



STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
 1509 West 7th Street, Room 300
 Little Rock, Arkansas 72201-4222

INVITATION FOR BID
BID SOLICITATION DOCUMENT

SOLICITATION INFORMATION

Bid Number:	SP-20-0110	Solicitation Issued:	August 13, 2020
Description:	Blank and Printed Security Tinted Envelopes		
Agency:	Statewide		

SUBMISSION DEADLINE

Bid Opening Date:	September 15, 2020	Bid Opening Time:	2:00 p.m., Central Time
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Sealed bids must be delivered to the Office of State Procurement before the bid opening time and on or before the bid opening date. Sealed bids are opened contemporaneously at the bid opening time. Late bids shall be rejected as untimely. See section 1.2 for information regarding Live Bid Openings.

DELIVERY OF RESPONSE DOCUMENTS

Delivery Address and Bid Opening Location:	Office of State Procurement 1509 West 7 th Street, Room 300 Little Rock, AR 72201-4222 Delivery providers, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual provider. These providers will deliver to OSP based solely on the street address. Prospective Contractors assume all risk for timely, properly submitted deliveries.
Bid's Outer Packaging:	Seal outer packaging and properly mark with the following information. If outer packaging of bid submission is not properly marked, the package may be opened for bid identification purposes. <ul style="list-style-type: none"> • Bid number • Date and time of bid opening • Prospective Contractor's name and return address

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION

OSP Buyer:	Wendy Gossett	Buyer's Direct Phone Number:	501-371-6070
Email Address:	Wendy.gosset@dfa.arkansas.gov	OSP's Main Number:	501-324-9316
OSP Website:	https://www.transform.ar.gov/procurement/		

SECTION 1 – REQUIREMENTS

- **Do not** provide responses to items in this section unless specifically and expressly required.

1.1 INTRODUCTION

This Invitation for Bid (IFB) is issued by the Office of State Procurement (OSP) on behalf of Arkansas State Agencies to obtain pricing and a contract for Blank and Printed Security Tinted Envelopes (“Envelopes”) in various sizes as specified within this IFB. In addition to State Agencies, Purchasing Entities are also expected to include Political Subdivisions and colleges and universities.

The resultant contract will be a mandatory State contract in accordance with Arkansas Code Annotated §19-11-223 and the rules promulgated thereunder. Considering the large volume of purchases expected under the resulting mandatory contract, Prospective Contractors are strongly encouraged to submit their most favorable pricing for all items.

The Contractor **shall** provide standard printed Envelopes and standard blank Envelopes. All Envelopes **must** include Security Tint and **must** include the standard features specified in this IFB. The Contractor **shall** provide Purchasing Entities with add-on options to the standard Envelopes as specified herein, available as an upcharge to the blank and printed standard Envelope pricing.

1.2 LIVE BID OPENING

See instructions below to view the bid opening online.

Zoom Meeting Link: <https://arkansas-gov.zoom.us/j/91799014654?pwd=UVhISlo1cnZiTHFxMGJ3RGVqSEw4UT09>

Meeting ID: 917 9901 4654

Meeting Password: 221255

Dial-In Information: 877 853 5257 US Toll-free
888 475 4499 US Toll-free

1.3 CLARIFICATION OF BID SOLICITATION

- A. Submit any questions requesting clarification of information contained in this *Bid Solicitation* in writing via email by 8:00 a.m., Central Time on or before August 21, 2020 to the OSP buyer as shown on page one (1) of this *Bid Solicitation*.
1. For each question submitted, Prospective Contractor should reference the specific solicitation item number to which the question refers.
 2. Prospective Contractors’ written questions will be consolidated and answered by the State as deemed appropriate. The State’s consolidated written response is anticipated to be posted to the OSP website by the close of business on August 28, 2020. If Prospective Contractor questions are unclear or non-substantive in nature, the State may request clarification of a question(s) or decline to answer.
- B. The Prospective Contractor should notify the OSP buyer of any term, condition, etc., that precludes the Prospective Contractor from submitting a compliant, responsive bid. Prospective Contractors should note that it is the responsibility of the Prospective Contractor to seek resolution of all such issues, including those relating to the terms and conditions of the contract, prior to the submission of a bid.
- C. Prospective Contractors may contact the OSP buyer with non-substantive questions at any time prior to the bid opening.

- D. An oral statement by OSP will not be part of any contract resulting from this solicitation and may not reasonably be relied on by any Prospective Contractor as an aid to interpretation unless it is reduced to writing and expressly adopted by OSP.

1.4 DEFINITION OF TERMS

Unless otherwise defined herein, all terms defined in Arkansas Procurement Law and used herein have the same definitions herein as specified therein.

- A. The State Procurement Official has made every effort to use industry-accepted terminology in this *Bid Solicitation* and will attempt to further clarify any point of an item in question as indicated in *Clarification of Bid Solicitation*.
- B. Unless otherwise defined herein, all terms defined in Arkansas Procurement Law and used herein have the same definitions herein as specified therein.
- C. “Adhesive” means a type of glue or other appropriate substance that securely seals an Envelope flap.
- D. “Author’s Alteration” means a mark-up correction made by a Purchasing Entity to an Envelope Proof that is the result of an error in the high-definition, portable document format (PDF) file images or other artwork and instructions the Purchasing Entity provides to the Contractor, or a change the Purchasing Entity wishes to make to the Envelope after the Contractor has printed the Envelope Proof. Author’s Alterations do not include Printer’s Errors.
- E. “Bid Submission Requirement” means a task a Prospective Contractor **must** complete when submitting a bid response. These requirements will be distinguished by using the term “**shall**” or “**must**” in the requirement.
- F. “Business Day” means Monday through Friday of each week, exclusive of official State holidays. A list of Arkansas State Holidays can be found here: <https://www.sos.arkansas.gov/news/state-holiday-calendar/>.
- G. “Calendar Quarter” means any one of the four three (3) month calendar periods beginning in January, April, July, and October of each year as follows:
 - Quarter 1: January 1st – March 31st
 - Quarter 2: April 1st – June 30th
 - Quarter 3: July 1st – September 30th
 - Quarter 4: October 1st – December 31st
- H. “Camera Ready” means that a document is, from a technical standpoint, ready to “go to press,” or be printed.
- I. “Contractor” means a person who sells or contracts to sell commodities and/or services.
- J. “Contract Administrator” means the person designated by the State of Arkansas, located in the Office of State Procurement, to manage the contract after award, ensure compliance with terms and conditions and Arkansas Law, evaluate and document a contract’s performance, and other contract administrative duties.
- K. “Fluctuating Alignment” means changing frequently and uncertainly the proper positioning or state of adjustment of parts or print in relation to each other.

- L. "Ghosting" means an unwanted faint image of a design in solid printing areas that is not intended to receive that portion of the image.
- M. "Hairlines" means unwanted tiny or fine lines that appear in the final printed product.
- N. "Hickey" means an unwanted spot or imperfection caused by debris on the printing plate, blanket, gravure cylinder, or other image-carrying surface.
- O. "Hollow Type" means the misdistribution of ink that appears as partially printed letters in type.
- P. "Hot Spot" means unwanted weak ink coverage or visible dot gain caused by an air bubble or debris on the printing plate.
- Q. "Ink Spot" means inappropriate and unintended spots of ink throughout the printed document that are not supposed to be there.
- R. "Inside Delivery" means delivery to a building with or without an accessible dock where the product ordered is brought into the building by the delivery driver to specific rooms or areas.
- S. "Overruns" means additional printed Envelopes over the quantity ordered.
- T. "Political Subdivision" means an Agency, authority, board, branch, bureau, commission, council, department, institution, office, school district, or other entity and/or governmental body of any county, municipality, city, or town falling under the umbrella of the State of Arkansas and authorized by the laws of the State of Arkansas to participate in a State Contract or as otherwise determined authorized by the State of Arkansas.
- U. "Precise Registration" means the intended alignment and placement of all aspects and elements of the printed Envelopes.
- V. "Printer's Error" means a mark-up correction made by a Purchasing Entity to an Envelope Proof that is a result of an error in design, printing, quality, or fold made by the Contractor as determined by the State Agency. Printer's Errors do not include Author's Alterations.
- W. "Proof" means a high-definition, digitally-printed, prestige quality sample of the Envelope supplied to the Purchasing Entity by the Contractor that represents a new-exact model of how the finished Envelope will appear in all aspects possible, except that it is printed digitally rather than on a printing press.
- X. "Prospective Contractor" means a person who submits a bid in response to this solicitation.
- Y. "Purchasing Entity" means State Agencies, Political Subdivisions, and colleges and universities who make purchases from a resulting contract.
- Z. "Recycled Paper" as it applies to coated stock, means any paper that contains not less than 10 percent (10%) post-consumer material by fiber weight. As it applies to uncoated stock, it means any paper that contains not less than 20 percent (20%) post-consumer material by fiber weight.
- AA. "Registration" means the intended alignment and placement of all aspects and elements of the blank and printed Security Tinted Envelopes.

- BB. "Requirement" means a specification that a Contractor's product and/or service **must** perform during the term of the contract. These specifications will be distinguished by using the term "**shall**" or "**must**" in the requirement.
- CC. "Responsive bid" means a bid submitted in response to this solicitation that conforms in all material respects to this IFB.
- DD. "Roller Marks" means the unwanted transfer of ink from equipment to an Envelope.
- EE. "Rush Delivery" means when the Purchasing Entity requires delivery of an order in less than the specified delivery time outlined in this IFB.
- FF. "Security Tint or Security Print" means patterned, opaque printing on the inside of an Envelope for added security.
- GG. "Set-off Smudges" means the unwanted transfer of ink from one Envelope to another before the ink has set.
- HH. "State" means the State of Arkansas. When the term "State" is used herein to reference any obligation of the State under a contract that results from this solicitation, that obligation is limited to the State Agency using such a contract.
- II. "State Agency or Agencies" includes any State of Arkansas institution, authority, department, board, commission, bureau, council, office, or other entity supported by the appropriation of State and/or Federal funds, including State supported institutions of higher education, the constitutional departments of the State of Arkansas, the General Assembly, including the Legislative Council, the Legislative Joint Auditing Committee and supporting Agencies and bureaus thereof, the Arkansas Supreme Court, the Court of Appeals, circuit courts, prosecuting attorneys, and the Administrative Office of the Courts or any other entity and/or governmental body authorized by the State of Arkansas to participate in a State Contract or as otherwise determined by the State of Arkansas.
- JJ. "Underruns" means less Envelopes printed than the quantity ordered.
- KK. "Varying Density" means variations in the degree of color or darkness in print or an image.
- LL. "Virgin Paper" means paper that contains no recycled content.
- MM. The terms "Invitation For Bid", "IFB," "Bid Solicitation," and "Solicitation" are used synonymously in this document.

1.5 BACKGROUND AND CURRENT ENVIRONMENT

- A. Historically, approximately 500,000 blank and printed Security Tinted Envelopes have been purchased annually. Business Envelopes (#10 with windows) have been the most frequently purchased item. This estimate does not include purchases made by Political Subdivisions or colleges and universities.
- B. Although the State of Arkansas has attempted to provide an accurate reflection of existing conditions, the State is providing estimates strictly as a courtesy to Prospective Contractors and are provided in good faith for bidding purposes. The Prospective Contractor **shall not** interpret the existing conditions and estimates provided in this IFB or on the *Official Solicitation Price Sheet* to be a guarantee of actual contract volume or conditions existing during the terms of a contract resulting from this IFB. Purchasing Entities will purchase on an as needed basis, which may be more or less than the given estimates.

- C. State Agencies who have historically and routinely purchased blank and/or printed Security Tinted Envelopes includes but is not limited to those listed below. The list is not all inclusive.
 - 1. Arkansas Teachers Retirement System
 - 2. Arkansas Department of Human Services
 - 3. Office of Administrative Services
 - 4. Arkansas Real Estate Commission

1.6 PROSPECTIVE CONTRACTOR QUALIFICATIONS

- A. At the time of bid submission, the Prospective Contractor **shall** have an open and operational commercial printing facility and the capability to provide Security Tinted blank and printed Envelopes and the add-on options in the estimated quantities specified herein.
- B. At the time of bid submission, the Prospective Contractor **shall** have provided commercial printing to at least one (1) commercial client or public entity within the past five (5) years.
- C. The State reserves the right to make whatever investigation is necessary to determine whether the apparent successful Contractor meets the minimum Requirements in this IFB.
 - 1. If the apparent successful Contractor is determined by the State not to meet the minimum Requirements of this IFB, the Prospective Contractor's bid may be rejected.
 - 2. Upon request from OSP, the apparent successful Prospective Contractor **shall** provide clarification, information, documentation, and past work samples pertaining to the apparent successful Prospective Contractor's experience, ability, and qualifications to meet the Requirements described in the IFB prior to contract award.
 - 3. Should the apparent successful Prospective Contractor fail to provide the clarification, information, and documentation requested within the timeframe specified by OSP, the Prospective Contractor's bid may be rejected.

1.7 ENVELOPE SAMPLES

- A. As a Bid Submission Requirement, Prospective Contractors **shall** provide a minimum of six (6) Envelope samples in the Bid Response Packet as follows:
 - 1. One (1) printed Envelope sample for a minimum of three (3) of the Envelope styles required by this IFB.
 - a. The printed Envelope samples **must** contain a minimum of four (4) lines of text using black ink.
 - b. The printed Envelope samples **must** utilize the paper stock and ink brands the Prospective Contractor will use if awarded a contract as listed on the Prospective Contractor's *Official Solicitation Price Sheet*.
 - c. The printed Envelope samples provided may be from a past printing client or may be newly printed samples.
 - 2. One (1) blank (non-printed) Envelope sample for a minimum of three (3) of the Envelope styles required by this IFB. Blank Envelope sample styles **must not** be the same Envelope styles as used for the printed Envelope samples.

- a. The blank envelope samples **must** utilize the paper stock brand the Prospective Contractor will use if awarded a contract as listed on the Prospective Contractor's *Official Solicitation Price Sheet*.
3. All Envelope samples provided **must** include Security Tint and **must** meet or exceed the Requirements of this IFB including but not limited to Quality Requirements.
- B. OSP will examine the Envelope samples submitted by the lowest bidding Prospective Contractor for compliance with the Requirements of this IFB.
- C. Should the examination performed by OSP reveal any one (1) of the samples submitted by the lowest bidding Prospective Contractor does not meet or exceed the Requirements of this IFB, the Prospective Contractor's bid may be rejected.
- D. Should the lowest bidding Prospective Contractor's bid be rejected, OSP will examine the samples submitted by the second lowest bidding Prospective Contractor for compliance with the Requirements of this IFB. OSP will continue this process until a lowest bidding, responsive Prospective Contractor has been determined.

1.8 GENERAL REQUIREMENTS

- A. Envelopes provided under a resultant contract **must** be in accordance with applicable State and Federal laws and industry standards.
- B. During the contract terms, the Contractor **shall** provide the State with the following types of blank and printed Security Tinted Envelopes in various sizes. The *Official Solicitation Price Sheet* contains a more detailed breakdown regarding the sizes of Envelopes to be provided under a resulting contract.
 1. Catalog Style Envelopes
 2. Business Envelopes
 3. Booklet Envelopes
- C. Unless otherwise requested by a Purchasing Entity as an upcharge option, the Envelopes provided to Purchasing Entities **must** include the standard features (See *Standard Envelopes*) required by this IFB.
- D. The Contractor **shall** make the upcharge options specified in this IFB available to Purchasing Entities upon request. (See *Upcharges*).
- E. The Contractor **shall not** impose any minimum ordering requirements or ordering frequencies on Purchasing Entities.
- F. In the Bid Response Packet, Prospective Contractor **shall** submit a copy of available die list for Purchasing Entities to use as needed when placing Envelope orders.
- G. The dimensions of Envelopes **must not** deviate from the measurements specified on the *Official Solicitation Price Sheet* by more than what is commonly accepted as industry standard.
- H. The Contractor **shall** comply with all applicable U.S. Postal Regulations.
- I. The Contractor **shall** provide accurate billing and manual and electronic invoicing options, as requested by the Purchasing Entity.

1.9 INK AND PAPER STOCK

- A. The Contractor **shall** use White Wove, 24#, Bright White Paper for all Envelopes purchased under the contract.
- B. The Contractor may use either Virgin Paper or Recycled Paper for providing Envelopes under a resultant contract.
- C. Paper stock utilized **must** meet or exceed the U.S. Postal Service regulations for automated mailings.
- D. In accordance with Arkansas Code Annotated § 19-11-102, the Contractor **shall** use soybean oil ink to print Envelopes under a resulting contract, provided that the soybean ink is comparable in price to other inks and is equally suitable for use.
- E. On the *Official Solicitation Price Sheet*, the Prospective Contractor **shall** indicate the paper stock brand and ink brand being bid. The Prospective Contractor's **shall** intend to utilize the ink and paper stock brand indicated on the *Official Solicitation Price Sheet* when fulfilling its obligations under the resultant contract.
- F. Substitutions made to the paper stock brand and ink brand (including soybean oil ink) to be utilized under a resulting contract as provided on the Prospective Contractor's *Official Solicitation Price Sheet*, or as otherwise provided under a previously approved substitution request occurring after award, **must** be approved in writing by OSP prior to production.
- G. Paper stock brand substitutes **must** be the same or higher grade with same or better brightness level than the paper stock brand being substituted.
- H. If requested by OSP, the Contractor **shall** provide documentation supplied by the manufacturer for brand substitutions requested by the Contractor after award. Delivery of Envelopes utilizing unauthorized substitutions to the ink or paper stock brand will be considered contract default.
- I. When requested, substitutions **must** be intended for the life of the contract.

1.10 SECURITY TINT REQUIREMENTS

- A. The Contractor **shall** provide blank and printed Envelopes having a Security Print design on the inside of the Envelope for added opacity/security.
- B. Security Tint **shall** be any industry standard Security Tint design and **must** be either black or blue in color.

1.11 WINDOW REQUIREMENTS

- A. The Contractor **shall** provide windowed and non-windowed Envelopes.
- B. For windowed Envelopes, the Contractor **shall** supply Purchasing Entities with Envelopes having a polystyrene (film view) window patch as a standard feature.
 1. The Envelope window patch **must** meet transparency standards as prescribed by the U.S. Postal Service Regulations.
 2. Window patches **must** be of a strength and gauge that prevents breakage and damage under ordinary use and machine insertion.
- C. The standard window opening **must** be located approximately 7/8" from left side of the Envelope and 1/2" from bottom of the Envelope.

- D. As an available upcharge, and for instances whereby the standard window opening does not meet the Purchasing Entity's needs, the Contractor **shall** allow Purchasing Entities to make a selection from the Contractor's die list when purchasing windowed Envelopes.

1.12 CLOSURE REQUIREMENTS

- A. As a standard feature, the Contractor **shall** use dry gum (dextrin) Adhesive with a full gum seal on all Envelopes unless otherwise specified on the Purchasing Entity's purchase order as an upcharge.
- B. As an available upcharge, the Contractor **shall** provide the following types of Envelope closures to Purchasing Entities as requested:
 - 1. Latex Self-Seal Adhesive
 - 2. Dry gum (dextrin) Adhesive with Metal Clasps

1.13 QUALITY REQUIREMENTS

- A. Contractor **shall** provide Envelopes which are of good quality.
- B. The Contractor **shall** provide precise printing, folding, and cutting and accurate packaging, and delivery which **must** meet or exceed the Requirements of this IFB throughout the aggregate term of the resultant contract.
- C. Envelopes **must** be accurately and evenly trimmed and free of jagged and torn edges.
- D. The Contractor **shall** provide precise Registration and consistent ink coverage and density throughout the aggregate term of the resultant contract.
- E. Envelopes **must** be of the quality and construction that allows for machine insertion without compromising the Envelopes' integrity.
- F. Folding, cutting, and gluing **must** be positioned in a manner which ensures sufficient width and strength of the Envelopes.
- G. Squeeze out of excessive glue **must not** occur.
- H. Receipt of the Envelopes does not necessarily constitute acceptance by the Purchasing Entity. The Purchasing Entity will be granted a minimum of thirty (30) calendar days in which to inspect the Envelopes and to determine if its quality meets the Requirements and standards of the contract.
 - 1. If quality problems are evident, OSP in coordination with the Purchasing Entity, will inspect the Envelope for compliance with contract Requirements. If the Requirements of the contract are not met, the Contractor may be offered an opportunity to replace the Envelopes within a reasonable timeframe at no additional charge to the Purchasing Entity. Should the Purchasing Entity and the Contractor be unable to mutually agree upon a reasonable timeframe for replacing the Envelopes, then within thirty (30) calendar days from request from the Purchasing Entity, the Contractor **shall** issue a refund to the Purchasing Entity for the full cost of the Envelope order.

1.14 PRINTING REQUIREMENTS

- A. The Contractor may receive production materials such as artwork, portable document format (PDF) files, and/or other data files from the State after award. However, some Purchasing Entities may not have such production materials readily available. The Contractor **shall** work and communicate directly with each Purchasing Entity as necessary to obtain the information needed to fulfill the Purchasing Entity's order and the Requirements of this IFB.

1. Contractor **shall** inspect and determine the usability of the production materials provided by Purchasing Entity. Contractor **shall** immediately report problems encountered with the production materials to the Purchasing Entity. If the contractor fails to comply with this Requirement, the State may reject all claims involving the Contractor's inability to use Purchasing Entity's production materials as a valid reason for failing to meet the delivery schedule Requirement.
- B. The Contractor **shall** print all personalized data on Envelopes as specified by Purchasing Entity, including but not limited to business names, mailing addresses, account identification numbers, and barcodes.
- C. The Contractor **shall** use font type and size as specified by the Purchasing Entity.
- D. The Contractor **shall** make all file conversions, film separations, file finalization, and printing plate transfers necessary to print the Envelopes according to the Requirements of this IFB and the Purchasing Entity's request.
- E. The Contractor **shall** create all printing plates and supply all ink products and other tools as necessary to print Envelopes according to the Requirements of this IFB and Purchasing Entity's specifications.
- F. The Contractor **shall not** print the Contractor's name, logo, or other identifying marks on the Envelopes.
- G. The Purchasing Entity reserves the right to change the composition of the printed Envelopes with each purchase order issued.
- H. As a standard feature, the printed Envelopes **must** be printed in black ink unless otherwise specified on the Purchasing Entity's purchase order as an upcharge.
- I. Finished printed Envelopes **must** be free of press and production defects including but not limited to:
 1. Roller Marks
 2. Hickeys
 3. Hot Spots
 4. Set-off Smudges
 5. Hairlines
 6. Ghosting
 7. Fluctuating Alignment
 8. Hollow Type
 9. Varying Density
 10. Ink Drops and other spots or imperfections.

J. Printed Envelope Proof and Approval Process

1. Contractor **shall** furnish Proofs on all orders which are not an exact repeat or when not being furnished a Camera-Ready copy by the Purchasing Entity. The Contractor should submit a Proof to the Purchasing Entity any time the probability of error exists. However, in all instances, the Contractor **shall** provide Envelope Proofs as requested by the Purchasing Entity.
2. The time the Proof is out of the Contractor's hands for Purchasing Entity approval will not count against production time.
3. The Contractor **shall** keep accurate records showing the time and date copy and Proofs are mailed and subsequently received in order to calculate the final delivery date of the finished product.
 - a. The Contractor **shall** send a proofing document for Purchasing Entity to sign indicating whether or not corrections are necessary. The document **must** show the signature of the person reviewing and receiving the Proof, the date it was received and reviewed, and the necessary corrections to be made, if any. The Contractor should not proceed with the Purchasing Entity's order without a signature.
4. For instances when Proofs are required, then within three (3) Business Days of the Contractor's receipt of the file images or when file images aren't available, within three (3) Business Days of finalizing Purchasing Entity's requirements with the Purchasing Entity, the Contractor **shall** print, package, and deliver two (2) Envelope Proofs to the Purchasing Entity.
 - a. The Purchasing Entity will provide shipping information on the first purchase order entered.
5. The Purchasing Entity will review and make note of any needed Author's Alterations (notated with a "AA") and/or Printer's Errors (notated with a "PE") in the margin of the printed Envelope Proofs alongside each correction.
6. The Purchasing Entity will ship one (1) printed Envelope Proof back to the Contractor and will keep one (1) printed Envelope Proof for archival purposes.
7. Should the Purchasing Entity require revisions, the Contractor **shall** make revisions as indicated by the "AA" and "PE" notations on the returned printed Envelope Proof.
8. Within three (3) Business Days of the Contractor's receipt of the returned Envelope Proof, the Contractor **shall** print, package, and deliver two (2) revised Envelope Proofs to the Purchasing Entity.
9. The Contractor **shall** repeat the process as required in this IFB until the printed Envelope Proofs meet the approval of the Purchasing Entity.
 - a. The State anticipates no more than two (2) rounds of proofing.
10. The Contractor **shall** follow the procedures for printed Envelopes as required herein as determined necessary by the Purchasing Entity.
11. The Contractor **shall** provide for all transportation and delivery expenses incurred to provide the Envelope Proofs to the Purchasing Entity.

1.15 STANDARD ENVELOPES

- A. The Contractor **shall** provide standard blank Envelopes and standard printed Envelopes, with and without windows.
1. Standard printed Envelopes and the Contractor's associated pricing **must** include the following:
 - a. Up to (4) lines of English language text printed in black ink
 - b. The standard seal of State of Arkansas in black ink
 - c. Polystyrene (film view) window patch (applicable to windowed Envelopes only)
 - d. Security Tint
 - e. Dry gum (dextrin) Adhesive with a full gum seal
 2. Standard blank (non-printed) Envelopes and the Contractor's associated pricing **must** include the following:
 - a. Polystyrene (film view) window patch (applicable to windowed Envelopes only)
 - b. Security Tint
 - c. Dry gum (dextrin) Adhesive with a full gum seal

1.16 UPCHARGES

- A. The Contractor **shall** provide all upcharge options as specified herein to Purchasing Entities as requested.
- B. The State will allow the following upcharge options for printing Envelopes using color ink. Upcharges for color printing **must** be applied to the cost of the blank standard (windowed and non-windowed) Envelopes and **must** include four (4) lines of text plus the State seal.
1. One color of ink – not black
 2. Black plus one color of ink
 3. Two colors of ink – neither black
- C. The State will allow additional upcharges for the following:
1. Latex Self-Seal Adhesive closure
 2. String and button closure
 3. Metal clasps
 4. Available selections from Contractor's die list
 5. Additional lines of text exceeding four (4) lines of text. The upcharge options for each additional line will include one (1) line of black text or one (1) line of color text regardless of its placement on the Envelope (i.e., printed on the back or back flap of the Envelope).

- a. Upcharges for additional lines of text **must** be added to the printed standard Envelope cost (for additional lines added to a standard printed Envelope) or the blank standard Envelope cost (for additional lines added to color printed Envelopes) after the color printing upcharge has been applied, as applicable.

6. Purchasing Entity's branding or logo

7. Rush Orders

D. The Contractor **shall** list each upcharge as a separate line item on the Purchasing Entity's invoice.

1.17 OVERRUN/UNDERRUN ALLOWANCE

A. The State will allow for up to a three percent (3%) Overrun per order. The Contractor **shall not** invoice a Purchasing Entity for Overruns exceeding three percent (3%) of the ordered quantity.

1. The Contractor's pricing for Overruns **shall not** exceed 80% of the item's contracted price including upcharges, if any.

B. The State will allow for up to a three percent (3%) Underrun per order. The Contractor **shall not** charge the Purchasing Entity for Underruns. The Contractor **shall** invoice the Purchasing Entity for the full cost of the order as submitted by the Purchasing Entity and **shall** indicate a credit on the same invoice as a separate line item for the Underruns not included in the order.

1.18 PACKAGING

A. Envelopes **must** be packaged two hundred and fifty (250) per box and one thousand (1,000) to a carton, whenever reasonably possible.

B. Shipping cartons **must** be the same dimension to keep the Envelopes in pristine condition and protect contents from smudges and damage during shipping and handling.

C. On the outside of each carton, the Contractor **shall** indicate the size and type of Envelopes, total carton quantity, and include a packing slip listing the Purchasing Entity's purchase order number, if applicable.

D. Carton weight **must not** exceed more than thirty-five pounds (35 lbs.) for easy lifting and carrying.

1.19 DELIVERY: FOB DESTINATION

A. The Contractor **shall** provide FOB Destination shipping. The Purchasing Entity will indicate the Delivery address on each Purchase Order. Delivery is limited to one delivery address per purchase order.

B. The Contractor **shall** provide Inside Delivery for all orders.

C. The Contractor **shall** give the Purchasing Entity immediate notice of any anticipated delays or plant shutdowns that will affect the delivery Requirement.

D. At no additional cost to the Purchasing Entity, the Contractor **shall** replace all Envelopes lost or damaged during shipping, prior to the order being received by the Purchasing Entity.

1. The Contractor **shall** package all orders in a manner that prevents damage during shipping.

E. The Contractor **shall** provide for delivery of the Envelopes in accordance with the Delivery Schedule in Table A below which includes regular (non-rush) orders and rush orders. If the following delivery schedules cannot be met, then on the *Official Solicitation Price Sheet*, the Prospective Contractor **shall** state an alternate number of days required to place the commodity in the ordering agency's designated location. Failure to state an alternate delivery schedule (Regular and Rush) obligates the Contractor to complete delivery in accordance with the Delivery Schedule.

TABLE A: Delivery Schedule

Regular Order Delivery Schedule	
Blank Envelopes	
Up to 10,000 Envelopes	Ten (10) Business Days
Over 10,000 Envelopes	Fifteen (15) Business Days
Printed Envelopes	
Up to 10,000 Envelopes	Twenty (20) Business Days
Over 10,000 Envelopes	Twenty-Five (25) Business Days
Rush Order Delivery Schedule	
Blank Envelopes	
Up to 10,000 Envelopes	Five (5) Business Days
Over 10,000 Envelopes	Ten (10) Business Days
Printed Envelopes	
Up to 10,000 Envelopes	Ten (10) Business Days
Over 10,000 Envelopes	Fifteen (15) Business Days

F. All deliveries **must** be made between 8:00 a.m. and 3:00 p.m. Central Time, unless otherwise arranged and coordinated with the Purchasing Entity. Extended delivery dates may be considered when in the best interest of the State.

G. Should a Purchasing Entity request Rush Order Delivery, the Contractor **shall** provide Rush Order Delivery in accordance with the Rush Order delivery schedule.

1. Should the Contractor fail to meet the Rush Order delivery the Contractor **shall not** charge the Purchasing Entity for the Rush Order fee.
2. Upcharges for Rush Orders as submitted on the Official Solicitation Price Sheet **must** only include the Contractor's flat fee charged for providing the Rush Order service.

- H. The Contractor **shall** only invoice the Purchasing Entity for actual shipping charges.
- I. Shipping charges **must** be invoiced as a separate line item on each invoice.

1.20 QUARTERLY REPORTS

- A. In a format approved by OSP, and by the last Business Day of each month following a Calendar Quarter, the Contractor **shall** submit a Quarterly Sales Report regarding purchases from the previous Calendar Quarter.
- B. The Quarterly Sales Report **must** include the following information for each of the contracted items during the previous Calendar Quarter and **must** be categorized by Purchasing Entity:
 - 1. Item Number.
 - 2. Item description.
 - 3. Sales price.
 - 4. Total quantity purchased.
 - 5. Total sales.
- C. Unless otherwise requested and/or approved by OSP, all reports **must** be submitted in a excel spreadsheet file via email to the Contract Administrator.
- D. All prices and sales amounts **must** be submitted in U.S. dollars and cents.

1.21 KEY PERSONNEL AND CUSTOMER SERVICE

- A. The Contractor **shall** provide contact information for a designated representative who will serve as the State's single point of contact for all contractual matters.
 - 1. The designated representative **shall** provide customer service and support via phone and via email from 8:00 a.m. to 5:00 p.m., Central Time, Monday through Friday, excluding State Holidays.
 - 2. The designated representative **shall** be familiar with the resulting contract, trained to answer ordering questions, and mitigate order-related issues.
 - 3. In all instances, the Contractor's designated representative **shall** respond to and make every reasonable effort to resolve all customer service and support phone calls and emails within one (1) Business Day from receiving the communication from the Purchasing Entity.
- B. During the term(s) of the resulting contract, the Contractor **shall** replace the designated representative, if requested by OSP.

1.22 PROPERTY RIGHTS

- A. Upon expiration or termination of the resulting contract, the Contractor **shall** transfer property rights of all deliverables (intellectual and tangible) to the State and **shall not** hold ownership or an intellectual property claim to any deliverable associated with the a Purchasing Entity's account, including but not limited to the following:
 - 1. Artwork
 - 2. Graphics
 - 3. Patents
 - 4. Trademarks

5. Logos

- B. The Contractor **shall** maintain all data and deliverables associated with a Purchasing Entity's account and **shall** transfer all data and deliverables associated with the account to the Contract Administrator within sixty (60) calendar days of the expiration or termination date of the resulting contract and all data and deliverables **shall** become the exclusive property of the State.
- C. The Contractor **shall not** utilize any portion of the data or deliverables for any other purpose outside of the performance of the resulting contract.

1.23 ACCEPTANCE STANDARDS

- A. Inspection and acceptance/rejection of product(s) will be made within thirty (30) calendar days of receipt.
- B. The Purchasing Entity has the option to return all product(s) within the thirty (30) calendar day timeframe for any reason.
- C. Bid **must** include a "total satisfaction" return policy for all products and **must not** impose any liability on the Purchasing Entity for such returns.

1.24 PERFORMANCE STANDARDS

- A. State law requires that contracts for services include Performance Standards for measuring the overall quality of services provided that a Contractor **must** meet in order to avoid assessment of damages.
- B. The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration. The table below *Performance Standards*, identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards.
- C. The State has the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards and may include the input of the Contractor so as to establish standards that are reasonably achievable and mutually agreed upon.
- D. All changes made to the Performance Standards will become an official part of the contract.
- E. Performance Standards will continue throughout the aggregate term of the contract.
- F. Failure to meet the minimum Performance Standards as specified shall be considered a breach of any contract that gets awarded hereunder. The State may pursue any remedies it has at law, equity, and/or under such contract including, without limitation, termination or cancellation of contract and/or the imposition of liquidated damages.
- G. In the event a Performance Standard is not met, the Contractor may be allowed to defend or cure the insufficiency. The State has sole and final determination of the acceptability of any cure.

PERFORMANCE STANDARDS

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
Quality	Contractor provides printed Envelopes with Precise Registration and consistent ink coverage and density.	<p>10% of the invoiced amount, credited to the Purchasing Entities account for each Envelope order that fails to provide Precise Registration, consistent ink coverage and density.</p> <p>More than three (3) instances within a contract term may result in contract cancellation in accordance with the cancellation procedures stated in the IFB.</p>
	Contractor provides Envelopes with precise printing, folding, and cutting and Envelopes are accurately and evenly trimmed and free of jagged and torn edges.	<p>10% of the invoiced amount, credited to the Purchasing Entities account for each Envelope order that fails to provide precise printing, cutting, or folding, or has uneven trimming, or jagged and torn edges.</p> <p>More than three (3) instances within a contract term may result in contract cancellation in accordance with the cancellation procedures stated in the IFB.</p>
	Envelopes are free of press and production defects as stated in the IFB.	<p>10% of the invoiced amount, credited to the Purchasing Entities account for each Envelope order that contains press or production defects as stated in the IFB.</p> <p>More than three (3) instances within a contract term may result in contract cancellation in accordance with the cancellation procedures stated in the IFB.</p>
Timeliness	Envelope orders containing up to 10,000 Envelopes are delivered to Purchasing Entity in accordance with delivery schedule.	\$50 credit on invoice plus \$50 for each Business Day after the stated number of Business Days whereby Contractor fails to deliver Envelopes to Purchasing Entity.
	Envelope orders containing over 10,000 Envelopes are delivered to Purchasing Entity in accordance with the delivery schedule.	

Overruns/Underruns	<p>Contractor does not invoice Purchasing Entity for more than the allowed 3% of Overruns per order and provides a separate line item on each invoice for Overruns.</p>	<p>\$50 credit on the invoice for each instance the Contractor charges a Purchasing Entity for more than the allowable 3% for Overruns plus a credit for the charges applied for more than the allowable 3%.</p>
	<p>Contractor invoices Purchasing Entity for Underruns as a separate line item on invoice to show a credit for the Underruns as stated in the IFB.</p>	<p>\$50 credit on the invoice for each instance whereby the Contractor fails to credit the Purchasing Entity's account for Underruns as a separate line item as stated in the IFB.</p>
	<p>Contractor does not charge a Purchasing Entity more than 80% of the contracted price for Overruns.</p>	<p>\$50 credit on invoice for each instance whereby the Contractor charges more than 80% of the contracted price for Overruns plus a credit for the amount over the allowable 80%.</p>

SECTION 2 – GENERAL INSTRUCTIONS AND INFORMATION

- **Do not** provide responses to items in this section unless specifically and expressly required.

2.1 ISSUING AGENCY

OSP, as the issuing office, is the sole point of contact regarding the IFB throughout this solicitation process.

2.2 TYPE OF CONTRACT

- A. As a result of this IFB, OSP intends to award a contract to a single Contractor.
- B. The anticipated starting date for any resulting contract is October 1, 2020, except that the actual contract start date may be adjusted unilaterally by the State for up to three calendar months. By submitting a signed bid in response to the IFB, the Prospective Contractor represents and warrants that it will honor its bid as being held open as irrevocable for this period.
- C. The initial term of a resulting contract will be for one (1) year. Upon mutual agreement by the Contractor and agency, the contract may be renewed by OSP for up to six (6) additional one-year terms or portions thereof, not to exceed a total aggregate contract term of seven (7) consecutive years.

2.3 CONTRACTOR SELECTION

- A. Award will be made to the lowest bidding, responsible Prospective Contractor with the highest Grand Total Cost Score (See *Cost Score* and *Grand Total Cost Score*). The Grand Total Cost Score for each Prospective Contractor, based on the cost scores from Tables A, B, C, D, and E on the *Official Solicitation Price Sheet*, will be used to determine the lowest bidding Prospective Contractor.
- B. Prospective Contractor(s) **shall** provide pricing on all items on the *Official Solicitation Price Sheet*.

2.4 RESPONSE DOCUMENTS

- A. *Bid Response Packet*
 1. The following are Bid Submission Requirements and **must** be submitted in the original *Bid Response Packet*.
 - a. Original signed *Bid Signature Page*. (See *Bid Response Packet*.)
 - i. A signed Bid Signature Page included in the *Bid Response Packet*. The signature **must** be that of a person authorized to contractually bind the Prospective Contractor.
 - ii. *Bid Response Packet*, which **must** be in the English language.
 - b. One (1) original copy of the *Official Solicitation Price Sheet*. Pricing **must** be proposed in U.S. dollars and cents.
 - c. Three (3) printed Envelope samples. (See *Envelope Samples*).
 - d. Three (3) blank (non-printed) Envelope samples. (See *Envelope Samples*).
 - e. Prospective Contractor's Die List.
 2. The following items should be submitted in the original *Bid Response Packet*, preferably on a flash drive and in PDF format.

- a. One (1) copy of the *Official Solicitation Price Sheet*.
 - b. *EO 98-04 Disclosure Form*.
 - c. Copy of Prospective Contractor's *Equal Opportunity Policy*.
 - d. *Proposed Subcontractors Form*.
3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

2.5 PRICING

- A. The Official Solicitation Price Sheet contains seven (7) tables for the purposes described below.
1. Table A – Standard #10 Business Security Tint Envelopes: The Prospective Contractor **shall** provide a **per thousand** cost for the estimated quantities provided (expressed in thousands) for the Standard #10 Business Envelopes listed in items 1-4. Table A will be used in the allocation of cost points and in determining lowest cost. (See *Cost Score*).
 2. Table B - Miscellaneous Security Tint Envelopes: The Prospective Contractor **shall** provide a **per thousand cost** for the estimated quantities provided (expressed in thousands) for the various Standard Envelope Styles listed in items 5-76. Table B will be used in the allocation of cost points and in determining lowest cost. (See *Cost Score*).
 3. Table C - Upcharges: The Prospective Contractor **shall** provide a cost for each type of Upcharge in the estimated quantities provided for items 77-89. Table C will be used in the allocation of cost points and in determining lowest cost. (See *Cost Score*).
 4. Table D – Overruns: The Prospective Contractor **shall** provide a cost, **expressed as a percentage** for item 90, indicating the percentage of the contracted item's price that will be charged to Purchasing Entities for the 3% of Overruns allowed per order. (See *Overrun/Underrun Allowance*). The percentage provided **must not** exceed 80%. Table E will be used in the allocation of cost points and in determining lowest cost. (See *Cost Score*).
 5. Table E – Rush Orders: For item 91, the Prospective Contractor **shall** enter the price to be charged to Purchasing Entities who request Rush Orders. The pricing provided **must** only be the Prospective Contractor's fee for providing the service and **must not** include shipping costs. Table E will be used in the allocation of cost points and in determining lowest cost. (See *Cost Score*).
 6. Table F – Brand: The Prospective Contractor **shall** enter the paper stock and ink brands to be utilized under a resultant contract.
 7. Table G – Alternate Delivery Schedule: The Prospective Contractor **shall** provide an alternate Regular Order delivery schedule and/or Rush Order Delivery Schedule **only if** one or more of delivery schedules in Table A of Section 1.19 *Delivery: FOB Destination* cannot be met.

2.6 COST SCORE

- A. When pricing is opened for scoring, the maximum amount of cost points allocated to each table (Tables A-E on the *Official Solicitation Price Sheet*) will be given to the Prospective Contractor with the lowest cost (or lowest percentage, as applicable to Overruns) for the table being scored. (See *Grand Total Cost Score* for maximum points possible for cost score.)

- B. The amount of cost points given to the remaining Prospective Contractors for that table will be allocated by using the following formula:

$$(A/B)*(C) = D$$

- A = Lowest Total Cost
- B = Second (third, fourth, etc.) Lowest Total Cost
- C = Maximum points for Lowest Total Cost
- D = Total cost points received

2.7 GRAND TOTAL COST SCORE

The cost scores from Tables A-E will be added together to determine the Grand Total Cost Score. The Prospective Contractor with the highest Grand Total Cost Score will be selected as the apparent successful Contractor. (See *Contractor Selection*).

	Maximum Points Possible
Table A	375
Table B	300
Table C	275
Table D	25
Table E	25
Maximum Possible Grand Total Score	1,000

2.8 PROSPECTIVE CONTRACTOR ACCEPTANCE OF COST SCORING TECHNIQUE

- A. Prospective Contractor **must** agree to all bid processes and procedures as defined in this solicitation.
- B. The submission of a *Bid Response Packet* signifies the Prospective Contractor’s understanding and agreement to the cost scoring technique as described herein.

2.9 PRICE ESCALATION

- A. Price increases will be considered at the time of contract renewal.
- B. The Contractor **shall** provide OSP with a written request for the price increase. The request **must** include supporting documentation demonstrating that the increase in contract price is based on an increase in market price. OSP has the right to require additional information pertaining to the requested increase.
- C. Increases will not be considered to increase profit or margins.
- D. OSP has the right to approve or deny the request.

2.10 ACCEPTANCE OF REQUIREMENTS

- A. Unless a Prospective Contractor expressly and conspicuously identifies any exception or exceptions to any of the Requirements in the Specifications Section(s) of this IFB by listing them on the *Exceptions Form* (See Bid Response Packet), Prospective Contractor understands its submission of a bid to represent that its bid meets all such Requirements.
- B. A Prospective Contractor’s bid may be rejected if the Prospective Contractor takes exception to any Requirements in the Specifications Section(s) of this IFB.

2.11 ADDITIONAL TERMS AND CONDITIONS

- A. Any special terms and conditions included in this solicitation shall override the Solicitation Terms and Conditions located on the OSP website here:
<https://www.transform.ar.gov/procurement/agencies/forms-and-reporting/>.
- B. Unless a Prospective Contractor expressly and conspicuously identifies any exception or exceptions to any of the terms in the Standard Commodities Contract Template, Prospective Contractor agrees and will adhere to all terms if selected as the successful Contractor. Items identified as non-negotiable may only be modified if the legal requirement is satisfied and approved by the State. The Standard Commodities Contract can be viewed on the OSP website here:
<https://www.transform.ar.gov/procurement/agencies/forms-and-reporting/>.

2.12 CONVENIENCE FEE

A. Convenience Fee

Contractor **shall** remit a convenience fee in the amount of one percent (1%) of all Contract Sales made to State, State Departments, and to local entities as defined in Arkansas Code Annotated § 19-11-206 (i.e. local governments, cities, counties, school districts, water districts, and other participants, collectively "State"). The convenience fee is based on Contractor invoice date and is effective upon the date of execution of this Contract. Contract Sales is defined as gross sale amounts less credits, taxes, regulatory fees and separately stated shipping charges not included in the unit prices. The State, at its sole discretion, may expand the applicability of this fee after providing notice to Contractors.

Unit prices are inclusive of the convenience fee and Contractor is not to charge the fee directly to the State in the form of a separate line item. Contracts **shall not** have separate or different prices for State Agency customers and local entities as defined in Arkansas Code Annotated § 19-11-206 participants.

B. Quarterly Reporting and Fee Remittance

Contractor **shall** submit a Sales Report documenting all contract sales, made to State and such submission, including any supplemental information submitted, is deemed public record.

The Sales Report **shall** be submitted, and the related convenience fee **shall** be remitted no later than thirty (30) calendar days after the end of each calendar quarter. The calendar quarters will end March 31, June 30, September 30, and December 31. The Sales Report **must** contain the following information:

1. Complete and accurate details of all sales, credits, returns, refunds, and the like for the reporting quarter.
2. Purchasing entity.
3. Total of Convenience Fee amount due.
4. Such other information as the State may reasonably request.
5. If no Sales were made to State during the reporting quarter, then a report **shall** be submitted showing zero sales and zero convenience fees due.

C. Payment of Convenience Fee

The Contractor **shall** timely remit Convenience Fee via Automated Clearing House (ACH) transactions, unless otherwise directed by State, to the bank account directed by the State. Failure to remit convenience fees timely and accurately in accordance with State requirements may result

in Contractor's goods and services being made ineligible for purchase by State or any other recourse available, including contract cancellation, or as further provided for by law.

D. Retention and Inspection of Records

The Contractor **shall** keep records of Sales to State in sufficient detail to enable the State to determine the Convenience Fee payable by the Contractor. State may examine and audit, at its own expense, Contractor's sales records and Sales Reports for completeness and accuracy. In the event that such examination reveals underpayment of the Convenience Fee, the Contractor **shall** immediately pay to the State the amount of deficiency. If the examination reveals an underpayment of 5% or more, then the Contractor **shall** reimburse the State for the cost of the audit.