedures, must submit with their proposals the contract-specific subcontracting plan required by the Clause 3-1, *Small, Minority, and Women-owned Business Subcontracting Requirements*. Generally, this plan must be agreed to by both the supplier and the Postal Service before award of contract.

**3.8 PRE-PROPOSAL CONFERENCE (PROVISION 4-8) (JANUARY 1997)**

- a. The Postal Service is planning a pre-proposal conference during which potential offerors may obtain a better understanding of the work required. The date/ time for this pre-proposal conference is:  
WEDNESDAY JANUARY 26, 2000  
10:00 A.M.

US POSTAL SERVICE  
PURCHASING & MATERIALS SERVICE CENTER  
150 SOUTH WACKER DRIVE SUITE 200  
CHICAGO IL 60606-4100

Please limit attendees to a maximum of two representatives per company.

- b. Offerors are encouraged to submit all questions in writing at least five days before the conference. Questions will be considered at any time prior to or during the conference. Subsequent to the conference, the Postal Service will distribute to all conference participants and all other prospective offerors a record of the conference containing an abstract of the questions and answers, and a list of attendees. If warranted, an amendment will be issued to reflect changes to the solicitation.
- c. Offerors are cautioned that, notwithstanding any remarks or clarifications given at the conference or in the post-conference abstract, all terms and conditions of the solicitation remain unchanged unless changed by amendment.

demonstration, this product must be offered to the Postal Service at the same price (or a lower price), and be certified as functionally equivalent. If the offeror fails the second demonstration, the offeror will be unacceptable for after completion of the demonstration whether it was satisfactory or unsatisfactory.

- d. The Postal Service reserves the right to proceed with a demonstration by the next-ranked offeror if such demonstration has not already been accomplished. The same terms and conditions would apply to this offeror.

#### **d. Submission Of Financial Statements**

For the purpose of this requirement, the term "current financial statement" is defined as the data (including both the Balance Sheet and Income Statement covering each of the offeror's immediate past two fiscal years (normally the most Annual Reports), together with an interim report to as near the submission date as possible. These guidelines are to be observed:

- a. Statements shall be prepared in accordance with Generally Accepted Accounting Principles.
- b. Statements shall include all required notes to the Financial Statements.
- c. Statements must be certified by either a company executive as to the accuracy and veracity of the statements, or by an opinion statement on the fairness of the presentation after review by independent auditors.

It may become necessary for the offeror to submit additional financial information prior to award.

The offeror must either include a copy of its current financial statements (most recent balance sheet and profit and loss statement, updated) or, alternatively, be prepared to submit such data immediately upon request. Submitted data must be certified by a company officer as to accuracy and veracity.

Financial information received will be treated as confidential and will not be used for purposes other than evaluation of financial responsibility.

#### **e. NOTICE OF PREAWARD SURVEY**

- a. Offerors are advised that the Postal Service may contact prospective contractors to determine their capabilities to perform the work specified in this solicitation. In addition to financial statement and credit rating checks, the Postal Service may visit a prospective contractor's facilities to perform reviews or may ask for additional written information. Areas of interest in this regard may include--
  - 1. Performance plans;
  - 2. Quality control plans;
  - 3. Personnel recruitment and training plans;
  - 4. Workload factors for support utilization;
  - 5. Management plan for handling peak workloads;
  - 6. Production capability, including—
    - (a) Plant facilities and equipment;
    - (b) Purchasing and subcontracting;
    - (c) Labor resources;
    - (d) Performance record; and
    - (e) Ability to meet delivery schedules;
  - 7. Environmental/energy considerations;
  - 8. Plant safety;
  - 9. Technical and professional abilities;

certification may be submitted either for each subcontract or for all subcontracts during a period (quarterly, semiannually, or annually).

**e. Equal Opportunity Affirmative Action Program**

The offeror, by checking the applicable block or blocks, represents that it (1) has developed and has on file, has not developed and does not have on file, at each establishment, affirmative action programs as required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2) and has, has not filed the required reports with the Joint Reporting Committee, or (2) has not previously had contracts subject to the written affirmative action program requirement of the rules and regulations of the Secretary of Labor.

**3.7 Addendum to Provision 4-3**

**a. Provision A-22 Authorized Negotiators (January 1997)**

The offeror represents that the following persons are authorized to negotiate on its behalf with the Postal Service in connection with this solicitation (offeror list names, titles, and telephone numbers of the authorized negotiators).

---

---

---

**b. Provision 1-3 Contractor Screening Requirements (January 1997)**

The contract resulting from this solicitation will require the contractor or its employees (including subcontractors and their employees) to have access to occupied postal facilities, and/or postal information and resources (including postal computer systems. Clearance in accordance with Administrative Support Manual 272.3 will be required before that access will be permitted. It is the contractor's obligation to obtain and supply to the Postal Service the form and information required by that regulation.

Offerors must familiarize themselves with the requirement of that section, taking into account in their offices the time and paperwork associated with the screening.

**c. Provision 4-4 Demonstrability (January 1997)**

- a. At the sole discretion of the Postal Service and before award of the contract, the Postal Service, upon notification by the contracting officer, may request a test demonstration to validate the technical acceptability of the offeror's proposal. The intent of the Postal Service in any test demonstration is to conduct a test of any or all products proposed by the offeror no less than 40 calendar days after receipt of the offeror's proposal and within seven working days after the contracting officer's written notification, at a mutually agreeable site approved by the Postal Service.
- b. The demonstration serves the sole purpose of validating/confirming the offeror's proposal and will not result in any additional revisions to that proposal, nor be construed to be an opportunity to revise.
- c. While the Postal Service intends to conduct the demonstration only with the responsible offeror selected for this purchasing, the Postal Service reserves the right to request test demonstrations from any or all offerors in the competitive range. The demonstration will be conducted on a pass/fail basis. If the demonstration does not validate the offeror's proposal on the initial observation, the offeror will be afforded a second opportunity to correct the test deficiencies. Within ten calendar days after notification of the unsatisfactory results, the offeror must conduct the second demonstration. If the offeror elects to substitute a product in any second

c. Certificate of Independent Price Determination

- (1) By submitting this proposal, the offeror certifies, and in the case of a joint proposal each party to it certifies as to its own organization, that in connection with this solicitation:
  - (a) The prices proposed have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to the prices with any other offeror or with any competitor;
  - (b) Unless otherwise required by law, the prices proposed have not been and will not be knowingly disclosed by the offeror before award of a contract, directly or indirectly to any other offeror or to any competitor; and
  - (c) No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.
- (2) Each person signing this proposal certifies that:
  - (a) He or she is the person in the offeror's organization responsible for the decision as to the prices being offered herein and that he or she has not participated, and will not participate, in any action contrary to paragraph a above; or
  - (b) He or she is not the person in the offeror's organization responsible for the decision as to the prices being offered but that he or she has been authorized in writing to act as agent for the persons responsible in certifying that they have not participated, and will not participate, in any action contrary to paragraph a above, and as their agent does hereby so certify; and he or she has not participated, and will not participate, in any action contrary to paragraph a above.
- (3) Modification or deletion of any provision in this certificate may result in the disregarding of the proposal as unacceptable. Any modification or deletion should be accompanied by a signed statement explaining the reasons and describing in detail any disclosure or communication.

d. Certification of Nonsegregated Facilities

- (1) By submitting this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract.
- (2) As used in this certification, segregated facilities means any waiting rooms, work areas, rest rooms or wash rooms, restaurants or other eating areas, time clocks, locker rooms or other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment area, transportation, or housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise.
- (3) The offeror further agrees that (unless it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors before awarding subcontracts

exceeding \$10,000 that are not exempt from the provisions of the Equal Opportunity clause; that it will retain these certifications in its files; and that it will forward the following notice to these proposed subcontractors (except when they have submitted identical certifications for specific time periods):

Notice: A certification of non segregated facilities must be submitted before the award of a subcontract exceeding \$10,000 that is not exempt from the Equal Opportunity clause. The

operated, is not dominant in producing or performing the supplies or services being purchased, and has no more than 500 employees, unless a different size standard has been established by the Small Business Administration (see 13 CFR 121, particularly for different size standards for airline, railroad, and construction companies). For subcontracts of \$50,000 or less, a subcontractor having no more than 500 employees qualifies as a small business without regard to other factors.

- (4) **Minority Business.** A minority business is a concern that is at least 51 percent owned by, and whose management and daily business operations are controlled by, one or more members of a socially and economically disadvantaged minority group, namely U.S. citizens who are Black Americans, Hispanic Americans, Native Americans, or Asian Americans. (Native Americans are American Indians, Eskimos, Aleuts, and Native Hawaiians. Asian Americans are U.S. citizens whose origins are Japanese, Chinese, Filipino, Vietnamese, Korean, Samoan, Laotian, Kampuchea (Cambodian), Taiwanese, in the U.S. Trust Territories of the Pacific Islands or in the Indian subcontinent.)
- (5) **Woman-owned Business.** A woman-owned business is a concern at least 51 percent of which is owned by a woman (or women) who is a U.S. citizen, controls the firm by exercising the power to make policy decisions, and operates the business by being actively involved in day-to-day management.
- (6) **Educational or Other Nonprofit Organization.** Any corporation, foundation, trust, or other institution operated for scientific or educational purposes, not organized for profit, no part of the net earnings of which inures to the profits of any private shareholder or individual.

b. Parent Company and Taxpayer Identification Number

- (1) A parent company is one that owns or controls the basic business policies of an offeror. To own means to own more than 50 percent of the voting rights in the offeror. To control means to be able to formulate, determine, or veto basic business policy decisions of the offeror. A parent company need not own the offeror to control it; it may exercise control through the use of dominant minority voting rights, proxy voting, contractual arrangements, or otherwise.
- (2) Enter the offeror's Taxpayer Identification Number (TIN) in the space provided. The TIN is the offeror's Social Security number or other Employee

Identification Number used on the offeror's Quarterly Federal Tax Return, U.S. Treasury Form 941.

Offeror's TIN: \_\_\_\_\_

- (3) Check this block if the offeror is owned or controlled by a parent company:
- (4) If the block above is checked, provide the following information about the parent company:

Parent Company's Name: \_\_\_\_\_  
Parent Company's Main Office: \_\_\_\_\_  
Address: \_\_\_\_\_  
No. and Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Parent Company's TIN: \_\_\_\_\_

- (5) If the offeror is a member of an affiliated group that files its federal income tax return on a consolidated basis (whether or not the offeror is owned or controlled by a parent company, as provided above) provide the name and TIN of the common parent of the affiliated group:

Name of Common Parent \_\_\_\_\_  
Common Parent's TIN \_\_\_\_\_

**a. COST AND PRICE PROPOSAL**

- 1. The price proposal shall consist of five (5) copies one for each potential contract year, Part 1, taken in total from the solicitation document. The offeror shall insert only unit prices into the charts in Part 1. The price proposal must be separate from the technical proposal.
- 2. All costs must be defined in the contract pricing proposal, supported in accordance with the USPS Procurement Manual. Subcontract costs must be defined and accompanied by their respective contract pricing cover sheets and supporting data.
- 3. The offeror must indicate its fiscal accounting period and the name, address, and telephone number of its cognizant Government audit agency, if applicable.

**b. NUMBER OF PROPOSALS TO BE SUBMITTED**

The offeror must submit the following number of proposals:

One original and 4 copies in the following format:

- Tab A - PS Form 8203/Offer/Award/Solicitation
- Tab B - Business Proposal/Cost Proposal
- Tab C - Technical Proposal

**(Please do not spiral bind). Either staple or 3 ring bind**

The Business Proposal/Cost Proposal must be submitted under separate cover from the Technical Proposal.

**3.6 Provision 4-3 REPRESENTATIONS AND CERTIFICATIONS — COMMERCIAL ITEMS  
(January 1997)**

a. Type of Business Organization. The offeror, by checking the applicable blocks, represents that it:

(1) Operates as:

- a corporation incorporated under the laws of the state of \_\_\_\_\_;
- an individual;
- a partnership;
- a joint venture;
- a limited liability company
- a nonprofit organization, \_\_\_\_ or;
- an educational institution; and

(2) Is (check all that apply)

- a small business concern;
- a minority business           Black American
- Hispanic American
- Native American
- Asian American
- a woman-owned business;
- an educational or other nonprofit organization, or
- none of the above entities.

(3) Small Business Concern. A small business concern for the purposes of Postal Service purchasing means a business, including an affiliate, that is independently owned and

The Postal Service plans to award a fixed price indefinite quantity type of contract under this solicitation, and all proposals must be submitted on this basis. Alternate proposals based on other contract types \_\_ will X will not be considered.

### **3.4 Provision 4-2 EVALUATION — COMMERCIAL ITEMS (January 1997)**

- a. The Postal Service will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Postal Service, price and other factors considered. Price will be considered in the award decision, although the award may not necessarily be made to that offeror submitting the lowest price. This will be determined by comparing the differences in the value of technical/managerial features with differences in cost to the USPS. The USPS is more concerned with obtaining superior technical/managerial features than with making an award at the lowest overall cost to the USPS, therefore technical is more important than cost. However, the USPS will not make an award at a significantly higher overall cost to the USPS to achieve slightly superior technical/managerial features. The following six factors shall be used to evaluate the offers. Items 1, 2, 3, and 4 are equal and are more important than Items 5 and 6, which are equal.

#### **EVALUATION FACTORS**

- 1) Management Plan - Degree to which the Management Plan demonstrates an in-depth understanding of the requirement and the objectives of Mailing Online
- 2) Extent of experience with similar turnkey printing/mailing operations
- 3) Past Performance  

Offerors are advised that the Postal Service may consider additional information, including the offeror's comments on the D&B report and information obtained directly by the Contracting Officer, if any.
- 4) Supplier Capability
- 5) Security Plan - Degree to which the Security Plan demonstrates the ability to meet or exceed minimum requirement for ensuring the security of the mail, and for ensuring the protection of data, information, software and equipment furnished by the Postal Service.
- 6) Contingency Plan - Degree to which the Contingency Plan demonstrates the ability to meet, at all times, the requirements in the Statement of Work.

- b. A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer, shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the Postal Service may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

### **3.5 Addendum to Provision 4-2**

information contained in the data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (offeror insert numbers or other identification of sheets)."

- b. Mark each sheet of data they wish to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

**f. Provision A-10 Discounts (January 1997)**

- a. Even though a space is provided for entering a prompt payment discount, such discounts will not be considered in evaluating proposals for award. However, any prompt payment discount offered by a successful offeror will form a part of the contract, and will be taken by the Postal Service if payment is made within the discount period.
- b. In connection with any discount offered, time will be computed from the date of delivery of the supplies to the carrier when delivery and acceptance are at point of origin; or from the date of delivery at destination or port of embarkation when delivery and acceptance are at either of those points; or from the date when a correct invoice or voucher is received in the office specified by the Postal Service, if the latter date is later than date of delivery. Payment is deemed to be made, for the purpose of earning the discount, when the Postal Service mails the check.

**g. Provision A-12 Postal–Furnished Property or Services (January 1997)**

No property or services will be furnished by the Postal Service unless specifically provided for in the solicitation.

**h. Provision A-13 Labor Information (January 1997)**

General information regarding the requirements of the Walsh–Healey Public Contracts Act (41 U.S.C. 35–45), the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), and the Service Contract Act of 1965 (41 U.S.C. 351 et seq.) may be obtained from the

DEPARTMENT OF LABOR  
200 CONSTITUTION AVENUE NW  
WASHINGTON DC 20210–0999

or from any regional office of that agency.

**i. Provision A-15 Protests (January 1997)**

Protest will be considered only if submitted in accordance with the time limits and procedures provided in chapter 3 of the USPS Purchasing Manual. A copy of the protest procedures may be obtained from the office issuing the solicitation.

**k. Provision 2-6 Type Of Contract (January 1997)**



**b. Provision A-4 Late Submissions and Modifications of Proposals (January 1997)**

Any proposal or modification of a proposal received at the office designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and:

- a. It is the only proposal received; or
- b. Consideration of the proposal is determined by the contracting officer to be in the Postal Service's interest.

**c. Provision A-5 Acknowledgment of Solicitation Amendments (January 1997)**

- a. Offerors must acknowledge receipt of any amendment to this solicitation:
  - (1) By signing and returning the amendment;
  - (2) By identifying the amendment number and date in the space provided for this purpose on the solicitation form; or
  - (3) By letter, electronic or facsimile transmission.
- b. Acknowledgments of amendments are subject to the Late Submissions and Modifications of Proposals provision of the solicitation. Proposals lacking acknowledgment of an amendment affecting price, quantity, quality, or delivery may be disregarded.

Amendment Number	Date	Amendment Number	Date
_____	_____	_____	_____

**d. Provision A-6 Explanation to Prospective Offerors (January 1997)**

Any prospective offeror desiring an explanation or interpretation of the solicitation, drawings, or specifications must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their proposals. Oral explanations or instructions will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

**e. Provision A-7 Restriction on Disclosure and Use of Data (January 1997)**

Offerors that include in their proposal data they do not want used or disclosed by the Postal Service for any purpose other than proposal evaluation may take the following steps:

- a. "This proposal includes data that may not be duplicated, used, or disclosed outside the Postal Service — in whole or in part — for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of — or in connection with — the submission of such data, the Postal Service will have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Postal Service's right to use

sender's request and expense, unless they are destroyed during pre-award testing.

- d. **Multiple Offers.** Offerors are encouraged to submit multiple offers presenting alternative terms and conditions or commercial items for satisfying the requirements of this solicitation. Each offer submitted will be evaluated separately.
- e. **Late Offers.** Offers or modifications of offers received at the address specified for the receipt of offers after the exact time specified for receipt of offers will not be considered unless determined to be in the best interests of the Postal Service.
- f. **Contract Award.** The Postal Service intends to evaluate offers and award a contract without discussions with offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Postal Service reserves the right to conduct discussions if later determined by the contracting officer as necessary. The Postal Service may reject any or all offers if such action is in the best interest of the Postal Service; accept other than the lowest offer, and waive informalities and minor irregularities in offers received.
- g. **Multiple Awards.** The Postal Service may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. The Postal Service reserves the right to make an award on any items for quantity less than the quantities offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.
- h. **Availability of Requirements Documents Cited in the Solicitation.** The Index of Federal Specification, Standards and Commercial Item Descriptions and the documents listed in it may be obtained from the General Services Administration, Federal Supply Service Bureau, Specifications Section, Suite 8100, 470 L'Enfant Plaza, SW. Washington DC 20407 (202) 755-0325/0326).

### **3.3 Addendum to Provision 4-1**

#### **a. Provision A-3 Modification or Withdrawal of Proposals (January 1997)**

- a. Proposals may be modified by written notice, electronic or facsimile transmission if received at the office specified in the solicitation before the time specified for receipt of proposals.
- b. Proposals may be withdrawn by written notice, electronic or facsimile transmission if received at the office specified in the solicitation any time before award. Proposals may be withdrawn in person by an offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before award.

- disaster recovery
- shift coverage
- maximum capacity of the offeror's facility and equipment.

b. Time, if stated as a number of days, will include Saturdays, Sundays and federal holidays.

### 3.2 Provision 4-1 Instructions to Offerors — Commercial Items (January 1997)

- a. Submission of Offers. Submit signed and dated offers to the office specified in this solicitation at or before the exact time specified on this solicitation. Offers may be submitted on PS Form 8203, Order/Solicitation/Offer/Award, letterhead stationary, or as other wise specified in the solicitation. As a minimum offers must show:
- (1) Solicitation number
  - (2) The time specified in the solicitation for receipt of offers;
  - (3) The name, address and telephone number of the offeror,
  - (4) A technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary;
  - (5) Terms of any expressed warranty
  - (6) Price and any discount terms
  - (7) "Remit to" address, if different than mailing address;
  - (8) A completed copy of the representations and certifications
  - (9) Acknowledgment of Solicitation Amendments;
  - (10) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items, and other references (including contract numbers, point of contact, with telephone numbers, and other relevant information), and
  - (11) If the offer is not submitted on PS Form 8203, include a statement specifying the extent of agreement with all terms and conditions and provisions included in the solicitation. Offers that fail to furnish required representations or information, or reject the terms and conditions of the solicitation may be excluded from consideration.
- b. Period for Acceptance of Offers. The offeror agrees to hold the prices in its offer firm for **60** calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.
- c. Product Samples. When required by the solicitation, product samples will be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in the solicitation, these samples shall be submitted at no expenses to the Postal Service and returned at the

- a. The technical/management proposal shall be prepared in a three-ring binder with a page limitation of 30 pages(exclusive of the Dun & Bradstreet Report and the Security Plan) tabbed with the following sections:
- 1) Management Plan: The offeror must include a management plan, which indicates how the offeror proposes to conduct operations under the resultant contract. The offeror must address, at a minimum, the following key areas:
    - Complete work flow processes for performing all functions required in the Statement of Work, including the use of subcontractors (if applicable)
    - Equipment to be used under the contract
    - Training and experience of personnel to be assigned to the contract
    - Method of data transfer from the USPS server to the offeror's equipment
    - Plan for handling inquiries from the USPS Help Desk or other USPS personnel
    - Plan for assuring the maintenance of high quality standards and print output
  - 2) Company Background and Experience: The offeror shall provide a description of the company's experience in the field of on-demand printing, with a focus on integrated printing/finishing/distribution operations. The offeror should highlight experience in the preparation of mail and interfacing with the U. S. Postal Service.
  - 3) Past Performance: Dun and Bradstreet (D&B) will be gathering the information for the Past Performance Evaluation. Therefore, it will be necessary for all offerors (and each subcontractor, if any) to complete the D&B order forms, attached to this document, see Attachment III, and submit them to D&B in accordance with the instructions shown on the form within five business days of receiving the solicitation. This will allow adequate time for D&B to complete its survey and submit it to the Contracting Officer. The offeror shall have D&B submit a copy of the results of the survey directly to the CO upon completion. In addition, the offeror shall submit a copy of D&B's survey along with its technical proposal. D&B will charge the offeror (and each subcontractor) for this service. The Postal Service will not be held liable for this cost.
  - 4) Supplier Capability: The offeror shall demonstrate and/or confirm that it:
    - (a) Has, or has the ability to obtain, resources (financial, technical, etc.) adequate to perform the work
    - (b) Is able to meet the required or proposed delivery schedule, considering all existing commitments, including awards pending.
    - (c) Has a sound record of integrity and business ethics.
    - (d) Has the ability to develop a sound quality control program that complies with solicitation requirements.
    - (e) Has the necessary organization, experience, accounting and operational controls, technical skills and production and property controls.
    - (f) Has the ability to obtain the necessary production, construction, and technical equipment and facilities.
    - (g) Is qualified and eligible to receive an award under applicable laws and regulations.
  - 5) Security Plan: The offeror must present a security plan in accordance with Attachment II indicating how the offeror intends to meet the security requirements in the Statement of Work. The plan should address, at a minimum:
    - Physical facility security, including access controls and monitoring
    - Security for the transportation of the mail
    - Procedures for ensuring timely completion of employee security clearance forms
  - 6) Contingency Plan: The offeror must include a contingency plan indicating how the offeror intends to meet the performance requirements in the statement of work. The plan should highlight, at a minimum:
    - equipment redundancy

- c. The contractor also recognizes that the ability to retain experienced personnel on the work may be significantly enhanced if the personnel can remain without appreciable loss of earned fringe benefits. In this regard, the contractor agrees to make available to the Postal Service all records or other data that may be required to properly ascertain earned benefits of the employees and their position relative to contractor's fringe benefits program.

### **PART 3 - SOLICITATION PROVISIONS**

#### **3.1 INSTRUCTIONS FOR THE PREPARATION OF TECHNICAL PROPOSAL**

- (a) Source lists, guides, and other data identifying small, minority and woman-owned businesses;
  - (b) Organizations contacted in an attempt to locate sources that are small, minority and woman-owned businesses;
  - (c) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating whether small, minority or woman-owned businesses were solicited and if not, why not, and whether award was made to a small, minority or woman-owned business;
  - (d) Records to support subcontract award data, including the name, address, and business size of each subcontractor.
- c. Reports. The supplier must provide reports on subcontracting activity under this contract on a calendar-quarter basis. The report must be one of the types described in Clause 3-2, *Participation of Small, minority, and Woman-owned businesses*.

**b. Clause 3-2 Small, Minority and Women-owned Business Subcontracting Requirements (February 1999)**

- a. The policy of the Postal Service is to encourage the participation of small, minority and woman-owned business in its purchases of supplies and services to the maximum extent practicable consistent with efficient contract performance. The supplier agrees to follow the same policy in performing this contract.
- b. Subject to the agreement of the supplier and the Postal Service, the supplier will report subcontracting activity on one of the following bases:
  - (1) Showing direct subcontracting awards made;
  - (2) Showing subcontracting activity that is allocable to this contract using generally accepted accounting practices: or
  - (3) A combination of the methods listed above.
- c. The supplier will submit a report to the contracting officer within 15 calendar days after the end of each calendar-year quarter, describing all subcontract awards to small, minority, or woman-owned businesses. The Contracting officer may require more frequent reports.

**c. Change Over Agreement**

- a. The contractor recognizes that it may be replaced at the end of the contract by a successor contractor in the performance of the work. The contractor agrees to use its best efforts to effect an orderly and efficient transition to any successor contractor and its employees during a transition period to be specified by the contracting officer.
- b. The contractor also recognizes the importance to the Postal Service of retention of personnel experienced in the work. Therefore, if the contractor is replaced by a successor, the contractor agrees to cooperate in the releasing of any of its employees who desire to continue with the work.

**a. Clause 3-1 Small, Minority and Women-owned Business Subcontracting Requirements (February 1999)**

- a. All suppliers except small businesses must submit a subcontracting plan that is specific to this contract, and that separately addresses subcontracting with small, minority, and woman-owned businesses. A plan approved by the Postal Service must be included in and made a part of the contract. Lack of an approved plan may make the supplier ineligible for award. A subcontract is defined as any agreement (other than one involving an employer-employee relationship) entered into by the Postal Service supplier or subcontractor calling for supplies or services required for performance of the contract or subcontract.
  
- b. The supplier's subcontracting plan must include the following:
  - (1) Goals, in terms of percentages of the total amount of this contract that the supplier will endeavor to subcontract to small, minority, and woman-owned businesses. The supplier must include all subcontracts that contribute to contract performance, and may include a proportionate share of supplies and services that are normally allocated as indirect costs.
  - (2) A statement of the:
    - (a) Total dollars planned to be subcontracted under this contract; and
    - (b) Total of that amount planned to be subcontracted to small, minority, and woman-owned businesses.
  - (3) A description of the principal types of supplies and services to be subcontracted under this contract, identifying the types planned for subcontracting to small, minority, and woman-owned businesses.
  - (4) A description of the method used to develop the subcontracting goals.
  - (5) A description of the method used to identify potential sources for solicitation purposes and a description of efforts the supplier will make to ensure that small, minority, and woman-owned businesses have an equitable opportunity to compete for subcontracts.
  - (6) A statement as to whether the offer included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with small, minority and woman-owned businesses.
  - (7) The name of the individual employed by the offeror who will administer the offeror's subcontracting program, and a description of the individual's duties.
  - (8) Assurances that the offeror will require all subcontractors receiving subcontracts in excess of \$1,000,000 to adopt a plan similar to the plan agreed to by the supplier.
  - (9) A description of the types of records the supplier will maintain to demonstrate compliance with the requirements and goals in the plan for this contract. The records must include at least the following;

- b. If this contract is valued at \$500,000 or more, Clause 3-2, *Participation of Small, Minority, and Woman-Owned Businesses*, is incorporated into this contract by reference.
- c. If checked, the following clauses are incorporated in this contract by reference:

*(Contracting officer will check as appropriate.)*

- (1) Clause 9–10, *Service Contract Act* (January 1997)
- (2) Clause 9–12, *Fair Labor Standards Acts and Services Contract Act-Price Adjustments* (January 1997)
- (3) Clause 9-2, *Contract Work Hours and Safety Standards Act-Overtime Compensation* (January 1997)
- (4) Clause 9-3, *Davis-Bacon Act* (January 1997)

- d. Examination of Records. The Postal Service or its authorized representative shall have access to and right to examine any of the supplier's directly pertinent records involving transactions related to this contract. The supplier shall make available at its offices at all reasonable times the records, materials and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified for particular records. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved. As used in this clause, records includes books, documents, account procedures and practices, and other data, regardless of type and regardless of form. This does not require the supplier to create or maintain any record that the supplier does not maintain in the ordinary course of business or pursuant to a provision of law.
- e. Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), or (d) of this clause, the supplier is not required to include any PM clause, other than those listed below (and as may be required by an addenda to this paragraph) in a subcontract for commercial items or commercial components

- (1) Clause 9–7, *Equal Opportunity*
- (2) Clause 9–14, *Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era*
- (3) Clause 9–13, *Affirmative Action for Handicapped Workers*

## 2.4 Addendum to Clause 4-3



**t. Customer Refunds**

In the event a customer requests a refund from the Postal Service due to dissatisfaction with a particular job, and the dissatisfaction is due to a fault on the part of the supplier to perform within the guidelines of this contract, including failure to provide adequate printing and process quality control, the supplier shall be liable for the entire amount of the refund, including postage. The refund shall be indicated on the supplier's next invoice as a credit to the Postal Service.

**u. Clause B-2Changes (January 1997)**

- a. The contracting officer may, in writing, without notice to any sureties, order changes within the general scope of this contract in the following:
  - (1) Drawings, designs, or specifications when supplies to be furnished are to be specially manufactured for the Postal Service in accordance with them.
  - (2) Statement of work or description of services.
  - (3) Method of shipment or packing.
  - (4) Place of delivery of supplies or performance of services.
  - (5) Delivery or performance schedule.
  - (6) Postal Service–furnished property or facilities.
- b. Any other written or oral order (including direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order under this clause, provided that the supplier gives the contracting officer written notice stating (1) the date, circumstances, and source of the order and (2) that the supplier regards the order as a change order.
- c. If any such change affects the cost of performance or the delivery schedule, the contract will be modified to effect an equitable adjustment.
- d. The supplier's claim for equitable adjustment must be asserted within 30 days of receiving a written change order. A later claim may be acted upon — but not after final payment under this contract — if the contracting officer decides that the facts justify such action.
- e. Failure to agree to any adjustment is a dispute under the Claims and Disputes clause. Nothing in that clause excuses the supplier from proceeding with the contract as changed.

**2.3 Clause 4-3 Contract Terms and Conditions Required to Implement Statutes or Executive Orders — Commercial Items (February 1999)**

- a. The following clauses are incorporated in this contract by reference:
  - (1) Clause 9–1, Convict Labor
  - (2) Clause 9–5, Contract Work Hours and Safety Standards Act — Safety Standards

- For the remainder of the contract period, as extended by any options exercised by the Postal Service: One percent of the quarterly billings to the Postal Service under the contract.

Within 30 calendar days after the end of each applicable contract quarter, the USPS shall calculate the following:

$$\frac{\text{Quantity of mailpieces accepted on time at the applicable BMEU}}{\text{Quantity of mailpieces tendered to the applicable BMEU}} \times 100\% = \underline{\hspace{2cm}}$$

**Award Calculation**

100% Payout: If the calculated percent is 98% or higher, that quarter's award will be 100% of the pool amount and shall be payable per the Application for Payment paragraph below.

Payout with Deduction: If the calculated percent is less than 98%, the following will be deducted from the incentive amount:

- 15 cents per mailpiece per day of delay for first-class Mail.
- 10 cents per mailpiece per day of delay for Standard Mail.

No Carryover: The incentive pool for a particular quarter shall not roll over to future quarters.

**Application for Payment**

For each quarter in which the Incentive Award is available, the Contractor may submit a written invoice that shall state that it is a Request for Payment of the Incentive Award for the net amount due from the incentive pool. The USPS shall receive the Application not later than 60 days after the end of the quarter to which the application applies. The Contractor shall submit it requests to the COR.

Applications received more than 60 days following the applicable quarter shall be untimely and no payment will be made.

Deductions Exceeding Quarterly Award Amounts

If the total deductions for the quarter exceed the amount of the incentive pool, the Contractor will be advised of the result. If the pool calculation after deductions is zero or negative, no award will be made for that quarter.

Miscellaneous

This is an incentive award plan and not an agreement to hold funds in trust. These award pools shall not be segregated. Awards pursuant to this plan will be paid out of the general funds of the USPS.

This incentive award plan may be terminated at any time without notice to the participants.

For purposes of this Award Plan, calendar quarters shall be as follows: First: January, February, March; Second: April, May, June; Third: July, August, September; Fourth: October, November, December.

- e. This Notice must be marked on any reproduction of this computer software, in whole or in part.”
- (b) When it is impracticable to include the above Notice on restricted computer software, the following short-form Notice may be used instead, on condition that the Postal Service’s rights with respect to such computer software will be as specified in the above Notice unless otherwise expressly stated in the contract.

“RESTRICTED RIGHTS NOTICE  
(SHORT FORM)

Use, reproduction, or disclosure is subject to restrictions set forth in Contract No. (and subcontract \_\_\_\_\_, if appropriate) with \_\_\_\_\_ (name of supplier and subcontractor).”

- i. Subcontracting. The supplier has the responsibility to obtain from its subcontractors all computer software and technical data and the rights therein necessary to fulfill the supplier’s obligations under this contract. If a subcontractor refuses to accept terms affording the Postal Service such rights, the supplier must promptly bring such refusal to the attention of the contracting officer and may not proceed with subcontract award without further authorization.
- j. Standard Commercial License or Lease Agreements. The supplier unconditionally accepts the terms and conditions of this clause unless expressly provided otherwise in this contract or in a collateral agreement incorporated in and made part of this contract. Thus the supplier agrees that, notwithstanding any provisions to the contrary contained in the supplier’s standard commercial license or lease agreement pertaining to any restricted computer software delivered under this contract, and irrespective of whether any such agreement has been proposed before or after issuance of this contract or of the fact that such agreement may be affixed to or accompany the restricted computer software upon delivery, the Postal Service has the rights set forth in this clause to use, duplicate, or disclose any restricted computer software delivered under this contract.
- k. Relationship to Patents. Nothing contained in this clause implies a license to the Postal Service under any patent or may be construed as affecting the scope of any license or other right otherwise granted to the Postal Service.

**s. Incentive Award Plan**

The supplier shall have the ability to earn quarterly incentive awards based on accurate performance during each calendar quarter of the term of the contract.

The incentive pool for each contractor and each calendar quarter shall be calculated as follows:

- For the first and second quarters of the first contract year: Three percent of the quarterly billings to the Postal Service under the contract.
- For the third and fourth quarters of the first contract year: Two percent of the quarterly billings to the Postal Service under the contract.

This Notice must be marked on any reproduction of these data, in whole or in part.”

(2) Protection of Restricted Computer Software

- (a) When computer software is specified to be delivered under this contract and qualifies as restricted computer software, if the supplier desires to continue protection of such computer software, the supplier must affix the following “Restricted Rights Notice” to the computer software, and the Postal Service will thereafter treat the computer software, subject to paragraphs f and g above, in accordance with the Notice:

“RESTRICTED RIGHTS NOTICE

- a. This computer software is submitted with restricted rights under Postal Service Contract No. \_\_\_\_\_ (and subcontract \_\_\_\_\_, if appropriate). It may not be used, reproduced, or disclosed by the Postal Service except as provided below or as otherwise stated in the contract.
- b. This computer software may be:
1. Used or copied for use in or with the computer or computers for which it was acquired, including use at any Postal Service installation to which the computer or computers may be transferred;
  2. Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;
  3. Reproduced for safekeeping (archives) or backup purposes;
  4. Modified, adapted, or combined with other computer software, provided that the modified, adapted, or combined portions of any derivative software incorporating restricted computer software are made subject to the same restricted rights;
  5. Disclosed to and reproduced for use by support service suppliers in accordance with 1 through 4 above, provided the Postal Service makes such disclosure or reproduction subject to these restricted rights; and
  6. Used or copied for use in or transferred to a replacement computer.
- c. Notwithstanding the foregoing, if this computer software is published copyrighted computer software, it is licensed to the Postal Service, without disclosure prohibitions, with the minimum rights set forth in the preceding paragraph.
- d. Any other rights or limitations regarding the use, duplication, or disclosure of this computer software are to be expressly stated in, or incorporated in, the contract.

permission to have notices placed on qualifying technical data or computer software at the supplier's expense, and the contracting officer may agree to do so if the supplier:

- (a) Identifies the technical data or computer software to which the omitted notice is to be applied;
  - (b) Demonstrates that the omission of the notice was inadvertent;
  - (c) Establishes that the use of the proposed notice is authorized; and
  - (d) Acknowledges that the Postal Service has no liability with respect to the disclosure, use, or reproduction of any such data or software made before the addition of the notice or resulting from the omission of the notice.
- (2) The contracting officer may also (a) permit correction of incorrect notices, at the supplier's expense, if the supplier identifies the technical data or computer software on which correction of the notice is to be made and demonstrates that the correct notice is authorized, or (b) correct any incorrect notices.

h. Protection of Rights

- (1) Protection of Limited Rights Data. When technical data other than data listed in section d, above, are specified to be delivered under this contract and qualify as limited rights data, if the supplier desires to continue protection of such data, the supplier must affix the following "Limited Rights Notice" to the data, and the Postal Service will thereafter treat the data, subject to paragraphs f and g above, in accordance with the Notice:

"LIMITED RIGHTS NOTICE

These technical data are submitted with limited rights under Postal Service Contract No. \_\_\_\_\_ (and subcontract \_\_\_\_\_, if appropriate). These data may be reproduced and used by the Postal Service with the express limitation that they will not, without written permission of the supplier, be used for purposes of manufacture or disclosed outside the Postal Service; except that the Postal Service may disclose these data outside the Postal Service for the following purposes, provided that the Postal Service makes such disclosure subject to prohibition against further use and disclosure:

1. Use (except for manufacture) by support service suppliers.
2. Evaluation by Postal Service evaluators.
3. Use (except for manufacture) by other suppliers participating in the Postal Service's program of which the specific contract is a part, for information and in connection with the work performed under each contract.
4. Emergency repair or overhaul work.

works, distribute copies to the public, and perform and display the data publicly.

- (c) The Postal Service agrees not to remove any copyright notices placed on data pursuant to this section d, and to include such notices on all reproductions of the data.

e. Release, Publication, and Use of Technical Data and Computer Software

- (1) Unless prior written permission is obtained from the contracting officer or to the extent expressly set forth in this contract, the supplier will not use, release to others, reproduce, distribute, or publish any technical data or computer software first produced by the supplier in the performance of the contract.
- (2) The supplier agrees that if it receives or is given access to data or software necessary for the performance of this contract that contain restrictive markings, the supplier will treat the data or software in accordance with the markings unless otherwise specifically authorized in writing by the contracting officer.

f. Unauthorized Marking of Data or Computer Software

- (1) If any technical data or computer software delivered under this contract are marked with the notice specified in paragraph h and the use of such a notice is not authorized by this clause, or if the data or computer software bear any other unauthorized restrictive markings, the contracting officer may at any time either return the data or software or cancel the markings. The contracting officer must afford the supplier at least 30 days to provide a written justification to substantiate the propriety of the markings. Failure of the supplier to timely respond, or to provide written justification, may result in the cancellation of the markings. The contracting officer must consider any written justification by the supplier and notify the supplier if the markings are determined to be authorized.
- (2) The foregoing procedures may be modified in accordance with Postal Service regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder. In addition, the supplier is not precluded from bringing a claim in connection with any dispute that may arise as the result of the Postal Service's action to remove any markings on data or computer software, unless this action occurs as the result of a final disposition of the matter by a court of competent jurisdiction.

g. Omitted or Incorrect Markings

- (1) Technical data or computer software delivered to the Postal Service without the limited rights notice or restricted notice authorized by paragraph h, or the data rights notice required by paragraph b, will be deemed to have been furnished with unlimited rights, and the Postal Service assumes no liability for the disclosure, use, or reproduction of such data or computer software. However, to the extent the data or software have not been disclosed outside the Postal Service, the supplier may request, within six months (or a longer time approved by the contracting officer) after delivery of the data or software,

“This data is the confidential property of the U.S. Postal Service and may not be used, released, reproduced, distributed or published without the express written permission of the U.S. Postal Service.”

- (2) The supplier grants to the Postal Service a royalty-free, nonexclusive, irrevocable license throughout the world to publish, translate, deliver, perform, use, and dispose of in any manner any portion of data that is not first produced in the performance of this contract but in which copyright is owned by the supplier and that is incorporated in the data furnished under this contract, and to authorize others to do so for Postal Service purposes.
  - (3) Unless the contracting officer's written approval is obtained, the supplier may not include in any data prepared for or delivered to the Postal Service under this contract any data which is not owned by the supplier or the Postal Service without acquiring for the Postal Service any right necessary to perfect a license of the scope set forth in subparagraph b.2.
- c. Indemnity. The supplier indemnifies the Postal Service (and its officers, agents, and employees acting for the Postal Service) against any liability, including costs and expenses, (1) for violation of proprietary rights, copyrights, or rights of privacy or publicity, arising out of the creation, delivery, or use of any works furnished under this contract, or (2) based upon any libelous or other unlawful matter contained in these works. This provision does not apply to material furnished by the Postal Service and incorporated in the works to which this clause applies.
- d. Additional Rights in Technical Data
- (1) Except as provided in paragraph b, the Postal Service has unlimited rights in:
    - (a) Form fit, and function data, including such data developed at private expense, delivered under this contract, and
    - (b) Technical data delivered under this contract that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this contract.
  - (2) Copyright
    - (a) The contracting officer may direct the supplier to establish, or authorize the establishment of, claim to copyright in the technical data and to assign, or obtain the written assignment of, the copyright to the Postal Service or its designated assignee.
    - (b) The supplier may not, without prior written permission of the contracting officer, incorporate in technical data delivered under this contract any data not first produced in the performance of this contract containing the copyright notice of 176 U.S.C. 401 or 402, unless the supplier identifies the data and grants to the Postal Service, or acquires on its behalf at no cost to the Postal Service, a paid-up, nonexclusive, irrevocable worldwide license in such copyright data to reproduce, prepare derivative

supplier with the requirements of this clause.

**r. Clause 8-16 Postal Service Title in Technical Data and Computer Software (January 1997)**

a. Definitions

- (1) Data. Data means technical data including drawings, technical reports, studies, and similar documents; computer software and computer software documentation, including but not limited to source code, object code, algorithms, formulas, and, other data that describe design, function, operation, or capabilities, and other recorded information, regardless of the form or the medium on which it may be recorded. It does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.
- (2) Form, Fit, and Function Data. Data relating to an item or process that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating and attachment characteristics, functional characteristics, and performance requirements; except that for computer software, it means data identifying origin, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulas, and machine-level flow charts of the computer software.
- (3) Limited Rights Data. Data other than computer software developed at private expense, including minor modifications of these data.
- (4) Technical Data. Data other than computer software, of a scientific or technical nature.
- (5) Restricted Computer Software. Computer software developed at private expense that is a trade secret, is commercial or financial and confidential or privileged, or is published copyrighted computer software, including minor modifications of this computer software.
- (6) Restricted Rights. The rights of the Postal Service in restricted computer software, as set forth in a Restricted Rights Notice as provided in paragraph h below, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract.
- (7) Unlimited Rights. The rights of the Postal Service in technical data and computer software to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, in any manner and for any purpose, and to have or permit others to do so.

b. Rights

- (1) The Postal Service has title to all data first produced in the performance of this contract. Accordingly, the supplier assigns all rights, title, and interest to the Postal Service in all data first produced in performance of this contract. The supplier, unless directed otherwise by the contracting officer, must place on all such data delivered under this contract the following notice:



- (c) In the performance of any service, acquired by or for the Postal Service or with funds otherwise derived through the Postal Service.
  - (2) If rights are vested in the supplier, the supplier agrees to, and grants to the Postal Service the rights to, require the granting of a license to an applicant under any such invention:
    - (a) On a nonexclusive basis, unless the supplier, a licensee, or an assignee demonstrates to the Postal Service, at its request, that (1) effective steps have been taken within three years after a patent issues on the invention to bring the invention to the point of practical application or (2) the invention has been made available for licensing on terms that are reasonable in the circumstances, or can show cause why the title should be retained for a further period of time; or
    - (b) On terms that are reasonable in the circumstances to the extent that the invention is required for public use by Postal Service regulations or as may be necessary to fulfill health needs, or for other public purposes stipulated in the Schedule of this contract.
- j. Right to Disclose Subject Inventions. The Postal Service may duplicate and disclose reports and disclosures of subject inventions required to be furnished by the supplier pursuant to this Patent Rights clause.
- k. Forfeiture of Rights in Unreported Subject Inventions. The supplier forfeits to the Postal Service all rights in any subject invention that it fails to report to the contracting officer when or before it:
  - (1) Files or causes to be filed a United States or foreign application thereon; or
  - (2) Submits the final report required by c.1(b) above, whichever occurs later, provided, that the supplier will not forfeit rights in a subject invention if:
    - (a) Contending that the invention is not a subject invention, it nevertheless reports the invention and the facts pertinent to its contention to the contracting officer within the time specified in k.1 or k.2 above; or
    - (b) It establishes that failure to report was due entirely to causes beyond its control and without its fault or negligence. The supplier is deemed to hold any such forfeited subject invention, and the patent applications and patents pertaining to it, in trust for the Postal Service pending written assignment of the invention. The rights accruing to the Postal Service under this paragraph k are in addition to, and do not supersede, any other rights the Postal Service may have in relation to unreported subject inventions. Nothing contained in this clause may be construed to require the supplier to report any invention that is not in fact a subject invention.
- l. Examination of Records Relating to Inventions. The contracting officer, or an authorized representative, until the expiration of three years after final payment under this contract, has the right to examine any books, records, documents, and other supporting data of the supplier that the contracting officer or authorized representative reasonably deems directly pertinent to the discovery or identification of subject inventions or to compliance by the

the course of or under a contract or subcontract thereunder with the United States Postal Service.”

f. Foreign Filing of Patent Applications

- (1) If the supplier acquires greater rights in a subject invention and has filed a United States patent application claiming the invention, the supplier, or any party other than the Postal Service deriving rights from the supplier, has the exclusive rights, subject to the rights of the Postal Service, to file applications on the inventions in each foreign country within:
  - (a) Six months from the date a corresponding United States patent application is filed; or
  - (b) Such longer period as the contracting officer may approve.
- (2) The supplier must notify the contracting officer of each foreign application filed and, upon written request of the contracting officer, furnish an English translation of the application and convey to the Postal Service the entire right title and interest in the invention in each foreign country in which an application has not been filed within the time specified in subparagraph f.1. preceding.

g. Withholding Payment

- (1) Final payment under this contract will not be made until the supplier delivers to the contracting officer the reports required by paragraph c above and all information as to subcontracts required by paragraph d above.
- (2) If action is deemed warranted because of the supplier's performance under the Patent Rights clause of this contract or of other Postal Service contracts, the contracting officer may withhold from payment such sum as considered appropriate, not exceeding \$50,000, or ten percent of the amount of this contract, whichever is less, to be held as a reserve until the supplier delivers all the reports, disclosures, and information specified in paragraph c above.

h. Supplier's Request for Greater Rights. The supplier, at the time of first disclosing a subject invention pursuant to paragraph c.1(a) above, but not later than three months thereafter, may submit in writing to the contracting officer a request for rights by license or otherwise in any invention. The contracting officer will review the supplier's request for rights and will notify the supplier whether it is granted in whole or in part. Any rights granted the supplier will be subject to, but not necessarily limited to, the provisions of paragraph i following.

i. Reservation of Rights to the Postal Service

- (1) If rights in any subject invention are vested in or granted to the supplier, such rights will, as a minimum, be subject to an irrevocable, nonexclusive, and royalty-free license to practice and have practiced the invention throughout the world for Postal Service purposes, including its practice:
  - (a) In the manufacture, use, and disposition of any article or material;
  - (b) In the use of any method; or

the provisions of this Patent Rights clause except paragraph g below in any subcontract where a purpose of the subcontract is the conduct of experimental, developmental, research, or engineering work. If a subcontractor refused to accept this clause, the supplier:

- (a) Must promptly submit a written report to the contracting officer setting forth the subcontractor's reasons for the refusal and any other pertinent information that may expedite disposition of the matter; and
  - (b) May not proceed with the subcontract without the written authorization of the contracting officer. The supplier may not, in any subcontract, or by using subcontract as consideration thereof, acquire any rights to subject inventions for its own use (as distinguished from rights required to fulfill its contract obligations to the Postal Service in the performance of this contract). Reports, instruments, and other information required to be furnished by a subcontractor to the contracting officer under a patent rights clause in a subcontract may, upon mutual consent of the supplier and the subcontractor (or by direction of the contracting officer), be furnished to the supplier for transmission to the contracting officer.
- (2) The supplier, at the earliest practicable date, must notify the contracting officer in writing of any subcontract containing a patent rights clause, furnish to the contracting officer a copy of the subcontract, and notify the contracting officer when the subcontract is completed. The Postal Service is a third-party beneficiary of any subcontract granting rights to the Postal Service in subject inventions, and the supplier hereby assigns to the Postal Service all the rights that the supplier would have to enforce the subcontractor's obligations for the benefit of the Postal Service with respect to subject inventions. The supplier is not obligated to enforce the agreements of any subcontractor relating to the obligation of the subcontractor to the Postal Service regarding subject inventions.

e. Domestic Filing of Patent Applications by Supplier

- (1) If, pursuant to paragraph h below, greater rights are granted in a subject invention to the extent that the supplier may claim the invention, the supplier must file in due form and within six months of the granting of these rights a United States patent application claiming the invention and furnish, as soon as practicable, the serial number and filing date of the application and the patent number of any resulting patent. As to each invention in which the supplier has been given greater rights, the supplier must notify the contracting officer at the end of six-month period if it has failed to file or cause to be filed a patent application covering the invention. If the supplier has filed or caused to be filed such an application within the six-month period, but elects not to continue prosecution of the application, it must notify the contracting officer not less than 60 days before the expiration of the response period. In either of these situations, the supplier forfeits all rights previously granted.
- (2) The following statement must be included in the first paragraph of any patent application filed or patent issued on an invention made under a Postal Service contract or a subcontract under a Postal Service contract: "The invention herein described was made in

c. Subject Invention Disclosure and Reports

- (1) With respect to subject inventions, the supplier must furnish the contracting officer the items described in (a) through (b) below:
  - (a) A written disclosure of each invention promptly after conception or first actual reduction to practice, whichever occurs first under this contract, sufficiently complete in technical detail to convey to one skilled in the art to which the invention pertains a clear understanding of the nature, purpose, operation, and (to the extent known) the physical, chemical, or electrical characteristics of the invention. When unable to submit a complete disclosure, the supplier must, within three months, submit a disclosure that includes all such technical detail then known; and unless the contracting officer authorizes a different period, submit all other technical detail necessary to complete the disclosure within three additional months.
  - (b) Before final settlement of this contract, a final report listing each invention, including all those previously listed, or certifying that there are no unreported inventions. (This final report and any interim report under (a) above must be submitted on Form 7398, Report of Inventions and Subcontracts, or other format acceptable to the contracting officer).
  - (c) Information in writing, as soon as practicable, of the date and identity of any (1) public use, sale, or publication of the invention made by or known to the supplier or (2) contemplated publication by the supplier.
  - (d) Upon request, any duly executed instruments and other papers (prepared by the Postal Service) necessary to (1) vest in the Postal Service the rights granted it under this clause and (2) enable the Postal Service to apply for and prosecute any patent application, in any country covering the invention, where the Postal Service has the right under this clause to file such an application.
  - (e) Upon request, an irrevocable power of attorney to inspect and make copies of each United States patent application filed by, or on behalf of, the supplier covering the invention.
- (2) With respect to each subject invention in which the supplier has been granted rights, under license or otherwise, the supplier agrees to provide written reports at reasonable intervals, when requested by the Postal Service, as to:
  - (a) The commercial use being or intended to be made of the invention;
  - (b) Royalties payable to the Postal Service; and
  - (c) The steps taken by the supplier to bring the invention to the point of practical application, or to make the invention available for licensing.

d. Subcontracts

- (1) The supplier must, unless otherwise authorized or directed by the contracting officer, include a patent rights clause containing all

means, format, or medium. Failure to include a confidentiality notice on any materials disclosed to the supplier shall not give rise to an inference that the Confidential Information disclosed is not confidential.

g. In the event that the supplier is required by judicial or administrative process to disclose Confidential Information, the supplier shall promptly notify the Postal Service and allow the Postal Service at least 30 days to oppose such process before making such disclosure.

h. The supplier agrees that it will not use any of the Confidential Information for purposes of reverse engineering any aspect of the Mailing Online System or any other Postal Service product. In addition, if the supplier receives products or materials containing or constituting Confidential Information, the supplier agrees not to analyze or have a third party analyze any such products or materials for Confidential Information without the contracting officer's written consent.

i. The supplier shall return all Confidential Information within two months after the termination/expiration of the contract.

j. The supplier shall incorporate the provisions of this paragraph into any subcontract it may issue, requiring the subcontractor to accept all of the requirements and obligations set forth above. Advance written authorization of the Postal Service is required before any subcontractor can receive access to any equipment, software, technical data or information that has been by provided by the Postal Service under the contract.

#### **q. Clause 8-1 Patent Rights (January 1997)**

##### a. Definitions Used in This Clause

- (1) **Subject Invention.** Any invention or discovery, whether or not patentable, conceived or first actually reduced to practice in the course of or under this contract. The term includes, but is not limited to, any art, method, process, machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plant, that is or may be patentable under the patent laws of the United States of America or any foreign country.
- (2) **Postal Service Purposes.** The right of the Postal Service to practice and have practiced (make or have made, use or have used, sell or have sold) any subject invention throughout the world by or on behalf of the U.S. Postal Service.
- (3) **Contract.** Any contract, agreement, or other agreement or subcontract entered into, with, or for the benefit of the Postal Service.
- (4) **Subcontract and Subcontractor.** Any subcontract or subcontractor of the supplier under this contract and any lower-tier subcontract or subcontractor under the contract.
- (5) **To Bring the Invention to the Point of Practical Application.** To manufacture (in the case of a composition or product), practice (in the case of a process), or operate (in the case of a machine or system) under such conditions as to establish that the invention works and that its benefits are reasonably accessible to the public.

b. **Rights Granted to the Postal Service.** The supplier agrees to grant the Postal Service title in and to each subject invention. Nothing contained in this Patent Rights clause grants any rights with respect to any invention other than a subject invention.

the Postal Service. The supplier agrees not to use any other trademark or service mark in connection with any of the Postal Service Trademarks without prior written approval of the Contracting Officer. The supplier agrees to mark all advertising and other uses of Postal Service Trademarks with a legend indicating that Postal Service Trademarks are the property of the Postal Service and that they are being used under license from the Postal Service, together with any other legends or markings that may be required by law. All use of Postal Service Trademarks shall inure to the benefit of the Postal Service. Upon request, the supplier shall furnish to the Postal Service for its review and approval a copy of any materials prepared by or for the supplier that contain Postal Service Trademarks and/or that are used to promote Mailing Online.

e. The supplier shall incorporate the provisions of this paragraph into any subcontract it may issue, requiring the subcontractor to accept all of the requirements and obligations set forth above. The contracting officer's advance written authorization is required before any subcontractor can receive access to equipment, software, technical data or information that has been by provided by the Postal Service under the contract.

#### **p. Non-Disclosure Clause**

a. The Print Server, hot backup server, dedicated telecommunications system, and related software, information and technical data disclosed by the Postal Service or by a third party acting on the Postal Service's behalf, in writing, orally, in the form of tangible property, electronically or otherwise, to the supplier by any means, format, or medium during the course the contract is Confidential Information. In addition, all other information relating to or used in the operation, maintenance, modification, consideration, planning, research, development, methodology, strategy, equipment, programs, systems, specifications, engineering, licensing, assessment, effectiveness, feasibility, and/or implementation of the Mailing Online system that may be disclosed, in any of the manners set forth above, by the Postal Service or by a third party acting on the Postal Service's behalf, as well as any information marked "restricted" or "confidential," shall also constitute Confidential Information.

Confidential Information shall not include information that the supplier can establish (a) was in its possession before receipt from the Postal Service; (b) is or becomes generally known to the public through no fault of the supplier; (c) is received in good faith by the supplier from a third party whose disclosure is not subject to an obligation of confidentiality; or (d) is independently developed by the supplier without reference to Confidential Information received hereunder.

b. The supplier acknowledges that the Confidential Information disclosed during the course of this solicitation or a subsequent contract constitutes trade secrets and copyrighted work product that are owned solely and exclusively by the Postal Service or its third party licensors. The supplier further acknowledges that it is only authorized to use such Confidential Information solely for the purposes authorized by this contract]

c. The supplier agrees to establish procedures, as part of its overall security plan, reasonably necessary to maintain and protect the Confidential Information in the strictest confidence for the benefit of the Postal Service.

d. The supplier shall not at any time, without the contracting officer's express written permission, disclose any Confidential Information, directly or indirectly, to anyone other than those employees who have expressly agreed in writing to be bound by the provisions of this Non-Disclosure Clause and to follow the security procedures to be established by the supplier. The supplier shall at all times remain primarily liable for the conduct of its employees.

e. The supplier's obligations with respect to the Confidential Information shall survive the termination/expiration of the contract.

f. The supplier's duties under the contract shall apply to Confidential Information that is disclosed to others under its security plan. The supplier's duties with respect to Postal Service Confidential Information shall apply to Confidential Information disclosed in writing, orally, in the form of tangible property, electronically or otherwise, to the supplier by any

- e. The decision by the contracting officer to accept or reject any proposal under this contract is final and not subject to the Disputes clause.

**m. Clause 6-2 Contracting Officer's Representative (January 1997)**

The contracting officer will appoint a contracting officer's representative (COR), responsible for the day-to-day administration of the contract, who will serve as the Postal Service's point of contact with the supplier on all routine matters. A copy of the notice of appointment defining the COR's authority will be furnished to the supplier upon award of the contract.

**n. Clause 7-7 Federal, State, and Local Taxes (Short Form) (January 1997)**

Except as this contract may otherwise provide, the contract price includes all applicable federal, state, and local taxes and duties in effect on the contract date but does not include any taxes from which the Postal Service, the supplier, or this transaction is exempt. Upon request of the supplier, the Postal Service must furnish a tax exemption certificate or similar evidence of exemption from any tax not included in the contract price. Contract date means the date of the supplier's proposal or quotation, or, if no proposal or quotation, the date of this purchase order.

**o. Intellectual Property Clause**

- a. Ownership -- The Print Server, hot backup server, dedicated telecommunications system, technical data, software and information which may be provided to the supplier and/or installed at the supplier's location are the proprietary property of the Postal Service and/or its third party licensors and they embody and are covered by proprietary rights, including, but not limited to, patent, copyright, trade secret, and trademark rights related thereto. In addition, the Postal Service has legal title to all Postal Service Trademarks that may be used by the supplier in providing support to Mailing Online. Nothing contained in this solicitation nor in any contract awarded hereunder shall be deemed to convey any title or ownership interest or any license rights to the supplier in any of the aforementioned intellectual property.
- b. Restrictions - The supplier agrees to refrain from reverse engineering, decompiling or disassembling Print Server, hot backup server, dedicated telecommunications system, and related software installed at the supplier's location, except to the extent authorized in the Service Level Agreement to be established by the parties. The supplier further agrees not to copy, alter, modify, adapt, create a derivative work, merge, or translate the software, technical data or information, without the Contracting Officer's express written authorization. The supplier also agrees to establish procedures, as part of its overall security plan, to ensure that all employees having access to the Print Server, hot backup server, dedicated telecommunications system, technical data, software, and information are in complete compliance with the aforementioned restrictions.
- c. Notices - The supplier shall not remove, alter, cover, or obfuscate any copyright notice or other proprietary rights notice placed in or on the Print Server, hot backup server, dedicated telecommunications system, technical data, software, and information by the Postal Service or its licensor, whether in machine language or human-readable form.
- d. Trademark Use - The supplier shall not use Postal Service trademarks unless specifically authorized to do so. The supplier acknowledges that Postal Service Trademarks are trademarks owned solely and exclusively by the Postal Service and agrees to use the Postal Service Trademarks only in the form and manner (with appropriate legends) prescribed by

configuration per a quantifiable unit of performance or capability, such as (but not limited to) storage capacity (in megabytes), speed (in megahertz), energy consumption efficiency, etc.

- b. The supplier must propose technology enhancement of information technology equipment, firmware, or software configurations being provided under this contract whenever product lines of newer technology become available that may save money, improve performance, or save energy. All proposed upgrades must meet the following requirements:
  - (1) All mandatory requirements of the contract must continue to be met.
  - (2) Overall contract life cycle costs may not increase as a result of the upgrade.
  - (3) The proposed upgrade or enhancement will: (1) either afford a better cost to performance ration compared to existing contract offerings/configurations; or (2) at minimum, must result in at least equal operability, maintainability, reliability, and overall system performance while providing some additional benefit or advantage to the Postal Service.
  - (4) The replacement configuration proposal must be acceptable to the COR.
- c. As a minimum, the following information must be submitted by the supplier with each proposal:
  - (1) A description of the difference between the existing contract requirement and the proposed change along with the comparative advantages and disadvantages of each.
  - (2) Suggested contract requirements, which should be changed if the proposed technology enhancement is adopted.
  - (3) A complete pricing proposal which evidences the commerciality of the pricing. (The price for the upgraded product, or configuration, can be no greater than the standard commercial price of the replacement product less a discount factor equal at least to the discount afforded the Postal Service in the supplier's final proposal for the original, taking into account the age of the original product in its life cycle.
  - (4) An evaluation of the proposed change's effect on collateral costs, costs of related items, and costs of maintenance and operation.
  - (5) Timing as to when the modification adopting the technology enhancement must be issued to ensure the maximum benefit to the Postal Service.
  - (6) Identify any effect on the contract completion or delivery schedule.
  - (7) Any other information that may be required by the contracting officer.
- d. Technology enhancements, as contemplated by this clause, will not be added to the contract except by written, bilateral modification to the contract.



- (3) Portion of the base unit price subject to adjustment;
- (4) Index that will be used for the adjustment, paying particular attention to describe the index to avoid confusion over which release (i.e., preliminary, seasonally adjusted, subsequently revised, or final), issue, or date will be applicable;
- (5) Percent of the price governed by the chosen index;
- (6) Adjustment period;
- (7) Base period; and
- (8) Degree of specificity of the result (i.e., number of decimal places to be used).
- (9) Should the selected index be discontinued or substantially altered, both parties shall agree upon an appropriate replacement.

**j. Clause 2-39 Ordering (January 1997)**

- a. Receipt of individual customer jobs and batch instructions shall constitute an order.
- b. All orders are subject to the terms and conditions of this contract. If there is any conflict between an order and this contract, the contract is controlling.

**k. Clause 2-42 Indefinite Quantity (January 1997)**

- a. This is an indefinite-quantity contract; the quantities of supplies or services specified in the Schedule are not purchased until ordered. If this contract resulted from multiple awards under a single solicitation for the same or similar supplies or services to two or more sources, some or all of the orders issued will be subject to the competitive procedures described in this contract.
- b. Delivery or performance must be as directed in orders issued in accordance with the Ordering clause and the contract Schedule. The supplier must furnish to the Postal Service, when ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the maximum. The Postal Service must order at least the quantity of supplies or services designated in the Schedule as the minimum. There is no limit on the number of orders that may be issued, unless specified in the Delivery-Order Limitations clause or in the contract Schedule. Orders may require delivery to multiple destinations or performance at multiple locations.
- c. Any order issued during the effective period of this contract and not completed within that period must be completed by the supplier within the time specified in the order, and the rights and obligations of the supplier and the Postal Service with respect to the order will be the same as if the order were completed during the effective period of the contract.

**l. Clause 4-17 Technology Enhancement (January 1997)**

- a. Definitions
  - (1) Enhancement, replacement and upgrade are used interchangeably throughout this clause.
  - (2) Cost to performance ratio is a form of comparative measurement and means the contracts costs of a given item or

- (1) For reasonable wear and tear;
  - (2) To the extent property is consumed in performing the contract; or
  - (3) As otherwise provided in the contract.
- d. Upon completing this contract, the supplier must follow the contracting officer's instructions regarding the disposition of all Postal Service property not consumed in performing this contract or previously delivered to the Postal Service. The supplier must prepare for shipment, deliver f.o.b. origin, or dispose of the Postal Service property, as directed or authorized by the contracting officer. The net proceeds of any such disposal will be credited to the contract price or will be paid to the Postal Service as directed by the contracting officer.

**g. Clause 2-20 Option to Renew (with Preliminary Notice) (January 1997)**

This contract is renewable, at the option of the Postal Service, by the contracting officer giving written notice of renewal to the supplier within the period specified in the Schedule; provided that, the contracting officer will have given preliminary notice of the Postal Service's intent to renew at least **thirty (30)** days before this contract is to expire (such a preliminary notice will not be deemed to commit the Postal Service to renewals). If the Postal Service exercises this option for renewal, the contract as renewed includes this option clause. The duration of this contract, including renewals, may not exceed the time limit set forth in the Schedule.

**h. Clause 2-26 Payment — Fixed Price (January 1997)**

The Postal Service will pay the supplier, upon the submission of proper invoices or vouchers, the prices stipulated in this contract for work or supplies delivered and accepted or services rendered and accepted, less any deductions provided for by the contract. Unless the contract otherwise specifies, payment will be made on partial deliveries accepted by the Postal Service if:

- a. The amount due on the deliveries warrants it; or
- b. The supplier requests it and the amount due on the deliveries is at least \$1,000 or 50 percent of the total contract price, whichever is less.

**i. Clause 2-29 Economic Price Adjustment (Index Method) (January 1997)**

Regardless of actual changes in the cost of labor and material during the performance period of this contract, price adjustments necessitated by such changes shall be made only as provided in this clause. The contracting officer shall place in the contract Schedule an adjustment formula that describes the elements that will be used to determine the adjusted contract price. The adjustment formula may identify some or all of the following as appropriate:

- (1) Contract line items, cycles, production runs or such other portion of the contract that will be subject to adjustment according to this clause;
- (2) Base unit price to be adjusted;

damages arising out of the intentional or negligent disclosure of address information other than as permitted by this clause.

- f. Subcontracts. The supplier must include this clause, modified as necessary, in any subcontract.

**e. Clause 1-12 Year 2000 Warranty - Commercial Items**

The supplier warrants that each hardware, software, and firmware product delivered under this contract will be able to accurately process date data (including, but not limited to, calculating, comparing, and sequencing) from, into and between the twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the documentation provided by the supplier, provided that all listed or unlisted products (e.g., hardware, software, firmware) used in combination with such listed item properly exchange date data with it. If the contract requires that specific listed products must perform as a system in accordance with the foregoing warranty, then that warranty will apply to those listed products as a system. The duration of this warranty and the remedies available to the Postal Service for breach of this warranty will be as defined in, and subject to, the terms and limitations of the supplier's standard commercial warranty or warranties contained in this contract, provided that notwithstanding any provision to the contrary in such commercial warranty or warranties, the remedies available to the Postal Service under this warranty will include repair or replacement of any listed product whose noncompliance is discovered and made known to the supplier in writing within 90 days after acceptance. Nothing in this warranty may be construed to limit any rights or remedies the Postal Service may otherwise have under this contract with respect to defects other than year 2000 compliance.

**f. Clause 2-12 Postal Service Property — Short Form (January 1997) - Modified**

- a. The Postal Service will deliver to the supplier, at the time and locations stated in this contract, the Postal Service property described in the Schedule or specifications. If that property, suitable for its intended use, is not delivered timely to the supplier, the contracting officer must equitably adjust affected provisions of this contract in accordance with the Changes clause when:
  - (1) The supplier submits a timely written request for an equitable adjustment; and
  - (2) The facts warrant an equitable adjustment.
- b. Title to Postal Service property remains in the Postal Service. The supplier may use the Postal Service property only in connection with this contract. The supplier must maintain adequate property control records in accordance with sound industrial practice and must make them available for Postal Service inspection at all reasonable times. The supplier must also take all steps necessary to ensure that its obligations and duties with respect to Postal Service furnished equipment, software, technical data, and information, set forth in Paragraph 2.2, subparagraphs o. and p. are met.
- c. Upon delivery of Postal Service property to the supplier, the supplier assumes the risk and responsibility for its loss or damage, except:

bona fide, established commercial or selling agencies employed by the supplier for the purpose of obtaining business.

- b. For breach or violation of this warranty, the Postal Service has the right to annul this contract without liability or to deduct from the contract price or otherwise recover the full amount of the commission, percentage, brokerage fee, or contingent fee.

**d. Clause 1-7 Non-Disclosure of Address Information (January 1997)**

- a. General. This contract requires the supplier to have access to address information (i.e., addresses and return addresses) that appears on pieces of mail. To ensure the confidentiality of this address information, except as permitted by this clause, no supplier or subcontractor, and no employee or former employee of any supplier or subcontractor may, at any time, during or after the completion of this contract, disclose to any third party any address information obtained in the performance of this contract. This contract does not give the supplier proprietary interest in address information, and the supplier's right to have, use, and disclose address information is restricted by the terms of this clause.
- b. Restriction of Access. The supplier agrees to control and restrict access to address information to persons who need it to perform work under this contract, and to prohibit the reproduction of this information.
- c. Confidentiality and Non-Disclosure Agreement. The supplier must require an employee (including any employee of a subcontractor) to sign the following agreement before the employee is granted access to address information:

**CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT**

I agree to hold in confidence any and all address information (i.e., addresses and return addresses) disclosed by the Postal Service or otherwise obtained or developed in the course of performance under Postal Service contract No. \_\_\_\_\_. I understand that no address information may be disclosed to any third party without prior written consent of the United States Postal Service.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

- d. Legal Demands for Information. If a legal demand is made for address information (such as by subpoena), the supplier will immediately notify the contracting officer and the nearest office of the postal inspectors. After notification, the Postal Service will then determine whether and to what extent, to resist the legal demand. Should the Postal Service give in to or unsuccessfully resist a legal demand, the supplier may, with the written permission of the contracting officer, release that address information specifically requested by the legal demand.
- e. Indemnification. The supplier will indemnify the Postal Service, its employees and agents, against all liability (including costs and fees) for

- (3) Include this clause, including this subparagraph b.3, in all subcontracts under this contract that require designing, developing, or operating such a system.
- c. The Privacy Act safeguards the individual's right of privacy concerning any system of records operated under this contract. Records must be current and accurate for the intended use, and adequate safeguards must be provided to prevent misuse of personal information.
- d. Violations of the Act may subject the Postal Service to civil liability, and its officers or employees to criminal liability. For purposes of the criminal penalties only, the supplier and its employees operating a system of records on individuals to accomplish a Postal Service function are considered employees of the Postal Service.
- e. As used in this clause:
  - (1) Operating a system of records means performing any of the activities associated with managing the system of records, including the collection, revision, and dissemination of records;
  - (2) Records means any item, collection, or grouping of information about an individual maintained by the Postal Service, including, but not limited to, education, financial transactions, medical history, and criminal or employment history, and containing the individual's name or a number, symbol, or other identifying particular assigned to the individual, such as a fingerprint, voiceprint, or photograph; and
  - (3) System of records on individuals means a group of any records under the control of the Postal Service from which information is retrieved by the name of the individual or by some number, symbol, or other identifying particular assigned to the individual.

**b. Clause 1-5 Gratuities or Gifts (January 1997)**

- a. The Postal Service may terminate this contract for default if, after notice and a hearing, the Postal Service Board of Contract Appeals determines that the supplier or the supplier's agent or other representative:
  - (1) Offered or gave a gratuity or gift (as defined in 5 CFR 2635) to an officer or employee of the Postal Service; and
  - (2) Intended by the gratuity or gift to obtain a contract or favorable treatment under a contract.
- b. The rights and remedies of the Postal Service provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**c. Clause 1-6 Contingent Fees (January 1997)**

- a. The supplier warrants that no person or selling agency has been employed or retained to solicit or obtain this contract for a commission, percentage, brokerage, or contingent fee, except bona fide employees or

shall not be required to comply with the cost accounting standards and principles for this purpose. This paragraph does not give the Postal Service any right to audit the supplier's records. The supplier shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

- m. Termination for default. The Postal Service may terminate this contract, or any part hereof, for default by the supplier, or if the supplier fails to provide the Postal Service, upon request, with adequate assurances of future performance. In the event of termination for default, the Postal Service shall not be liable to the supplier for any amount for supplies or services not accepted, and the supplier shall be liable to the Postal Service for any and all rights and remedies provided by law. If it is determined that the Postal Service improperly terminated this contract for default, such termination shall be deemed a termination for convenience.
- n. Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Postal Service upon acceptance, regardless of when or where the Postal Service takes physical possession.
- o. Warranty. The supplier warrants and implies that the items delivered under this contract are merchantable and fit for the use for the particular purpose described in this contract.
- p. Limitation of liability. Except as otherwise provided by an express or implied warranty, the supplier will not be liable to the Postal Service for consequential damages resulting from any defect or deficiencies in accepted items.
- q. Other Compliances. The supplier shall comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this contract.
- r. Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order; (1) the schedule of supplies and services; (2) the Assignment, Disputes, Payments, Invoice, Other Compliances and Compliance with Laws Unique to the Postal Service Contracts paragraphs of this clause; (3) the clause at 4-2 Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items; (4) addenda to this solicitation or contract, including any license agreements for computer software; (5) solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) PS Form 8203; (8) other documents, exhibits, and attachments, and (9) the specifications.

## **2.2 Addendum to Clause 4-2**

### **a. Clause 1-1 Privacy Act (January 1997)**

- a. This contract requires the supplier to design, develop, or operate a system of records on individuals to accomplish a Postal Service function. Section 3 of the Privacy Act of 1974 (5 U.S.C. 552a) and 39 CFR 266–268 apply to this system of records. Violation of the Act may subject the violator to criminal penalties (5 U.S.C. 552a(m)).
- b. The supplier agrees to:
  - (1) Comply with the Act, and Postal Service regulations issued under it, in designing, developing, or operating any system of records on individuals to accomplish a Postal Service function, when the contract specifically identifies (a) the system of records and (b) the work the supplier is to perform in designing, developing, or operating it;
  - (2) Design or develop the system in such a way that it can be operated in accordance with the Act and regulations; and

1. Name and address of the supplier;
2. Invoice date;
3. Contract number, contract line number and if applicable, the order number;
4. Description, quantity, unit of measure, unit price and extended price of the items delivered;
5. Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on a Postal Service bill of lading;
6. Terms of any prompt payment discount offered;
7. Name and address of official to whom payment is to be sent; and
8. Name, title and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

- h. Patent indemnity. The supplier shall indemnify the Postal Service and its officers, employees and agents against liability, including costs for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright, arising out of the performance of this contract, provided the supplier is reasonably notified of such claims and proceedings.

**The Postal Service shall indemnify the supplier and its officers, employees and agents against liability, including costs for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright and actual or alleged violations of rules and regulations regarding content, arising out of the processing, printing and distribution under this contract of the data and other information furnished by the Postal Service under this contract, provided that the Postal Service is reasonably notified of such claims and proceedings.**

- i. Payment. Payment shall be made for items accepted by the Postal Service that have been delivered to the delivery destinations set forth in this contract. The Postal Service will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Payments under this contract may be made by the Postal Service either by check, electronic funds transfer or government credit card at the option of the Postal Service.

In conjunction with any discount offered for early payment, time shall be computed from the date of the invoice. For purposes of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the date on which an electronic funds transfer was made.

- j. Risk of loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the supplier until, and shall pass to the Postal Service upon:
  1. Delivery of the supplies to a carrier, if transportation of f.o.b. origin, or;
  2. Delivery of the supplies to the Postal Service at the destination specified in the contract, if transportation is f.o.b. destination.
- k. Taxes. The contract price includes all applicable Federal, State, and local; taxes and duties.
- l. Termination for the Postal Service's convenience. The Postal Service reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the supplier shall immediately stop all work and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the supplier shall be paid a percentage of the work performed prior to the notice of termination, plus reasonable charges the supplier can demonstrate to the satisfaction of the Postal Service using its standard record keeping system, have resulted from the termination. The supplier

## **PART 2 - CLAUSES**

### **2.1 Clause 4-2 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS - MODIFIED (Jan 1997)**

- a. Inspection and Acceptance. The supplier shall only tender for acceptance those items that conform to the requirements of this contract. The Postal Service reserves the right to inspect or test supplies or services that have been tendered for acceptance. The Postal Service may require repair or replacement of no-conforming supplies or reperformance of non-conforming services at no increase in contract price. The Postal Service must exercise its post acceptance rights (1) within a reasonable period of time after the defect was discovered or should have been discovered and (2) before any substantial change occurs in the condition of the items, unless the change is due to the defect in the item.
- b. Assignment. The supplier or its assignee's rights to be paid amounts due as a result of performance of this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).
- c. Reserved.
- d. Disputes. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at PM B-9 Claims and Disputes, which is incorporated herein by reference. The supplier shall proceed diligently with performance of this contract pending final resolution of any dispute arising under the contract.
- e. Definitions. The clause at PM B-1, Definitions, is incorporated herein by reference.
- f. Excusable delays. The supplier shall be liable for default unless nonperformance is caused by an occurrence beyond reasonable control of the supplier and without its fault or negligence such as acts of God or the public enemy, acts of the Postal Service in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The supplier shall notify the contracting officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the contracting officer of the cessation of such occurrence.
- g. Invoice. The supplier shall submit an original invoice and three copies (or electronic invoice if authorized) to the address designated in the contract to receive invoices. An invoice must include:



After award, there will be a 90 calendar day period during which the USPS will process the supplier's security clearance forms, install the communications system and file servers, and conduct in-depth security reviews to determine what facility modifications, if any, are needed to ensure adequate security of the mail. The supplier will be required to implement any needed security enhancements before becoming operational. The Postal Service shall have the right to review the facility, as modified, to ensure adequate security is provided.

At the end of the 90 day period, the supplier must be ready for system testing. Testing will last between 14 and 21 calendar days. The supplier must be ready to become operational the day after the Postal Service deems the system acceptable. Live print jobs and instructions will be received starting on the first operational day.

During this 104 to 111 calendar day start-up period, the USPS will provide the following training for the supplier's personnel (all durations are estimated):

- MOL System Operator Training (approximately 2 days)
- Print Site Management Training (approximately 1 day)
- Technical Troubleshooting (approximately 1 day)

In addition, the USPS may choose to provide Business Mail Acceptance Training tailored to the needs of the supplier's personnel. The decision to do so will be made based on the knowledge and experience of the supplier's personnel in Business Mail Acceptance.

The contract period will end one year from the date the supplier becomes operational. Four one-year options are available. The contracting officer will notify the supplier in writing at least thirty days prior to the end of the contract period of the intent to exercise an option as stated in Clause 2-20.

- (4) FD-258, Applicant Fingerprint Chart (two copies). The fingerprint cards must be signed and dated by someone experienced to take fingerprints.
- (5) OFI Form 79, Notice of Personnel Investigations.

Exception: The initial submission of information for individuals previously granted a sensitive clearance who have had a break in service of six months or less will be handled on a case-by-case basis. Contractors who have had breaks in service of six months or more will need to have the complete screening process performed again.

- e. Interim Sensitive Clearance: When individuals are to begin work under an interim sensitive clearance, contractors shall initially provide the contracting officer or the COR or designee with items (3) through (7) required for the nonsensitive clearance as set out above for each individual before the individuals are authorized to enter the postal facility in connection with contract performance.

## **2.5 Grounds for Denial or Revocation**

A sensitive, nonsensitive, or interim clearance may be denied or revoked based on the information developed during either the initial investigation or an investigation to update a clearance. The denial or revocation may be based on appraisal of circumstances surrounding serious incidents involving the individual regardless of time frame related to the following:

- a. Refusal to furnish information requested pursuant to applicable laws, rules, and regulations that would aid in determination of qualification for a security clearance.
- b. Intentional, unauthorized disclosure or exposure of national security information, documents, or material classified under Executive Order 12065.
- c. Dismissal from prior employment for cause.
- d. Prior criminal conduct of such nature that would undermine the efficiency of the Postal Service or the safety of postal employees.
- e. Intentional false statements, deception, or fraud in an application for clearance or in information furnished incident to a contract with the Postal Service.
- f. Habitual use of intoxicating beverages to excess.
- g. Use of narcotics or dangerous drugs.
- h. Reasonable doubt as to loyalty to the government of the United States.
- i. Conviction for theft, embezzlement, or crimes of violence, including assault with a deadly weapon.
- j. Any other circumstance that makes the individual unfit to do business with the Postal Service.

## **2.6 Reconsideration of Denial**

An individual employed by a contractor, through the contractor, may request that the denial of a request for a clearance be reconsidered, and may present new information on his or her behalf. The chief inspector considers any new evidence presented and advises the contracting officer of the decision. The contractor's remedies for the failure of the Inspection Service to grant a requested clearance, either initially or following reconsideration, are as provided in the contract.

## **3. PERIOD OF PERFORMANCE**

laboratory and must meet the cut-off levels established by SAMHSA. The certification must include the name of the employee, the name of the institution that performed the test, the name of the agency that certifies the laboratory, the date of the test (within 90 days of the submission of the results), and the negative results of the test.

- (2) Certification that each individual:
  - (a) is not on parole, probation, or under suspended sentence for commission of a felony;
  - (b) has not been convicted of a criminal violation in the past 5 years for offenses that involved dishonesty, moral turpitude, financial gain, or assault;
  - (c) has not engaged in the illegal use, possession, sale, or transfer of narcotics or other illicit drugs during the past 5 years;
  - (d) does not have pending serious criminal charges (e.g., murder, rape, robbery, burglary, physical assaults, sale and distribution of drugs, or weapons violations. If criminal charges are pending the basic clearance will not be authorized until the charges have been resolved.

The contractor shall maintain supporting documentation for the drug screening tests and the criminal history inquiries subject to review by the Postal Service.

- c. Nonsensitive Clearance: Contractors employing individuals who require a nonsensitive clearance shall provide the following documentation to the contracting officer or the COR or designee for each individual before the individuals are authorized to enter the postal facility in connection with contract performance:
  - (1) PS Form 2181-C, Authorization and Release - Background Investigations (USPS Contractors and Employees of Contractors),
  - (2) PS Form 1357, Request for Computer Access (if access to postal computer systems is required).
  - (3) The results from a criminal history inquiry through local agencies (city, county, state) where the individual has resided and been employed during the past five years. The order of preference for criminal history inquiries, if obtainable, is state, county, and city.
  - (4) The results of a credit bureau inquiry made to identify any derogatory financial information concerning the individual.
  - (5) Verification of the individual's employment history for the past five years. The verification must identify reasons for the individual's termination or resignation from prior employers.
  - (6) Verification of U.S. citizenship of the individual through a review of his or her birth certificate or naturalization documents.
  - (7) Certification that each individual has passed a drug-screening test as set out above for basic clearance.
  - (8) PS Form 2025, Contract Personnel Questionnaire.
- d. Sensitive Clearance: Contractors employing individuals who require a sensitive clearance shall provide the following documentation to the contracting officer, the COR, or their designee for each individual before the individuals are authorized to enter the postal facility in connection with contract performance:
  - (1) Items (1) through (7) as set out above for the nonsensitive clearance.
  - (2) PS Form 2013, Sensitive Security Clearance Processing Request.
  - (3) SF-85P, Questionnaire for Public Trust Position.

If the information provided is complete and satisfactory, the contracting officer or the COR or designee will authorize the issuance of an identification badge (Form 5140, Non-Postal Service Contractor Employee) to the contract employee.

- (2) Nonsensitive, Sensitive, and Interim Sensitive Clearances: Upon receipt of the completed forms for the nonsensitive, sensitive, and interim sensitive clearances, the contracting officer, the COR, or their designee reviews the forms for completeness and forwards the completed forms and documentation received to:

SECURITY CLEARANCES  
U.S. POSTAL INSPECTION SERVICE  
4TH FLOOR SOUTH  
225 N HUMPHREYS BLVD  
MEMPHIS TN 38161-0008

Individuals requiring a nonsensitive clearance, sensitive clearance, or an interim sensitive clearance may begin work upon receipt of advice that the security clearance has been granted. The contracting officer, the COR, or their designee will authorize the issuance of an identification badge (Form 5140, Non-Postal Service Contractor Employee) to the contract employee.

- b. Inspection Service: The Inspection Service Operations Support Group (ISOSG) performs the following record checks before granting a nonsensitive, sensitive, or interim clearance:
  - (1) A search of the Postal Inspection Service's databases.
  - (2) A search of the National Crime Information Center (NCIC) Wants and Warrants.

In addition, it performs the following before granting a sensitive clearance:

- (1) National Agency Check (NAC) conducted by the Office of Personnel Management (OPM) that includes the following:
  - (a) Security/Suitability Investigation Index (SII): An index of back-ground investigations completed by OPM and background investigations conducted by other federal investigative agencies. OPM file retention is 15 years, or 25 years when an investigation contained actionable information.
  - (b) FBI Identification Division: Fingerprint index of arrest records and name file.
  - (c) Defense Clearance and Investigation Index (DCII): Index of investigations conducted on Department of Defense civilian and military personnel.

The ISOSG notifies the contracting officer, the COR, or their designee by memorandum when an individual has been granted or denied a security clearance. When contractor access to a computer is involved, the computer system security officer is also notified.

## 2.4 Documentation

- a. General: If an individual has a current security clearance from another federal agency, the contractor should provide documentation from that federal agency describing the clearance granted, the date it was granted, and the name and telephone number of an agency contact person.
- b. Basic Clearance: Contractors employing individuals who require a basic clearance shall provide the following documentation to the contracting officer, COR, or their designee before individuals are authorized to enter the postal facility in connection with contract performance:
  - (1) Certification that each individual has passed a screening test for cocaine, marijuana, amphetamine/methamphetamine, opiates, and phencyclidine (PCP), which the Substance Abuse and Mental Health Services Administration (SAMHSA) has identified as the five most abused substances. The screening test must be performed by a SAMHSA-approved, certified

computer systems) (hereinafter "individuals") must obtain clearance from the Postal Service as provided herein before being provided that access. This section does not apply to contractors providing services (including repairs and alterations) under local buying authority or to individuals under contracts for provision of mail transportation services (see Management Instruction (MI) PO-530-91-8 for screening procedures for mail transportation contracts).

For contractors providing services under local buying authority, the postal manager should take reasonable security precautions (e.g., past performance, knowledge of company, local criminal history, etc.) prior to the individuals entering a postal facility. To the extent possible, these individuals should have access to facilities only when postal employees occupy the facility.

## **2.2 Requirements**

### **a. Levels of Clearance**

**Basic Clearance:** A basic clearance is required for individuals who have access to postal facilities, but who do not require a higher level of clearance as provided herein. Exception: Individuals otherwise requiring basic clearance do not require it if they are to have access for less than two weeks. Clearance will be required if access is extended beyond two weeks.

**Nonsensitive Clearance:** A nonsensitive clearance is required for individuals who have access to postal information that if compromised would have limited impact on the mission of the Postal Service or who have restricted access to postal computer systems (e.g., contractors performing word processing or data entry).

**Sensitive Clearance:** A sensitive clearance is required for individuals who have access to sensitive information that, if tampered with, would cause significant financial loss, inconvenience, or delay in the performance of the mission of the Postal Service; who have physical access to restricted areas in postal facilities (e.g., computer rooms, tape libraries); who have access to computer systems either on-site or via remote terminals for system development or accessing sensitive systems or data; or who have access to the FTP Server, hot backup server, dedicated telecommunications system, technical data, software, and information provided by the Postal Service under this contract. Exception: Individuals whose access would otherwise require a sensitive clearance require only a nonsensitive clearance if they will be assigned to a contract for sixty days or fewer.

**Interim Sensitive Clearance:** An interim sensitive clearance is a preliminary clearance granted for individuals for whom there is a priority need to begin work before the completion of a sensitive clearance.

### **b. Citizenship**

Individuals requiring a nonsensitive clearance, sensitive clearance, or interim sensitive clearance as described above must be U.S. citizens, except for permanent resident aliens and other citizens of foreign countries who may provide services with the prior approval of the PCES manager for whom the services are required.

## **2.3 Responsibilities**

### **a. Contracting Officers, Requiring Activities, and Contracting Officer's Representatives (CORs)**

The organization requiring contract support and the contracting officer review the scope of work to determine whether the nature of the work will require contracted individuals to have a clearance under these procedures. If so, a provision referencing these requirements and procedures is included in the solicitation documents.

At the time of contract award, the contracting officer, the COR, or their designee provides the contractor with the required clearance forms, and receives the forms upon their completion.

- (1) **Basic Clearance:** The contracting officer, the COR, or their designee may allow individuals needed immediately by postal management limited access to the postal facility under the supervision of a postal employee for up to two weeks pending the receipt of the completed certifications for the basic clearance. Upon the receipt of the clearance certifications, the contracting officer, the COR, or their designee reviews them for completeness and adequacy.

any form whatsoever. After deletion of the batch from the contractor's equipment, any reprints will require resubmission of the job to the contractor.

Jobs performed under this contract must not be commingled with other jobs at the contractor's site. If different stages of the work (e.g., production, finishing, distribution) are performed in separate locations, the contractor must provide adequate security when transporting materials from one site to another. In addition, any subcontractor's site must provide the same high degree of security as the contractor's site and must be approved in advance. The contractor must also provide adequate security when transporting the finished mailpieces to the Postal Service BMEU.

### **1.2.7 Items Provided by the Postal Service**

- File server for receipt of data
- Backup server
- Dedicated telecommunications system

### **1.2.8 Items Provided by the Contractor**

- All printing equipment, including a printer for the reports and barcoded tray/sack labels
- All printing supplies including paper, envelopes, staples, binding material, tabs, etc. which meet mailing standards
- Paper stock for barcoded tray/sack labels meeting mailing standards in DMM M032
- Space, power, and environment for servers and telecommunications

## **1.3 MINIMUM / MAXIMUM**

This is an Indefinite Delivery, Indefinite Quantity contract with firm fixed prices. The minimum guaranteed dollar amount is **\$325,000**. The maximum dollar value for this procurement including the base year and four option years is **\$62 million**.

The Mailing Online service offering is subject to a Postal Rate Commission recommendation based on a November 1999 filing for an experimental rate. This could have an impact on the awarded contract. If an IDIQ contract is awarded and the minimum guaranteed cannot be provided due to the PRC decision, the Postal Service will be liable for the minimum. The Postal Service anticipates the PRC will provide a recommendation for this program within the required five-month time frame. Upon approval by the USPS Board of Governors, the Postal Service will move forward with Mailing Online. In the event this does not happen, the Postal Service will engage the contractor in printing work for select customers, paid for by the Postal Service as a marketing expense; and/or other similar printing work such as might be required in the normal course of business.

## **2. SECURITY**

### **2.1 General**

Individuals providing services to the Postal Service pursuant to contract (including contractors, contractors' employees, and subcontractors and subcontractors' employees at any tier) who have access to occupied postal facilities and/or to postal information and resources (including postal

The contractor must retain copies of the Postage Statements, Coding Accuracy Support System (CASS) Report, Sortation/Qualification Report, and/or manifest listings and summary pages for each mailing for a period of four years from the date of the mailing. These documents shall be made available for inspection by the Postal Service upon request and may be archived as electronic scanned images of the documents in lieu of storing the paper copies. On a weekly basis, the contractor shall provide the Postal Service COR or his designee(s) a batch log which provides the following information for each batch processed during that period: Batch Number, Date Received, Date Printed, Date Mailed.

#### **E. Invoicing**

Initially, the contractor shall submit hard copy invoices on a monthly basis to the COR. The contractor shall invoice based on the line items in the contract, not individual jobs. When the Postal Service makes electronic invoice processing available, the contractor agrees to submit invoices to the Postal Service using EDI (Electronic Data Interchange) in accordance with USPS-established EDI standards and procedures.

#### **F. Security**

The contractor must comply with all postal regulations relating to the handling of mail and must provide a satisfactory means of physical access control to the area in which Mailing Online documents will be prepared, processed, and stored. Any facility used for this contract is subject to review by the U.S. Postal Inspection Service, which will determine the adequacy of the security measures. Although not required in all facilities, electronic access control, closed circuit television (CCTV), and video recording may be necessary in an facility to achieve adequate security. The contractor must demonstrate a high degree of security for Mailing Online documents and files, including access only by authorized persons. A log must be maintained showing access to the secure area by name and time of access. The U.S. Postal Inspection Service must be provided unrestricted access to conduct reviews and investigations without advance notice.

Attachment I contains mail security requirements from the USPS Administrative Support Manual. Attachment II contains detailed requirements for the contractor's security plan.

All contractor or subcontractor employees with access to USPS-provided data and/or documents will be required to undergo a background check to receive a security clearance. Clause 2., Security, details the three levels of clearance established by the USPS. All employees with access will be required to obtain at least a basic clearance. Some employees may be required to obtain a nonsensitive or sensitive clearance based on their job responsibilities. In addition, all contractor or subcontractor employees may be asked to sign a nondisclosure agreement.

The contractor shall submit completed security clearance forms, certifications, and other data required by the above referenced document to the COR within ten days of contract award. For any new employee assigned to Postal Service work, the contractor must submit the forms and data and receive appropriate clearance before the employee begins such work. The contractor shall be responsible for obtaining security clearance forms and data for all subcontractor personnel.

All excess hard copy generated as a result of this contract, including printed or partially printed waste, must be shredded or otherwise destroyed and disposed in accordance with local laws and regulations. The Postal Service recommends recycling of the shredded paper if such service is available.

The contractor shall erase all electronic versions of a batch file from the contractor's equipment upon completion of the batch. The contractor shall not archive customers' jobs and batch files in

M-F 11:00 a.m. – 9:00 p.m.  
SAT 10:00 a.m. – 5:00 p.m.

South Suburban Processing & distribution Center  
6801 West 73<sup>rd</sup> Street  
Bedford Park IL 60499-9997  
M-F 9:00 a.m. – 9:00 p.m. (Acceptance Cutoff @ 8:00 p.m.)  
SAT 12:00 p.m. (noon) – 4:00 p.m. (Estimated acceptance times starting  
approximately March, 2000)

These days and times of acceptance are subject to change. If such a change is to be made, the contractor will be provided as much advance notification as possible.

The contractor must remain at the BMEU until all mailings have received clearance. After acceptance at the BMEU, the contractor shall immediately send an electronic acknowledgment back to the Postal Service via the dedicated server. This acknowledgment feature will be pre-programmed by the Postal Service for ease of use by the contractor.

## **B. Quality**

The contractor shall provide a level of quality consistent with accepted industry standards and shall have an established quality assurance plan. At all times, the printed material must conform to the PDF proof approved by the customer. For print jobs using spot color, the contractor shall ensure even distribution of the color without objectionable patterns. The contractor shall reprint, at its own expense, any materials which do not conform to the job and proof specifications transmitted by the USPS and the customer. If mistakes are made or materials are damaged during production, the materials shall be reprinted during that production run in order to keep the mailing intact.

The contractor shall ensure that routine preventive maintenance is performed on all equipment and that equipment is properly calibrated at all times. After contract award, the contractor shall work with the Postal Service to establish a Service Level Agreement which will cover issues including, but not limited to, supplies and materials needed to prepare mailpieces, server maintenance, contractor LAN maintenance, and remedies for resolving difficulties encountered by the contractor in the performance of the contract requirements.

Any customer complaints will be received by the Postal Service and will be forwarded to the contractor for necessary action. In the event of a mistake made by the contractor (e.g., poor print quality, mail placed into an incorrect tray or sack), the mistake will be immediately corrected at the contractor's expense. (In the case where the customer requests a refund, the conditions concerning refunds found elsewhere in this contract shall apply.)

## **C. Contingency Planning**

The contractor shall have an established plan for handling unanticipated peaks and surges in job volume, machine outages, and catastrophic events such as fire and flood. The plan shall be subject to review and approval by the COR. The contractor shall provide adequate equipment, including sufficient backup equipment, and staff such that at all times the performance standard of turning over the finished jobs to the USPS by the next Postal Service business day will be met. It is anticipated that approximately five days per year will be reserved for testing of new USPS-initiated Mailing Online features and enhancements.

## **D. Reporting**



- Self-mailer, folded with tabs
- Variable insertion of at least two items in addition to the document (The insertion of items shall be customer-driven, but the items themselves will not be customer variable [e.g., preprinted windowed Business Reply or Courtesy Reply envelopes].)

## **8. Inserting and Distribution**

The contractor shall purchase both #10 and jumbo (9" x 12") flat closed-face envelopes (white, 20lb. stock) for use under this contract. Replenishment of the envelope supply shall be the responsibility of the contractor. Each envelope shall have the following legend printed on the back of the envelope in Helvetica 6pt., black, 1/2" from the bottom, centered: "Printed by [company]" with "[company]" replaced by the name of the contractor. If the contractor uses recycled content paper for both the internal components of the mailpiece and the envelope, the contractor may also add, "Printed on recycled paper" to the legend, in the same location. If the contractor operates a union shop, the union symbol may also be added to the legend.

The contractor shall print the mailing address and return address directly on the envelope or self-mailer. Address data for direct-addressing systems and process control data for inserting equipment will be sent in either an envelope content file containing images (such as TIFFs) or as individual envelope fields in a flat file or tab delimited format. In addition, each page will contain a Xerox Data Glyph 2.0 which is approximately 3/8" x 3/8". The glyph will serve as a pointer or reference for the inserting and address data. This approach will accommodate both off-line direct-addressing as well as in-line closed-loop systems. The glyph will be printed in one margin of the paper.

The contractor shall fold (if necessary) each document to be inserted, insert the document into, and seal the envelope. The envelope size is determined by the Postal Service based on the number of pages in the document and will be transmitted to the contractor as part of the batch instructions. (For the optional self-mailers, the contractor shall apply sealing tabs in accordance with DMM C810.7.0.)

The contractor must prepare the mail for submission to the Postal Service in accordance with all regulations applicable to the class of mail as outlined in the Domestic Mail Manual. The mail must be packaged, trayed and/or sacked and barcoded tray/sack labels affixed as required by mailing standards for the mail class, processing category, and postage rate for which the mailing is to qualify. The Postage Statements, tray labels, and required reports will be generated by the MOL system. Batch jobs received by 8 p.m. must be submitted for verification and acceptance to the Business Mail Entry Unit no later than the BMEU's acceptance cut-off time during the next Postal Service business day. For this contract, the mail will be deposited at one of the following locations (depending on the physical location of the contractor):

Carol Stream Processing & Distribution Center  
500 East Fullerton Ave.  
Carol Stream IL 60199-9997  
M-F 10:00 a.m. – 8:00 p.m.  
SAT 10:00 a.m. – 5:00 p.m.

Palatine Processing & Distribution Center  
1300 East Northwest Highway  
Palatine IL 60095-9997

- Complete: Mark all job mailpieces as mailed after mail is accepted by the BMEU.

The system will also generate both a hard copy and an electronic file containing the contract items and quantities that have been accepted for the job.

The USPS has established a Help Desk for assisting customers. The Help Desk may contact the contractor with an inquiry about a specific batch or job. The print server will provide job tracking information. The contractor must keep this information current and correct in order to provide information to the Help Desk or other USPS personnel who may inquire. The Postal Service may elect to provide Remedy software at the contractor's facility for access to Help Desk job tickets. The contractor must promptly notify the Help Desk when any problem is encountered that will delay the receipt of the mail at the Business Mail Entry Unit (BMEU).

## 6. Printing

After receipt of the end-of-day print stream instructions, the contractor shall print all documents using the following specifications and constraints:

- High quality digital output
- 8½" x 11" and 8½" x 14" simplex and duplex impressions on 20 lb. white bond [Georgia-Pacific Spectrum DP or better (Brightness ≥ 84)]
- 11" x 17" duplex impressions on 60 lb. smooth finish white offset (or 24 lb. Bond) [International Paper Springhill or better (Brightness ≥ 84)]
- Black and white printing with spot/highlight colors available (red, green, magenta, and blue) (Spot colors generated using CMYK are acceptable)
- Minimum 600 dpi print definition for black and white
- Minimum 300 dpi print definition for spot color (including black and white printed in the same pass as the spot color)
- Documents up to 48-8½" x 11" or 8½" x 14" sheets or 24-11" x 17" sheets (96 duplexed impressions)

Personalization will be required as specified by the customer's job. This will include printing mail merge documents and placing names and addresses on envelopes and self-mailers. All merge functions will be performed by the Postal Service before transmission of the job to the contractor. Therefore, the data stream sent to the contractor will already contain individual merged documents.

Mailing Online will have the capability to provide online proofs to the customer in a PDF format. Receipt of print instructions on the server from the Postal Service shall constitute approval of a print job.

## 7. Finishing

The contractor shall provide the following finishing options, as specified by the customer:

- Stapling (for documents to be inserted in flat envelopes)
- Saddle Stitching (if stapling is specified for an 11" x 17" document) (includes two stitches and face trim)
- Black tape binding (perfect style) for 8½" x 11" documents

Once the print stream instructions are received, the MOL print controller will generate and combine the data glyphs with the PostScript files.

Print jobs will be ready for processing no later than one hour after the production cutoff time (i.e., as late as 9:00 p.m. ET). Once a print job is ready to proceed, it will move through three distinct processing steps. The MOL print controller will provide a GUI to interact with this processing.

The three steps are as follows:

- Printing – The process of physically printing the internal components of the mailpieces.
- Finishing – The process of completing the job request and preparing the job for mailing. This includes any binding requirements, printing addresses on the envelopes, and inserting the mailpieces into envelopes.
- Mailing – The process of preparing, verifying, transporting, and documenting the mail deposited at the Business Mail Entry Unit (BMEU).

Each processing step requires operator input to initiate and complete the process. The MOL system uses this information to track the jobs through the system and to report accurate status to the customers.

As each process step is activated, the following actions are performed.

- Printing
  - Initiate: Transfer the PostScript file/files to the printer (see printer access)
  - Complete: Mark all job mailpieces as printed and enable the Finishing step.
- Finishing
  - Initiate: For #10 envelopes and flats (automated), prepare and send the inserter control files to the inserter (see inserter access).  
  
For flats (manual), prepare and send the address data to the offline envelope printer (see inserter access).
  - Complete: For #10 envelopes and flats (automated), retrieve the inserter result file and reconcile the mailpiece status (see inserter access).  
  
For flats (manual), mark all job mailpieces as finished.
  - Enable the Mailing step.
- Mailing
  - Initiate: Print all Postage Statements, barcoded tray labels and sack labels, and any required supporting documentation.

2. Manual – A cover sheet appears with each document (will include address data, page count, etc.). Each document will be manually inserted into a 9" x 12" envelope. The cover sheet must be discarded. The envelopes will be printed on an offline ink jet printer using the Mail Run Data File generated for the inserter.

#### 4. Report Printer Access

The print contractor must provide access to a local network report printer for the generation of the Postage Statements, tray and sack labels, and any other required supporting documentation. Barcoded tray and sack labels printed from the network report printer must meet applicable paper quality and thickness requirements for use in preparing trays and sacks of mail. The report printer must accept Adobe Level 2 PostScript, print in landscape mode, and support at least three paper supply sources which are automatically selectable by the system without human intervention.

#### 5. Workflow:

Electronic data representing the mailpieces are accumulated at the MOL control center as customers submit jobs. These data are allocated to print sites based on the ZIP Code destination of the mailpiece, print contractor capabilities, and capacity. At each print site, each mailpiece is allocated to a print job, based on its printing, finishing, and mail class characteristics.

After the allocation of the data, the mailpiece PostScript files are sent to the print site either via a dedicated line or satellite communications system, which will be installed by the Postal Service. Each mailpiece is sent to the primary print site and two secondary print sites. This permits redistribution of a print job in the event of a print site failure without waiting for all of the print files to be transmitted to the new print site. Upon successful completion and mailing of jobs sent to the primary site, the extra files sent to the secondary print sites will be automatically deleted. The transfer of files to the print sites occurs continuously during the day.

At production cutoff time at the MOL control center (currently 2:00 PM Eastern Time, but possibly as late as 8:00 p.m. ET), the MOL control center will sort each print job as required for postage rate eligibility and send the print stream instructions to the print sites. At this point, the print site must be capable of printing, finishing, and mailing the entire job or notify the MOL control center that it can not process any of the job. This notification will be performed through the GUI provided on the print server. A telephone number will be provided for notification in the event the print site is without power at the production cutoff time.

A print site **MAY NOT** print and mail a partial print job. If the contractor fails to provide notification of its inability to perform before the production cutoff time or if the contractor becomes unable to finish all jobs after the cutoff time because of some interruption in service, the contractor will still be liable for the on-time deposit of the mailpieces, even if the print files are rerouted to another print site. The terms of the contract clause entitled "Incentive Compensation Plan" shall apply to these mailpieces.

Postal Service. The contractor may not change the IP address without first notifying and coordinating with the MOL Program Manager.

## **2. Printer Access**

The contractor must provide access to the production printing equipment using one of the following methods:

- Direct – The MOL print site controller will directly communicate with the printer via an “LPR” interface. A complete PostScript print stream will be sent directly to the printer. This method can be used if the printer can accept and process the print stream in its “natural order” (printing, finishing, inserting) without any special, device dependent commands (e.g., Xerox stapling).
- Print File – This method is the same as the direct method except that the resulting print stream is saved in a file on the MOL print site controller. The printer will be able to retrieve this file using NFS, FTP, or RCP.
- File List - The MOL print site controller will create a directory on the MOL print site controller for each print job. This directory will contain all of the mailpiece print files as well as a print control file – “JOBLIST.” The first line of the control file will contain a list of the print job characteristics. The remaining lines will each contain the name of a mailpiece file, in the order they are to be printed. The mailpiece PostScript files will be self-contained. For #10 envelopes, this will include the required Xerox Data Glyphs and PostScript logic to place them on the correct pages. For flats, this will include an address cover page.

## **3. Inserter Access**

The print contractor must provide a TCP/IP connection between the print server and the automated inserting equipment for the transfer to the inserter of control files and the transfer back to the postal server of inserter result files. One of the following methods may be used to transfer these files – NFS, FTP, or RCP.

The exact format of the inserter control files will vary by inserter manufacturer. At a minimum, the file will contain:

- The data glyph control number;
- The number of sheets in the mailpiece; and
- The envelope data.

An envelope content file will contain the information to be printed on the face of the envelope.

Flat pieces may be handled in one of two ways:

1. Automated – Glyphs appear on each page and are processed in the same manner as #10 mailpieces; OR

- Must accept Adobe PostScript Level 2 and PDF
- Must provide network access via 100BaseT Ethernet
- Must print within 1/8" of top and bottom of a page
- Must support a minimum of 600x600 dpi resolution for black & white, 300 dpi for spot color

## 2. Inserter

- Must provide network access via 100BaseT Ethernet
- Must perform automated inserting for #10 envelopes
- Must include a reader for Xerox Data Glyph 2.0 for inserter control
- Must provide network access for inserter control files and result file
- Must include a printer for envelopes at a minimum 240 x 240 dpi resolution. Must accept and print an envelope using address data provided in a Mail Run Data File. These data include:

1. A TIFF image of the permit imprint
2. A return address
3. A delivery address
4. A Key line
5. A Delivery Point Bar Code (DPBC)
6. A Class designation

No later than January 2001, the Postal Service intends to transmit a full envelope image in either PostScript or one of the image output formats supported by Ghostscript (e.g., TIFF, PBM, etc.). The contractor must be prepared to accept and print the full envelope image when this feature becomes available on the MOL system. At that time, the contractor must also upgrade the inkjet printer to a minimum resolution of 300 x 300 dpi at no additional cost to the Postal Service.

## 3. Report Printer

- Must provide network access via 100BaseT Ethernet
- Must accept Adobe PostScript Level 2
- Must support landscape printing
- Must contain a minimum of three paper sources

### 1.2.6 Specific Requirements

#### A. Performance

##### 1. Data receipt and transmission

The Postal Service will install a print server at the contractor's location. In addition, the Postal Service will install a "hot" backup server. These servers must be protected from unauthorized access and may be used only for work performed under this contract. The servers must be installed in an area with adequate temperature, humidity, and dust control for sensitive electronic equipment. The active print server must be turned on at all times.

The contractor must assign an IP address for use by the Postal Service and provide all hub and router connections to the contractor's LAN. Any alternate method of data transfer from the USPS server to the contractor's equipment must be approved in advance by the

### 1.2.2 Objective and Scope

The Postal Service intends to establish a nationwide network of approximately 25 geographically dispersed digital on-demand print and mail facilities to support Mailing Online. This contract is for a facility in the Chicago area to provide services in support of Mailing Online (MOL) during the rollout of the nationwide network.

The estimated average daily volumes over the potential five-year period of performance (including option years) are:

B&W 8½" x 11" Impressions	369,104	(incl. impressions on 11" x 17" paper)
Spot Color 8½" x 11" Impressions	225,376	
B&W 8½" x 14" Impressions	31,416	
Spot Color 8½" x 14" Impressions	60,336	

[PLEASE NOTE: These are estimates only and are not to be construed as guaranteed volumes of work. Estimates are based on 302 operating days per year. Volume is projected to increase exponentially and reach 90 percent of the volumes indicated above by the end of the first year.]

### 1.2.3 Applicable Documents

The following USPS publications are applicable to this contract:

- U.S. Postal Service Domestic Mail Manual (Of particular relevance are the following sections: E140, E640, C810, C820, C830, C840, M032, P710)
- Guide to the Manifest Mailing System, Publication 401 (Particularly Chapter 3, Quality Control)

These Business Publications may be viewed in the Business Center of the USPS website ([www.usps.com](http://www.usps.com)).

### 1.2.4 Definitions

- Customer: A person or organization submitting an electronic print file to the U.S. Postal Service through Mailing Online.
- PDF: Portable Document Format (Adobe Systems)
- COR: Contracting Officer's Representative. A Postal employee delegated the responsibility to manage the day-to-day technical aspects of the contract.

### 1.2.5 General Requirements

**A. Performance:** The contractor shall receive a print stream and finishing instructions electronically through a Postal Service network. The contractor shall provide turnkey production, finishing, and distribution of the mailpieces and shall invoice the Postal Service at the contractually-established rates for the services provided.

**B. Equipment:**

1. Printer

If the contractor chooses to perform manual flat insertion as described in the Statement of Work, the cost associated with generating the address cover sheet shall be included in the price for flat envelope insertion. (Item 06). The contractor shall not invoice the USPS for the address cover sheet as an additional sheet of paper (Item 01) and impression (Item 02).

### 1.1.2 Price Index

Prices charged under this contract for line items 01A, 01B, and 01C will be adjusted upward or downward in accordance with "Table 3 - Producer Price Indexes for selected commodity groupings" in Producer Price Indexes report, published by the Bureau of Labor Statistics (BLS) as follows:

1. Commodity Code 09, Pulp, paper, and allied products will apply for all paper required under this contract.
2. The applicable index figures for the month of **January 2000** will establish the base index.
3. Price adjustments may be annual thereafter, but only if the index varies by an amount (plus or minus) exceeding 5% by comparing the base index to the index for the month of **April** in each succeeding year.
4. Index variances will be calculated in accordance with the following formula:

$$(X - \text{Base Index}) / \text{Base Index} \times 100 = \underline{\hspace{2cm}}\%$$

Where X = the index for January for the year in which the option will be exercised.

5. The contract adjustment amount, if any will be the percent calculated in 4 above less 5%.
6. Adjustments will be applied to the contractor's offer for line Items 01A, 01B, 01C and 05A and 05B for each year and will be effective on the issuance of the next year's requirements.
7. The Contracting Officer will give written notice to the contractor of any adjustments to be applied to invoices for orders placed during the succeeding years.
8. In no event, however, will any price adjustment be made which would exceed the maximum permissible under any law in effect at the time of adjustment. The adjustment, if any, shall not be based on the actual change in cost to the contractor, but shall be computed as provided above.
9. The contractor warrants that the paper prices set forth in this contract do not include any allowance for any contingency to cover anticipated increased cost of paper to the extent such increase are covered by this price adjustment.

The Contracting Officer will give written notice to the contractor at least 30 days prior to the expiration date of a contract year that the USPS intends to exercise an option.

## 1.2 STATEMENT OF WORK/BACKGROUND

### 1.2.1 Overview

The U.S. Postal Service is establishing a new service, Mailing Online. It enables a postal customer using the Internet to electronically send documents produced on a desktop computer to the Postal Service, which routes them to a commercial printing/ mailing facility near the document's ultimate destination. The facility prints, finishes, prepares the mail, and deposits the documents into the mail stream.





f.	Provision A-10 Discounts (January 1997)	52
g.	Provision A-12 Postal-Furnished Property or Services (Jan 1997)	52
h.	Provision A-13 Labor Information (January 1997)	52
i.	Provision A-15 Protests (January 1997)	52
j.	Provision 2-6 Type of Contract (January 1997)	53
<b>3.4</b>	<b>Provision 4-2 Evaluation-Commercial Items (January 1997)</b>	<b>53</b>
<b>3.5</b>	<b>Addendum to Provision 4-2</b>	<b>54</b>
a.	Cost and Price Proposal	54
b.	Number of Proposals To Be Submitted	54
<b>3.6</b>	<b>Provision 4-3 Representations and Certifications-Commercial Items - (January 1997)</b>	<b>54</b>
<b>3.7</b>	<b>Addendum to Provision 4-3</b>	<b>57</b>
a.	Provision A-22 Authorized Negotiators (January 1997)	57
b.	Provision 1-3 Contractor Screening Requirements (January 1997)	57
c.	Provision 4-4 Demonstrability (January 1997)	57
d.	Submission of Financial Statements	58
e.	Notice Of Pre-award Survey	58
f.	Provision A-23 Place Of Performance (January 1997)	59
g.	Notice of Small Minority & Woman-owned Subcontracting Requirements (February 1999)	59
3.8	Provision 4-8 Pre-Proposal Conference (January 1997)	59
 <b>Part 4 ATTACHMENTS</b>		
Attachment I	EXCERPTS FROM USPS ADMINISTRATIVE SUPPORT MANUAL	60
Attachment II	SECURITY REQUIREMENTS FOR MAILING ON LINE	64
Attachment III	PAST PERFORMANCE EVALUATION FORMS	72
Attachment IV	EVALUATION QUANTITIES	75
Attachment V	INSTRUCTIONS FOR QUARTERLY REPORT OF SMALL MINORITY AND WOMAN-OWNED BUSINESS SUBCONTRACTS	6 pgs.
Attachment VI	U S DEPT OF LABOR WAGE DETERMINATIONS 94-2167 Revision 12 Dated 08/03/1998	9 pgs.
Attachment VII	Questions and Answers	3 pgs.

## Table Of Contents

<b>United States Postal Service: Order / Solicitation / Offer / Award PS Form 8203</b>		<b>1</b>
<b>Part 1</b>	<b>Schedule</b>	<b>3</b>
1.1	Items and Prices	3
1.2	Statement Of Work/Background	4
1.3	Period Of Performance	18
<b>Part 2</b>	<b>Clauses</b>	<b>20</b>
<b>2.1</b>	<b>Clause 4-2 Contract Terms and Conditions-Commercial Items (Jan 1997)</b>	<b>20</b>
<b>2.2</b>	<b>Addendum to Clause 4-2</b>	<b>22</b>
	a. Clause 1-1 Privacy Act (January 1997)	22
	b. Clause 1-5 Gratuities or Gifts (January 1997)	23
	c. Clause 1-6 Contingent Fees (January 1997)	23
	d. Clause 1-7 Non-Disclosure of Address Information (January 1997)	23
	e. Clause 1-12 Year 2000 Warranty-Commercial Items	24
	f. Clause 2-12 Postal Service Property-Short Form (January 1997)	25
	g. Clause 2-20 Option To Renew (with Preliminary Notice) (Jan 1997)	26
	h. Clause 2-26 Payment-Fixed Price (January 1997)	26
	i. Clause 2-29 Economic Price Adjustment (Index Method)(Jan 1997)	26
	j. Clause 2-39 Ordering (January 1997)	27
	k. Clause 2-42 Indefinite Quantity (January 1997)	27
	l. Clause 4-17 Technology Enhancement (January 1997)	27
	m. Clause 6-2 Contracting Officer's Representative (January 1997)	29
	n. Clause 7-7 Federal, State and Local Taxes (Short Form) (Jan 1997)	29
	o. Intellectual Property Clause	29
	p. Non-Disclosure Clause	30
	q. Clause 8-1 Patent Rights (January 1999)	31
	r. Clause 8-16 Postal Service Title in Technical Data and Computer Software (January 1997)	36
	s. Incentive Compensation Plan	41
	t. Customer Refunds	43
	u. Changes B-2 (January 1997)	43
<b>2.3</b>	<b>Clause 4.3 Contract Terms and Conditions Required To Implement Statutes or Executive Orders-Commercial Items (Feb 1999)</b>	<b>43</b>
<b>2.4</b>	<b>Addendum to Clause 4.3</b>	<b>45</b>
	a. Clause 3-1 Participation of Small, Minority And Woman-Owned Business (February 1999)	45
	b. Clause 3-2 Small, Minority and Woman-Owned Business Subcontracting Requirements (February 1999)	46
	c. Change Over Agreement	46
<b>Part 3</b>	<b>Solicitation Provisions</b>	<b>48</b>
<b>3.1</b>	<b>Instructions to Offerors</b>	<b>49</b>
<b>3.2</b>	<b>Provision 4-1 Instructions to Offerors-Commercial Items (Jan 1997)</b>	<b>49</b>
<b>3.3</b>	<b>Addendum to Provision 4-1</b>	<b>50</b>
	a. Provision A-3 Modification or Withdrawal of Proposals (Jan 1997)	50
	b. Provision A-4 Late Submissions and Modifications of Proposals (Jan 1997)	51
	c. Provision A-5 Acknowledgment of Solicitation Amendments (Jan1997)	51
	d. Provision A-6 Explanation to Prospective Offerors (Jan 1997)	51
	e. Provision A-7 Restriction on Disclosure and Use of Data (Jan 1997)	51