

Program	0385-S												
Title	Mailing and Distribution Services												
AGENCY	Department of Veteran's Affairs (VA)												
TERM:	Beginning Date of Award and ending Nov.30, 2013												
		ABR SERVICES, INC.			ALCOM		DIGITAL IMPRESSIONS INC.		GRAY GRAPHICS		HBP INC.		
		Woodbridge, VA			Harleysville, PA		Fredericksburg MD		Capitol Heights, MD		Hagerstown, MD		
ITEM NO	DESCRIPTION	BASIS OF AWARD	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	
I.	PACKING AND DISTRIBUTION:												
1	Mailing -												
(a)	Addressing single copies (self-mailers).....												
	.....per 100 copies.....	5000	2.60	13,000.00	2.04	10,200.00	1.90	9,500.00	5.00	25,000.00	11.00	55,000.00
(b)	Single or multiple copies (up to 5 items) in furnished No. 10 envelopes.....												
	.....per envelope.....	200,000	0.85	170,000.00	0.025	5,000.00	0.18	36,000.00	0.20	40,000.00	0.106	21,200.00
(c)	Single or multiple copies (up to 200 leaves) in furnished 9 x 12" envelopes.....												
	.....per envelope.....	800,000	0.14	112,000.00	0.15	120,000.00	0.29	232,000.00	0.30	240,000.00	0.13	104,000.00
(d)	Single or multiple copies (up to 200 leaves) in Kraft envelope..... per envelope.....	20,000	0.63	12,600.00	0.30	6,000.00	0.41	8,200.00	0.65	13,000.00	0.14	2,800.00	
(e)	Affixing labels to envelopes, padded envelopes, shipping bags, bundles or containers.....												
	.....per label.....	25,000	0.12	3,000.00	0.05	1,250.00	0.09	2,250.00	0.20	5,000.00	0.85	21,250.00
II.	ADDITIONAL OPERATIONS:												
	A charge is not allowed for creating labels when furnished by the Government.												
(a)	Gathering/combining/consolidating from 1 to 3 different products going to the same addressee.....												
	.....per package.....	800,000	0.13	104,000.00	0.15	120,000.00	0.19	152,000.00	0.25	200,000.00	0.40	320,000.00
(b)	Gathering/combining/consolidating from 4 to 6 different products going to the same addressee.....												
	.....per package.....	25,000	0.13	3,250.00	0.20	5,000.00	0.24	6,000.00	0.30	7,500.00	0.53	13,250.00
(c)	Gathering/combining/consolidating from 7 to 10 different products going to the same addressee.....												
	.....per package.....	5,000	0.185	925.00	0.30	1,500.00	0.29	1,450.00	0.40	2,000.00	0.65	3,250.00
(d)	Creating labels..... per label.....	250,000	0.185	46,250.00	0.04	10,000.00	0.04	10,000.00	0.05	12,500.00	0.12	30,000.00	
(e)	Surcharge for additional tasks necessary for UPS shipments, including transfer of address information from provided address labels to UPS documents.....												
	.....per container used for shipping.....	200	0.50	100.00	2.50	500.00	0.95	190.00	2.00	400.00	1.75	350.00
(f)	Surcharge for charges incurred due to incorrect or undeliverable addresses.....												
	.....per address correction/undeliverable address.....	500	1.00	500.00	2.00	1,000.00	0.45	225.00	1.00	500.00	3.75	1,875.00
(g)	One to four two wafer seals..... (per UPS mail requirements).....												
	.....per 1,000 items.....	75	18.00	1,350.00	6.50	487.50	60.00	4,500.00	40.00	3,000.00	45.00	3,375.00
(h)	Zip Code sorting provided file into most cost effective order To gain the best possible postage rate.....												
	.....per file.....	60	10.00	600.00	50.00	3,000.00	75.00	4,500.00	50.00	3,000.00	175.00	10,500.00
(i)	Chipboard, newsboard or equal approximately 0.020" thick.....												
	.....per 1,000 sheets.....	1,000	30.00	30,000.00	23.00	23,000.00	60.00	60,000.00	80.00	80,000.00	47.00	47,000.00
(j)	Separating.....												
	.....loose-leaf quantities per group.....	50	0.20	10.00	20.00	1,000.00	0.05	2.50	1.00	50.00	0.50	25.00
(k)	Shrink film wrapping.....												
	.....per unit/package.....	10,000	0.025	250.00	0.16	1,600.00	0.15	1,500.00	0.20	2,000.00	0.28	2,800.00
	CONTRACTOR SUBTOTALS			\$497,835.00		\$309,537.50		\$528,317.50		\$633,950.00		\$636,675.00	
	DISCOUNT			0.00%	\$0.00	2.00%	\$6,190.75	2.00%	\$10,566.35	2.00%	\$12,679.00	0.50%	\$3,183.38
	DISCOUNTED TOTALS			\$497,835.00		\$303,346.75		\$517,751.15		\$621,271.00		\$633,491.62	

U.S. GOVERNMENT PRINTING OFFICE
Washington, DC

GENERAL TERMS, CONDITIONS, AND SPECIFICATIONS

For the Procurement of

Mailing and Distribution Services

as requisitioned from the U.S. Government Printing Office (GPO) by the

Department of Veterans Affairs (VA)

Single Award

TERM OF CONTRACT: The term of this contract is for the period beginning Date of Award and ending November 30, 2013, plus up to four (4) optional 12-month extension period(s) that may be added in accordance with the "OPTION TO EXTEND THE TERM OF THE CONTRACT" clause in Section 1 of this contract.

BID OPENING: Bids shall be publicly opened at 11:00 a.m., prevailing Washington, DC time, November 9, 2012

BID SUBMISSION: Submit bid in pre-addressed envelope furnished with solicitation, or send to: U.S. Government Printing Office, Bid Section, 36 H Street NW, Room C-161, STOP: PPSB, Washington, DC 20404-0001. Facsimile bids in response to this solicitation are permitted. Facsimile bids may be submitted directly to the GPO Bid Section, FAX No. (202) 512-1782. The Program Number and bid opening date must be specified with the bid. Refer to Facsimile Bids in Solicitation Provisions of GPO Contract Terms, GPO Publication 310.2 as revised June 2001.

PRODUCTION AREA: It is assumed that all production facilities used in the manufacture of the product(s) ordered under this contract will be located within a 60-mile radius of zero milestone Washington, DC.

Any bidder intending to use production facilities outside this area should furnish information with the bid which will, on its face, demonstrate ability to meet the schedule requirements. The determination by the Government of the acceptability of this information in no way relieves the successful bidder of the responsibility for compliance with these schedule requirements.

NOTE TO BIDDERS: Bidders are instructed to adhere to all requirements of the solicitation. Special attention is directed to the following provisions:

Requirements of Contractor	Attached Wage Determination
Economic Price Adjustment	Walsh-Healey Public Contracts Act
Service Contract Act of 1965	Attached Wage Hour Publication 1313, "Notice to Employees"

All referenced documents including any amendments, are incorporated by reference and become an integral part of the contract.

BIDDER, PLEASE NOTE: These specifications have been extensively revised; therefore, all bidders are cautioned to familiarize themselves with all provisions of these specifications before bidding.

Abstracts of contract prices are available at <http://www.gpo.gov/gpo/abstracts/abstract.action?region=Central>

For information of a technical nature call Roger McKnight at (202) 512-0303 (No collect calls).

SECTION 1. - GENERAL TERMS AND CONDITIONS

GPO CONTRACT TERMS: Any contract which results from this Invitation for Bid will be subject to the applicable provisions, clauses, and supplemental specifications of GPO Contract Terms (GPO Publication 310.2, effective December 1, 1987, Rev. 6-01).

DISPUTES: GPO Publication 310.2, GPO Contract Terms, Contract Clause 5. Disputes, is hereby replaced with the June 2008 clause found at www.gpo.gov/pdfs/vendors/contractdisputes.pdf. This June 2008 clause also cancels and supersedes any other disputes language currently included in existing contractual actions.

SUBCONTRACTING: Subcontracting is not permitted.

OPTION TO EXTEND THE TERM OF THE CONTRACT: The Government has the option to extend the term of this contract for a period of 12 months by written notice to the contractor not later than 30 days before the contract expires. If the Government exercises this option, the extended contract shall be considered to include this clause except, the total duration of this contract may not exceed five (5) years as a result of, and including, any extension(s) added under this clause. Further extension may be negotiated under the "EXTENSION OF CONTRACT TERM" clause. See also "ECONOMIC PRICE ADJUSTMENT" for authorized pricing adjustment(s).

EXTENSION OF CONTRACT TERM: At the request of the Government, the term of any contract resulting from this solicitation may be extended for such period of time as may be mutually agreeable to the GPO and the contractor.

ECONOMIC PRICE ADJUSTMENT: The pricing under this contract shall be adjusted in accordance with this clause, provided that in no event will any pricing adjustment be made that would exceed the maximum permissible under any law in effect at the time of the adjustment. There will be no adjustment for orders placed during the first period specified below. Pricing will thereafter be eligible for adjustment during the second and any succeeding performance period(s). For each performance period after the first, a percentage figure will be calculated as described below and that figure will be the economic price adjustment for that entire next period. Pricing adjustments under this clause are not applicable to reimbursable postage or transportation costs, or to paper, if paper prices are subject to adjustment by separate clause elsewhere in this contract.

For the purpose of this clause, performance under this contract will be divided into successive periods. The first period will extend from the beginning of the contract to November 30, 2013 and the second and any succeeding period(s) will extend for 12 months from the end of the last preceding period, except that the length of the final period may vary. The first day of the second and any succeeding period(s) will be the effective date of the economic price adjustment for that period.

Pricing adjustments in accordance with this clause will be based on changes in the seasonally adjusted "Consumer Price Index for All Urban Consumers - Commodities Less Food" (Index) published monthly in the CPI Detailed Report by the U.S. Department of Labor, Bureau of Labor Statistics.

The Economic Price Adjustment will be the percentage difference between Index averages as specified in this paragraph. An index called the Variable Index will be calculated by averaging the monthly Indexes from the 12-month interval ending three (3) months prior to the beginning of the period being considered for adjustment. This average is then compared to the average of the monthly Indexes for the 12-month interval ending August 31, 2013, called the Base Index. The percentage change (plus or minus) of the Variable Index from the Base Index will be the Economic Price Adjustment for the period being considered for adjustment.

The Government will notify the contractor by contract Modification specifying the percentage increase or decrease to be applied to invoices for orders placed during the period indicated. The contractor shall apply the percentage increase or decrease against the total price of the invoice less reimbursable postage or transportation costs and separately adjusted paper prices. Payment discounts shall be applied after the invoice price is adjusted.

PREAWARD SURVEY: In order to determine the responsibility of the contractor, the Government reserves the right to conduct an on-site preaward survey at the contractor's facility or to require other evidence of technical, production, managerial, financial, and similar abilities to perform, prior to the award of a contract.

POSTAWARD CONFERENCE: In order to ensure that the contractor fully understands the total requirements of the job as indicated in these specifications, Government representatives will conduct a conference with the contractor's representatives at the U.S. Government Printing Office, Washington, DC, immediately after award.

ASSIGNMENT OF JACKETS, PURCHASE AND PRINT ORDERS: A GPO jacket number will be assigned and a purchase order issued to the contractor to cover work performed. The purchase order will be supplemented by an individual print order for each job placed with the contractor. The print order, when issued, will indicate the quantity to be produced and any other information pertinent to the particular order.

ORDERING: Items to be furnished under the contract shall be ordered by the issuance of print orders by the Government. Orders may be issued under the contract from Date of Award through November 30, 2013, plus for such additional period(s) as the contract is extended. All print orders issued hereunder are subject to the terms and conditions of the contract. The contract shall control in the event of conflict with any print order. A print order shall be "issued", for purposes of the contract, when it is either deposited in the U.S. Postal Service mail or otherwise furnished to the contractor in conformance with the schedule.

REQUIREMENTS: This is a requirements contract for the items and for the period specified herein. Shipment/delivery of items or performance of work shall be made only as authorized by orders issued in accordance with the clause entitled "ORDERING". The quantities of items specified herein are estimates only, and are not purchased hereby. Except as may be otherwise provided in this contract, if the Government's requirements for the items set forth herein do not result in orders in the amounts or quantities described as "estimated", it shall not constitute the basis for an equitable price adjustment under this contract.

Except as otherwise provided in this contract, the Government shall order from the contractor all the items set forth which are required to be purchased by the Government activity identified on page 1.

The Government shall not be required to purchase from the contractor, requirements in excess of the limit on total orders under this contract, if any.

Orders issued during the effective period of this contract and not completed within that time shall be completed by the contractor within the time specified in the order, and the rights and obligations of the contractor and the Government respecting those orders shall be governed by the terms of this contract to the same extent as if completed during the effective period of this contract.

If shipment/delivery of any quantity of an item covered by the contract is required by reason of urgency prior to the earliest date that shipment/delivery may be specified under this contract, and if the contractor will not accept an order providing for the accelerated shipment/delivery, the Government may procure this requirement from another source.

The Government may issue orders which provide for shipment/delivery to or performance at multiple destinations.

Subject to any limitations elsewhere in this contract, the contractor shall furnish to the Government all items set forth herein which are called for by print orders issued in accordance with the "ORDERING" clause of this contract.

WARNING: The contractor must guarantee that they will not reproduce, or allow reproduction of the Government furnished data, nor use or allow any person to use the data or addresses themselves for any other purpose than the mailing/distribution requirements of this contract. Immediately after award, the contractor must fax on company letterhead a detailed report of the inventory and tracking systems and the security measures to be taken to secure the Government data, and any information output from them, while in the contractor's possession.

Contractor must reference the Program Number and Jacket Number. Fax to Brian Mano at VA on (202) 495-5220 or as an attachment or an email to Brian.Mano@va.gov.

SERVICE CONTRACT ACT OF 1965, AS AMENDED:

This contract, to the extent that it is of the character to which the Service Contract Act of 1965, as amended (4 U.S.C. 351-357) applies, is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor thereunder.

- (a) *Definitions.* “Act,” as used in this clause, means the Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

“Contractor,” as used in this clause or in any subcontract, shall be deemed to refer to the subcontractor, except in the term “Government Prime Contractor.”

“Service employee,” as used in this clause, means any person engaged in the performance of this contract other than any person employed in a bona fide executive, administrative, or professional capacity, as these terms are defined in Part 541 of Title 29, Code of Federal Regulations, as revised. It includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons.

- (b) *Applicability.* This contract is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor (29 CFR Part 4). This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR part 4.

- (c) *Compensation.* (1) Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor, or authorized representative, as specified in any wage determination attached to this contract.

- (2) (i) If a wage determination is attached to this contract, the Contractor shall classify any class of service employee which is not listed therein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination) so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this paragraph (c).

- (ii) This conforming procedure shall be initiated by the Contractor prior to the performance of contract work by the unlisted class of employee. The Contractor shall submit Standard Form (SF) 1444, Request For Authorization of Additional Classification and Rate, to the Contracting Officer no later than 30 days after the unlisted class of employee performs any contract work. The Contracting Officer shall review the proposed classification and rate and promptly submit the completed SF 1444 (which must include information regarding the agreement or disagreement of the employees' authorized representatives or the employees themselves together with the agency recommendation), and all pertinent information to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor. The Wage and Hour Division will approve, modify, or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the Contracting Officer within 30 days of receipt that additional time is necessary.

- (iii) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the Contracting Officer who shall promptly notify the Contractor of the action

taken. Each affected employee shall be furnished by the Contractor with a written copy of such determination or it shall be posted as part of the wage determination.

- (iv) (A) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.
 - (B) In the case of a contract modification, an exercise of an option, or extension of an existing contract, or in any other case where a Contractor succeeds a contract under which the classification in question was previously conformed pursuant to paragraph (c) of this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing (i.e., adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the Contractor shall advise the Contracting Officer of the action taken but the other procedures in subdivision (c)(2)(ii) of this clause need not be followed.
 - (C) No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.
 - (v) The wage rate and fringe benefits finally determined under this subparagraph (c)(2) of this clause shall be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay the unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract.
 - (vi) Upon discovery of failure to comply with subparagraph (c)(2) of this clause, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class or classes of employees commenced contract work.
- (3) *Adjustment of Compensation.* If the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees under this contract shall be subject to adjustment after 1 year and not less than once every 2 years, under wage determinations issued by the Wage and Hour Division.
- (d) *Obligation to Furnish Fringe Benefits.* The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined under subparagraph (c)(2) by furnishing equivalent combinations of bona fide fringe benefits, or by making equivalent or differential cash payments, only in accordance with subpart D of 29 CFR Part 4.

- (e) *Minimum Wage.* In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any person performing work under this contract (regardless of whether the person is a service employee) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this clause shall relieve the Contractor or any subcontractor of any other obligation under law or contract for payment of a higher wage to any employee.
- (f) *Successor Contracts.* If this contract succeeds a contract subject to the Act, under which substantially the same services were furnished in the same locality and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wage rates and fringe benefits, neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreement, to which such employee would be entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of 29 CFR 4.1b(b) apply or unless the Secretary of Labor or the Secretary's authorized representative finds, after a hearing as provided in 29 CFR 4.10 that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in 29 CFR 4.11, that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR 4.10 and/or 4.11 and parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor Contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations, the Department will issue a new or revised determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made a part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Board of Service Contract Appeals, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as of the date of the final administrative decision.
- (g) *Notification to employees.* The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determinations attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) shall be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract.
- (h) *Safe and Sanitary Working Conditions.* The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary or hazardous, or dangerous to the health or safety of the service employees. The Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.
- (i) *Records.* (1) The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work and make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration a record of the following:

- (i) For each employee subject to the Act-
 - (A) Name and address and social security number,
 - (B) Correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of payments in lieu of fringe benefits, and total daily or weekly compensation;
 - (C) Daily and weekly hours worked by each employee; and
 - (D) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.
 - (ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested parties or by the Administrator or authorized representative under the terms of paragraph (c) of this clause. A copy of the report required by subdivision (c)(2)(ii) of this clause will fulfill this requirement.
 - (iii) Any list of the predecessor Contractor's employees which had been furnished to the Contractor as prescribed by paragraph (n) of this clause.
- (2) The Contractor shall also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.
- (3) Failure to make and maintain or to make available these records for inspection and transcription shall be a violation of the regulations and this contract, and in the case of failure to produce these records, the Contracting Officer, upon direction of the Department of Labor and notification to the Contractor, shall take action to cause suspension of any further payment or advance of funds until the violation ceases.
- (4) The Contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.
- (j) *Pay Periods.* The Contractor shall unconditionally pay to each employee subject to the Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or regulations, 29 CFR part 4), rebate, or kickback on any account. These payments shall be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under this Act may not be of any duration longer than semi-monthly.
- (k) *Withholding of Payment and Termination of Contract.* The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the Prime Contractor such sums as an appropriate official of the Department of Labor, requests or such sums as an appropriate official of the Department of Labor, requests or such sums as the Contracting Officer decides may be necessary to pay underpaid employees employed by the Contractor or subcontractor. In the event of failure to pay any employees subject to the Act all or part of the wages or fringe benefits due under the Act, the Contracting Officer may, after authorization or by direction of the Department of Labor and written notification to the Contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.
- (l) *Subcontracts.* The Contractor agrees to insert this clause in all subcontracts subject to the Act.
- (m) *Collective Bargaining Agreements Applicable to Service Employees.* If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and

accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements of provisions or amendments thereof effective at a later time during the period of contract performance, such agreements shall be reported promptly after negotiations thereof.

- (n) *Seniority List.* Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacation or other benefit provisions based upon length of service with a Contractor (predecessor) or successor (29 CFR 4.173), the incumbent Prime Contractor shall furnish the Contracting Officer a certified list of names of all service employees on the Contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment on the contract either with the current or predecessor Contractors of each such service employee. The Contracting Officer shall turn over such list to the successor Contractor at the commencement of the succeeding contract.
- (o) *Rulings and Interpretations.* Rulings and interpretations of the Act are contained in Regulations, 29 CFR part 4.
- (p) *Contractor's Certification.* (1) By entering into this contract, the Contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has a substantial interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed under section 5 of the Act.
 - (2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract under section 5 of the Act.
 - (3) The penalty for making false statement is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.
- (q) *Variations, Tolerances, and Exemptions Involving Employment.* Notwithstanding any of the provisions in paragraphs (b) through (o) of this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by Pub. L.92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:
 - (1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Act, without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of the Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).
 - (2) The Administrator will issue certificates under the Act for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two Acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, 525);
 - (3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in 29 CFR parts 525 and 528.

- (r) *Apprentices.* Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State apprenticeship agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Bureau of Apprenticeship and Training, Employment and Training Administration, U.S. Department of Labor. Any employee who is not registered as an apprentice in an approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classifications of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The allowable ratio of apprentices to journeymen employed on the contract work in any craft classification shall not be greater than the ratio permitted to the contractor as to his entire work force under the registered program.
- (s) *Tips.* An employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips may have the amount of these tips credited by the employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act, in accordance with Regulations, 29 CFR Part 531. However, the amount of credit shall not exceed \$1.34 per hour beginning January 1, 1981. To use this provision-
- (1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;
 - (2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);
 - (3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Act minimum wage through the combination of direct wages and tip credit; and
 - (4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of section 4(c) of the Act.
- (t) *Disputes Concerning Labor Standards.* The U.S. Department of Labor has set forth in 29 CFR parts 4, 6, and 8 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and not the Disputes clause of this contract. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

NOTE: SPECIAL EMPHASIS TO THE AFFECT THAT EMPLOYEE COMPENSATION MUST BE AT TIME AND HALF. (REFERENCE: OVERTIME PAY/WAGE HOUR PUBLICATION 1313).

The contractor shall pay the determined wage rate and fringe benefits to all employees performing in the stated classification, which includes annual leave and pay for holidays as described in the Service Contract Act of 1965 and the attached wage determination. The Government is not responsible for these benefits.

STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989): In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C.5341 or 5332.

PLEASE NOTE: It is the contractor's responsibility to determine the most current labor rates in accordance with the rates established by the Department of Labor.

FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT-PRICE ADJUSTMENT, AS AMENDED (MAY 1989)

- (a) This clause applies to both contracts subject to area prevailing wage determinations and contracts subject to Contractor collective bargaining agreements.
- (b) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.
- (c) The contract price or contract unit price labor rates will be adjusted to reflect increases or decreases by the Contractor in wages and fringe benefits to the extent that these increases or decreases are made to comply with-
 - (1) An increased or decreased wage determination applied to this contract by operation of law; or
 - (2) An amendment to the Fair Labor Standards Act of 1938 that is enacted subsequent to award of this contract, affects the minimum wage, and becomes applicable to this contract under law.
- (d) Any such adjustment will be limited to increases or decreases in wages and fringe benefits as described in paragraph (b) of this clause, and to the accompanying increases or decreases in social security and unemployment taxes and workers' compensation insurance; it shall not otherwise include any amount for general and administrative costs, overhead, or profit.
- (e) The Contractor shall notify the Contracting Officer of any increase claimed under this clause within 30 days after the effective date of the wage change, unless this period is extended by the Contracting Officer in writing. The Contractor shall promptly notify the Contracting Officer of any decrease under this clause, but nothing in the clause shall preclude the Government from asserting a claim within the period permitted by law. The notice shall contain a statement of the amount claimed and any relevant supporting data that the Contracting Officer may reasonably require. Upon agreement of the parties, the contract price or contract unit price labor rates shall be modified in writing. The Contractor shall continue performance pending agreement on or determination of any such adjustment and its effective date.
- (f) The Contracting Officer or an authorized representative shall, until the expiration of 3 years after final payment under the contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor hour.

SECTION 2. - SPECIFICATIONS

SCOPE: These specifications cover the production of mailing and distribution services which require such operations as zip code postal sorting, packaging, addressing and other related services for the mailing and distribution of Department of Veterans Affairs publications which include, but are not limited to, letters, self-mailer brochures, handbooks, pamphlets, posters, and other miscellaneous printed matter.

TITLE: Mailing and Distribution Services.

FREQUENCY OF ORDERS: Approximately 50 orders per year.

QUANTITY: Up to approximately 20,000 pieces per order. An occasional order may be placed for as few as 10 pieces or for up to approximately 200,000 pieces.

NOTE: Orders placed may require the gathering/combining/consolidating up to 10 different products going to the same addressee.

PRODUCT SIZES: Pieces to be mailed/distributed may range in size from approximately 4 x 5" up to and including 17 x 22". The majority of orders will be for 8-1/2 x 11" products.

NUMBER OF PAGES: Products range from single-leaved pieces up to approximately 200 pages. (The average number of pages per mailed piece is 4 to 8 pages.)

GOVERNMENT TO FURNISH: Furnished pieces will be supplied in cartons. Number of cartons furnished will determine if pallets are to be furnished. (NOTE: Furnished pallets from previously placed orders are to be returned when new orders are made available for pickup.)

On occasion, the contractor may be required to pickup more than one print order (products). Each order will be clearly marked and separated.

Title of Government furnished materials shall remain in the Government.

Distribution List(s) (addresses and quantities) for each order placed will be furnished on either: CD-ROM; or on pre-printed, pressure sensitive labels or gummed labels. Disks will be formatted in Excel with column headings. Addresses may be furnished in zip code sequence. If electronic file is furnished, there will be a column heading "Quantity". If pre-printed labels are furnished, quantity will be indicated in upper right hand corner. Copy quantity is always considered one if no quantity is indicated.

Pre-printed window and non-window envelopes. (Envelopes have pre-printed return address.) Majority of envelopes will be No. 10 (4-1/8 x 9-1/2") or 9 x 12" envelopes. On occasion, the Government may furnish envelopes smaller than 4-1/8 x 9-1/2" or larger than 9 x 12".

Camera copy or electronic media with Department return address for printing on contractor supplied envelopes.

CONTRACTOR TO FURNISH: All materials and operations, other than those listed under "GOVERNMENT TO FURNISH," necessary to produce the products in accordance with these specifications.

Title of Government furnished materials shall remain in the Government. The contractor shall maintain adequate property control records of all Government furnished materials in accordance with industry practices.

The contractor will be responsible for counting furnished material and notifying the Government of any shortage within 24 hours of pickup/receipt of furnished materials.

The contractor must have insurance on their place of business and show evidence that they can cover any loss of, or damage to, Government furnished material.

Unless otherwise provided in this contract, the contractor, upon receipt and acceptance of any Government furnished material, assumes the risk of, and shall be responsible for, and loss thereof or damage thereto except to the extent that such material is consumed in the performance of this contract.

PACKING:

NOTE: When required, contractor must create multiple address labels required for multiple packages being shipped to the same address.

When specified, single copies must be mailed as self-mailers.

Insert single or multiple copies, as indicated (up to 5 items), into furnished No. 10 window or non-window envelopes.

Insert single or multiple copies (up to 200 leaves) into either Kraft envelopes or furnished 9 x12" envelopes, as specified, with an approximate 0.020" thick chipboard, newsboard or equal to provide rigidity.

LABELING AND MARKING:

Create (when required) and affix return address labels and/or mailing labels to the back of each copy mailed singly as a self-mailer and/or to each unit of mail packaged in furnished window or non-window envelopes, furnished 9 x 12" envelopes, Kraft envelopes, when required, the contractor is responsible for furnishing the Kraft envelopes.

At contractor's option, return/ mailing address may be imaged directly onto each copy mailed singly as a self-mailer and/or to each unit of mail packaged in furnished window or non-window envelopes, furnished 9 x 12" envelope, Kraft envelopes.

DISTRIBUTION:

A complimentary copy of each invoice and print order will be forwarded, prior to delivery, via electronic mail or facsimile, to the following: brian.mano@va.gov or SeDetra.Lassiter@va.gov , via facsimile: 202-565-4426. A copy of the invoice (initialed by the appropriate VA representative) will be returned to the contractor within 2 workdays of receipt.

- Deliver f.o.b. destination to one address in Washington, DC. (Note: Less than 1% of each order will deliver to one address in Washington, DC.)
- Mail/Ship f.o.b. contractor's city the balance of each order (reimbursable). (Destinations include all states, U.S. Territories, and APO and FPO addresses.)

The majority of orders placed will require mailing.

The contractor is required to apply the appropriate postage to each mailing. The contractor will be reimbursed for postage by submitting a properly completed Postal Service form (or equivalent) with the invoice for mailing. Copies of all postal receipts and reports, as well as invoices are to be supplied to U.S. Department of Veterans Affairs, Publication Services, Production Manager- Brian.Mano@va.gov.

Class of mail to be used will be indicated on mailing instructions furnished with each print order. Some orders

may require that the contractor mail at the “Most Economical Rate”.

Shipments to APO and FPO addresses, regardless of total weight of shipment, must be made by reimbursable U.S. Postal Service.

An occasional order may require shipment via reimbursable small parcel carrier. Contractor will be reimbursed for shipment upon submission of voucher for billing.

The contractor must utilize a USPS-approved NCOALink full service provider. The contractor is responsible for taking the raw data and passing the file against the National Change of Address (NCOA) Link file.

The contractor must pass the entire file against the Coding Accuracy Support System (CASS) certified software address vendor hygiene program.

The contractor’s software must also be Presort Accuracy Validation and Evaluation (PAVE) certified.

Mailers must submit samples of reports to the Rates and Classification Center (RCC) in their Postal service Region.

The contractor must utilize a commercially prepared software package for assigning a portion of the mail file in an approved carrier route format (carrying carrier route endorsement and number on the first line of address). Each carrier route change must be identified within the mailing address.

The contractor must provide printout listings for the carrier route portion that show the number of pieces for each carrier route within zip code, city and state. A subtotal by 5-digit zip code, 3-digit zip code and residual mail must also be provided.

The contractor must comply with all USPS regulation governing the preparation of applicable rate mailings that are in effect at the time of the mailing, including the issuance of the required forms (mailing statements) and the weighing of shipments. The contractor is encouraged to meet with local postal authorities prior to mailing the complete sets.

The contractor’s software must provide zip code count listing cartridges for the contractor’s use in controlling the addressing operation. The contractor must also provide one printed copy to the USPS.

All copies mailed must conform to the appropriate regulations in the U.S. Postal Service manuals for “Domestic Mail” or “International Mail” as applicable in effect at the time of mailing.

Contractor must have established or be willing to establish the capability of mailing jobs through UPS Ground using the Department of Veterans Affairs UPS account numbers.

Within seven (7) workdays of completion of each order, the furnished disks and/or CD-ROM for the distribution must be returned (via traceable means at contractor’s expense) to: Department of Veterans Affairs (0497), Attn: Brian Mano, Room 736, 810 Vermont Avenue, NW, Washington, DC 20420. Inside delivery required.

All expenses incidental to picking up or returning furnished materials and print orders must be borne by the contractor.

SCHEDULE: Adherence to this schedule must be maintained. Contractor must not start production of any job prior to receipt of the individual print order (GPO Form 2511).

No definite schedule for the pickup of material can be predetermined.

Furnished material, print orders and mailing/distribution information must be picked up from: Department of Veterans Affairs, Room 736, B-50, or Loading Dock, 810 Vermont Avenue, Washington,

DC 20420. For orders picked-up at the loading dock at 810 Vermont Avenue NW, please ensure adherence to dock requirements as follows: Maximum trailer height is 10 feet; Maximum trailer length is 24 feet; trailer must be equipped with a lift gate; and a pallet jack (no power equipment exists at this destination to assist with pallets).

Two Part Schedule

- 1) Postal zip code sort of provided file must be completed within two (2) workdays after notification of the availability of print order and furnished file.

U.S. Department of Veterans Affairs, Publication Services will then print/procure items in the sequence determined by the postal zip code sorted file provided after contractor completes part 1 listed above.

- 2) Complete packaging, addressing, labeling and marking, delivery and mailing/shipping must be made within 5 workdays after notification of the availability of furnished material from U.S. Department of Veterans Affairs, or after notification of the availability of print order.

NOTE: Only one print order will be issued for either part 1 or part 2, or for both part 1 AND part 2.

The ship/deliver date indicated on the print order is the date products ordered for delivery f.o.b. destination must be delivered to the destination(s) specified and products ordered mail/ship f.o.b. contractor's city must be delivered to the USPS or picked up by small parcel carrier.

Unscheduled material such as shipping documents, receipts or instructions, delivery lists, and labels will be furnished with the order or shortly thereafter. In the event such information is not received in due time, the contractor will not be relieved of any responsibility in meeting the shipping schedule because of failure to request such information.

Upon completion of each order, the contractor is to notify the U.S. Government Printing Office of the date of shipment (or delivery, if applicable). Call (202) 512-0516 or (202) 512-0517; callers outside the Washington, DC area may call toll free 800-424-9470 or 800-424-9471.

For each order placed, contractor must notify the ordering agency on the same day that the product ships/delivers via e-mail sent to Brian.Mano@va.gov (or to the address furnished on the Print Order). The subject line of this message shall be "Distribution Notice for Jacket XXX-XXX, Program Number XXX-X, Print Order XXXXX". The notice must provide all applicable tracking numbers, shipping method, and Title. Contractor must be able to provide copies of all delivery, mailing, and shipping receipts upon agency request.

SECTION 3. - DETERMINATION OF AWARD

The Government will determine the lowest bid by applying the prices offered in the "SCHEDULE OF PRICES" to the following units of production which are the estimated requirements to produce the one (1) year's production under this contract. These units do not constitute, nor are they to be construed as, a guarantee of the volume of work which may be ordered under this contract for a like period of time.

The following item designations correspond to those listed in the "SCHEDULE OF PRICES."

- I. 1. (a) 5,000
- (b) 200,000
- (c) 800,000
- (d) 20,000
- (e) 25,000

- II. (a) 800,000
- (b) 25,000
- (c) 5,000
- (d) 250,000
- (e) 200
- (f) 500
- (g) 75
- (h) 60
- (i) 1,000
- (j) 50
- (k) 10,000

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SECTION 4. - SCHEDULE OF PRICES

Bids offered are f.o.b. contractor’s city for all mailing/shipments and f.o.b. destination for all other shipments.

Bidder must make an entry in each of the spaces provided. Bids submitted with any obliteration, revision, or alteration of the order and manner of submitting bids, may be declared nonresponsive.

An entry of NC (No Charge) shall be entered if bidder intends to furnish individual items at no charge to the Government.

Bids submitted with NB (No Bid) or blank spaces for an item may be declared nonresponsive.

The Contracting Officer reserves the right to reject any offer that contains prices for individual items of production (whether or not such items are included in the Determination of Award) that are inconsistent or unrealistic in regard to other prices in the same offer or to GPO prices for the same operation if such action would be in the best interest of the Government.

All invoices submitted to the GPO shall be based on the most economical method of production.

Fractional parts of 100 or 1000 will be prorated at the per-100 or 1000 rate.

I. PACKING AND DISTRIBUTION: Prices must be all-inclusive, as applicable, and must include the cost of Kraft envelopes, all necessary wrapping and packing materials, labeling or marking, mail sorting, and delivery to Post Office and/or small package carrier, in accordance with these specifications.

A charge is not allowed for envelopes furnished by the Government.

The cost of affixing return and/or mailing labels to envelopes, padded envelopes, shipping bags, bundles and containers must be charged under line item I (e). (At contractor’s option, information may be imaged directly onto the envelopes, shipping bags, bundles and containers.)

The cost of affixing mailing labels to self-mailers must be charged under I (a).

1. Mailing –

(a) Addressing single copies (self-mailers)per 100 copies\$ _____

(b) Single or multiple copies (up to 5 items) in furnished
No. 10 envelopes.....per envelope\$ _____

(c) Single or multiple copies (up to 200 leaves) in furnished
9 x 12” envelopes.....per envelope\$ _____

(d) Single or multiple copies (up to 200 leaves) in Kraft envelopeper envelope\$ _____

(e) Affixing labels to envelopes, padded envelopes,
shipping bags, bundles or containers per label\$ _____

(Initials)

II. ADDITIONAL OPERATIONS: An additional gathering/combining/consolidating charge in addition to charges under I. "PACKING AND DISTRIBUTION" will only be allowed on orders requiring the gathering/combining/consolidating of different products to a common addressee.

A charge is not allowed for creating labels when furnished by the Government.

- (a) Gathering/combining/consolidating from 1 to 3 different products going to the same addressee per package\$ _____
- (b) Gathering/combining/consolidating from 4 to 6 different products going to the same addressee per package\$ _____
- (c) Gathering/combining/consolidating from 7 to 10 different products going to the same addressee per package\$ _____
- (d) Creating labels per label\$ _____
- (e) Surcharge for additional tasks necessary for UPS shipments, including transfer of address information from provided address labels to UPS documents per container used for shipping\$ _____
- (f) Surcharge for charges incurred due to incorrect or undeliverable addresses per address correction/undeliverable address\$ _____
- (g) One to four two wafer seals (per UPS mail requirements)..... per 1,000 items\$ _____
- (h) Zip Code sorting provided file into most cost effective order
To gain the best possible postage rateper file\$ _____
- (i) Chipboard, newsboard or equal, approximately 0.020" thick per 1,000 sheets\$ _____
- (j) Separating loose-leaf quantities per group\$ _____
- (k) Shrink film wrappingper unit/package\$ _____

My production facilities are located within the assumed area of production _____ yes _____ no

NOTICE: Bidders OUTSIDE the assumed production area specified on page one of these specifications should complete the following information.

1. Proposed carrier(s) for pickup of Government Furnished Material _____
 - a. Number of hours from acceptance of print order to pickup of Government Furnished Material..... _____
 - b. Number of hours from pickup of Government Furnished Material to delivery at contractor's plant..... _____
2. Proposed carrier(s) for delivery of completed product _____
 - a. Number of hours from notification to carrier to pickup of completed product _____
 - b. Number of hours from pickup of completed product to delivery at destination _____

(Initials)

INSTRUCTIONS FOR BID SUBMISSION: Fill out “SECTION 4. – SCHEDULE OF PRICES,” initialing or signing each page in the space(s) provided. Submit two copies (original and one exact duplicate) of the “SCHEDULE OF PRICES” with two copies of the GPO Form 910 “BID” form. Do not enter bid prices on GPO Form 910; prices entered in the “SCHEDULE OF PRICES” will prevail.

Bidder _____

(City - State)

By _____

(Signature and title of person authorized to sign this bid)

(Person to be contacted)

(Telephone Number)