

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

PAGE 1 of 1	ORDER DATE 10/20/16
BUSINESS UNIT 65050111	BUYER TERESA FLEMING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NE 68127-1129	

THE CONTRACT PERIOD IS:

FEBRUARY 01, 2016 THROUGH JANUARY 31, 2017

THIS SERVICE CONTRACT HAS BEEN AMENDED PER THE FOLLOWING INFORMATION:

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 3864 Z1

Contract to supply and deliver Mail Presort Services to the State of Nebraska as per the attached specifications for the contract period February 01, 2016 through January 31, 2017. The State reserves the right to extend the period of this contract beyond the termination date when mutually agreeable to the vendor and the State of Nebraska.

Vendor Contact: Kevin Ziska
Phone: 402-596-7901
Fax: 402-339-0137
E-Mail: kevin.ziska@pb.com

THIS IS THE SECOND RENEWAL OF THE CONTRACT AS AMENDED (ss 1/13/16)

AMENDMENT THREE (3) AS ATTACHED (wc 10/20/16)

Line	Description	Estimated Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
3	POSTCARDS	2,833,322.0000	EA	0.0295	83,583.00
4	SELF-MAILERS	24,744,418.0000	EA	0.0295	729,960.33
5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0295	67,535.00
Total Order					1,714,927.51

10/21/16
OK Teresa Fleming 10/20/16
BUYER
MATERIEL ADMINISTRATOR

AMENDMENT THREE
51384 O4
Mail Presort Services for the State of Nebraska
Between
The State of Nebraska and Pitney Bowes Presort Services, Inc.

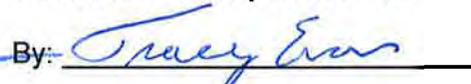
This Amendment (the "Amendment") is made by the State of Nebraska and Pitney Bowes Presort Services, Inc., parties to Contract 51384 O4 (the "Contract"), and upon mutual agreement and other valuable consideration the parties agree to and hereby amend the contract as follows:

1. Vendor contact information is hereby superseded and replaced by:

Vendor Contact: Kevin Ziska
Phone: 402-596-7901
Fax: 402-339-0137
Email: kevin.ziska@pb.com

This amendment and any attachments hereto will become part of the Contract. Except as set forth in this Amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this amendment and the Contract or any earlier amendment, the terms of this amendment will prevail.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of execution by both parties below.

State of Nebraska	Contractor: Pitney Bowes Presort Services, Inc.
By: 	By: 
Name: <u>Bo Botelho</u>	Name: <u>Tracey Evans</u> VP Innovation & Growth Strategies
Title: <u>Material Administrator</u>	Title: _____
Date: <u>10/24/16</u>	Date: <u>10-19-16</u>

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

PAGE 1 of 1	ORDER DATE 01/13/16
BUSINESS UNIT 65050111	BUYER TERESA FLEMING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NE 68127-1129	

AN AWARD HAS BEEN MADE TO THE VENDOR/CONTRACTOR NAMED ABOVE FOR THE SERVICES AS LISTED BELOW FOR THE PERIOD:

FEBRUARY 01, 2016 THROUGH JANUARY 31, 2017

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 3864 Z1

Contract to supply and deliver Mail Presort Services to the State of Nebraska as per the attached specifications for the contract period February 01, 2016 through January 31, 2017. The State reserves the right to extend the period of this contract beyond the termination date when mutually agreeable to the vendor and the State of Nebraska.

Vendor Contact: Larry Morlan
Phone: 402-596-7901
Fax: 402-339-0137
E-Mail: lawrence.morlan@pb.com

THIS IS THE SECOND RENEWAL OF THE CONTRACT AS AMENDED (ss 1/13/16)

Line	Description	Estimated Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
3	POSTCARDS	2,833,322.0000	EA	0.0295	83,583.00
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5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0295	67,535.00
Total Order					1,714,927.51

Teresa Fleming 1/13/16
BUYER
Maury Smith
MATERIEL ADMINISTRATOR
1-13-16

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

PAGE 1 of 2	ORDER DATE 08/05/15
BUSINESS UNIT 65050111	BUYER TERESA FLEMING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NE 68127-1129	

State Purchasing Bureau
1526 K Street, Suite 130
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Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

THE CONTRACT PERIOD IS:

FEBRUARY 01, 2015 THROUGH JANUARY 31, 2016

THIS SERVICE CONTRACT HAS BEEN AMENDED PER THE FOLLOWING INFORMATION:

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Original/Bid Document 3864 Z1

Contract to provide Mail Presort Services to the State of Nebraska, for a period effective February 01, 2015 through January 31, 2016 with the option to renew in one (1), one (1) year period as mutually agreed upon by all parties.

The State may request that payment be made electronically instead of by state warrant. ACH/EFT Enrollment Form can be found at: <http://www.das.state.ne.us/accounting/forms/achenrol.pdf>

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system mean the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

The contractor certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract. If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at: www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation require to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

The contract shall incorporate the following previously submitted documents:

1. Contract Award;

8/25
OK
Teresa Fleming 8/15/15
BUYER
8/10/15
MATERIEL ADMINISTRATOR

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
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 Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

PAGE 2 of 2	ORDER DATE 08/05/15
BUSINESS UNIT 65050111	BUYER TERESA FLEMING (AS)
VENDOR NUMBER: 543366	

2. Any Contract Amendments, in order of significance;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The original RFP document;
5. The signed Request for Proposal form; and
6. The Contractor's Proposal.

Vendor Contact: Larry Morlan
 Phone: 402-596-7901
 Fax: 402-339-0137
 E-Mail: lawrence.morlan@pb.com

(03/01/12 djg)

THIS IS THE FIRST RENEWAL OF THE CONTRACT as amended (10/16/14 ld)

AMENDMENT TWO (2) AS ATTACHED. (08/05/15 djo)

Line	Description	Estimated Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
3	POSTCARDS	2,833,322.0000	EA	0.0295	83,583.00
4	SELF-MAILERS	24,744,418.0000	EA	0.0295	729,960.33
5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0295	67,535.00
Total Order					1,714,927.51



BUYER INITIALS

AMENDMENT TWO
51384 O4
Mail Presort Services for the State of Nebraska
Between
The State of Nebraska and Pitney Bowes Presort Services, Inc.

This Amendment (the "Amendment") is made as of July 14, 2015 ("Effective Date") by the State of Nebraska and Pitney Bowes Presort Services, Inc., parties to Contract 51384 O4 (the "Contract"), and upon mutual agreement and other valuable consideration the parties agree to and hereby amend the contract as follows:

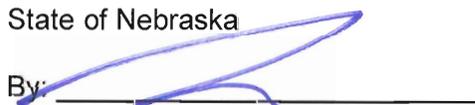
1. Vendor contact information is hereby superseded and replaced by:

Vendor Contact: Larry Morlan
Phone: 402-596-7901
Fax: 402-339-0137
Email: lawrence.morlan@pb.com

This amendment and any attachments hereto will become part of the Contract. Except as set forth in this Amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this amendment and the Contract or any earlier amendment, the terms of this amendment will prevail.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of execution by both parties below.

State of Nebraska

By: 

Name: Bo Botelho

Title: Materiel Administrator

Date: 8/10/15

Contractor: Pitney Bowes Presort Services, Inc.

By: 

Name: Nicole M. Ziska, VP Finance
Pitney Bowes Presort Services, Inc.

Title: _____

Date: 7/27/15

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

PAGE 1 of 2	ORDER DATE 10/16/14
BUSINESS UNIT 65050111	BUYER KRISTI KLING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NEBRASKA 68127-1129	

AN AWARD HAS BEEN MADE TO THE VENDOR/CONTRACTOR NAMED ABOVE FOR THE SERVICES AS LISTED BELOW FOR THE PERIOD:

FEBRUARY 01, 2015 THROUGH JANUARY 31, 2016

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 3864 Z1

Contract to provide Mail Presort Services to the State of Nebraska, for a period effective February 01, 2015 through January 31, 2016 with the option to renew in one (1), one (1) year period as mutually agreed upon by all parties.

The State may request that payment be made electronically instead of by state warrant. ACH/EFT Enrollment Form can be found at: <http://www.das.state.ne.us/accounting/forms/achenrol.pdf>

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system mean the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

The contractor certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract. If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at: www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation require to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

The contract shall incorporate the following previously submitted documents:

1. Contract Award;
2. Any Contract Amendments, in order of significance;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The original RFP document;

10/17/14
PK
Kristi Kling 10.17.14
BUYER
2 10-20-14
MATERIEL ADMINISTRATOR

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
 1526 K Street, Suite 130
 Lincoln, Nebraska 68508
 OR
 P.O. Box 94847
 Lincoln, Nebraska 68509-4847
 Telephone: (402) 471-6500
 Fax: (402) 471-2089

CONTRACT NUMBER
51384 04

PAGE 2 of 2	ORDER DATE 10/17/14
BUSINESS UNIT 65050111	BUYER KRISTI KLING (AS)
VENDOR NUMBER: 543366	

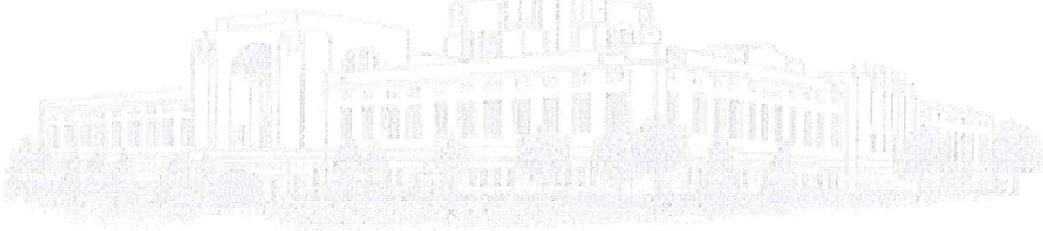
5. The signed Request for Proposal form; and
6. The Contractor's Proposal.

Vendor Contact: Larry Morlan
 Phone: 402-596-7901
 Fax: 402-339-0137
 E-Mail: lawrence.morlan@pbpresortservices.com

(03/01/12 djg)

THIS IS THE FIRST RENEWAL OF THE CONTRACT as amended (10/16/14 ld)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
3	POSTCARDS	2,833,322.0000	EA	0.0295	83,583.00
4	SELF-MAILERS	24,744,418.0000	EA	0.0295	729,960.33
5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0295	67,535.00
Total Order					1,714,927.51



Kristi Kling
 BUYER INITIALS

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

OR

P.O. Box 94847
Lincoln, Nebraska 68509-4847
Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
51384 O4

PAGE 1 of 2	ORDER DATE 04/14/14
BUSINESS UNIT 65050111	BUYER KRISTI KLING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NEBRASKA 68127-1129	

THE CONTRACT PERIOD IS:

MARCH 01, 2012 THROUGH JANUARY 31, 2015

THIS SERVICE CONTRACT HAS BEEN AMENDED PER THE FOLLOWING INFORMATION:

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 3864 Z1

Contract to provide Mail Presort Services to the State of Nebraska, for a period effective March 1, 2012 through January 1, 2015 with the option to renew in two (2), one (1) year periods as mutually agreed upon by all parties.

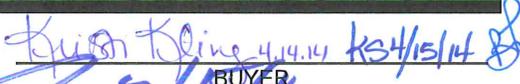
The State may request that payment be made electronically instead of by state warrant. ACH/EFT Enrollment Form can be found at: <http://www.das.state.ne.us/accounting/forms/achenrol.pdf>

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system mean the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

The contractor certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract. If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at: www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation require to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

The contract shall incorporate the following previously submitted documents:



BUYER

MATERIEL ADMINISTRATOR

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Telephone: (402) 471-6500
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CONTRACT NUMBER
51384 04

PAGE 2 of 2	ORDER DATE 04/14/14
BUSINESS UNIT 65050111	BUYER KRISTI KLING (AS)
VENDOR NUMBER: 543366	

1. Contract Award;
2. Any Contract Amendments, in order of significance;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The original RFP document;
5. The signed Request for Proposal form; and
6. The Contractor's Proposal.

Vendor Contact: Larry Morlan
Phone: 402-596-7901
Fax: 402-339-0137
E-Mail: lawrence.morlan@pbpresortservices.com

(03/01/12 djg)

AMENDMENT ONE (1) AS ATTACHED. (04/14/2014 ked)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
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5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0295	67,535.00
Total Order					1,714,927.51


BUYER INITIALS

AMENDMENT ONE
Contract 51384 O4
Mail Presort Services for the State of Nebraska
Between
The State of Nebraska and Pitney Bowes Presort Services, Inc.

This Amendment (the "Amendment") is made by the State of Nebraska and Pitney Bowes Presort Services, Inc., parties to Contract 51384 O4 (the "Contract"), and upon mutual agreement and other valuable consideration the parties agree to and hereby amend the contract as a result of the USPS rate changes on January 26, 2014, as follows:

A. Lines 1 through 5 are hereby superseded and replaced by the following:

Line	Description	Quantity	UOM	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0295	702,100.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0295	131,749.18
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IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of execution by both parties below.

State of Nebraska

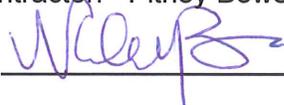
By:  _____

Name: Bo Botelho

Title: Material Administrator

Date: 7/18/14

Contractor: Pitney Bowes Presort Services, Inc.

By:  _____

Name: Nicole M. Ziska, VP Finance
Pitney Bowes Presort Services, Inc.

Title: _____

Date: 4/9/14

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
301 Centennial Mall South, 1st Floor
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Telephone: (402) 471-2401
Fax: (402) 471-2089

PAGE 1 of 2	ORDER DATE 03/01/12
BUSINESS UNIT 65050011	BUYER MARY LANNING (AS)
VENDOR NUMBER: 543366	
VENDOR ADDRESS: PITNEY BOWES PRESORT SERVICES, INC FKA PSI GROUP INC 10110 I ST OMAHA NEBRASKA 68127-1129	

CONTRACT NUMBER
51384 O4

AN AWARD HAS BEEN MADE TO THE VENDOR/CONTRACTOR NAMED ABOVE FOR THE SERVICES AS LISTED BELOW FOR THE PERIOD:

MARCH 01, 2012 THROUGH JANUARY 31, 2015

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Original/Bid Document 3864 Z1

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3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

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1. Contract Award;
2. Any Contract Amendments, in order of significance;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The original RFP document;
5. The signed Request for Proposal form; and

Mary Lanning 3/8/12
BUYER
Steve Sellen 3/8/12
MATERIEL ADMINISTRATOR

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
 301 Centennial Mall South, 1st Floor
 Lincoln, Nebraska 68508
 OR
 P.O. Box 94847
 Lincoln, Nebraska 68509-4847
 Telephone: (402) 471-2401
 Fax: (402) 471-2089

PAGE 2 of 2	ORDER DATE 03/01/12
BUSINESS UNIT 65050011	BUYER MARY LANNING (AS)
VENDOR NUMBER: 543366	

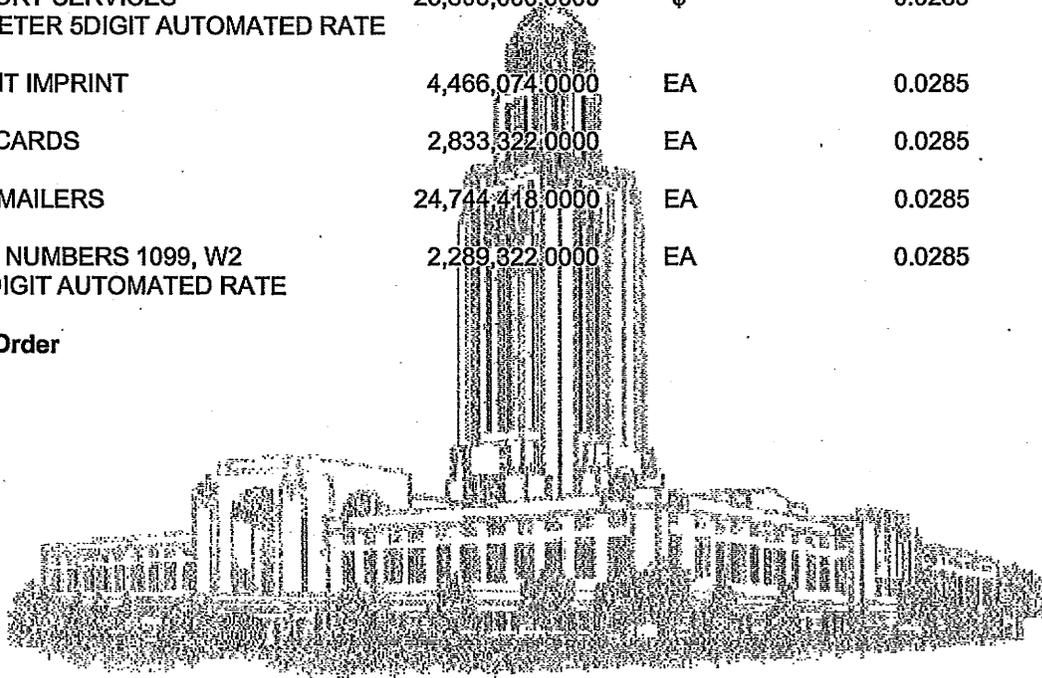
CONTRACT NUMBER
51384 04

6. The Contractor's Proposal.

Vendor Contact: Larry Morlan
 Phone: 402-596-7901
 Fax: 402-339-0137
 E-Mail: lawrence.morlan@pbpresortservices.com

(03/01/12 djg)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	PRESORT SERVICES PREMETER 5DIGIT AUTOMATED RATE	23,800,000.0000	\$	0.0285	678,300.00
2	PERMIT IMPRINT	4,466,074.0000	EA	0.0285	127,283.11
3	POSTCARDS	2,833,322.0000	EA	0.0285	80,749.68
4	SELF-MAILERS	24,744,418.0000	EA	0.0285	705,215.91
5	FORM NUMBERS 1099, W2 AT 5 DIGIT AUTOMATED RATE	2,289,322.0000	EA	0.0285	65,245.68
Total Order					1,656,794.38



BUYER INITIALS

ADDENDUM TWO

DATE: January 17, 2012

 TO: All Vendors

 FROM: Mary Lanning, Buyer

 State Purchasing Bureau

 RE: RFP Number 3864Z1

SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

	ACTIVITY	DATE/TIME
6.	Evaluation period	January 10, 2012- January 20, 2012 To Be Determined
7.	“Oral Interviews/Presentations and/or Demonstrations” (if required)	To Be Determined
8.	Post “Letter of Intent to Contract” to Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	January 20, 2012 To Be Determined
9.	Performance bond submission	January 30, 2012 To Be Determined
10.	Contract award	January 31, 2012 To Be Determined
11.	Contractor start date	February 1, 2012 To Be Determined

This addendum will become part of the proposal and should be acknowledged with the RFP.

ADDENDUM ONE

DATE: December 29, 2011

TO: All Vendors

FROM: Mary Lanning, Buyer
 State Purchasing Bureau

RE: Questions and Answers for RFP Number 3864Z1
 to be opened January 10, 2012 2 PM Central Time

Following are the questions submitted and answers provided for the above mentioned Request For Proposal. The questions and answers are to be considered as part of the Request For Proposal.

QUESTIONS	ANSWERS
1. ...I would like to formally request the "Bid Tabulation" with the names and pricing of all companies responding to the last RFP, if any.	The tabulation for the current presort contract is attached at the end of this document.
2. Does all mail need to be dropped at a Nebraska facility to avoid 1-2 day delays dropping outside of Nebraska?	Yes.
3. If mail is allowed to be dropped the same day outside of Nebraska will you consider a "next day processing quote" from one who drops from inside of Nebraska? Due to time delays on all mail dropped outside of Nebraska.	See #2.
4. Will you accept two bids, since all or part of the contract can be bid on? A) One for ALL processing of letters, flats, etc. together. B) One for separate processing of letter, flats, etc. separately.	Yes.

QUESTIONS	ANSWERS
5. Will you accept a bid on all automation compatible mail as it states in the RFP, including media mail, BPM, priorities and package services from the Post Office?	The question is not clear.
6. The RFP currently states that you must apply post net barcode to each piece of mail. Is the IMB (Intelligent Mail Barcode) acceptable?	Yes.
7. Flat presorting has to have a sort fee, due to no value added available from the Post Office.	This is a statement, not a question.
8. Do you want letters bid with one metered rate applied to mail with no billing, or a 5 digit rate plus qualification?	The State requires one metered rate applied to the mail with no billing.
9. What does the State of Nebraska pay for training services taught within a state facility?	Training is available as needed, at no additional cost.
10. Section IV Item C1 – Regarding the contractor applying a postnet bar code on mail pieces. The USPS has adopted the Intelligent Mail Bar Code as the preferred method to process mail for automation discounts. Please indicate acceptance of contractor application of the USPS Intelligent Mail Barcode on State of Nebraska letters and flats, instead of the postnet barcode.	See #6.
11. In regards to the most cost effective way to process First Class flats for the State of Nebraska (Section IV Item B6), please clarify if the State of Nebraska will consider amending the RFP to accept other options for processing First Class Flats, such as a next day service level or processing outside of Nebraska, as allowed for consideration under Section III Item B.	See #2.

QUESTIONS	ANSWERS
12. Form D Cost Sheet - Metered letters, W2s, and 1099s require a postage component at the 5 digit automated postage rate. The postage component for Permit Imprint, postcards, and self mailers is assumed to be the 5 digit postage rate, as well. Please confirm that the State of Nebraska will allow bids to be considered with the metered postage rate for First Class Flats applied at the 3 digit postage rate.	See #8.

QUESTIONS	ANSWERS
<p>13. To clarify - to eligible for award of RFP 3864Z1, a vendor must be currently providing similar services in Nebraska and be in good standing with the State of Nebraska in regards to current or previous contracts in the last 5 years. Please confirm.</p>	<p>Section V., 3., g. states:</p> <p>If the bidder or any proposed subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.</p> <p>It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.</p> <p>If at any time during the past five (5) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting party</p> <p>Section V., 3., h. states: The bidder shall provide a summary matrix listing the bidder's previous projects similar to this Request for Proposal in size, scope and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.</p>
<p>14. What percentage of your daily flats are you unable to barcode due to vendor restrictions of thickness?</p>	<p>Approximately 15%.</p>
<p>15. If manifesting of your flats were available, would this be of interest to the state? This would eliminate the need to meter your mail. Full reporting would be available.</p>	<p>This is of interest to the State and may be proposed as an alternative.</p>

QUESTIONS	ANSWERS
16. Would the state be flexible with the changes that might be put in place by the USPS in regards to early acceptance times that may not work within the stated and required pick-up times?	This will need to be addressed at the time the USPS makes their changes.
17. Your present contract lists a \$1.00 charge for letters. Can that be explained further?	The referenced line was established to allow for the release of postage as requested when amounts differ from month to month.
18. Would the state be interested in a value added program? This allows the state to meter at a specific rate and receive no billing for sorting and barcoding fees.	The question is not clear.
19. What percentage or how much of the mail is hand-written?	Approximately 10-15%.
20. Will the state pay for requested training? Ref: page 24, #7	No. Training will be required as needed at no additional charge.
21. Are the two (2) incidents that define "incompetent and unreasonable" for the life of the contract? Meaning, are you only allowed 2 incidents for the life of the contract? Ref: page 24 #11.	Yes.
22. Is postage increases by the USPS excluded from the "fix" prices and costs? Ref: page 18, QQ.	If USPS rates increase, the presort fees may be adjusted only to the amount of the presort cost.
23. IV.B.1. First class mail must be sorted to 3 and 5 digit. (Elsewhere, the RFP indicates that the State will be producing mail metered at the 5 digit rate.) Quoted responses must be on a per piece basis, and reflect both the rate for sorting and barcoding and a set postage rate per pieces. I believe that the State wants vendors to quote a guaranteed rate per piece plus a presort processing fee. This has to cover the up-charges, our costs, and our profit. Can we confirm that this interpretation is correct?	Yes.
24. IV.B.1.c. (p 22) State of Nebraska will remit on a monthly basis, the service fee for each piece of mail and flat mail submitted by the State. That's livable for metered mail, but what about permit mail? Will we have to float the postage?	The State of Nebraska has a CAPS account with the USPS. Permit mail may be processed through this CAPS account.

Answer for Question #1

GROUPS	Laser 1	PSI Group
	Cost per piece	
Pre-metered at a five (5) digit automated rate	\$ 0.01950	\$ 0.01589
Permit Imprint	\$ 0.01950	\$ 0.01589
Postcards	\$ 0.01950	\$ 0.01589
Self-Mailers	\$ 0.01950	\$ 0.01589
Form #'s 1099, W2 at a five (5) digit automated rate	\$ 0.01950	\$ 0.01589
Price is fixed with no additional fees for the duration of the 3 year contract for all services which includes courier, presort processing, FASTforward and customized reporting		FASTforward Service is included in the price

**State of Nebraska (State Purchasing Bureau)
REQUEST FOR PROPOSAL FOR
CONTRACTUAL SERVICES FORM**

RETURN TO:
State Purchasing Bureau
301 Centennial Mall South, 1st Fl
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Phone: 402-471-2401
Fax: 402-471-2089

SOLICITATION NUMBER	RELEASE DATE
RFP 3864Z1	December 14, 2011
OPENING DATE AND TIME	PROCUREMENT CONTACT
January 10, 2012 2:00 p.m. Central Time	Mary Lanning

This form is part of the specification package and must be signed and returned, along with proposal documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau, is issuing this Request for Proposal, RFP Number 3864Z1 for the purpose of selecting a qualified contractor to provide Mail Presorting Services and Flats Mail Preparation.

Written questions are due no later than December 23, 2011, and should be submitted via e-mail to matpurch.dasmat@nebraska.gov. Written questions may also be sent by facsimile to (402) 471-2089.

Bidder should submit one (1) original and five (5) copies of the entire proposal. In the event of any inconsistencies among the proposals, the language contained in the original proposal shall govern. Proposals must be submitted by the proposal due date and time.

PROPOSALS MUST MEET THE REQUIREMENTS OUTLINED IN THIS REQUEST FOR PROPOSAL TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

1. Sealed proposals must be received in State Purchasing by the date and time of proposal opening indicated above. No late proposals will be accepted. No electronic, e-mail, fax, voice, or telephone proposals will be accepted.
2. This form "REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES" MUST be manually signed, in ink, and returned by the proposal opening date and time along with bidder's proposal and any other requirements as specified in the Request for Proposal in order to be considered for an award.
3. It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows:
<http://www.das.state.ne.us/materiel/purchasing/>
4. It is understood by the parties that in the State of Nebraska's opinion, any limitation on the contractor's liability is unconstitutional under the Nebraska State Constitution, Article XIII, Section 3, and that any limitation of liability shall not be binding on the State of Nebraska despite inclusion of such language in documents supplied with the contractor's bid or in the final contract.

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request For Proposal For Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies bidder maintains a drug free work place environment.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

TABLE OF CONTENTS

REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM.....	i
TABLE OF CONTENTS.....	ii
GLOSSARY OF TERMS.....	v
I. SCOPE OF THE REQUEST FOR PROPOSAL	1
A. SCHEDULE OF EVENTS	1
II. PROCUREMENT PROCEDURES	2
A. PROCURING OFFICE AND CONTACT PERSON.....	2
B. GENERAL INFORMATION.....	2
C. COMMUNICATION WITH STATE STAFF.....	2
D. WRITTEN QUESTIONS AND ANSWERS.....	3
E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS.....	3
F. SUBMISSION OF PROPOSALS	4
G. PROPOSAL OPENING.....	4
H. LATE PROPOSALS.....	4
I. REJECTION OF PROPOSALS.....	4
J. EVALUATION OF PROPOSALS	5
K. EVALUATION COMMITTEE	5
L. MANDATORY REQUIREMENTS	5
M. REFERENCE CHECKS	6
N. SECRETARY OF STATE/TAX COMMISSIONER REGISTRATION REQUIREMENTS	6
O. VIOLATION OF TERMS AND CONDITIONS	6
III. TERMS AND CONDITIONS	7
A. GENERAL.....	7
B. AWARD.....	7
C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION	8
D. PERMITS, REGULATIONS, LAWS	8
E. OWNERSHIP OF INFORMATION AND DATA.....	8
F. INSURANCE REQUIREMENTS	8
G. COOPERATION WITH OTHER CONTRACTORS	10
H. INDEPENDENT CONTRACTOR	10
I. CONTRACTOR RESPONSIBILITY	10
J. CONTRACTOR PERSONNEL.....	11
K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION	11
L. CONFLICT OF INTEREST	11
M. PROPOSAL PREPARATION COSTS	12
N. ERRORS AND OMISSIONS.....	12
O. BEGINNING OF WORK.....	12
P. ASSIGNMENT BY THE STATE	12
Q. ASSIGNMENT BY THE CONTRACTOR	12
R. DEVIATIONS FROM THE REQUEST FOR PROPOSAL.....	12
S. GOVERNING LAW	12

T.	ATTORNEY'S FEES	12
U.	ADVERTISING.....	13
V.	STATE PROPERTY.....	13
W.	SITE RULES AND REGULATIONS.....	13
X.	NOTIFICATION.....	13
Y.	EARLY TERMINATION.....	14
Z.	FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS.....	14
AA.	BREACH BY CONTRACTOR.....	15
BB.	ASSURANCES BEFORE BREACH.....	15
CC.	PENALTY.....	15
DD.	PERFORMANCE BOND.....	15
EE.	FORCE MAJEURE.....	15
FF.	PROHIBITION AGAINST ADVANCE PAYMENT.....	16
GG.	PAYMENT.....	16
HH.	INVOICES.....	16
II.	AUDIT REQUIREMENTS.....	16
JJ.	TAXES.....	16
KK.	INSPECTION AND APPROVAL.....	16
LL.	CHANGES IN SCOPE/CHANGE ORDERS.....	17
MM.	SEVERABILITY.....	17
NN.	CONFIDENTIALITY.....	17
OO.	PROPRIETARY INFORMATION.....	17
PP.	CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING.....	18
QQ.	PRICES.....	18
RR.	BEST AND FINAL OFFER.....	19
SS.	ETHICS IN PUBLIC CONTRACTING.....	19
TT.	INDEMNIFICATION.....	19
UU.	NEBRASKA TECHNOLOGY ACCESS STANDARDS.....	20
VV.	ANTITRUST.....	20
WW.	DISASTER RECOVERY/BACK UP PLAN.....	20
XX.	TIME IS OF THE ESSENCE.....	20
YY.	RECYCLING.....	20
ZZ.	DRUG POLICY.....	20
AAA.	NEW EMPLOYEE WORK ELIGIBILITY STATUS.....	21
BBB.	CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY.....	21
IV.	PROJECT DESCRIPTION AND SCOPE OF WORK.....	22
A.	PROJECT OVERVIEW.....	22
B.	PROJECT ENVIRONMENT.....	22
C.	SCOPE OF WORK.....	23
D.	PAYMENT SCHEDULE.....	25
V.	PROPOSAL INSTRUCTIONS.....	26
A.	TECHNICAL PROPOSAL.....	26
B.	COST PROPOSAL REQUIREMENTS.....	29
C.	PAYMENT SCHEDULE.....	30
	Form A Bidder Contact Sheet.....	31

Form B Pickup Locations32
Form C State of Nebraska Holiday Schedule.....33
Form D Cost Sheet34

GLOSSARY OF TERMS

Acceptance Test Procedure: Benchmarks and other performance criteria, developed by the State of Nebraska or other sources of testing standards, for measuring the effectiveness of products or services and the means used for testing such performance.

Addendum: Something added or deleted.

Agency: Any state agency, board, or commission other than the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any officer or agency established by the Constitution of Nebraska.

Agent: A person authorized by a superior or organization to act on their behalf.

Amend: To alter or change by adding, subtracting, or substituting. A contract can be amended only by the parties participating in the contract. A written contract can only be amended in writing.

Amendment: Written correction or alteration.

Appropriation: Legislative authorization to expend public funds for a specific purpose. Money set apart for a specific use.

Award: All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

Best and Final Offer (BAFO): A second-stage bid in a public procurement for services.

Bid: The executed document submitted by a bidder in response to a Request for Proposal.

Bid Bond: A bond given by a surety on behalf of the bidder to ensure that the bidder will enter into the contract as bid and is retained by the State from the date of the bid opening to the date of contract signing.

Bidder: Any person or entity submitting a competitive bid response to a solicitation.

Business: Any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other private legal entity.

Business Day: Any weekday, excepting public holidays.

Calendar Day: Every day shown on the calendar; Saturdays, Sundays and State/Federal holidays included. Not to be confused with "Work Day".

Collusion: A secret agreement or cooperation between two or more persons or entities to accomplish a fraudulent, deceitful or unlawful purpose.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Confidential Information: Unless otherwise defined below, “Confidential Information” shall also mean proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Nebraska Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide.

Contract: An agreement between two or more persons to perform a specific act or acts.

Contract Administration: The Management of various facets of contracts to assure that the contractors total performance is in accordance with the contractual commitments and obligations to the purchaser are fulfilled.

Contract Management: Includes reviewing and approving of changes, executing renewals, handling disciplinary actions, adding additional users, and any other form of action that could change the contract.

Contractor: Any person or entity that supplies goods and/or services.

Conversion Period: A period of time not to exceed six (6) months, during which the State converts to a new Operating System under “Conversion” as per this RFP.

Copyright: A grant to a writer/artist that recognizes sole authorship/creation of a work and protects the creator’s interest(s) therein.

CPU: Any computer or computer system that is used by the State to store, process, or retrieve data or perform other functions using Operating Systems and applications software.

Critical Program Error: Any Program Error, whether or not known to the State, which prohibits or significantly impairs use of the Licensed Software as set forth in the documentation and intended in the contract.

Default: The omission or failure to perform a contractual duty.

Deviation: Any proposed change(s) or alteration(s) to either the contractual language or deliverables within the scope of this Request for Proposal.

Documentation: The user manuals and any other materials in any form or medium customarily provided by the contractor to the users of the Licensed Software which will provide the State with sufficient information to operate, diagnose, and maintain the Licensed Software properly, safely, and efficiently.

Evaluation Committee: A committee (or committees) appointed by the requesting agency that advises and assists the procuring office in the evaluation of proposals.

Evaluation of Proposal: The process of examining a proposal after opening to determine the bidder’s responsibility, responsiveness to requirements, and to ascertain other characteristics of the proposal that relate to determination of the successful bidder.

Extension: A provision, or exercise of a provision, of a contract that allows a continuance of the contract (at the option of the State of Nebraska) for an additional time according to contract conditions. Not to be confused with “Renewals.”

F.O.B. Destination: Free on Board. The delivery charges have been included in the quoted price and prepaid by the vendor. Vendor is responsible for all claims associated with damages during delivery of product.

Foreign Corporation: A foreign corporation is a corporation that was formed (i.e. incorporated) in another state but transacting business in Nebraska pursuant to a certificate of authority issued by the Nebraska Secretary of State.

Installation Date: The date when the procedures described in "Installation by Contractor, and Installation by State", as found in the RFP, are completed.

Late Proposal: A proposal received at the place specified in the solicitation after the date and time designated for all proposals to be received.

Licensed Software: Any and all software and documentation by which the State acquires or is granted any rights under the contract.

Mandatory: Required, compulsory or obligatory.

May: Denotes discretion.

Module: A collection of routines and data structures that perform a specific function of the Licensed Software.

Must: Denotes the imperative, required, compulsory or obligatory.

Opening Date: Specified date and time for the public opening of received, labeled and sealed formal proposals. Not to be confused with "Release Date".

Operating System: The control program in a computer that provides the interface to the computer hardware and peripheral devices, and the usage and allocation of memory resources, processor resources, input/output resources, and security resources.

Outsourcing: Acquiring computing or related services from a source outside of the State of Nebraska which may include programming and/or executing the State's Licensed Software on the State's CPU's, programming, and/or executing the State's programs and Licensed Software on the contractor's CPU's or any mix thereof.

Outsourcing Company: A company that provides Outsourcing Services under contract to the State.

Performance Bond: A bond given by a surety on behalf of the contractor to ensure the timely and proper (in sole estimation of the State) performance of a contract.

Platform: A specific hardware and Operating System combination that is different from other hardware and Operating System combinations to the extent that a different version of the Licensed Software product is required to execute properly in the environment established by such hardware and Operating System combination.

Pre-Proposal Conference: A meeting scheduled for the purpose of providing clarification regarding a Request for Proposal and related expectations.

Product: A module, a system, or any other software-related item provided by the contractor to the State.

Program Error: Code in Licensed Software which produces unintended results or actions, or which produces results or actions other than those described in the specifications. A program error includes, without limitation, any “Critical Program Error.”

Program Set: The group of programs and products, including the Licensed Software specified in the RFP, plus any additional programs and products licensed by the State under the contract for use by the State.

Project: The total of all software, documentation, and services to be provided by the contractor under this contract.

Proposal: The executed document submitted by a bidder in response to a Request for Proposal.

Proprietary Information: Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive.

Protest: A complaint about a governmental action or decision related to a Request for Proposal or the resultant contract, brought by a prospective bidder, a bidder, a contractor, or other interested party to AS Materiel Division or another designated agency with the intention of achieving a remedial result.

Public Proposal Opening: The process of opening proposals, conducted at the time and place specified in the Request for Proposal, and in the presence of anyone who wishes to attend.

Recommended Hardware Configuration: The data processing hardware (including all terminals, auxiliary storage, communication, and other peripheral devices) to the extent utilized by the State as recommended by the contractor.

Release Date: Date of release of the Request for Proposal to the public for submission of proposal responses. Not to be confused with “Opening Date”.

Renewal: Continuance of a contract for an additional term after a formal signing by the parties.

Representative: Includes an agent, an officer of a corporation or association, a trustee, executor or administrator of an estate, or any other person legally empowered to act for another.

Request for Proposal (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals.

Responsible Bidder: A bidder who has the capability in all respects to perform fully all requirements with integrity and reliability to assure good faith performance.

Responsive Bidder: A bidder who has submitted a bid which conforms in all respects to the solicitation document.

Shall: Denotes the imperative, required, compulsory or obligatory.

Should: Indicates an expectation.

Solicitation: The process of notifying prospective bidders or offerors that the State of Nebraska wishes to receive proposals for furnishing services. The process may consist of public advertising, posting notices, or mailing Request for Proposals and/or Request for Proposal announcement letter to prospective bidders, or all of these.

Solicitation Document: Request for Proposal.

Specifications: The information provided by or on behalf of the contractor that fully describes the capabilities and functionality of the Licensed Software as set forth in any material provided by the contractor, including the documentation and User's Manuals described herein.

System: Any collection or aggregation of two (2) or more Modules that is designed to function, or is represented by the contractor as functioning or being capable of functioning as an entity.

Termination: Occurs when either party pursuant to a power created by agreement or law puts an end to the contract. All obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

Trademark: A distinguishing sign, symbol, mark, word, or arrangement of words in the form of a label or other indication, that is adopted and used by a manufacturer or distributor to designate its particular goods and which no other person has the legal right to use.

Trade Secret: Information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code, or process that; (a) derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (see Neb. Rev. Stat. §87-502(4)).

Upgrade: Any improvement or change in the Software that improves or alters its basic function.

Vendor: An actual or potential contractor; a contractor.

Will: Denotes the imperative, required, compulsory or obligatory.

I. SCOPE OF THE REQUEST FOR PROPOSAL

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau (hereafter known as State Purchasing Bureau), is issuing this Request for Proposal, RFP Number 3864Z1 for the purpose of selecting a qualified contractor to provide Mail Presorting Services and Flats Mail Preparation.

A contract resulting from this Request for Proposal will be issued for a period of three (3) years effective February 1, 2012 through January 31, 2015, with the option to renew for two (2) additional one (1) year periods as mutually agreed upon by all parties.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR PROPOSAL CAN BE FOUND ON THE INTERNET AT: <http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

A. SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

	ACTIVITY	DATE/TIME
1.	Release Request for Proposal	December 14, 2011
2.	Last day to submit written questions	December 23, 2011
3.	State responds to written questions through Request for Proposal "Addendum" and/or "Amendment" to be posted to the Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	December 29, 2011
4.	Proposal opening Location: Nebraska State Office Building State Purchasing Bureau 301 Centennial Mall South, Mall Level Lincoln, NE 68508	January 10, 2012 2:00 PM Central Time
5.	Review for conformance of mandatory requirements	January 10, 2012
6.	Evaluation period	January 10, 2012- January 20, 2012
7.	"Oral Interviews/Presentations and/or Demonstrations" (if required)	To Be Determined
8.	Post "Letter of Intent to Contract" to Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	January 20, 2012
9.	Performance bond submission	January 30, 2012
10.	Contract award	January 31, 2012
11.	Contractor start date	February 1, 2012

II. PROCUREMENT PROCEDURES

A. PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the State Purchasing Bureau. The point of contact for the procurement is as follows:

Name: Mary Lanning
Agency: State Purchasing Bureau
Address: 301 Centennial Mall South, Mall Level
Lincoln, NE 68508

OR

Address: P.O. Box 94847
Lincoln, NE 68509
Telephone: 402-471-2401
Facsimile: 402-471-2089
E-Mail: matpurch.dasmat@nebraska.gov

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing Mail Presorting Services and Flats Mail Preparation at a competitive and reasonable cost. Proposals that do not conform to the mandatory items as indicated in the Request for Proposal will not be considered.

Proposals shall conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective bidders are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

A fixed-price contract will be awarded as a result of this proposal. In addition to the provisions of this Request for Proposal and the awarded proposal, which shall be incorporated by reference in the contract, any additional clauses or provisions required by the terms and conditions will be included as an amendment to the contract.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is announced regarding the selection of the contractor, contact regarding this project between potential contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.

Once a contractor is preliminarily selected, as documented in the intent to contract, that contractor is restricted from communicating with State staff until a contract is signed. Violation of this condition may be considered sufficient cause to reject a contractor's proposal and/or selection irrespective of any other condition.

The following exceptions to these restrictions are permitted:

1. written communication with the person(s) designated as the point(s) of contact for this Request for Proposal or procurement;
2. contacts made pursuant to any pre-existing contracts or obligations; and
3. state-requested presentations, key personnel interviews, clarification sessions or discussions to finalize a contract.

Violations of these conditions may be considered sufficient cause to reject a bidder's proposal and/or selection irrespective of any other condition. No individual member of the State, employee of the State, or member of the Evaluation Committee is empowered to make binding statements regarding this Request for Proposal. The buyer will issue any clarifications or opinions regarding this Request for Proposal in writing.

D. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a bidder regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to the State Purchasing Bureau and clearly marked "RFP Number 3864Z1; Mail Presorting Services and Flats Mail Preparation Questions". It is preferred that questions be sent via e-mail to matpurch.dasmat@nebraska.gov. Questions may also be sent by facsimile to 402-471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Mary Lanning, showing the total number of pages transmitted, and clearly marked "RFP Number 3864Z1; Mail Presorting Services and Flats Mail Preparation Questions".

Written answers will be provided through an addendum to be posted on the Internet at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> on or before the date shown in the Schedule of Events.

E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

The Evaluation Committee(s) may conclude after the completion of the Technical and Cost Proposal evaluation that oral interviews/presentations and/or demonstrations are required in order to determine the successful bidder. All bidders may not have an opportunity to interview/present and/or give demonstrations; the State reserves the right to select only the top scoring bidders to present/give oral interviews in its sole discretion. The scores from the oral interviews/presentations and/or demonstrations will be added to the scores from the Technical and Cost Proposals. The presentation process will allow the bidders to demonstrate their proposal offering, explaining and/or clarifying any unusual or significant elements related to their proposals. Bidders' key personnel may be requested to participate in a structured interview to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, and their management style and philosophy. Bidders shall not be allowed to alter or amend their proposals. Only representatives of the State and the presenting bidders will be permitted to attend the oral interviews/presentations and/or demonstrations.

Once the oral interviews/presentations and/or demonstrations have been completed the State reserves the right to make a contract award without any further discussion with the bidders regarding the proposals received.

Detailed notes of oral interviews/presentations and/or demonstrations may be recorded and supplemental information (such as briefing charts, et cetera) may be accepted; however, such supplemental information shall not be considered an amendment to a bidders' proposal. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the bidder and will not be compensated by the State.

F. SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the State.

To facilitate the proposal evaluation process, one (1) original, clearly identified as such, and five (5) copies of the entire proposal should be submitted. The copy marked "original" shall take precedence over any other copies, should there be a discrepancy. Proposals must be submitted by the proposal due date and time. A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. All proprietary information the bidder wishes the State to withhold must be submitted in accordance with the instructions outlined in Section III, Proprietary Information. Proposal responses should include the completed Form A, Bidder Contact Sheet. Proposals must reference the request for proposal number and be sent to the specified address. Container(s) utilized for original documents should be clearly marked "ORIGINAL DOCUMENTS". Please note that the address label should appear as specified in Section II part A on the face of each container or bidder's bid response packet. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. If a recipient phone number is required for delivery purposes, 402-471-2401 should be used. The request for proposal number must be included in all correspondence.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the bidder's proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired.

The Technical and Cost Proposals should be presented in separate sections (loose-leaf binders are preferred) on standard 8 ½" x 11" paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½" by 11" format. Pages may be consecutively numbered for the entire proposal, or may be numbered consecutively within sections. Figures and tables must be numbered consecutively within sections. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text.

G. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding entities announced on the date, time and location shown in the Schedule of Events. Proposals will be available for viewing by those present after the proposal opening. Vendors may also contact the State to schedule an appointment for viewing proposals after the opening date.

H. LATE PROPOSALS

Proposals received after the time and date of the proposal opening will be considered late proposals. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. The State is not responsible for proposals that are late or lost due to mail service inadequacies, traffic or any other reason(s).

I. REJECTION OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

J. EVALUATION OF PROPOSALS

All responses to this Request for Proposal which fulfill all mandatory requirements will be evaluated. Each category will have a maximum possible point potential. The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. Areas that will be addressed and scored during the evaluation include:

1. Executive Summary;
2. Corporate Overview shall include but is not limited to;
 - a. the ability, capacity and skill of the bidder to deliver and implement the system or project that meets the requirements of the Request for Proposal;
 - b. the character, integrity, reputation, judgment, experience and efficiency of the bidder;
 - c. whether the bidder can perform the contract within the specified time frame;
 - d. the quality of bidder performance on prior contracts;
 - e. such other information that may be secured and that has a bearing on the decision to award the contract;
3. Technical Approach; and
4. Cost Proposal.

Evaluation criteria will become public information at the time of the Request for Proposal opening. Evaluation criteria and a list of respondents will be posted to the State Purchasing Bureau website at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> Evaluation criteria will not be released prior to the proposal opening.

K. EVALUATION COMMITTEE

Proposals will be independently evaluated by members of the Evaluation Committee(s). The committee(s) will consist of staff with the appropriate expertise to conduct such proposal evaluations. Names of the members of the Evaluation Committee(s) will not become public information.

Prior to award, bidders are advised that only the point of contact indicated on the front cover of this Request For Proposal For Contractual Services Form can clarify issues or render any opinion regarding this Request for Proposal. No individual member of the State, employee of the State or member of the Evaluation Committee(s) is empowered to make binding statements regarding this Request for Proposal.

L. MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

1. signed Request For Proposal For Contractual Services form;
2. Executive Summary;
3. Corporate Overview;
4. Technical Approach; and
5. Cost Proposal.

M. REFERENCE CHECKS

The State reserves the right to check any reference(s), regardless of the source of the reference information, including but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: project description and background, job performed, functional and technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, problems (poor quality deliverables, contract disputes, work stoppages, et cetera), overall performance, and whether or not the reference would rehire the firm or individual. Only top scoring bidders may receive reference checks and negative references may eliminate bidders from consideration for award.

N. SECRETARY OF STATE/TAX COMMISSIONER REGISTRATION REQUIREMENTS

All bidders are expected to comply with any statutory registration requirements. It is the responsibility of the bidder who is the recipient of an Intent to Award to comply with any statutory registration requirements pertaining to types of business entities (e.g. a foreign or Nebraska corporation, non-resident contractor, limited partnership, or other type of business entity). The bidder who is the recipient of Intent to Award will be required to certify that it has so complied and produce a true and exact copy of its registration certificate, or, in the case registration is not required, to provide the reason as to why none is required. This must be accomplished prior to the award of contract.

O. VIOLATION OF TERMS AND CONDITIONS

Violation of the terms and conditions contained in this Request for Proposal or any resultant contract, at any time before or after the award, shall be grounds for action by the State which may include, but is not limited to, the following:

1. rejection of a bidder's proposal;
2. suspension of the bidder from further bidding with the State for the period of time relative to the seriousness of the violation, such period to be within the sole discretion of the State.

III. TERMS AND CONDITIONS

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions and certifies bidder maintains a drug free work place environment.

Bidders are expected to closely read the Terms and Conditions and provide a binding signature of intent to comply with the Terms and Conditions; provided, however, a bidder may indicate any exceptions to the Terms and Conditions by (1) clearly identifying the term or condition by subsection, (2) including an explanation for the bidder's inability to comply with such term or condition which includes a statement recommending terms and conditions the bidder would find acceptable. Rejection in whole or in part of the Terms and Conditions may be cause for rejection of a bidder's proposal.

A. GENERAL

Accept
& Initial

The contract resulting from this Request for Proposal shall incorporate the following documents:

1. the signed Request For Proposal form;
2. the original Request for Proposal document;
3. any Request for Proposal addenda and/or amendments to include questions and answers;
4. the contractor's proposal;
5. any contract amendments, in order of significance; and
6. contract award.

Unless otherwise specifically stated in a contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) the contract award, 2) contract amendments with the latest dated amendment having the highest priority, 3) Request for Proposal addenda and/or amendments with the latest dated amendment having the highest priority, 4) the original Request for Proposal, 5) the signed Request For Proposal form, 6) the contractor's proposal.

Any ambiguity in any provision of this contract which shall be discovered after its execution shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

Once proposals are opened they become the property of the State of Nebraska and will not be returned.

B. AWARD

Accept
& Initial

All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part, and at its discretion, may withdraw or amend the Request for Proposal at any time. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State. The Request for Proposal does not commit the State to award a contract. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended.

By submitting a proposal in response to this Request for Proposal, the bidder grants to the State the right to contact or arrange a visit in person with any or all of the bidder's clients.

Once an intent to award decision has been determined, it will be posted to the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

Grievance and protest procedure is available on the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/agencyervicesprocurementmanual/ProtestGrievanceProcedureForServices.doc>

Any protests must be filed by a vendor within ten (10) calendar days after the intent to award decision is posted to the Internet.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION

Accept
& Initial

The contractor shall comply with all applicable local, State and Federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin (Neb. Rev. Stat. §48-1101 to 48-1125). The contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The contractor shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Request for Proposal.

D. PERMITS, REGULATIONS, LAWS

Accept
& Initial

The contractor shall procure and pay for all permits, licenses and approvals necessary for the execution of the contract. The contractor shall comply with all applicable local, state, and federal laws, ordinances, rules, orders and regulations.

E. OWNERSHIP OF INFORMATION AND DATA

Accept
& Initial

The State of Nebraska shall have the unlimited right to publish, duplicate, use and disclose all information and data developed or derived by the contractor pursuant to this contract.

The contractor must guarantee that it has the full legal right to the materials, supplies, equipment, and other rights or titles (e.g. rights to licenses transfer or assign deliverables) necessary to execute this contract. The contract price shall, without exception, include compensation for all royalties and costs arising from patents, trademarks and copyrights that are in any way involved in the contract. It shall be the responsibility of the contractor to pay for all royalties and costs, and the State must be held harmless from any such claims.

F. INSURANCE REQUIREMENTS

Accept
& Initial

The contractor shall not commence work under this contract until he or she has obtained all the insurance required hereunder and such insurance has been approved by the State. If contractor will be utilizing any subcontractors, the contractor is responsible for obtaining the certificate(s) of insurance required herein under from any and all subcontractor(s). Contractor is also responsible for ensuring subcontractor(s) maintain the insurance required until completion of the contract requirements. The contractor shall not allow any subcontractor to commence work on his or her subcontract until all similar insurance required of the subcontractor has been obtained and approved by the contractor. Approval of the insurance by the State shall not limit, relieve or decrease the liability of the contractor hereunder.

If by the terms of any insurance a mandatory deductible is required, or if the contractor elects to increase the mandatory deductible amount, the contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

1. WORKERS' COMPENSATION INSURANCE

The contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contractors' employees to be engaged in work on the project under this contract and, in case any such work is sublet, the contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. This policy shall include a waiver of subrogation in favor of the State. The amounts of such insurance shall not be less than the limits stated hereinafter.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The contractor shall take out and maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect contractor and any subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury and Contractual Liability coverage. The policy shall include the State, and others as required by the Contract Documents, as an Additional Insured. This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered excess and non-contributory. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned and Hired vehicles.

3. INSURANCE COVERAGE AMOUNTS REQUIRED

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

b. COMMERCIAL GENERAL LIABILITY

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 any one person
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Fire Damage	\$50,000 any one fire
Medical Payments	\$5,000 any one person

c. COMMERCIAL AUTOMOBILE LIABILITY
Bodily Injury/Property Damage \$1,000,000 combined single limit

d. UMBRELLA/EXCESS LIABILITY
Over Primary Insurance \$1,000,000 per occurrence

4. EVIDENCE OF COVERAGE

The contractor should furnish the State, with their proposal response, a certificate of insurance coverage complying with the above requirements to the attention of the Buyer, Administrative Services, State Purchasing Bureau, 301 Centennial Mall S, 1st Fl, Lincoln, NE 68508 (facsimile 402-471-2089). These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the contractor to maintain such insurance, then the contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required insurance policy must be submitted to Administrative Services State Purchasing Bureau when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

G. COOPERATION WITH OTHER CONTRACTORS

Accept
& Initial

The State may already have in place or choose to award supplemental contracts for work related to this Request for Proposal, or any portion thereof.

1. The State reserves the right to award the contract jointly between two or more potential contractors, if such an arrangement is in the best interest of the State.
2. The contractor shall agree to cooperate with such other contractors, and shall not commit or permit any act which may interfere with the performance of work by any other contractor.

H. INDEPENDENT CONTRACTOR

Accept
& Initial

It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under the contract. The contractor's employees and other persons engaged in work or services required by the contractor under the contract shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the contractor, its officers or its agents) shall in no way be the responsibility of the State. The contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits from the State including without limit, tenure rights, medical and hospital care, sick and vacation leave, severance pay or retirement benefits.

I. CONTRACTOR RESPONSIBILITY

Accept
& Initial

The contractor is solely responsible for fulfilling the contract, with responsibility for all services offered and products to be delivered as stated in the Request for Proposal, the contractor's proposal, and the resulting contract. The contractor shall be the sole point of contact regarding all contractual matters.

If the contractor intends to utilize any subcontractors' services, the subcontractors' level of effort, tasks and time allocation must be clearly defined in the contractor's proposal. The contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal, in the performance of the contract, without the prior written authorization of the State. Following execution of the contract, the contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the contract.

J. CONTRACTOR PERSONNEL

Accept
& Initial

The contractor warrants that all persons assigned to the project shall be employees of the contractor or specified subcontractors, and shall be fully qualified to perform the work required herein. Personnel employed by the contractor to fulfill the terms of the contract shall remain under the sole direction and control of the contractor. The contractor shall include a similar provision in any contract with any subcontractor selected to perform work on the project.

Personnel commitments made in the contractor's proposal shall not be changed without the prior written approval of the State. Replacement of key personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

The State reserves the right to require the contractor to reassign or remove from the project any contractor or subcontractor employee.

In respect to its employees, the contractor agrees to be responsible for the following:

1. any and all employment taxes and/or other payroll withholding;
2. any and all vehicles used by the contractor's employees, including all insurance required by state law;
3. damages incurred by contractor's employees within the scope of their duties under the contract;
4. maintaining workers' compensation and health insurance and submitting any reports on such insurance to the extent required by governing State law; and
5. determining the hours to be worked and the duties to be performed by the contractor's employees.

Notice of cancellation of any required insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION

Accept
& Initial

The contractor shall not, at any time, recruit or employ any State employee or agent who has worked on the Request for Proposal or project, or who had any influence on decisions affecting the Request for Proposal or project.

L. CONFLICT OF INTEREST

Accept
& Initial

By submitting a proposal, bidder certifies that there does not now exist any relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this Request for Proposal or project.

The bidder certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or appearance of conflict of interest.

The bidder certifies that it will not employ any individual known by bidder to have a conflict of interest.

M. PROPOSAL PREPARATION COSTS

The State shall not incur any liability for any costs incurred by bidders in replying to this Request for Proposal, in the demonstrations, or oral presentations, or in any other activity related to bidding on this Request for Proposal.

Accept
& Initial

N. ERRORS AND OMISSIONS

The bidder shall not take advantage of any errors and/or omissions in this Request for Proposal or resulting contract. The bidder must promptly notify the State of any errors and/or omissions that are discovered.

Accept
& Initial

O. BEGINNING OF WORK

The bidder shall not commence any billable work until a valid contract has been fully executed by the State and the successful contractor. The contractor will be notified in writing when work may begin.

Accept
& Initial

P. ASSIGNMENT BY THE STATE

The State shall have the right to assign or transfer the contract or any of its interests herein to any agency, board, commission, or political subdivision of the State of Nebraska. There shall be no charge to the State for any assignment hereunder.

Accept
& Initial

Q. ASSIGNMENT BY THE CONTRACTOR

The contractor may not assign, voluntarily or involuntarily, the contract or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party, without the prior written consent of the State, which will not be unreasonably withheld.

Accept
& Initial

R. DEVIATIONS FROM THE REQUEST FOR PROPOSAL

The requirements contained in the Request for Proposal become a part of the terms and conditions of the contract resulting from this Request for Proposal. Any deviations from the Request for Proposal must be clearly defined by the bidder in its proposal and, if accepted by the State, will become part of the contract. Any specifically defined deviations must not be in conflict with the basic nature of the Request for Proposal or mandatory requirements. "Deviation", for the purposes of this RFP, means any proposed changes or alterations to either the contractual language or deliverables within the scope of this RFP. The State discourages deviations and reserves the right to reject proposed deviations.

Accept
& Initial

S. GOVERNING LAW

The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State of Nebraska regarding this Request for Proposal or any resultant contract shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The contractor must be in compliance with all Nebraska statutory and regulatory law.

Accept
& Initial

T. ATTORNEY'S FEES

In the event of any litigation, appeal or other legal action to enforce any provision of the contract, the contractor agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the State is the prevailing party.

Accept
& Initial

U. ADVERTISING

Accept
& Initial

The contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

V. STATE PROPERTY

Accept
& Initial

The contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the contractor's use during the performance of the contract. The contractor shall reimburse the State for any loss or damage of such property, normal wear and tear is expected.

W. SITE RULES AND REGULATIONS

Accept
& Initial

The contractor shall use its best efforts to ensure that its employees, agents and subcontractors comply with site rules and regulations while on State premises. If the contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the contractor.

X. NOTIFICATION

Accept
& Initial

During the bid process, all communication between the State and a bidder shall be between the bidder's representative clearly noted in its proposal and the buyer noted in Section II, A. Procuring Office and Contact Person of this RFP. After the award of the contract, all notices under the contract shall be deemed duly given upon delivery to the staff designated as the point of contact for this Request for Proposal, in person, or upon delivery by U.S. Mail, facsimile, or e-mail. Each bidder should provide in its proposal the name, title and complete address of its designee to receive notices.

1. Except as otherwise expressly specified herein, all notices, requests or other communications shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) days following deposit in the mail.
2. Whenever the contractor encounters any difficulty which is delaying or threatens to delay its timely performance under the contract, the contractor shall immediately give notice thereof in writing to the State reciting all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the State of any of its rights or remedies to which it is entitled by law or equity or pursuant to the provisions of the contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

Either party may change its address for notification purposes by giving notice of the change, and setting forth the new address and an effective date.

For the duration of the contract, all communication between contractor and the State regarding the contract shall take place between the contractor and individuals specified by the State in writing. Communication about the contract between contractor and individuals not designated as points of contact by the State is strictly forbidden.

Y. EARLY TERMINATION

The contract may be terminated as follows:

Accept
& Initial

1. The State and the contractor, by mutual written agreement, may terminate the contract at any time.
2. The State, in its sole discretion, may terminate the contract for any reason upon 30 days written notice to the contractor. Such termination shall not relieve the contractor of warranty or other service obligations incurred under the terms of the contract. In the event of cancellation the contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the contract immediately for the following reasons:
 - a. if directed to do so by statute;
 - b. contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. a trustee or receiver of the contractor or of any substantial part of the contractor's assets has been appointed by a court;
 - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its contractor, its employees, officers, directors or shareholders;
 - e. an involuntary proceeding has been commenced by any party against the contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) days; or (ii) the contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the contractor has been decreed or adjudged a debtor;
 - f. a voluntary petition has been filed by the contractor under any of the chapters of Title 11 of the United States Code;
 - g. contractor intentionally discloses confidential information;
 - h. contractor has or announces it will discontinue support of the deliverable;
 - i. second or subsequent documented "vendor performance report" form deemed acceptable by the State Purchasing Bureau.

Z. FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS

The State may terminate the contract, in whole or in part, in the event funding is no longer available. The State's obligation to pay amounts due for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds for the contract. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. The State will give the contractor written notice thirty (30) days prior to the effective date of any termination, and advise the contractor of the location (address and room number) of any related equipment. All obligations of the State to make payments after the termination date will cease and all interest of the State in any related equipment will terminate. The contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the contractor be paid for a loss of anticipated profit.

Accept
& Initial

AA. BREACH BY CONTRACTOR

Accept
& Initial

The State may terminate the contract, in whole or in part, if the contractor fails to perform its obligations under the contract in a timely and proper manner. The State may, by providing a written notice of default to the contractor, allow the contractor to cure a failure or breach of contract within a period of thirty (30) days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the contractor time to cure a failure or breach of contract does not waive the State's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. In case of default of the contractor, the State may contract the service from other sources and hold the contractor responsible for any excess cost occasioned thereby.

BB. ASSURANCES BEFORE BREACH

Accept
& Initial

If any document or deliverable required pursuant to the contract does not fulfill the requirements of the Request for Proposal/resulting contract, upon written notice from the State, the contractor shall deliver assurances in the form of additional contractor resources at no additional cost to the project in order to complete the deliverable, and to ensure that other project schedules will not be adversely affected.

CC. PENALTY

Accept
& Initial

In the event that the contractor fails to perform any substantial obligation under the contract, the State may withhold all monies due and payable to the contractor, without penalty, until such failure is cured or otherwise adjudicated. Failure to meet the dates stipulated in the contract for the deliverables may result in an assessment of penalty due the State of \$250.00 dollars per day, until the performance issues have been resolved. Contractor will be notified in writing when penalty will commence.

DD. PERFORMANCE BOND

Accept
& Initial

The selected contractor will be required to supply a certified check or a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract to include any renewal and/or extension periods. The amount of the certified check or bond an established dollar amount \$100,000.00 The check or bond will guarantee that the selected contractor will faithfully perform all requirements, terms and conditions of the contract. Failure to comply shall be grounds for forfeiture of the check or bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond or certified check will be returned when the service has been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

EE. FORCE MAJEURE

Accept
& Initial

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The State may grant relief from performance of the contract if the contractor is prevented from performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the contractor. To obtain release based on a Force Majeure Event, the contractor shall file a written request for such relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the contract.

FF. PROHIBITION AGAINST ADVANCE PAYMENT

Accept
& Initial

Payments shall not be made until contractual deliverable(s) are received and accepted by the State.

GG. PAYMENT

Accept
& Initial

State will render payment to contractor when the terms and conditions of the contract and specifications have been satisfactorily completed on the part of the contractor as solely determined by the State. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408). The State may require the contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any services provided by the contractor prior to the Effective Date, and the contractor hereby waives any claim or cause of action for any such services.

HH. INVOICES

Accept
& Initial

Invoices for payments must be submitted by the contractor to the agency requesting the services with sufficient detail to support payment. The terms and conditions included in the contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract.

II. AUDIT REQUIREMENTS

Accept
& Initial

All contractor books, records and documents relating to work performed or monies received under the contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by the State. These records shall be maintained for a period of five (5) full years from the date of final payment, or until all issues related to an audit, litigation or other action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles.

In addition to, and in no way in limitation of any obligation in the contract, the contractor shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the contract for which an exception has been taken or which has been disallowed because of such an exception. The contractor agrees to correct immediately any material weakness or condition reported to the State in the course of an audit.

JJ. TAXES

Accept
& Initial

The State is not required to pay taxes of any kind and assumes no such liability as a result of this solicitation. Any property tax payable on the contractor's equipment which may be installed in a state-owned facility is the responsibility of the contractor.

KK. INSPECTION AND APPROVAL

Accept
& Initial

Final inspection and approval of all work required under the contract shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where the contractor or subcontractor duties under the contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

LL. CHANGES IN SCOPE/CHANGE ORDERS

Accept
& Initial

The State may, at any time with written notice to the contractor, make changes within the general scope of the contract. Changes in scope shall only be conducted with the written approval of the State's designee as so defined by the State from time to time. (The State retains the right to employ the services of a third party to perform any change order(s)).

The State may, at any time work is in progress, by written order, make alterations in the terms of work as shown in the specifications, require the performance of extra work, decrease the quantity of work, or make such other changes as the State may find necessary or desirable. The contractor shall not claim forfeiture of contract by reasons of such changes by the State. Changes in work and the amount of compensation to be paid to the contractor for any extra work so ordered shall be determined in accordance with the applicable unit prices of the contractor's proposal.

Corrections of any deliverable services or performance of work required pursuant to the contract shall not be deemed a modification requiring a change order.

MM. SEVERABILITY

Accept
& Initial

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

NN. CONFIDENTIALITY

Accept
& Initial

All materials and information provided by the State or acquired by the contractor on behalf of the State shall be regarded as confidential information. All materials and information provided by the State or acquired by the contractor on behalf of the State shall be handled in accordance with Federal and State Law, and ethical standards. The contractor must ensure the confidentiality of such materials or information. Should said confidentiality be breached by a contractor; contractor shall notify the State immediately of said breach and take immediate corrective action.

It is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable to contractors by 5 U.S.C. 552a (m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

OO. PROPRIETARY INFORMATION

Accept
& Initial

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the proposal. The separate package must be clearly marked PROPRIETARY on the outside of the package. Bidders may not mark their entire Request for Proposal as proprietary. Bidder's cost proposals may not be marked as proprietary information. Failure of the bidder to follow the instructions for

submitting proprietary and copyrighted information may result in the information being viewed by other bidders and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

PP. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING

Accept
& Initial

By submission of this proposal, the bidder certifies, that he or she is the party making the foregoing proposal that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and further that the bidder has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

QQ. PRICES

Accept
& Initial

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made (and for bidder receiving award prices shall remain as bid for the duration of the contract unless otherwise so stated in the contract) or the Request for Proposal is cancelled.

Contractor represents and warrants that all prices for services, now or subsequently specified are as low as and no higher than prices which the contractor has charged or intends to charge customers other than the State for the same or similar products and services of the same or equivalent quantity and quality for delivery or performance during the same periods of time. If, during the term of the contract, the contractor shall reduce any and/or all prices charged to any customers other than the State for the same or similar products or services specified herein, the contractor shall make an equal or equivalent reduction in corresponding prices for said specified products or services.

Contractor also represents and warrants that all prices set forth in the contract and all prices in addition, which the contractor may charge under the terms of the contract, do not and will not violate any existing federal, state or municipal law or regulations concerning price discrimination and/or price fixing. Contractor agrees to hold the State harmless from any such violation. Prices quoted shall not be subject to increase throughout the contract period unless specifically allowed by these specifications.

RR. BEST AND FINAL OFFER

Accept
& Initial

The State will compile the final scores for all parts of each proposal. The award may be granted to the highest scoring responsive and responsible bidder. Alternatively, the highest scoring bidder or bidders may be requested to submit best and final offers. If best and final offers are requested by the State and submitted by the bidder, they will be evaluated (using the stated criteria), scored and ranked by the Evaluation Committee. The award will then be granted to the highest scoring bidder. However, a bidder should provide its best offer in its original proposal. Bidders should not expect that the State will request a best and final offer.

SS. ETHICS IN PUBLIC CONTRACTING

Accept
& Initial

No bidder shall pay or offer to pay, either directly or indirectly, any fee, commission compensation, gift, gratuity, or anything of value to any State officer, legislator or employee based on the understanding that the receiving person's vote, actions or judgment will be influenced thereby. No bidder shall give any item of value to any employee of the State Purchasing Bureau.

Bidders shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure the contract. It is the intent of this provision to assure that the prohibition of state contact during the procurement process is not subverted through the use of lobbyists, attorneys, political activists, or consultants. It is the intent of the State that the process of evaluation of proposals and award of the contract be completed without external influence. It is not the intent of this section to prohibit bidders from seeking professional advice, for example consulting legal counsel, regarding terms and conditions of this Request for Proposal or the format or content of their proposal.

If the bidder is found to be in non-compliance with this section of the Request for Proposal, they may forfeit the contract if awarded to them or be disqualified from the selection process.

TT. INDEMNIFICATION

Accept
& Initial

1. GENERAL

The contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. INTELLECTUAL PROPERTY

The contractor agrees it will at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the contractor prompt notice in writing of the claim. The contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the contractor has indemnified the State, the contractor shall at the contractor's sole cost and expense promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the contractor, and the State may receive the remedies provided under this RFP.

3. PERSONNEL

The contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the contractor.

UU. NEBRASKA TECHNOLOGY ACCESS STANDARDS

Accept
& Initial

Contractor shall review the Nebraska Technology Access Standards, found at http://www.nitc.nebraska.gov/standards/accessibility/accessibility_standards.pdf and ensure that products and/or services provided under the contract comply with the applicable standards. In the event such standards change during the contractor's performance, the State may create an amendment to the contract to request that contract comply with the changed standard at a cost mutually acceptable to the parties.

VV. ANTITRUST

Accept
& Initial

The contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

WW. DISASTER RECOVERY/BACK UP PLAN

Accept
& Initial

The contractor shall have a disaster recovery and back-up plan, of which a copy should be provided to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue services as specified under these specifications in the event of a disaster.

XX. TIME IS OF THE ESSENCE

Accept
& Initial

Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by the State shall not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the contractor remaining to be performed.

YY. RECYCLING

Accept
& Initial

Preference will be given to items which are manufactured or produced from recycled material or which can be readily reused or recycled after their normal use as per state statute (Neb. Rev. Stat. §81-15, 159).

ZZ. DRUG POLICY

Accept
& Initial

Contractor certifies it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

AAA. NEW EMPLOYEE WORK ELIGIBILITY STATUS

Accept
& Initial

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

BBB. CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY

Accept
& Initial

The contractor, by signature to this RFP, certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract.

IV. PROJECT DESCRIPTION AND SCOPE OF WORK

A. PROJECT OVERVIEW

The State of Nebraska, Administrative Services (AS), Materiel Division, is requesting proposals for contractual services to provide mail preparation, flats mail preparation, presorting services, postnet bar-coding, required endorsements, i.e. FASTforward, National Change of Address (NCOA) and any other similar services for a three (3) year period with two (2) additional one (1) year renewal options as mutually agreed upon by all parties. The University of Nebraska, Lincoln will also participate in the contract but will issue a separate contract award document. The Administrative Services, Materiel Division will be solely responsible for this contract.

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

B. PROJECT ENVIRONMENT

The State of Nebraska, Administrative Services, Materiel Division is responsible for the operation of a centralized mail center for State of Nebraska agencies as per Nebraska State Statute 81-168. First Class mail, which includes letters, postcards and packages sealed against inspection, is delivered to the AS, Materiel Division, Office Services Mail Center, metered and sent to an outside presort company to be sorted, bar-coded and delivered to the US Postal Service (USPS). Permit Imprint mail is packaged in quantities of a minimum of 200 pieces, each piece weighing less than 16 ounces and is delivered to the USPS. Permit Imprint mail that is processed by the AS Materiel Print Shop is picked up and delivered to the USPS. In some cases, the Permit Imprint for postage payment method is used on presorted mailings.

1. PROJECT REQUIREMENTS

The proposal will be for bar coding of all automation compatible State of Nebraska mail and flats mail. The contractor must have the ability to combine First Class Permit Mail with First Class metered mail and to bar code all flats mail within the State of Nebraska. The contractor must properly affix non-automated mail and flats mail with the correct postage in accordance with the USPS regulations. First Class mail must be sorted at three (3) and five (5) digit rates. Quoted responses must be on a per piece basis, and reflect both the rate for sorting and bar-coding and a set postage rate per piece to cover the postage pay-up (this is to eliminate a floating pay-up postage charge). **NO ADDITIONAL COSTS WILL BE ALLOWED.**

a. REPORTS

The contractor shall furnish a report itemizing the total number of pieces of mail and flats mail processed by class by date to be included with the monthly invoicing. FASTforward counts and hits must also be reported daily

b. The State of Nebraska will remit on a monthly basis, the service fee for each piece of mail and flats mail submitted by the State. Payment will be made in conjunction with the State of Nebraska Prompt Payment Act 81-2401 through 2408 upon receipt of a valid invoice.

c. At the State's discretion, the contractor will be required to develop and provide management reports. These management reports will be submitted monthly to confirm what percentage of the State's mail and flats mail is being processed and what areas need improvement. In addition, a weekly usage report that includes item count by agency name and six digit billing code is required.

C. SCOPE OF WORK

- 1.** The contractor shall apply correct delivery point postnet bar code and presort all such letters and/or flats mail according to the United States Postal Service (USPS) Regulations (DMM 330) and deliver it to the Main Post Office on a SAME DAY BASIS on or before the acceptance deadline allowed by the USPS.
- 2.** The contractor shall pick up on a daily basis (exclusive of recognized State Holidays), (see Forms B and C for pick up locations and times and Holiday schedules) all mail and flats mail made available by the State of Nebraska at the time(s) and place(s) designated and any other location identified at a later date. The times listed are approximate; pick up times may be adjusted. Determination of routes and times will be discussed upon award. Alternate proposals may be submitted to offer various options.

All letters and/or flats must be delivered to the USPS on the same day they are released to the contractor. If any letters and/or flats mail delivered by the contractor to the USPS fail for any reason or are not delivered to the USPS for any reason on the same day they are released to the contractor, the contractor will be required to immediately make direct contact with either the AS Materiel, Office Services Mail Center Manager or the AS Materiel Office Services Supervisor indicating how many letters and/or flats failed or were not delivered to the USPS and for what reason. In addition, the contractor will be required to send an email report to the AS Materiel, Office Services Mail Center Manager and the AS Materiel Office Services Supervisor indicating how many letters and/or flats failed or were not delivered to the USPS and for what reason and sent the same day.

- 3.** The State of Nebraska shall prepare all letters in trays and flats in tubs with the envelopes facing the same direction. All mail shall be sealed and metered at the correct presort discount rate and date, and include "presorted first class" notation.
- 4.** The State of Nebraska will provide only letters and/or flats that are automation compatible.

The State of Nebraska will provide the following estimated mail volumes. The State of Nebraska processes an average of thirty five thousand pieces daily and 1200 flats daily. The University of Nebraska, Lincoln processes an average of 2800 pieces of mail and 300 flats daily. The University of Nebraska, Omaha, processes an average of 770 pieces of mail and 100 flats daily. The University of Nebraska, Medical Center processes an average of 3800 pieces of mail and 800 flats daily. The State of Nebraska will submit First Class permit mail daily. Standard permit mailings will be submitted on an as needed basis. Mail schedules and volumes will fluctuate throughout the year. Typically, the heavier mailing months begin in December and run through May. These are estimated volumes and should not be construed as a minimum or maximum.

- 5.** The State of Nebraska will provide various types of mail that will require bar coding by the contractor. The following groups of mail will utilize all classes of mail. These groups are examples but are not limited to the types of mail sent out by the State. (See Form C)
 - a.** Pre-metered at a five (5) digit automated rate
 - b.** Permit Imprint

- c. Postcards
 - d. Self-Mailers
 - e. Form #'s 1099G, W2 at a five (5) digit automated rate
 - f. Flats
6. The State of Nebraska will consider all options in regard to the most cost effective way to manage letters and/or flats mail services.
7. Upon request by the State, the contractor will be required to provide training sessions to agencies for the proper completion of mail and flats mail including information on FASTforward. Topics may include proper addressing, processing, envelopes and self mailers, printing and fonts utilized or any other topics deemed beneficial to the State to improve quality of mail processed.
8. Mail and flats mail failures by the State of Nebraska must be returned to the DAS Materiel Office Services Mail Center operation by 2:00 PM the following day. Mail failure is considered mail or flats mail that cannot be processed by the contractor as a result of an error made by the State or any mail or "flats" mail damaged during contractor's service that is no longer fit to be mailed.
9. Any penalties and/or additional postage incurred attributable to the improper presorting of the mail and flats mail or failure to meet the acceptance deadline allowed by the USPS shall be the responsibility of the contractor. The State of Nebraska will not be responsible for any reject fees or Merlin fees or fees associated with transporting the State of Nebraska's letters and/or flats mail.
10. All information contained on mail and flats mail processed shall be confidential. The contractor shall not capture or retain any information from the State's mail and flats mail. Any violation of this provision shall be considered a breach of this contract and result in immediate cancellation. The contractor will be required to sign a confidential information statement which will be maintained in the contract file. This statement will include all State agencies. The contractor will be responsible for any penalties as stipulated by law for violations made by the contractor or the contractor's employees.
11. The State of Nebraska reserves the right to cancel this contract immediately in the event the contractor does not competently and reasonably render the services outlined in this contract. Two (2) incidents of non-performance will constitute incompetent and unreasonable rendering of services. Incompetent and unreasonable rendering of services shall include, but not be limited to:
- a. Contractor's improper presorting of the letters and/or flats that cause the letters and/or flats to be delayed;
 - b. Contractor's failure to meet the acceptance deadline;
 - c. Contractor's failure to pick up letters and/or flats made available by the State of Nebraska the same day they are released to the contractor by the State;
 - d. Contractor's failure to deliver any letters and/or flats to the USPS on the same day they were released to the contractor;
 - e. Contractor's failure to notify the State of Nebraska of any letters and/or flats that fail at the USPS on the same day they were released to the contractor;
 - f. Contractor's failure to notify the State of Nebraska of any undelivered letters/and or flats mail to the USPS on the same day they were released to the contractor;

- g.** A second Vendor Performance report for any reason; and
- h.** Any other incident deemed to be in noncompliance with the provisions of this contract.

- 12.** The contractor shall not be liable for lost postage savings should it be unable to provide the presorting service as a result of strike, lockout or an act of God. In the event of such an occurrence, the contractor shall immediately notify the AS Materiel Division, Office Services Manager in order to make alternative arrangements. The State of Nebraska reserves the right to cancel this contract should such occurrences continue for more than five (5) days.
- 13.** The contractor must track all sleeved mail with a 6-digit billing code and a report must be submitted along with the monthly billing.
- 14.** Time sensitive letters and/ or flats mail must be processed as per Policy OS-025, Exhibit 1. If a deadline is not met, a penalty of \$50 per statement may be imposed and the contractor will be responsible for any additional mailing costs, if an additional mailing is required.
- 15.** In the event of a disaster, the contractor will be responsible for affixing postage for the AS, Materiel Division Office Services Mail Center.

D. PAYMENT SCHEDULE

Monthly invoices must be submitted by the contractor.

V. PROPOSAL INSTRUCTIONS

This section documents the mandatory requirements that must be met by bidders in preparing the Technical and Cost Proposal. Bidders should identify the subdivisions of "Project Description and Scope of Work" clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the State's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions:

A. TECHNICAL PROPOSAL

The Technical Proposal shall consist of four (4) sections:

1. SIGNED "State of Nebraska Request For Proposal For Contractual Services" form;
2. Executive Summary;
3. Corporate Overview; and
4. Technical Approach.

1. REQUEST FOR PROPOSAL FORM

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the Terms and Conditions stated in this Request for Proposal and certifies bidder maintains a drug free work place environment.

The Request For Proposal For Contractual Services form must be signed in ink and returned by the stated date and time in order to be considered for an award.

2. EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the solution being proposed by the bidder in such a way as to provide the Evaluation Committee with a broad understanding of the Contractor's Technical Proposal.

Bidders must present their understanding of the problems being addressed by implementing a new system, the objectives and intended results of the project, and the scope of work. Bidders shall summarize how their Technical Proposal meets the requirements of the Request for Proposal, and why they are best qualified to perform the work required herein.

3. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal must consist of the following subdivisions:

a. BIDDER IDENTIFICATION AND INFORMATION

The bidder must provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business, whether the name and form of organization has changed since first organized, and Federal Employer Identification Number and/or Social Security Number.

b. FINANCIAL STATEMENTS

The bidder must provide financial statements applicable to the firm. If publicly held, the bidder must provide a copy of the corporation's most recent audited financial reports and statements, and the name, address and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information must be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm must provide a banking reference.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.

c. CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the bidder must describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded vendor(s) will require notification to the State.

d. OFFICE LOCATION

The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska must be identified.

e. RELATIONSHIPS WITH THE STATE

The bidder shall describe any dealings with the State over the previous five (5) years. If the organization, its predecessor, or any party named in the bidder's proposal response has contracted with the State, the bidder shall identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

f. BIDDER'S EMPLOYEE RELATIONS TO STATE

If any party named in the bidder's proposal response is or was an employee of the State within the past six (6) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

g. CONTRACT PERFORMANCE

If the bidder or any proposed subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.

If at any time during the past five (5) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting party.

h. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE

The bidder shall provide a summary matrix listing the bidder's previous projects similar to this Request for Proposal in size, scope and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The bidder must address the following:

- i.** Bidder must provide narrative descriptions to highlight the similarities between their experience and this Request for Proposal. These descriptions must include:
 - a)** the time period of the project;
 - b)** the scheduled and actual completion dates;
 - c)** the contractor's responsibilities;
 - d)** for reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number and e-mail address); and
 - e)** each project description shall identify whether the work was performed as the prime contractor or as a subcontractor. If a bidder performed as the prime contractor, the description must provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
- ii.** Contractor and subcontractor(s) experience must be listed separately. Narrative descriptions submitted for subcontractors must be specifically identified as subcontractor projects.
- iii.** If the work was performed as a subcontractor, the narrative description shall identify the same information as requested for the contractors above. In addition, subcontractors shall identify what share of contract

costs, project responsibilities, and time period were performed as a subcontractor.

i. SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH

The bidder must present a detailed description of its proposed approach to the management of the project.

The bidder must identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this Request for Proposal. The names and titles of the team proposed for assignment to the State project shall be identified in full, with a description of the team leadership, interface and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder shall provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the Request for Proposal in addition to assessing the experience of specific individuals.

Resumes must not be longer than three (3) pages. Resumes shall include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.

j. SUBCONTRACTORS

If the bidder intends to subcontract any part of its performance hereunder, the bidder must provide:

- i.** name, address and telephone number of the subcontractor(s);
- ii.** specific tasks for each subcontractor(s);
- iii.** percentage of performance hours intended for each subcontract; and
- iv.** total percentage of subcontractor(s) performance hours.

4. TECHNICAL APPROACH

The technical approach section of the Technical Proposal must consist of the following subsections:

- a.** understanding of the project requirements;
- b.** proposed development approach;
- c.** technical considerations;
- d.** detailed project work plan; and
- e.** deliverables and due dates.

B. COST PROPOSAL REQUIREMENTS

This section describes the requirements to be addressed by bidders in preparing the Cost Proposal. The bidder must submit the Cost Proposal in a section of the proposal that is a separate section or is packaged separately as specified in this RFP from the Technical Proposal section.

The component costs of the fixed price proposal for providing the services set forth in the Request for Proposal must be provided by submitting forms substantially equivalent to those described below.

1. PRICING SUMMARY

This summary shall present the total fixed price to perform all of the requirements of the Request for Proposal. The bidder must include details in the Cost Proposal supporting any and all costs. These details must include, at a minimum, detailed descriptions and/or specifications of the goods and/or services to be provided, quantities, and timing and unit costs, if applicable.

The State reserves the right to review all aspects of the Cost Proposal for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.

2. PRICES

Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the Request for Proposal. No additional charges will be allowed for packing, packages, or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

C. PAYMENT SCHEDULE

Monthly invoices must be submitted by the contractor.

Form A

Bidder Contact Sheet

Request for Proposal Number 3864Z1

Form A should be completed and submitted with each response to this Request for Proposal. This is intended to provide the State with information on the bidder's name and address, and the specific person(s) who are responsible for preparation of the bidder's response.

Preparation of Response Contact Information	
Bidder Name:	
Bidder Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	

Each bidder shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the bidder's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Bidder Name:	
Bidder Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	

Form B

Pickup Locations

Request for Proposal Number 3864Z1

PICKUP LOCATIONS	LAST TIME FOR DAILY PICKUP
Nebraska State Office Building 301 Centennial Mall South Lincoln, NE 68508	2:00 p.m. and 5:00 p.m.
State Print Shop 501 South 14 th Street Lincoln, NE 68508	1:45 p.m. and 4:30 p.m.
UNL 1700 Y Street Lincoln, NE	4:30 p.m.
UNO 6001 Dodge Street EAB 106 Omaha NE	4:30 p.m.
UNMC 4470 Farnam (North Entrance) Omaha NE	4:30 p.m.

Form C

State of Nebraska Holiday Schedule

Request for Proposal Number 3864Z1

Holiday	Day / Date
New Year's Day	January 1
Martin Luther King, Jr. Day	Third Monday in January
President's Day	Third Monday in February
Arbor Day	Last Friday in April
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving Day	Friday following Thanksgiving
Christmas Day	December 25

Notification of additional holidays will be provided to the contractor by Office Services.

UNIVERSITY OF NEBRASKA HOLIDAYS

**Martin Luther King, Jr. Day – Third Monday in January
Memorial Day - Last Monday in May
Independence Day - July 4
Labor Day – First Monday in September
Thanksgiving Day – Fourth Thursday in November
Day after Thanksgiving Day – Friday Following Thanksgiving
December 26th through January 2 - Christmas Holiday**

Form D

Cost Sheet

Request for Proposal Number 3864Z1

The proposal will be for bar coding of all automation compatible State of Nebraska mail and flats mail. The contractor must have the ability to combine First Class Permit Mail with First Class metered mail and to bar code all "flats" mail within the State of Nebraska. The contractor must properly affix non-automated mail and flats mail with the correct postage in accordance with the USPS regulations. First Class mail must be sorted at three (3) and five (5) digit rates. Quoted responses should be on a per piece basis. **NO ADDITIONAL COSTS WILL BE ALLOWED.**

The State of Nebraska will provide various types of mail and flats mail that will require bar coding by the contractor. The following groups of mail will utilize all classes of mail. These groups are examples but are not limited to the types of mail sent out by the State.

Quoted responses must be on a per piece basis, and reflect both the rate for sorting and bar-coding and a set postage rate per piece to cover the postage pay-up (this is to eliminate a floating pay-up postage charge).

GROUPS	COST PER PIECE
Pre-metered at a five (5) digit automated rate	\$
Permit Imprint	\$
Postcards	\$
Self-Mailers	\$
Form #'s 1099, W2 at a five (5) digit automated rate	\$
Flats mail preparation,	\$

EXHIBIT 1

 Administrative Services Materiel / Purchasing Division	DAS-MATERIEL DIVISION POLICY		NUMBER OS-025	PAGE NUMBER 1 of 1
	Office Services State of Nebraska		SUBJECT: TIME SENSITIVE MAIL	

PURPOSE:

To insure that all time sensitive mail meets the specifics of all State or Federal Statutes required for each division, given by the agency requesting from Time Sensitive Form letter.

Time sensitive mail will be any mailing that is required by State or Federal Statutes to be at the United States Postal Service on a specific date.

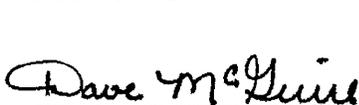
GENERAL:

Mail that has time restraints, written notification of the date is required to the NSOB Office Services Manager and Mail Center Supervisor by e-mail or a letter stating when the mailing was received and when it is required to be at the United States Postal Service.

PROCEDURE:

- 1) Notification to be given to the Office Services Manager and Mail Center Supervisor of time sensitive mailings. Date should be given when job is required to be at the United States Postal Service.
- 2) It will be the responsibility of the NSOB Mail Center to notify the pre-sort vendor by E-mail or letter of date when mailing is to be at the United States Postal Service.
- 3) The pre-sort vendor will be required to notify the Office Services Manager and Mail Center Supervisor by either E-mail or letter, stating date and time when the mailing was delivered to the United States Post Office.
- 4) Letter of notification will be available for agencies to submit via the internet and e-mail.
 - a. Sample attachment

APPROVED:


 Dave McGuire, Manager


 Steve Sulek, Acting Administrator

Revised: 10/10/2007

EXHIBIT 1

 Administrative Services	DAS-MATERIEL DIVISION POLICY	NUMBER OS-25 Blank Form Attachment	PAGE NUMBER 1 of 1
	Office Services State of Nebraska	SUBJECT: TIME SENSITIVE MAIL AGENCY FORM LETTER	

Contact Name: _____

Agency Name: _____

Agency Location: _____

Telephone Number: _____

Date for submission to United States Postal Service: _____

Approximate amount of pieces: _____

State of Federal Statute Number: _____

Type of mailing: ANNUAL / QUARTERLY / MONTHLY / BI-WEEKLY / WEEKLY



Presort Services

Pitney Bowes Presort Services
10110 I Street
Omaha, NE 68127-1129
office: 402.339.6500
toll free: 800.660.6501
fax: 402.339.7544
www.pbpresortservices.com

January 10, 2012

Mary Lanning
State Purchasing Bureau
301 Centennial Mall South, Mall Level
Lincoln, NE 68508

Dear Mary;

Pitney Bowes Presort Services is pleased to submit the enclosed document in response to the Request for Proposal, Bid Number 3864Z1, to provide Mail Presorting Services and Flats Mail Preparation. We have analyzed the requirements of the RFP and have prepared a bid that we believe best meets the criteria the State of Nebraska has outlined.

For the purposes of this bid, please direct all questions and other correspondences to Larry Morlan at (402) 596-7901. In addition, you may contact Steve Economos, Senior Sales Manager at (515) 865-3764, or Jay Oxton, President and Chief Operating Officer, at (402) 339-6500.

For ease of identification within the proposal, our responses are highlighted in blue.

Thank you for the opportunity to provide this proposal. We look forward to the opportunity to continue serving the State of Nebraska as your mail presorting service provider.

Sincerely;

A handwritten signature in black ink, appearing to read "Larry Morlan", written over a horizontal line.

Larry Morlan
Vice President/General Manager

**State of Nebraska (State Purchasing Bureau)
REQUEST FOR PROPOSAL FOR
CONTRACTUAL SERVICES FORM**

RETURN TO:
State Purchasing Bureau
301 Centennial Mall South, 1st Fl
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Phone: 402-471-2401
Fax: 402-471-2089

SOLICITATION NUMBER	RELEASE DATE
RFP 3864Z1	December 14, 2011
OPENING DATE AND TIME	PROCUREMENT CONTACT
January 10, 2012 2:00 p.m. Central Time	Mary Lanning

This form is part of the specification package and must be signed and returned, along with proposal documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau, is issuing this Request for Proposal, RFP Number 3864Z1 for the purpose of selecting a qualified contractor to provide Mail Presorting Services and Flats Mail Preparation.

Written questions are due no later than December 23, 2011, and should be submitted via e-mail to matpurch.dasmat@nebraska.gov. Written questions may also be sent by facsimile to (402) 471-2089.

Bidder should submit one (1) original and five (5) copies of the entire proposal. In the event of any inconsistencies among the proposals, the language contained in the original proposal shall govern. Proposals must be submitted by the proposal due date and time.

PROPOSALS MUST MEET THE REQUIREMENTS OUTLINED IN THIS REQUEST FOR PROPOSAL TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

1. Sealed proposals must be received in State Purchasing by the date and time of proposal opening indicated above. No late proposals will be accepted. No electronic, e-mail, fax, voice, or telephone proposals will be accepted.
2. This form "REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES" MUST be manually signed, in ink, and returned by the proposal opening date and time along with bidder's proposal and any other requirements as specified in the Request for Proposal in order to be considered for an award.
3. It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows:
<http://www.das.state.ne.us/materiel/purchasing/>
4. It is understood by the parties that in the State of Nebraska's opinion, any limitation on the contractor's liability is unconstitutional under the Nebraska State Constitution, Article XIII, Section 3, and that any limitation of liability shall not be binding on the State of Nebraska despite inclusion of such language in documents supplied with the contractor's bid or in the final contract.

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request For Proposal For Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies bidder maintains a drug free work place environment.

FIRM: Pitney Bowes Presort Services, Inc.
 COMPLETE ADDRESS: 10110 I Street, Omaha NE 68127
 TELEPHONE NUMBER: 402-339-6500 FAX NUMBER: 402-339-6588
 SIGNATURE: [Signature] DATE: 1/10/12
 TYPED NAME & TITLE OF SIGNER: Pitney Bowes Presort Services, Inc.
Jay A. Oxtan, President & C.O.O.

TABLE OF CONTENTS

REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM	i
TABLE OF CONTENTS	ii
GLOSSARY OF TERMS	v
I. SCOPE OF THE REQUEST FOR PROPOSAL	1
A. SCHEDULE OF EVENTS	1
II. PROCUREMENT PROCEDURES	2
A. PROCURING OFFICE AND CONTACT PERSON	2
B. GENERAL INFORMATION	2
C. COMMUNICATION WITH STATE STAFF	2
D. WRITTEN QUESTIONS AND ANSWERS	3
E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS	3
F. SUBMISSION OF PROPOSALS	4
G. PROPOSAL OPENING	4
H. LATE PROPOSALS	4
I. REJECTION OF PROPOSALS	4
J. EVALUATION OF PROPOSALS	5
K. EVALUATION COMMITTEE	5
L. MANDATORY REQUIREMENTS	5
M. REFERENCE CHECKS	6
N. SECRETARY OF STATE/TAX COMMISSIONER REGISTRATION REQUIREMENTS	6
O. VIOLATION OF TERMS AND CONDITIONS	6
III. TERMS AND CONDITIONS	7
A. GENERAL	7
B. AWARD	7
C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION	8
D. PERMITS, REGULATIONS, LAWS	8
E. OWNERSHIP OF INFORMATION AND DATA	8
F. INSURANCE REQUIREMENTS	8
G. COOPERATION WITH OTHER CONTRACTORS	10
H. INDEPENDENT CONTRACTOR	10
I. CONTRACTOR RESPONSIBILITY	10
J. CONTRACTOR PERSONNEL	11
K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION	11
L. CONFLICT OF INTEREST	11
M. PROPOSAL PREPARATION COSTS	12
N. ERRORS AND OMISSIONS	12
O. BEGINNING OF WORK	12
P. ASSIGNMENT BY THE STATE	12
Q. ASSIGNMENT BY THE CONTRACTOR	12
R. DEVIATIONS FROM THE REQUEST FOR PROPOSAL	12
S. GOVERNING LAW	12

T.	ATTORNEY'S FEES	12
U.	ADVERTISING	13
V.	STATE PROPERTY	13
W.	SITE RULES AND REGULATIONS.....	13
X.	NOTIFICATION.....	13
Y.	EARLY TERMINATION.....	14
Z.	FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS	14
AA.	BREACH BY CONTRACTOR	15
BB.	ASSURANCES BEFORE BREACH	15
CC.	PENALTY.....	15
DD.	PERFORMANCE BOND	15
EE.	FORCE MAJEURE.....	15
FF.	PROHIBITION AGAINST ADVANCE PAYMENT	16
GG.	PAYMENT.....	16
HH.	INVOICES.....	16
II.	AUDIT REQUIREMENTS.....	16
JJ.	TAXES	16
KK.	INSPECTION AND APPROVAL.....	16
LL.	CHANGES IN SCOPE/CHANGE ORDERS	17
MM.	SEVERABILITY.....	17
NN.	CONFIDENTIALITY	17
OO.	PROPRIETARY INFORMATION.....	17
PP.	CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING	18
QQ.	PRICES.....	18
RR.	BEST AND FINAL OFFER	19
SS.	ETHICS IN PUBLIC CONTRACTING.....	19
TT.	INDEMNIFICATION	19
UU.	NEBRASKA TECHNOLOGY ACCESS STANDARDS.....	20
VV.	ANTITRUST	20
WW.	DISASTER RECOVERY/BACK UP PLAN.....	20
XX.	TIME IS OF THE ESSENCE	20
YY.	RECYCLING	20
ZZ.	DRUG POLICY	20
AAA.	NEW EMPLOYEE WORK ELIGIBILITY STATUS.....	21
BBB.	CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY	21
IV.	PROJECT DESCRIPTION AND SCOPE OF WORK.....	22
A.	PROJECT OVERVIEW	22
B.	PROJECT ENVIRONMENT	22
C.	SCOPE OF WORK.....	23
D.	PAYMENT SCHEDULE.....	25
V.	PROPOSAL INSTRUCTIONS	26
A.	TECHNICAL PROPOSAL	26
B.	COST PROPOSAL REQUIREMENTS	29
C.	PAYMENT SCHEDULE.....	30
	Form A Bidder Contact Sheet.....	31

Form B Pickup Locations 32
Form C State of Nebraska Holiday Schedule 33
Form D Cost Sheet 34

GLOSSARY OF TERMS

Acceptance Test Procedure: Benchmarks and other performance criteria, developed by the State of Nebraska or other sources of testing standards, for measuring the effectiveness of products or services and the means used for testing such performance.

Addendum: Something added or deleted.

Agency: Any state agency, board, or commission other than the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any officer or agency established by the Constitution of Nebraska.

Agent: A person authorized by a superior or organization to act on their behalf.

Amend: To alter or change by adding, subtracting, or substituting. A contract can be amended only by the parties participating in the contract. A written contract can only be amended in writing.

Amendment: Written correction or alteration.

Appropriation: Legislative authorization to expend public funds for a specific purpose. Money set apart for a specific use.

Award: All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

Best and Final Offer (BAFO): A second-stage bid in a public procurement for services.

Bid: The executed document submitted by a bidder in response to a Request for Proposal.

Bid Bond: A bond given by a surety on behalf of the bidder to ensure that the bidder will enter into the contract as bid and is retained by the State from the date of the bid opening to the date of contract signing.

Bidder: Any person or entity submitting a competitive bid response to a solicitation.

Business: Any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other private legal entity.

Business Day: Any weekday, excepting public holidays.

Calendar Day: Every day shown on the calendar; Saturdays, Sundays and State/Federal holidays included. Not to be confused with "Work Day".

Collusion: A secret agreement or cooperation between two or more persons or entities to accomplish a fraudulent, deceitful or unlawful purpose.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Confidential Information: Unless otherwise defined below, "Confidential Information" shall also mean proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Nebraska Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide.

Contract: An agreement between two or more persons to perform a specific act or acts.

Contract Administration: The Management of various facets of contracts to assure that the contractors total performance is in accordance with the contractual commitments and obligations to the purchaser are fulfilled.

Contract Management: Includes reviewing and approving of changes, executing renewals, handling disciplinary actions, adding additional users, and any other form of action that could change the contract.

Contractor: Any person or entity that supplies goods and/or services.

Conversion Period: A period of time not to exceed six (6) months, during which the State converts to a new Operating System under "Conversion" as per this RFP.

Copyright: A grant to a writer/artist that recognizes sole authorship/creation of a work and protects the creator's interest(s) therein.

CPU: Any computer or computer system that is used by the State to store, process, or retrieve data or perform other functions using Operating Systems and applications software.

Critical Program Error: Any Program Error, whether or not known to the State, which prohibits or significantly impairs use of the Licensed Software as set forth in the documentation and intended in the contract.

Default: The omission or failure to perform a contractual duty.

Deviation: Any proposed change(s) or alteration(s) to either the contractual language or deliverables within the scope of this Request for Proposal.

Documentation: The user manuals and any other materials in any form or medium customarily provided by the contractor to the users of the Licensed Software which will provide the State with sufficient information to operate, diagnose, and maintain the Licensed Software properly, safely, and efficiently.

Evaluation Committee: A committee (or committees) appointed by the requesting agency that advises and assists the procuring office in the evaluation of proposals.

Evaluation of Proposal: The process of examining a proposal after opening to determine the bidder's responsibility, responsiveness to requirements, and to ascertain other characteristics of the proposal that relate to determination of the successful bidder.

Extension: A provision, or exercise of a provision, of a contract that allows a continuance of the contract (at the option of the State of Nebraska) for an additional time according to contract conditions. Not to be confused with "Renewals."

F.O.B. Destination: Free on Board. The delivery charges have been included in the quoted price and prepaid by the vendor. Vendor is responsible for all claims associated with damages during delivery of product.

Foreign Corporation: A foreign corporation is a corporation that was formed (i.e. incorporated) in another state but transacting business in Nebraska pursuant to a certificate of authority issued by the Nebraska Secretary of State.

Installation Date: The date when the procedures described in "Installation by Contractor, and Installation by State", as found in the RFP, are completed.

Late Proposal: A proposal received at the place specified in the solicitation after the date and time designated for all proposals to be received.

Licensed Software: Any and all software and documentation by which the State acquires or is granted any rights under the contract.

Mandatory: Required, compulsory or obligatory.

May: Denotes discretion.

Module: A collection of routines and data structures that perform a specific function of the Licensed Software.

Must: Denotes the imperative, required, compulsory or obligatory.

Opening Date: Specified date and time for the public opening of received, labeled and sealed formal proposals. Not to be confused with "Release Date".

Operating System: The control program in a computer that provides the interface to the computer hardware and peripheral devices, and the usage and allocation of memory resources, processor resources, input/output resources, and security resources.

Outsourcing: Acquiring computing or related services from a source outside of the State of Nebraska which may include programming and/or executing the State's Licensed Software on the State's CPU's, programming, and/or executing the State's programs and Licensed Software on the contractor's CPU's or any mix thereof.

Outsourcing Company: A company that provides Outsourcing Services under contract to the State.

Performance Bond: A bond given by a surety on behalf of the contractor to ensure the timely and proper (in sole estimation of the State) performance of a contract.

Platform: A specific hardware and Operating System combination that is different from other hardware and Operating System combinations to the extent that a different version of the Licensed Software product is required to execute properly in the environment established by such hardware and Operating System combination.

Pre-Proposal Conference: A meeting scheduled for the purpose of providing clarification regarding a Request for Proposal and related expectations.

Product: A module, a system, or any other software-related item provided by the contractor to the State.

Program Error: Code in Licensed Software which produces unintended results or actions, or which produces results or actions other than those described in the specifications. A program error includes, without limitation, any "Critical Program Error."

Program Set: The group of programs and products, including the Licensed Software specified in the RFP, plus any additional programs and products licensed by the State under the contract for use by the State.

Project: The total of all software, documentation, and services to be provided by the contractor under this contract.

Proposal: The executed document submitted by a bidder in response to a Request for Proposal.

Proprietary Information: Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive.

Protest: A complaint about a governmental action or decision related to a Request for Proposal or the resultant contract, brought by a prospective bidder, a bidder, a contractor, or other interested party to AS Materiel Division or another designated agency with the intention of achieving a remedial result.

Public Proposal Opening: The process of opening proposals, conducted at the time and place specified in the Request for Proposal, and in the presence of anyone who wishes to attend.

Recommended Hardware Configuration: The data processing hardware (including all terminals, auxiliary storage, communication, and other peripheral devices) to the extent utilized by the State as recommended by the contractor.

Release Date: Date of release of the Request for Proposal to the public for submission of proposal responses. Not to be confused with "Opening Date".

Renewal: Continuance of a contract for an additional term after a formal signing by the parties.

Representative: Includes an agent, an officer of a corporation or association, a trustee, executor or administrator of an estate, or any other person legally empowered to act for another.

Request for Proposal (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals.

Responsible Bidder: A bidder who has the capability in all respects to perform fully all requirements with integrity and reliability to assure good faith performance.

Responsive Bidder: A bidder who has submitted a bid which conforms in all respects to the solicitation document.

Shall: Denotes the imperative, required, compulsory or obligatory.

Should: Indicates an expectation.

Solicitation: The process of notifying prospective bidders or offerors that the State of Nebraska wishes to receive proposals for furnishing services. The process may consist of public advertising, posting notices, or mailing Request for Proposals and/or Request for Proposal announcement letter to prospective bidders, or all of these.

Solicitation Document: Request for Proposal.

Specifications: The information provided by or on behalf of the contractor that fully describes the capabilities and functionality of the Licensed Software as set forth in any material provided by the contractor, including the documentation and User's Manuals described herein.

System: Any collection or aggregation of two (2) or more Modules that is designed to function, or is represented by the contractor as functioning or being capable of functioning as an entity.

Termination: Occurs when either party pursuant to a power created by agreement or law puts an end to the contract. All obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

Trademark: A distinguishing sign, symbol, mark, word, or arrangement of words in the form of a label or other indication, that is adopted and used by a manufacturer or distributor to designate its particular goods and which no other person has the legal right to use.

Trade Secret: Information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code, or process that; (a) derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (see Neb. Rev. Stat. §87-502(4)).

Upgrade: Any improvement or change in the Software that improves or alters its basic function.

Vendor: An actual or potential contractor; a contractor.

Will: Denotes the imperative, required, compulsory or obligatory.

I. SCOPE OF THE REQUEST FOR PROPOSAL

The State of Nebraska, Administrative Services (AS), Materiel Division, Purchasing Bureau (hereafter known as State Purchasing Bureau), is issuing this Request for Proposal, RFP Number 3864Z1 for the purpose of selecting a qualified contractor to provide Mail Presorting Services and Flats Mail Preparation.

A contract resulting from this Request for Proposal will be issued for a period of three (3) years effective February 1, 2012 through January 31, 2015, with the option to renew for two (2) additional one (1) year periods as mutually agreed upon by all parties.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR PROPOSAL CAN BE FOUND ON THE INTERNET AT: <http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

A. SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

ACTIVITY		DATE/TIME
1.	Release Request for Proposal	December 14, 2011
2.	Last day to submit written questions	December 23, 2011
3.	State responds to written questions through Request for Proposal "Addendum" and/or "Amendment" to be posted to the Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	December 29, 2011
4.	Proposal opening Location: Nebraska State Office Building State Purchasing Bureau 301 Centennial Mall South, Mall Level Lincoln, NE 68508	January 10, 2012 2:00 PM Central Time
5.	Review for conformance of mandatory requirements	January 10, 2012
6.	Evaluation period	January 10, 2012- January 20, 2012
7.	"Oral Interviews/Presentations and/or Demonstrations" (if required)	To Be Determined
8.	Post "Letter of Intent to Contract" to Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	January 20, 2012
9.	Performance bond submission	January 30, 2012
10.	Contract award	January 31, 2012
11.	Contractor start date	February 1, 2012

II. PROCUREMENT PROCEDURES

A. PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the State Purchasing Bureau. The point of contact for the procurement is as follows:

Name: Mary Lanning
Agency: State Purchasing Bureau
Address: 301 Centennial Mall South, Mall Level
Lincoln, NE 68508

OR

Address: P.O. Box 94847
Lincoln, NE 68509
Telephone: 402-471-2401
Facsimile: 402-471-2089
E-Mail: matpurch.dasmat@nebraska.gov

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing Mail Presorting Services and Flats Mail Preparation at a competitive and reasonable cost. Proposals that do not conform to the mandatory items as indicated in the Request for Proposal will not be considered.

Proposals shall conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective bidders are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

A fixed-price contract will be awarded as a result of this proposal. In addition to the provisions of this Request for Proposal and the awarded proposal, which shall be incorporated by reference in the contract, any additional clauses or provisions required by the terms and conditions will be included as an amendment to the contract.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is announced regarding the selection of the contractor, contact regarding this project between potential contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.

Once a contractor is preliminarily selected, as documented in the intent to contract, that contractor is restricted from communicating with State staff until a contract is signed. Violation of this condition may be considered sufficient cause to reject a contractor's proposal and/or selection irrespective of any other condition.

The following exceptions to these restrictions are permitted:

1. written communication with the person(s) designated as the point(s) of contact for this Request for Proposal or procurement;
2. contacts made pursuant to any pre-existing contracts or obligations; and
3. state-requested presentations, key personnel interviews, clarification sessions or discussions to finalize a contract.

Violations of these conditions may be considered sufficient cause to reject a bidder's proposal and/or selection irrespective of any other condition. No individual member of the State, employee of the State, or member of the Evaluation Committee is empowered to make binding statements regarding this Request for Proposal. The buyer will issue any clarifications or opinions regarding this Request for Proposal in writing.

D. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a bidder regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to the State Purchasing Bureau and clearly marked "RFP Number 3864Z1; Mail Presorting Services and Flats Mail Preparation Questions". It is preferred that questions be sent via e-mail to matpurch.dasmat@nebraska.gov. Questions may also be sent by facsimile to 402-471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Mary Lanning, showing the total number of pages transmitted, and clearly marked "RFP Number 3864Z1; Mail Presorting Services and Flats Mail Preparation Questions".

Written answers will be provided through an addendum to be posted on the Internet at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> on or before the date shown in the Schedule of Events.

E. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

The Evaluation Committee(s) may conclude after the completion of the Technical and Cost Proposal evaluation that oral interviews/presentations and/or demonstrations are required in order to determine the successful bidder. All bidders may not have an opportunity to interview/present and/or give demonstrations; the State reserves the right to select only the top scoring bidders to present/give oral interviews in its sole discretion. The scores from the oral interviews/presentations and/or demonstrations will be added to the scores from the Technical and Cost Proposals. The presentation process will allow the bidders to demonstrate their proposal offering, explaining and/or clarifying any unusual or significant elements related to their proposals. Bidders' key personnel may be requested to participate in a structured interview to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, and their management style and philosophy. Bidders shall not be allowed to alter or amend their proposals. Only representatives of the State and the presenting bidders will be permitted to attend the oral interviews/presentations and/or demonstrations.

Once the oral interviews/presentations and/or demonstrations have been completed the State reserves the right to make a contract award without any further discussion with the bidders regarding the proposals received.

Detailed notes of oral interviews/presentations and/or demonstrations may be recorded and supplemental information (such as briefing charts, et cetera) may be accepted; however, such supplemental information shall not be considered an amendment to a bidders' proposal. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the bidder and will not be compensated by the State.

F. SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the State.

To facilitate the proposal evaluation process, one (1) original, clearly identified as such, and five (5) copies of the entire proposal should be submitted. The copy marked "original" shall take precedence over any other copies, should there be a discrepancy. Proposals must be submitted by the proposal due date and time. A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. All proprietary information the bidder wishes the State to withhold must be submitted in accordance with the instructions outlined in Section III, Proprietary Information. Proposal responses should include the completed Form A, Bidder Contact Sheet. Proposals must reference the request for proposal number and be sent to the specified address. Container(s) utilized for original documents should be clearly marked "ORIGINAL DOCUMENTS". Please note that the address label should appear as specified in Section II part A on the face of each container or bidder's bid response packet. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. If a recipient phone number is required for delivery purposes, 402-471-2401 should be used. The request for proposal number must be included in all correspondence.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the bidder's proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired.

The Technical and Cost Proposals should be presented in separate sections (loose-leaf binders are preferred) on standard 8 ½" x 11" paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½" by 11" format. Pages may be consecutively numbered for the entire proposal, or may be numbered consecutively within sections. Figures and tables must be numbered consecutively within sections. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text.

G. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding entities announced on the date, time and location shown in the Schedule of Events. Proposals will be available for viewing by those present after the proposal opening. Vendors may also contact the State to schedule an appointment for viewing proposals after the opening date.

H. LATE PROPOSALS

Proposals received after the time and date of the proposal opening will be considered late proposals. Rejected late proposals will be returned to the bidder unopened, if requested, at bidder's expense. The State is not responsible for proposals that are late or lost due to mail service inadequacies, traffic or any other reason(s).

I. REJECTION OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

J. EVALUATION OF PROPOSALS

All responses to this Request for Proposal which fulfill all mandatory requirements will be evaluated. Each category will have a maximum possible point potential. The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. Areas that will be addressed and scored during the evaluation include:

1. Executive Summary;
2. Corporate Overview shall include but is not limited to;
 - a. the ability, capacity and skill of the bidder to deliver and implement the system or project that meets the requirements of the Request for Proposal;
 - b. the character, integrity, reputation, judgment, experience and efficiency of the bidder;
 - c. whether the bidder can perform the contract within the specified time frame;
 - d. the quality of bidder performance on prior contracts;
 - e. such other information that may be secured and that has a bearing on the decision to award the contract;
3. Technical Approach; and
4. Cost Proposal.

Evaluation criteria will become public information at the time of the Request for Proposal opening. Evaluation criteria and a list of respondents will be posted to the State Purchasing Bureau website at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> Evaluation criteria will not be released prior to the proposal opening.

K. EVALUATION COMMITTEE

Proposals will be independently evaluated by members of the Evaluation Committee(s). The committee(s) will consist of staff with the appropriate expertise to conduct such proposal evaluations. Names of the members of the Evaluation Committee(s) will not become public information.

Prior to award, bidders are advised that only the point of contact indicated on the front cover of this Request For Proposal For Contractual Services Form can clarify issues or render any opinion regarding this Request for Proposal. No individual member of the State, employee of the State or member of the Evaluation Committee(s) is empowered to make binding statements regarding this Request for Proposal.

L. MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

1. signed Request For Proposal For Contractual Services form;
2. Executive Summary;
3. Corporate Overview;
4. Technical Approach; and
5. Cost Proposal.

M. REFERENCE CHECKS

The State reserves the right to check any reference(s), regardless of the source of the reference information, including but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: project description and background, job performed, functional and technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, problems (poor quality deliverables, contract disputes, work stoppages, et cetera), overall performance, and whether or not the reference would rehire the firm or individual. Only top scoring bidders may receive reference checks and negative references may eliminate bidders from consideration for award.

N. SECRETARY OF STATE/TAX COMMISSIONER REGISTRATION REQUIREMENTS

All bidders are expected to comply with any statutory registration requirements. It is the responsibility of the bidder who is the recipient of an Intent to Award to comply with any statutory registration requirements pertaining to types of business entities (e.g. a foreign or Nebraska corporation, non-resident contractor, limited partnership, or other type of business entity). The bidder who is the recipient of Intent to Award will be required to certify that it has so complied and produce a true and exact copy of its registration certificate, or, in the case registration is not required, to provide the reason as to why none is required. This must be accomplished prior to the award of contract.

O. VIOLATION OF TERMS AND CONDITIONS

Violation of the terms and conditions contained in this Request for Proposal or any resultant contract, at any time before or after the award, shall be grounds for action by the State which may include, but is not limited to, the following:

1. rejection of a bidder's proposal;
2. suspension of the bidder from further bidding with the State for the period of time relative to the seriousness of the violation, such period to be within the sole discretion of the State.

III. TERMS AND CONDITIONS

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions and certifies bidder maintains a drug free work place environment.

Bidders are expected to closely read the Terms and Conditions and provide a binding signature of intent to comply with the Terms and Conditions; provided, however, a bidder may indicate any exceptions to the Terms and Conditions by (1) clearly identifying the term or condition by subsection, (2) including an explanation for the bidder's inability to comply with such term or condition which includes a statement recommending terms and conditions the bidder would find acceptable. Rejection in whole or in part of the Terms and Conditions may be cause for rejection of a bidder's proposal.

A. GENERAL

Accept
& Initial

The contract resulting from this Request for Proposal shall incorporate the following documents:

1. the signed Request For Proposal form;
2. the original Request for Proposal document;
3. any Request for Proposal addenda and/or amendments to include questions and answers;
4. the contractor's proposal;
5. any contract amendments, in order of significance; and
6. contract award.

Unless otherwise specifically stated in a contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) the contract award, 2) contract amendments with the latest dated amendment having the highest priority, 3) Request for Proposal addenda and/or amendments with the latest dated amendment having the highest priority, 4) the original Request for Proposal, 5) the signed Request For Proposal form, 6) the contractor's proposal.

Any ambiguity in any provision of this contract which shall be discovered after its execution shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

Once proposals are opened they become the property of the State of Nebraska and will not be returned.

B. AWARD

Accept
& Initial

All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part, and at its discretion, may withdraw or amend the Request for Proposal at any time. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State. The Request for Proposal does not commit the State to award a contract. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended.

By submitting a proposal in response to this Request for Proposal, the bidder grants to the State the right to contact or arrange a visit in person with any or all of the bidder's clients.

Once an intent to award decision has been determined, it will be posted to the Internet at: <http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

Grievance and protest procedure is available on the Internet at: <http://www.das.state.ne.us/materiel/purchasing/agencyervicesprocurementmanual/ProtestGrievanceProcedureForServices.doc>

Any protests must be filed by a vendor within ten (10) calendar days after the intent to award decision is posted to the Internet.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION

WAO
Accept
& Initial

The contractor shall comply with all applicable local, State and Federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin (Neb. Rev. Stat. §48-1101 to 48-1125). The contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The contractor shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Request for Proposal.

P. PERMITS, REGULATIONS, LAWS

WAO
Accept
& Initial

The contractor shall procure and pay for all permits, licenses and approvals necessary for the execution of the contract. The contractor shall comply with all applicable local, state, and federal laws, ordinances, rules, orders and regulations.

E. OWNERSHIP OF INFORMATION AND DATA

WAO
Accept
& Initial

The State of Nebraska shall have the unlimited right to publish, duplicate, use and disclose all information and data developed or derived by the contractor pursuant to this contract.

The contractor must guarantee that it has the full legal right to the materials, supplies, equipment, and other rights or titles (e.g. rights to licenses transfer or assign deliverables) necessary to execute this contract. The contract price shall, without exception, include compensation for all royalties and costs arising from patents, trademarks and copyrights that are in any way involved in the contract. It shall be the responsibility of the contractor to pay for all royalties and costs, and the State must be held harmless from any such claims.

F. INSURANCE REQUIREMENTS

WAO
Accept
& Initial

The contractor shall not commence work under this contract until he or she has obtained all the insurance required hereunder and such insurance has been approved by the State. If contractor will be utilizing any subcontractors, the contractor is responsible for obtaining the certificate(s) of insurance required herein under from any and all subcontractor(s). Contractor is also responsible for ensuring subcontractor(s) maintain the insurance required until completion of the contract requirements. The contractor shall not allow any subcontractor to commence work on his or her subcontract until all similar insurance required of the subcontractor has been obtained and approved by the contractor. Approval of the insurance by the State shall not limit, relieve or decrease the liability of the contractor hereunder.

If by the terms of any insurance a mandatory deductible is required, or if the contractor elects to increase the mandatory deductible amount, the contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

1. WORKERS' COMPENSATION INSURANCE

The contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contractor's employees to be engaged in work on the project under this contract and, in case any such work is sublet, the contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. This policy shall include a waiver of subrogation in favor of the State. The amounts of such insurance shall not be less than the limits stated hereinafter.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The contractor shall take out and maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect contractor and any subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury and Contractual Liability coverage. The policy shall include the State, and others as required by the Contract Documents, as an Additional Insured. This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered excess and non-contributory. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned and Hired vehicles.

3. INSURANCE COVERAGE AMOUNTS REQUIRED

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

b. COMMERCIAL GENERAL LIABILITY

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 any one person
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Fire Damage	\$50,000 any one fire
Medical Payments	\$5,000 any one person

- c. **COMMERCIAL AUTOMOBILE LIABILITY**
Bodily Injury/Property Damage \$1,000,000 combined single limit
- d. **UMBRELLA/EXCESS LIABILITY**
Over Primary Insurance \$1,000,000 per occurrence

4. EVIDENCE OF COVERAGE

The contractor should furnish the State, with their proposal response, a certificate of insurance coverage complying with the above requirements to the attention of the Buyer, Administrative Services, State Purchasing Bureau, 301 Centennial Mall S, 1st Fl, Lincoln, NE 68508 (facsimile 402-471-2089). These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the contractor to maintain such insurance, then the contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required insurance policy must be submitted to Administrative Services State Purchasing Bureau when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

G. COOPERATION WITH OTHER CONTRACTORS

Accept
& Initial

The State may already have in place or choose to award supplemental contracts for work related to this Request for Proposal, or any portion thereof.

1. The State reserves the right to award the contract jointly between two or more potential contractors, if such an arrangement is in the best interest of the State.
2. The contractor shall agree to cooperate with such other contractors, and shall not commit or permit any act which may interfere with the performance of work by any other contractor.

H. INDEPENDENT CONTRACTOR

Accept
& Initial

It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under the contract. The contractor's employees and other persons engaged in work or services required by the contractor under the contract shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the contractor, its officers or its agents) shall in no way be the responsibility of the State. The contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits from the State including without limit, tenure rights, medical and hospital care, sick and vacation leave, severance pay or retirement benefits.

I. CONTRACTOR RESPONSIBILITY

Accept
& Initial

The contractor is solely responsible for fulfilling the contract, with responsibility for all services offered and products to be delivered as stated in the Request for Proposal, the contractor's proposal, and the resulting contract. The contractor shall be the sole point of contact regarding all contractual matters.

If the contractor intends to utilize any subcontractors' services, the subcontractors' level of effort, tasks and time allocation must be clearly defined in the contractor's proposal. The contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal, in the performance of the contract, without the prior written authorization of the State. Following execution of the contract, the contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the contract.

J. CONTRACTOR PERSONNEL


The contractor warrants that all persons assigned to the project shall be employees of the contractor or specified subcontractors, and shall be fully qualified to perform the work required herein. Personnel employed by the contractor to fulfill the terms of the contract shall remain under the sole direction and control of the contractor. The contractor shall include a similar provision in any contract with any subcontractor selected to perform work on the project.

Accept
& Initial

Personnel commitments made in the contractor's proposal shall not be changed without the prior written approval of the State. Replacement of key personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

The State reserves the right to require the contractor to reassign or remove from the project any contractor or subcontractor employee.

In respect to its employees, the contractor agrees to be responsible for the following:

1. any and all employment taxes and/or other payroll withholding;
2. any and all vehicles used by the contractor's employees, including all insurance required by state law;
3. damages incurred by contractor's employees within the scope of their duties under the contract;
4. maintaining workers' compensation and health insurance and submitting any reports on such insurance to the extent required by governing State law; and
5. determining the hours to be worked and the duties to be performed by the contractor's employees.

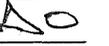
Notice of cancellation of any required insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION


The contractor shall not, at any time, recruit or employ any State employee or agent who has worked on the Request for Proposal or project, or who had any influence on decisions affecting the Request for Proposal or project.

Accept
& Initial

L. CONFLICT OF INTEREST


By submitting a proposal, bidder certifies that there does not now exist any relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this Request for Proposal or project.

Accept
& Initial

The bidder certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or appearance of conflict of interest.

The bidder certifies that it will not employ any individual known by bidder to have a conflict of interest.

M. PROPOSAL PREPARATION COSTS

The State shall not incur any liability for any costs incurred by bidders in replying to this Request for Proposal, in the demonstrations, or oral presentations, or in any other activity related to bidding on this Request for Proposal.

Accept
& Initial

N. ERRORS AND OMISSIONS

The bidder shall not take advantage of any errors and/or omissions in this Request for Proposal or resulting contract. The bidder must promptly notify the State of any errors and/or omissions that are discovered.

Accept
& Initial

O. BEGINNING OF WORK

The bidder shall not commence any billable work until a valid contract has been fully executed by the State and the successful contractor. The contractor will be notified in writing when work may begin.

Accept
& Initial

P. ASSIGNMENT BY THE STATE

The State shall have the right to assign or transfer the contract or any of its interests herein to any agency, board, commission, or political subdivision of the State of Nebraska. There shall be no charge to the State for any assignment hereunder.

Accept
& Initial

Q. ASSIGNMENT BY THE CONTRACTOR

The contractor may not assign, voluntarily or involuntarily, the contract or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party, without the prior written consent of the State, which will not be unreasonably withheld.

Accept
& Initial

R. DEVIATIONS FROM THE REQUEST FOR PROPOSAL

The requirements contained in the Request for Proposal become a part of the terms and conditions of the contract resulting from this Request for Proposal. Any deviations from the Request for Proposal must be clearly defined by the bidder in its proposal and, if accepted by the State, will become part of the contract. Any specifically defined deviations must not be in conflict with the basic nature of the Request for Proposal or mandatory requirements. "Deviation", for the purposes of this RFP, means any proposed changes or alterations to either the contractual language or deliverables within the scope of this RFP. The State discourages deviations and reserves the right to reject proposed deviations.

Accept
& Initial

S. GOVERNING LAW

The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State of Nebraska regarding this Request for Proposal or any resultant contract shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The contractor must be in compliance with all Nebraska statutory and regulatory law.

Accept
& Initial

T. ATTORNEY'S FEES

In the event of any litigation, appeal or other legal action to enforce any provision of the contract, the contractor agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the State is the prevailing party.

Accept
& Initial

U. ADVERTISING

WNO
Accept
& Initial

The contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

V. STATE PROPERTY

WNO
Accept
& Initial

The contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the contractor's use during the performance of the contract. The contractor shall reimburse the State for any loss or damage of such property, normal wear and tear is expected.

W. SITE RULES AND REGULATIONS

WNO
Accept
& Initial

The contractor shall use its best efforts to ensure that its employees, agents and subcontractors comply with site rules and regulations while on State premises. If the contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the contractor.

X. NOTIFICATION

WNO
Accept
& Initial

During the bid process, all communication between the State and a bidder shall be between the bidder's representative clearly noted in its proposal and the buyer noted in Section II, A. Procuring Office and Contact Person of this RFP. After the award of the contract, all notices under the contract shall be deemed duly given upon delivery to the staff designated as the point of contact for this Request for Proposal, in person, or upon delivery by U.S. Mail, facsimile, or e-mail. Each bidder should provide in its proposal the name, title and complete address of its designee to receive notices.

1. Except as otherwise expressly specified herein, all notices, requests or other communications shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) days following deposit in the mail.
2. Whenever the contractor encounters any difficulty which is delaying or threatens to delay its timely performance under the contract, the contractor shall immediately give notice thereof in writing to the State reciting all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the State of any of its rights or remedies to which it is entitled by law or equity or pursuant to the provisions of the contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

Either party may change its address for notification purposes by giving notice of the change, and setting forth the new address and an effective date.

For the duration of the contract, all communication between contractor and the State regarding the contract shall take place between the contractor and individuals specified by the State in writing. Communication about the contract between contractor and individuals not designated as points of contact by the State is strictly forbidden.

Y.

EARLY TERMINATION

The contract may be terminated as follows:

Accept
& Initial

1. The State and the contractor, by mutual written agreement, may terminate the contract at any time.
2. The State, in its sole discretion, may terminate the contract for any reason upon 30 days written notice to the contractor. Such termination shall not relieve the contractor of warranty or other service obligations incurred under the terms of the contract. In the event of cancellation the contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the contract immediately for the following reasons:
 - a. if directed to do so by statute;
 - b. contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. a trustee or receiver of the contractor or of any substantial part of the contractor's assets has been appointed by a court;
 - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its contractor, its employees, officers, directors or shareholders;
 - e. an involuntary proceeding has been commenced by any party against the contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) days; or (ii) the contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the contractor has been decreed or adjudged a debtor;
 - f. a voluntary petition has been filed by the contractor under any of the chapters of Title 11 of the United States Code;
 - g. contractor intentionally discloses confidential information;
 - h. contractor has or announces it will discontinue support of the deliverable;
 - i. second or subsequent documented "vendor performance report" form deemed acceptable by the State Purchasing Bureau.

Z.

FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS

The State may terminate the contract, in whole or in part, in the event funding is no longer available. The State's obligation to pay amounts due for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds for the contract. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. The State will give the contractor written notice thirty (30) days prior to the effective date of any termination, and advise the contractor of the location (address and room number) of any related equipment. All obligations of the State to make payments after the termination date will cease and all interest of the State in any related equipment will terminate. The contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the contractor be paid for a loss of anticipated profit.

Accept
& Initial

AA. BREACH BY CONTRACTOR

Accept
& Initial

The State may terminate the contract, in whole or in part, if the contractor fails to perform its obligations under the contract in a timely and proper manner. The State may, by providing a written notice of default to the contractor, allow the contractor to cure a failure or breach of contract within a period of thirty (30) days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the contractor time to cure a failure or breach of contract does not waive the State's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. In case of default of the contractor, the State may contract the service from other sources and hold the contractor responsible for any excess cost occasioned thereby.

BB. ASSURANCES BEFORE BREACH

Accept
& Initial

If any document or deliverable required pursuant to the contract does not fulfill the requirements of the Request for Proposal/resulting contract, upon written notice from the State, the contractor shall deliver assurances in the form of additional contractor resources at no additional cost to the project in order to complete the deliverable, and to ensure that other project schedules will not be adversely affected.

PENALTY

Accept
& Initial

In the event that the contractor fails to perform any substantial obligation under the contract, the State may withhold all monies due and payable to the contractor, without penalty, until such failure is cured or otherwise adjudicated. Failure to meet the dates stipulated in the contract for the deliverables may result in an assessment of penalty due the State of \$250.00 dollars per day, until the performance issues have been resolved. Contractor will be notified in writing when penalty will commence.

DD. PERFORMANCE BOND

Accept
& Initial

The selected contractor will be required to supply a certified check or a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract to include any renewal and/or extension periods. The amount of the certified check or bond an established dollar amount \$100,000.00 The check or bond will guarantee that the selected contractor will faithfully perform all requirements, terms and conditions of the contract. Failure to comply shall be grounds for forfeiture of the check or bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond or certified check will be returned when the service has been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

EE. FORCE MAJEURE

Accept
& Initial

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The State may grant relief from performance of the contract if the contractor is prevented from performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the contractor. To obtain release based on a Force Majeure Event, the contractor shall file a written request for such relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the contract.

FF. PROHIBITION AGAINST ADVANCE PAYMENT

Payments shall not be made until contractual deliverable(s) are received and accepted by the State.

Accept & Initial

GG. PAYMENT

State will render payment to contractor when the terms and conditions of the contract and specifications have been satisfactorily completed on the part of the contractor as solely determined by the State. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408). The State may require the contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any services provided by the contractor prior to the Effective Date, and the contractor hereby waives any claim or cause of action for any such services.

Accept & Initial

HH. INVOICES

Invoices for payments must be submitted by the contractor to the agency requesting the services with sufficient detail to support payment. The terms and conditions included in the contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract.

Accept & Initial

II. AUDIT REQUIREMENTS

All contractor books, records and documents relating to work performed or monies received under the contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by the State. These records shall be maintained for a period of five (5) full years from the date of final payment, or until all issues related to an audit, litigation or other action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles.

Accept & Initial

In addition to, and in no way in limitation of any obligation in the contract, the contractor shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the contract for which an exception has been taken or which has been disallowed because of such an exception. The contractor agrees to correct immediately any material weakness or condition reported to the State in the course of an audit.

JJ. TAXES

The State is not required to pay taxes of any kind and assumes no such liability as a result of this solicitation. Any property tax payable on the contractor's equipment which may be installed in a state-owned facility is the responsibility of the contractor.

Accept & Initial

KK. INSPECTION AND APPROVAL

Final inspection and approval of all work required under the contract shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where the contractor or subcontractor duties under the contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

Accept & Initial

LL. CHANGES IN SCOPE/CHANGE ORDERS

The State may, at any time with written notice to the contractor, make changes within the general scope of the contract. Changes in scope shall only be conducted with the written approval of the State's designee as so defined by the State from time to time. (The State retains the right to employ the services of a third party to perform any change order(s)).

The State may, at any time work is in progress, by written order, make alterations in the terms of work as shown in the specifications, require the performance of extra work, decrease the quantity of work, or make such other changes as the State may find necessary or desirable. The contractor shall not claim forfeiture of contract by reasons of such changes by the State. Changes in work and the amount of compensation to be paid to the contractor for any extra work so ordered shall be determined in accordance with the applicable unit prices of the contractor's proposal.

Corrections of any deliverable services or performance of work required pursuant to the contract shall not be deemed a modification requiring a change order.

MM. SEVERABILITY

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

NN. CONFIDENTIALITY

All materials and information provided by the State or acquired by the contractor on behalf of the State shall be regarded as confidential information. All materials and information provided by the State or acquired by the contractor on behalf of the State shall be handled in accordance with Federal and State Law, and ethical standards. The contractor must ensure the confidentiality of such materials or information. Should said confidentiality be breached by a contractor; contractor shall notify the State immediately of said breach and take immediate corrective action.

It is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable to contractors by 5 U.S.C. 552a (m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

OO. PROPRIETARY INFORMATION

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the proposal. The separate package must be clearly marked PROPRIETARY on the outside of the package. Bidders may not mark their entire Request for Proposal as proprietary. Bidder's cost proposals may not be marked as proprietary information. Failure of the bidder to follow the instructions for

submitting proprietary and copyrighted information may result in the information being viewed by other bidders and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

PP. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING


Accept
& Initial

By submission of this proposal, the bidder certifies, that he or she is the party making the foregoing proposal that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and further that the bidder has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

QQ. PRICES


Accept
& Initial

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made (and for bidder receiving award prices shall remain as bid for the duration of the contract unless otherwise so stated in the contract) or the Request for Proposal is cancelled.

Contractor represents and warrants that all prices for services, now or subsequently specified are as low as and no higher than prices which the contractor has charged or intends to charge customers other than the State for the same or similar products and services of the same or equivalent quantity and quality for delivery or performance during the same periods of time. If, during the term of the contract, the contractor shall reduce any and/or all prices charged to any customers other than the State for the same or similar products or services specified herein, the contractor shall make an equal or equivalent reduction in corresponding prices for said specified products or services.

Contractor also represents and warrants that all prices set forth in the contract and all prices in addition, which the contractor may charge under the terms of the contract, do not and will not violate any existing federal, state or municipal law or regulations concerning price discrimination and/or price fixing. Contractor agrees to hold the State harmless from any such violation. Prices quoted shall not be subject to increase throughout the contract period unless specifically allowed by these specifications.

RR. BEST AND FINAL OFFER

Accept
& Initial

The State will compile the final scores for all parts of each proposal. The award may be granted to the highest scoring responsive and responsible bidder. Alternatively, the highest scoring bidder or bidders may be requested to submit best and final offers. If best and final offers are requested by the State and submitted by the bidder, they will be evaluated (using the stated criteria), scored and ranked by the Evaluation Committee. The award will then be granted to the highest scoring bidder. However, a bidder should provide its best offer in its original proposal. Bidders should not expect that the State will request a best and final offer.

SS. ETHICS IN PUBLIC CONTRACTING

Accept
& Initial

No bidder shall pay or offer to pay, either directly or indirectly, any fee, commission compensation, gift, gratuity, or anything of value to any State officer, legislator or employee based on the understanding that the receiving person's vote, actions or judgment will be influenced thereby. No bidder shall give any item of value to any employee of the State Purchasing Bureau.

Bidders shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure the contract. It is the intent of this provision to assure that the prohibition of state contact during the procurement process is not subverted through the use of lobbyists, attorneys, political activists, or consultants. It is the intent of the State that the process of evaluation of proposals and award of the contract be completed without external influence. It is not the intent of this section to prohibit bidders from seeking professional advice, for example consulting legal counsel, regarding terms and conditions of this Request for Proposal or the format or content of their proposal.

If the bidder is found to be in non-compliance with this section of the Request for Proposal, they may forfeit the contract if awarded to them or be disqualified from the selection process.

TT. INDEMNIFICATION

Accept
& Initial

1. GENERAL

The contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. INTELLECTUAL PROPERTY

The contractor agrees it will at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the contractor prompt notice in writing of the claim. The contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the contractor has indemnified the State, the contractor shall at the contractor's sole cost and expense promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the contractor, and the State may receive the remedies provided under this RFP.

3. PERSONNEL

The contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the contractor.

UU. NEBRASKA TECHNOLOGY ACCESS STANDARDS

Accept
& Initial

Contractor shall review the Nebraska Technology Access Standards, found at http://www.nitc.nebraska.gov/standards/accessibility/accessibility_standards.pdf and ensure that products and/or services provided under the contract comply with the applicable standards. In the event such standards change during the contractor's performance, the State may create an amendment to the contract to request that contract comply with the changed standard at a cost mutually acceptable to the parties.

VV. ANTITRUST

Accept
& Initial

The contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

WW. DISASTER RECOVERY/BACK UP PLAN

Accept
& Initial

The contractor shall have a disaster recovery and back-up plan, of which a copy should be provided to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue services as specified under these specifications in the event of a disaster.

XX. TIME IS OF THE ESSENCE

Accept
& Initial

Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by the State shall not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the contractor remaining to be performed.

YY. RECYCLING

Accept
& Initial

Preference will be given to items which are manufactured or produced from recycled material or which can be readily reused or recycled after their normal use as per state statute (Neb. Rev. Stat. §81-15, 159).

ZZ. DRUG POLICY

Accept
& Initial

Contractor certifies it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

AAA. NEW EMPLOYEE WORK ELIGIBILITY STATUS

Accept
& Initial

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

BBB. CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY

Accept
& Initial

The contractor, by signature to this RFP, certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract.



Presort Services

Proprietary Information

Per the Procurement Procedures outlined in Section III, Item F of this RFP, Pitney Bowes Presort Services (PBPS) considers the References provided in the Corporate Overview – Scope of Work, Item 16 (page 10 of this proposal response) to be proprietary information. PBPS requests the State to withhold this information.

TABLE OF CONTENTS

A. Technical Proposal

1. Request for Proposal for Contract Services Form	
2. Executive Summary.....	1
3. Corporate Overview.....	7
4. Technical Approach.....	14

B. Cost Proposal

1. Form D – Cost Sheet.....	16
Form A – Bidder Contact Sheet.....	17

I. PROPOSAL INSTRUCTIONS

This section documents the mandatory requirements that must be met by bidders in preparing the Technical and Cost Proposal. Bidders should identify the subdivisions of "Project Description and Scope of Work" clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the State's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions:

A. TECHNICAL PROPOSAL

The Technical Proposal shall consist of four (4) sections:

1. SIGNED "State of Nebraska Request For Proposal For Contractual Services" form;
2. Executive Summary;
3. Corporate Overview; and
4. Technical Approach.

1. REQUEST FOR PROPOSAL FORM

By signing the "Request For Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the Terms and Conditions stated in this Request for Proposal and certifies bidder maintains a drug free work place environment.

The Request For Proposal For Contractual Services form must be signed in ink and returned by the stated date and time in order to be considered for an award.

2. EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the solution being proposed by the bidder in such a way as to provide the Evaluation Committee with a broad understanding of the Contractor's Technical Proposal.

Bidders must present their understanding of the problems being addressed by implementing a new system, the objectives and intended results of the project, and the scope of work. Bidders shall summarize how their Technical Proposal meets the requirements of the Request for Proposal, and why they are best qualified to perform the work required herein.

Pitney Bowes Presort Services Response - Executive Summary

PBPS is focused on one thing and one thing only...presorting mail. It's because of this business focus PBPS is able to make partnership commitments to the State of Nebraska and other clients while offering the highest quality in the industry. A few facts to support PBPS's capability:

- Largest outsourced provider of mail presort services in the U.S.
- National leader in MPTQM certification
- The only national-network of mail presort Centers in the U.S.
- Advanced online reporting and mail tracking
- Among the largest work sharing partners of the USPS
- 14 Billion pieces of mail processed in 2011
- Strong Financials
- Experienced Management Team
- Latest sortation equipment including MLOCR
- Custom developed software providing current and accurate data
- Partnership Business Model

PBPS maintains consistently high quality service through a well-established Operating Platform used throughout our Operating Centers. The Operating Platform was developed over several years and permits PBPS to operate the same in each of the existing locations, and/or any future locations. This platform includes an Online Information Tracking System (POInTS) which accepts information input from the sorting machines (MLOCR's), an invoicing system connected to POInTS, customized reporting generated from POInTS, standard operating procedures and Mail Preparation Total Quality Management (MPTQM) processes. PBPS continues to develop our Operating Platform to maximize industry benefits for our clients.

PBPS remains committed to keeping pace with technological advances in our industry. Each Operating Center is equipped with state-of-the-art processing equipment to maximize operating efficiencies. In turn, the savings produced from efficiencies are passed to our business partners by way of lower postage and handling fees. Ongoing changes in the USPS rules and regulations have made it necessary to make further investments in technology for MLOCR equipment. A few examples of PBPS supported and implemented capabilities include PBPS Move Update Solution, software based cameras and Postal One technology. PBPS continually seeks ways to stay on the leading edge of the technological revolution.

PBPS has been the presort provider to the State of Nebraska for several years. Over this time period we have continuously provided the State with solid performance at attractive pricing. It is with this same resolve and commitment we offer our partnership business model enjoyed by so many other high volume mailers in Nebraska and across America. The State of Nebraska has the opportunity to choose mail presort partner who:

- Will treat you fairly
- Has invested in the latest technology and software to insure your mail qualifies at the best discount rate possible and gets delivered on time
- Is capable of presorting large mail volumes and can handle 100% of your mail volume today and in the future

- Has immediate disaster recovery capabilities supported by our national network
- Is financially stable and
- Is committed to handling your mail with the security and quality you deserve.

We believe we are uniquely qualified to support the State of Nebraska.

PROJECT REQUIREMENTS

This proposal is for the bar coding of all automation compatible State of Nebraska mail and flats mail. Pitney Bowes Presort Services (PBPS) has the ability to combine First Class Permit Mail with First Class metered mail and to bar code all flats mail up to 8 ounces. Letter mail will be barcoded within the State of Nebraska and processed the same day it is presented to PBPS.

Flats will be bar coded at our operation located in Kansas City, MO and processed the next business day after it is presented to PBPS. PBPS recognizes that the next business day service level for flats is outside of the requirements set forth in this document. However, we offer this option as it is the most economical flat processing option for the State of Nebraska. We do not have equipment to sort flats within the State of Nebraska to provide same day service for flats requiring afternoon pick up. Note: PBPS can provide same day service on flats if they are available for pick up by PBPS in the morning.

First Class mail will be processed based on the three (3) and five (5) digit postage rates as prepared by the State of Nebraska. PBPS pricing is based on a per piece basis and reflects both the rate for sorting and bar-coding and a set postage rate per piece to cover the postage pay-up. This pricing methodology prevents a floating pay-up postage charge and additional costs.

a. REPORTS

Pitney Bowes Presort Services can furnish a report itemizing the total number of pieces of mail processed by class by date to be included with the monthly invoicing. PBPS Move Update counts (FASTforward/UMove) and hits can be reported daily for letters. PBPS Move Update on flats will be available by the end of the first quarter of 2012. Until it is available, the State of Nebraska must use an USPS approved service endorsement to fulfill the USPS Move Update requirement.

b. The State of Nebraska will remit on a monthly basis, the service fee for each piece of mail and flats mail submitted by the State. Payment will be made in conjunction with the State of Nebraska Prompt Payment Act 81-2401 through 2408 upon receipt of a valid invoice.

c. At the State's discretion, Pitney Bowes Presort Services will be required to develop and provide management reports. These management reports will be submitted monthly to confirm what percentage of the State's mail and flats mail is being processed and what areas need improvement. In addition, a weekly usage report that includes item count by agency name and six digit billing code will be provided.

SCOPE OF WORK

1. Pitney Bowes Presort Services (PBPS) shall apply a correct Intelligent Mail Bar Code and presort all such letter mail according to the United States Postal Service (USPS) Regulations (DMM 330) and deliver it to the Main Post Office on a SAME DAY BASIS on or before the acceptance deadline allowed by the USPS. PBPS shall apply correct Intelligent Mail Bar Code and presort all such flats according to the United States Postal Service (USPS) Regulations (DMM 330) and deliver it to the Main Post Office on a NEXT BUSINESS DAY BASIS on or before the acceptance deadline allowed by the USPS.
2. PBPS shall pick up on a daily basis (exclusive of recognized State Holidays), (see Forms B and C for pick up locations and times and Holiday schedules) all mail and flats mail made available by the State of Nebraska at the time(s) and place(s) designated and any other location identified at a later date. The times listed are approximate; pick up times may be adjusted. Determination of routes and times will be discussed upon award. Alternate proposals may be submitted to offer various options.

All letters will be delivered to the USPS on the same day they are released to PBPS. All flats will be delivered to the USPS on the next business day after they are released to PBPS. Note: PBPS can provide same day service on flats if they are available for pick up by PBPS before noon.

If any letters and/or flats mail presented by PBPS to the USPS fail for any reason or are not delivered to the USPS for any reason on the same day (letters) or next business day (flats) they are presented to PBPS, we will immediately make direct contact with either the AS Materiel, Office Services Mail Center Manager or the AS Materiel Office Services Supervisor indicating how many letters and/or flats failed or were not delivered to the USPS and for what reason. In addition, PBPS will send an email report to the AS Materiel, Office Services Mail Center Manager and the AS Materiel Office Services Supervisor indicating how many letters and/or flats failed or were not delivered to the USPS and for what reason.

3. The State of Nebraska shall prepare all letters in trays and flats in tubs with the envelopes facing the same direction. All mail shall be sealed and metered at the correct presort discount rate and date, and include "presorted first class" notation.
4. The State of Nebraska will provide only letters and/or flats that are automation compatible.

The State of Nebraska will provide the following estimated mail volumes. The State of Nebraska processes an average of thirty five thousand pieces daily and 1200 flats daily. The University of Nebraska, Lincoln processes an average of 2800 pieces of mail and 300 flats daily. The University of Nebraska, Omaha, processes an average of 770 pieces of mail and 100 flats daily. The University of Nebraska, Medical Center processes an average of 3800 pieces of mail and 800 flats daily. The State of Nebraska will submit First Class permit mail daily.

Standard permit mailings will be submitted on an as needed basis. Mail schedules and volumes will fluctuate throughout the year. Typically, the heavier mailing months begin in December and run through May. These are estimated volumes and should not be construed as a minimum or maximum.

5. The State of Nebraska will provide various types of mail that will require bar coding by the contractor. The following groups of mail will utilize all classes of mail. These groups are examples but are not limited to the types of mail sent out by the State. (See Form C)
 - a. Pre-metered at a five (5) digit automated rate
 - b. Permit Imprint
 - c. Postcards
 - d. Self-Mailers
 - e. Form #'s 1099G, W2 at a five (5) digit automated rate
 - f. Flats
6. The State of Nebraska will consider all options in regard to the most cost effective way to manage letters and/or flats mail services.
7. Upon request by the State, PBPS will provide training sessions to agencies for the proper completion of mail and flats mail including information on FASTforward. Topics may include proper addressing, processing, envelopes and self mailers, printing and fonts utilized or any other topics deemed beneficial to the State to improve quality of mail processed.
8. Letter mail failures by the State of Nebraska must be returned to the DAS Material Office Services Mail Center operation by 2:00 PM the following day. Flats mail failures will be returned to the DAS Materiel Office Services Mail Center operation by 2:00 PM on the second business day, to account for the next business day service level for flats. Mail failure is considered mail or flats mail that cannot be processed by the contractor as a result of an error made by the State or any mail or "flats" mail damaged during contractor's service that is no longer fit to be mailed.
9. Any penalties and/or additional postage incurred attributable to the improper presorting of the mail and flats mail or failure to meet the acceptance deadline allowed by the USPS shall be the responsibility of PBPS. The State of Nebraska will not be responsible for any reject fees or Merlin fees or fees associated with transporting the State of Nebraska's letters and/or flats mail.
10. All information contained on mail and flats mail processed shall be confidential. The contractor shall not capture or retain any information from the State's mail and flats mail. Any violation of this provision shall be considered a breach of this contract and result in immediate cancellation. PBPS will sign a confidential information statement which will be maintained in the contract file. This statement will include all State agencies. PBPS will be responsible for any penalties as stipulated by law for violations made by the PBPS or PBPS employees.

11. The State of Nebraska reserves the right to cancel this contract immediately in the event PBPS does not competently and reasonably render the services outlined in this contract. Two (2) incidents of non-performance will constitute incompetent and unreasonable rendering of services. Incompetent and unreasonable rendering of services shall include, but not be limited to:
 - a. PBPS improper presorting of the letters and/or flats that cause the letters and/or flats to be delayed;
 - b. PBPS failure to meet the acceptance deadline;
 - c. PBPS failure to pick up letters and/or flats made available by the State of Nebraska the same day they are released to the contractor by the State;
 - d. PBPS failure to deliver any letters to the USPS on the same day they were released to PBPS , and deliver flats to the USPS on the next business day;
 - e. PBPS failure to notify the State of Nebraska of any letters and/or flats that fail at the USPS on the same day they were released to the contractor;
 - f. PBPS failure to notify the State of Nebraska of any undelivered letters/and or flats mail to the USPS on the same day they were released to the contractor;
 - g. A second Vendor Performance report for any reason; and
 - h. Any other incident deemed to be in noncompliance with the provisions of this contract.
12. PBPS shall not be liable for lost postage savings should it be unable to provide the presorting service as a result of strike, lockout or an act of God. In the event of such an occurrence, the contractor shall immediately notify the AS Materiel Division, Office Services Manager in order to make alternative arrangements. The State of Nebraska reserves the right to cancel this contract should such occurrences continue for more than five (5) days.
13. PBPS can track all sleeved mail with a 6-digit billing code and submit a report along with the monthly billing.
14. Time sensitive letters and/ or flats mail must be processed as per Policy OS-025, Exhibit 1. If a deadline is not met, a penalty of \$50 per statement may be imposed and PBPS will be responsible for any additional mailing costs, if an additional mailing is required.
15. In the event of a disaster that prevents the State from metering its mail, PBPS will be responsible for affixing postage for the AS, Materiel Division Office Services Mail Center for a mutually agreed upon fee plus the cost of postage applied.

16. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal must consist of the following subdivisions:

a. **BIDDER IDENTIFICATION AND INFORMATION**

The bidder must provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business, whether the name and form of organization has changed since first organized, and Federal Employer Identification Number and/or Social Security Number.

Pitney Bowes Presort Services, Inc (PBPS)
10110 I Street
Omaha, NE 68127
A Delaware corporation licensed to do business in the State of Nebraska

Parent Company:
Pitney Bowes Inc.
1 Elmcroft Rd.
Stamford, CT 06926-0700

Founded: 1920
Founders: Arthur Pitney and Walter Bowes
NYSE Stock Symbol: PBI – listed since 1950
S&P500 Member since 1957

PSI Group, Inc. has been in business since 1995 and was purchased by Pitney Bowes Inc. in 2002 and is now known as PBPS

Federal Employer Identification Number XXXXXXXXXX

FINANCIAL STATEMENTS

The bidder must provide financial statements applicable to the firm. If publicly held, the bidder must provide a copy of the corporation's most recent audited financial reports and statements, and the name, address and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information must be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm must provide a banking reference.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.

PBPS financials are included in the public reports filed by PBI and can be found on the PB website:

<http://www.investorrelations.pitneybowes.com/phoenix.zhtml?c=83377&p=irol-irhome>

There are no judgments or pending litigation against PBI or PBPS that would materially affect the stability of the organization or PBPS' ability to provide the services

b. CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the bidder must describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded vendor(s) will require notification to the State.

No change of ownership is anticipated during the twelve months following the proposal due date.

c. OFFICE LOCATION

The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska must be identified.

Lincoln Operations
333 Speedway Cir. Ste 4
Lincoln, NE 68502

Omaha Operations
10110 I Street
Omaha, NE 68127

d. RELATIONSHIPS WITH THE STATE

The bidder shall describe any dealings with the State over the previous five (5) years. If the organization, its predecessor, or any party named in the bidder's proposal response has contracted with the State, the bidder shall identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

PBPS is the current provider of presort services for First Class letters with the State of Nebraska under contract # 30974 O4, in effect since 2008.

e. BIDDER'S EMPLOYEE RELATIONS TO STATE

If any party named in the bidder's proposal response is or was an employee of the State within the past six (6) months, identify the individual(s) by name, State agency with whom employed, job title or

position held with the State, and separation date. If no such relationship exists or has existed, so declare.

No party named within this proposal response is or was an employee of the State within the past six (6) months.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

Pitney Bowes Presort Services is not aware of any employee of the State of Nebraska who is employed by, or a subcontractor of, PBPS.

f. CONTRACT PERFORMANCE

If the bidder or any proposed subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.

No such termination for default has been experienced by Pitney Bowes Presort Services in the past five (5) years.

If at any time during the past five (5) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting party.

Pitney Bowes Presort Services has agreements in place with customers that allow termination for convenience. There are instances where contracts have been terminated due to competitive pricing considerations.

g. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE

The bidder shall provide a summary matrix listing the bidder's previous projects similar to this Request for Proposal in size, scope and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The bidder must address the following:

- i. Bidder must provide narrative descriptions to highlight the similarities between their experience and this Request for Proposal. These descriptions must include:
 - a) the time period of the project;
 - b) the scheduled and actual completion dates;
 - c) the contractor's responsibilities;
 - d) for reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number and e-mail address); and
 - e) Each project description shall identify whether the work was performed as the prime contractor or as a subcontractor. If a bidder performed as the prime contractor, the description must provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.

References

Time Period	2002 to present	2004 to present	2003 to present
Scheduled and Actual completion dates	Continual business, still ongoing	Continual business, still ongoing	Continual business, still ongoing
Contractor's responsibilities	Pick up, barcode, presort and mail both letter and flat mail	Pick up, barcode, presort and mail both letter and flat mail	Pick up, barcode, presort and mail both letter and flat mail
Customer Name	Mutual of Omaha	Blue Cross/Blue Shield of Nebraska	Woodmen of the World
Contact Name	Debi Andahl	Joe McNellis	Mark Dahlheim
Phone	402 351 2660	402 250 9164	402 271 7865
Fax	800 867 6865	402 392 2141	402 449 7708
Email	debi.andahl@mutualofomaha.com	joe.mcnellis@bcbsne.com	mdahlheim@woodmen.com
Prime or subcontractor and length of project	Prime Contractor - ongoing	Prime Contractor - ongoing	Prime Contractor - ongoing

- ii. Contractor and subcontractor(s) experience must be listed separately. Narrative descriptions submitted for subcontractors must be specifically identified as subcontractor projects.

PBPS is currently providing letter sorting service for the State of Nebraska under **contract # 30974 O4**. We remain in good standings with the State of Nebraska in the terms and conditions performing as per the requirements within.

- iii. If the work was performed as a subcontractor, the narrative description shall identify the same information as requested for the contractors above. In addition, subcontractors shall identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.

h. SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH

The bidder must present a detailed description of its proposed approach to the management of the project.

The bidder must identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this Request for Proposal. The names and titles of the team proposed for assignment to the State project shall be identified in full, with a description of the team leadership, interface and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder shall provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the Request for Proposal in addition to assessing the experience of specific individuals.

Resumes must not be longer than three (3) pages. Resumes shall include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.

PBPS currently provides mail presort services to the State. The current high level of service will be continued, as reflected by the high scores received on satisfaction surveys and through business reviews with the State.

Our organization is lead by long tenured employees that take great pride in providing services the State of Nebraska can count on as follows:

Key Personnel:

Larry Morlan, Vice President and General Manager Iowa and Nebraska Operations since November 2002. Mr. Morlan joined PSI in August 2001 as Sales Manager of the PSI Operating center in Cedar Rapids, Iowa. Prior to joining PSI, Mr. Morlan was Account Manager for the USPS in Cedar Rapids. Mr. Morlan holds a Bachelor of Arts Degree in Communications, from the University of Iowa — Iowa City, IA. He is a member of the Lincoln Nebraska PCC and on the Omaha PCC board. Larry has over 18 years experience within the mailing and presort industries.

Kevin Ziska - Senior Client Services Manager – Kevin has been with Pitney Bowes Presort Services for over 20 years. His previous experience includes Asst. Operations Mgr. at the PBPS facility in Charlotte, NC and as a member of the Technical Services Team in Omaha, where he maintained mail sorting equipment in our Omaha and Lincoln facilities. Kevin has been a Client Service Representative for the Omaha and Lincoln facilities since 2001, and was promoted Senior Client Services Manager in 2010.

Steve Economos has served as Senior Sales Manager since 2006. Mr. Economos is responsible for selling presort services into PBPS operating centers in Lincoln, Omaha, Des Moines, and Cedar Rapids. Steve has over 15 years experience within the document processing and presort industries. He holds a Bachelor of Business Administration degree from the University of Iowa – Iowa City, IA.

i. SUBCONTRACTORS

If the bidder intends to subcontract any part of its performance hereunder, the bidder must provide:

- i.** name, address and telephone number of the subcontractor(s);
- ii.** specific tasks for each subcontractor(s);
- iii.** percentage of performance hours intended for each subcontract; and
- iv.** total percentage of subcontractor(s) performance hours.

Pitney Bowes Presort Services proposes to continue using the same subcontracted courier to provide transportation of the mail from the State of Nebraska pickup locations to the Pitney Bowes Presort Services facility in Lincoln. On-Trac, Inc. (formerly Express Messenger) has provided reliable and professional service to the State of Nebraska and PBPS.

Here is the subcontractor information:

On-Trac, Inc.
Pat Bice-Manager
5901 N. 58th St.
Lincoln, NE 68507
Phone – (402) 434-2750
Fax – (402) 434-2751

On-Trac drivers will spend approximately 2 – 3 hours/day picking up mail at all of the State of Nebraska's locations. (This total includes all drivers and all stops in one business day). It is proposed that On-Trac will pickup the majority of the mail for the State of Nebraska on a daily basis with the possible exception of special requests where Pitney Bowes Presort Services may elect to use our own vehicle and personnel to transport the mail. The pickups for UNL, UNO and UNMC may be performed by On-Trac or PBPS and will be dependent on time of day pickup requirements, which are to be determined and mutually agreed upon.

The following are the approximate percentages of subcontracted transportation.

Total Mail Transportation:	
Couriers	= 75%
Pitney Bowes Presort Services	= 25%

Of the mail that is transported by couriers, here is the approximate percentage performed by On-Trac:

On-Trac	= 85%
Other Couriers	= 15%

There is **no charge** incurred by the State of Nebraska for the use of any subcontractor to support PBPS with pick-ups.

17. TECHNICAL APPROACH

The technical approach section of the Technical Proposal must consist of the following subsections:

a. understanding of the project requirements;

PBPS is a current vendor successfully processing letter mail for the State of Nebraska. This RFP contains the same requirements we currently fulfill, with the addition of the processing the flat mail volumes.

We have a full understanding of the requirements, but we cannot process flats within Nebraska because we do not have a flat mail sorter located within the state. As a result, we have logistic limitations which prevent us from processing flats on the same business day, unless they can be picked up early in the day. We would welcome the opportunity to discuss a morning pick up time for flats to support a same day processing scenario.

PBPS has included references from current customers that utilize our our next business day service offering.

b. proposed development approach;

We plan to continue the current service level for letter mail volumes under the current scenario. The addition of flat volumes will involve using current or additional pick up times. Further discussion regarding a separate (morning) pick up time for flat mail would allow PBPS to meet your same day service standard for flats, but they would be processed outside of the State of Nebraska.

c. technical considerations;

The only new technical consideration outside the current services we provide involves processing of flats within the State of Nebraska, which has been addressed throughout this RFP response.

Flats must be processed by PBPS outside of Nebraska. The State of Nebraska should consider the following benefits this alternative solution for flats will provide:

- Larger discounts for the State
- Morning pickup times for flat mail could preserve the same day service standard
- Proven performance and preservation of USPS delivery standards have been realized by PBPS Nebraska based customers that participate in the PBPS flats program

d. detailed project work plan; and

PBPS work plan is addressed within the scope of work and utilizes the current plan, with the addition of an alternative work plan for flats. PBPS

respectfully asks the State of Nebraska to consider the benefits outlined above in Section 17C.

e. deliverables and due dates.

Our ability to implement services on February 1, 2012 can be easily achieved through the engagement of our Customer Service team with your staff.

Thank you for the opportunity to allow Pitney Bowes Presort Services to prepare a response to your Request for Proposal for Mail Presort Services and Flats Mail Preparation at the State of Nebraska. We appreciate the opportunity to continue to serve your mail presort requirements through our unique network of mail processing centers. We look forward to further discussions and answering any questions upon your review of this proposal.

Form D

Cost Sheet

Request for Proposal Number 3864Z1

The proposal will be for bar coding of all automation compatible State of Nebraska mail and flats mail. The contractor must have the ability to combine First Class Permit Mail with First Class metered mail and to bar code all "flats" mail within the State of Nebraska. The contractor must properly affix non-automated mail and flats mail with the correct postage in accordance with the USPS regulations. First Class mail must be sorted at three (3) and five (5) digit rates. Quoted responses should be on a per piece basis. **NO ADDITIONAL COSTS WILL BE ALLOWED.**

The State of Nebraska will provide various types of mail and flats mail that will require bar coding by the contractor. The following groups of mail will utilize all classes of mail. These groups are examples but are not limited to the types of mail sent out by the State.

Quoted responses must be on a per piece basis, and reflect both the rate for sorting and bar-coding and a set postage rate per piece to cover the postage pay-up (this is to eliminate a floating pay-up postage charge).

GROUPS	COST PER PIECE
Pre-metered at a five (5) digit automated rate	\$ 0.0285
Permit Imprint	\$ 0.0285
Postcards	\$ 0.0285
Self-Mailers	\$ 0.0285
Form #'s 1099, W2 at a five (5) digit automated rate	\$ 0.0285
Flats mail preparation	\$ 0.349

PBPS Pricing Explanation

Pricing is based on the then current USPS 5 Digit rates effective January 22, 2012. Pricing is a fixed pricing methodology; an "all-in" price with no additional charges outside those listed above.

In previous RFPs, the requested "Cost Per Piece" for letters on this page reflected processing fees only. The State paid actual postage qualification (a postage upgrade) separately from this fee. This "postage pay up" was in addition to the 5 Digit postage paid on each piece of mail. In this RFP we understand the pricing request changed to include the processing fee and postage upgrade in one fee, with no other fees allowed. Our split on these two components for letters is:

Processing fee = \$0.0108 (previously the "cost per piece")
Postage Pay Up = \$0.0177 (previously a separate line item)
Total per piece fee = \$0.0285 (new "all inclusive" cost per piece)

This is a net \$0.00509 per piece reduction in total fees from current letter pricing, with a net \$45,400 in additional annual savings. PBPS flat pricing offers another \$28,000 additional annual savings compared to Contract # 35624 O4.

Form A

Bidder Contact Sheet

Request for Proposal Number 3864Z1

Form A should be completed and submitted with each response to this Request for Proposal. This is intended to provide the State with information on the bidder's name and address, and the specific person(s) who are responsible for preparation of the bidder's response.

Preparation of Response Contact Information	
Bidder Name:	Pitney Bowes Presort Services
Bidder Address:	10110 I Street Omaha, NE 68127
Contact Person & Title:	Larry Morlan
E-mail Address:	Lawrence.morlan@pbpresortservices.com
Telephone Number (Office):	402-596-7901
Telephone Number (Cellular):	319-431-2648
Fax Number:	402-339-0137

Each bidder shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the bidder's response should become necessary. This will also be the person who the State contacts to set up a presentation/demonstration, if required.

Communication with the State Contact Information	
Bidder Name:	Pitney Bowes Presort Services
Bidder Address:	10110 I Street Omaha, NE 68127
Contact Person & Title:	Larry Morlan
E-mail Address:	Lawrence.morlan@pbpresortservices.com
Telephone Number (Office):	402-596-7901
Telephone Number (Cellular):	319-431-2648
Fax Number:	402-339-0137



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/01/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH USA INC. 601 MERRITT 7 NORWALK, CT 06856-6010 Attn: PitneyBowes.certrequest@marsh.com Fax:203-229-6885	CONTACT NAME: _____	
	PHONE (A/C, No, Ext): _____	FAX (A/C, No): _____
E-MAIL ADDRESS: _____		
INSURER(S) AFFORDING COVERAGE		NAIC #
303700--GAWU-11-12 PBPS UMB *	INSURER A : ACE American Insurance Company	22667
INSURED PITNEY BOWES PRESORT SERVICES, INC. A PITNEY BOWES COMPANY 10110 I STREET OMAHA, NE 68127-0000	INSURER B : Indemnity Ins Co Of North America	43575
	INSURER C : National Union Fire Ins Co Pittsburgh PA	19445
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** NYC-005906072-24 **REVISION NUMBER:** 15

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			HDO G25530044	07/01/2011	07/01/2012	EACH OCCURRENCE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 250,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$ 4,000,000
							PRODUCTS - COMP/OP AGG \$ 4,000,000
							\$
A	AUTOMOBILE LIABILITY			ISA H08636643	07/01/2011	07/01/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
							SIR: PHYS DMG \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB			BE 25030417	07/01/2011	07/01/2012	EACH OCCURRENCE \$ 5,000,000
	<input type="checkbox"/> EXCESS LIAB						AGGREGATE \$ 5,000,000
	<input type="checkbox"/> DED						\$
	<input type="checkbox"/> RETENTION \$						\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WLR C46481094-(AOS)	07/01/2011	07/01/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
A	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)			WLR C46481100 (CA, MA)	07/01/2011	07/01/2012	E.L. EACH ACCIDENT \$ 2,000,000
A	If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	SCF C46481112 (WI)	07/01/2011	07/01/2012	E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
							E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: EVIDENCE OF COVERAGE ONLY

CERTIFICATE HOLDER **CANCELLATION**

PITNEY BOWES PRESORT SERVICES, INC. A PITNEY BOWES COMPANY 10110 I STREET OMAHA, NE 68127	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE of Marsh USA Inc. Nancy Kalbfell <i>Nancy Kalbfell</i>

COMMERCIAL GENERAL LIABILITY
CG 20 15 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – VENDORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s) (Vendor)	Your Products
All Vendors	All Products
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) (referred to below as vendor) shown in the Schedule, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement.
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;