STATE OF OHIO

Department of Administrative Services
General Services Division
State Printing & Mail Services

MINORITY SET-ASIDE BID IN ACCORDANCE WITH ORC CH.125.08.1

VARIABLE IMAGING (PERSONALIZATION) SHALL NOT SUBCONTRACTED UNDER THIS CONTRACT

INVITATION TO BID FOR: 2014 SCHOOL DISTRICT EMPLOYER WITHHOLDING MAILING PACKETS

BID NUMBER: 4P0572

BID NOTICE DATE: NOVEMBER 13, 2013

*OPENING DATE: NOVEMBER 19, 2013 (BIDS CAN ONLY BE SUBMITTED ONLINE, VISIT http://apps.das.ohio.gov/aqs/viewJobLayout.aspx,FOR INSTRUCTIONS).

INSTRUCTIONS, TERMS AND CONDITIONS FOR BIDDING, STANDARD CONTRACT TERMS AND CONDITIONS, SUPPLEMENTAL CONTRACT TERMS AND CONDITIONS AND ADDITIONAL SPECIFICATIONS Revised 10-1-07, are a part of this Invitation to Bid. All prior versions of Instructions to Bidders, Contract Terms and Conditions are null and void.

Any questions or clarifications regarding this Invitation to Bid (ITB) should be directed to State Printing & Mail Services at (614)-752-0060 or e-mail: mike.ruehrmund@das.state.oh.us.

SPECIFICATIONS AND PRICING

The selected contractor shall be required to provide all of the following at price bid, except where noted. All packaging and mailing costs, except where noted, shall be the responsibility of the contractor. All shipping will be made FOB destination prepaid, except where noted, regardless of the point of origination or destination. All statements mentioned throughout this bid that address the "contractor" are implied for any and all persons and/or subcontractors that are approved to do work through State Printing on this print project.

1. DESCRIPTION: The purpose of this Invitation to Bid (ITB) is to obtain a contractor to provide 2014 School District Employer Withholding Mailing Packets (four) for use by the Ohio Department of Taxation (Taxation).

2. QUANTITY: Printing quantities on items included in the personalized mailing (Items 1 through 9) may be reduced by the number of names actually listed on the data provided by the Department of Taxation. Quantities may also be increased at bid price per thousand. Bid on quantities shown. Total print quantity shall be determined on December 19, 2013. Printing may begin on all items, provided that the contractor knows or has determined the quantities from the live data. **The awarded vendor shall only invoice for the total quantity needed to match the total number of names on the data from the Department of Taxation.** Listed at the end of this bid is past history for the bid quantities and the quantities required after processing computer data from the Department of Taxation for the last two years.

Item Number	Description	Estimated Quantity
Item 1	**Withholding Instructions page**. 53,000 for mailing packets and 1,000 for Taxation. 17" X 11", printed two sides, folded to create a four page (8-½" X 11") insert. Estimated quantity includes amounts for	**54,000**

	initial, supplemental and update mailings.	
Item 2	**School District List insert.** 53,000 for mailing packets and 1,000 for Taxation. 8-½" X 11", printed two sides .Estimated quantity includes amounts for initial, supplemental and update mailings.	**54,000**
Item 3	**Personalized Credit Card Information page (Quarterly)**. Entire quantity for mailing packets. 8-½" X 11", personalized and printed on one side. Estimated quantity includes amounts for initial, supplemental and update mailings.	**27,500**
Item 4	**Personalized Credit Card Information page (Monthly)**. Entire quantity for mailing packets. 8-½" X 11", personalized and printed on one side. Estimated quantity includes amounts for initial, supplemental and update mailings.	**25,500**
Item 5	**Personalized/Non-personalized SD 141 forms page.** 53,000 personalized for mailing packets and 1,000 non-personalized for Taxation. 8-½" X 11", personalized (for mailing packets only) on one side and printed on both sides. Estimated quantity includes amounts for initial, supplemental and update mailings.	**54,000**
Item 6	**Personalized/Non-personalized SD 101 long forms page.** 68,000 (500 @ 4 per account for quarterly and 5,500 @ 12 per account for monthly) personalized for mailing packets and 2,000 non-personalized for Taxation. 8-½" X 11", personalized (for mailing packets only) on one side and printed on both sides. Estimated quantity includes amounts for initial, supplemental and update mailings.	**70,000**
Item 7	**SD 101 Adjustment Worksheet**. 6,000 for mailing packets. 8-½" X 11", printed one side. Estimated quantity includes amounts for initial, supplemental and update mailings.	**6,000**
Item 8*	**Personalized SD 101 short forms page.** 174,000 (27,000 @ 2 per account for quarterly and 20,000 @ 6 per account for monthly) for mailing packets and 1,000 to Taxation for testing. 8½" X 11", printed two sides and personalized on one side with two horizontal perforations to create two 8½" X 4" size coupons. Estimated quantity includes amounts for initial, supplemental and update mailings.	**175,000**
Item 9	**Mailing window envelopes**, **(12" X 9").** Entire quantity for mailing packets. Estimated quantity includes amounts for initial, supplemental and update mailings.	**53,000**

* 1,000 pages each of Item 8 of each filing frequency (500 monthly and 500 quarterly) generated from the computer data to run against Unisys DP 600 remittance processing equipment are required on or before 12/24/13.

3. MULTIPLE ITEM PRICE AWARD: There will be one (1) low lot total award made to the lowest responsive and responsible bidder meeting all bid specifications and requirements listed herein. To determine the low lot total price, the state will multiply the estimated usage of each item by its corresponding unit price and add these totals together. Failure to bid all items will result in the bidder being deemed as non-responsive and no further consideration given for potential awarding of the contract. Any award made pursuant to this Invitation to Bid shall be placed with the lowest responsive and responsible bidder having proper facilities to insure prompt performance of the work. Bidder shall not insert a unit cost more than 3 digits after the decimal point. Digit(s) beyond 3, after the decimal point shall be dropped by DAS and not used in evaluation and any subsequent award.

4. DELIVERY: All requests for extensions beyond original delivery date shall be directed to DAS, State Printing. Awarded contractor shall not contact ordering agency for delivery extensions. Failure to deliver promptly may result in cancellation of any awarded contract. Full delivery of this order must be completed by the date specified to avoid late delivery charges. Partial deliveries will not satisfy the requested date, unless a written request from the vendor is received and approved, prior to the delivery date, by DAS.

5. INVOICE: All invoices must reference the bid number. No invoice will be approved for payment unless accompanied by signed delivery receipt showing quantity shipped and shipping date. Billings for all items shall be directed to:

Ohio Department of Administrative Services
General Services Division
4200 Surface Road
Columbus, Ohio 43228-1395
Attn: Invoice Processing (phone 614-644-7550)

6. RECYCLED MATERIAL: Will product contain recycled materials?

Y/N IF SO % _____

7. PRINTING FACILITY: Contractor shall insure that the facility used is equipped to handle and has the capability to produce laser printed OCR "A" font scan line on Item 8. In addition, OCR "A" and "B" fonts may be specified on item eight to identify data fields (i.e. the dollar field). Representatives from the Department of Taxation and the Department of Administrative Services may inspect the bidder's plant and equipment to determine if the bidder has adequate facilities.

8. **PROOFS:** The State of Ohio will provide final versions of each item in PDF (Portable Document Format) by the date specified. Contractor shall furnish blue line or equal proofs and make requested changes as and when requested.

Proofs shall be forwarded to:
Ohio Department of Taxation
4485 Northland Ridge Blvd., lower level
Columbus, Ohio 43229
Attn: Michelle Stover (phone 614-466-5161)

9. MAILING PACKETS CONTENTS (FOUR MAILING PACKETS)

Note: 25 samples of each mailing packet shall be delivered to Taxation. See section 13.3 for more information.

School District Employer Withholding Mailing Packet (Quarterly/Short) Quantities and Contents:

Approximately **27,000** School District Employer Withholding Mailing Packets **(Quarterly/Short)** for the 2014 mailing. **Mailing packets** shall consist of **one (Item 1)** Withholding Instructions page, **one (Item 2)** School District List insert, **one (Item 3)** Personalized Credit Card Information page, **one (Item 5)** Personalized SD 141 forms page and **two (Item 8)** Personalized SD 101 short forms page. All preceding items shall be placed in a window-mailing envelope **(Item 9)** with address from Item 3 showing through the window. Items 3, 5 and 8 are printed, OCR “A” encoded, and addressed from departmental data.

School District Employer Withholding Mailing Packet (Monthly/Short) Quantities and Contents:

Approximately **20,000** School District Employer Withholding Mailing Packets **(Monthly/Short)** for the 2014 mailing. **Mailing packets** shall consist of **one (Item 1)** Withholding Instructions page, **one (Item 2)** School District List insert, **one (Item 4)** Personalized Credit Card Information page, **one (Item 5)** Personalized SD 141 forms page and **six (Item 8)** Personalized SD 101 short forms page. All preceding items shall be placed in a window-mailing envelope **(Item 9)** with address from Item 4 showing through the window. Items 4, 5 and 8 are printed, OCR “A” encoded, and addressed from departmental data.

School District Employer Withholding Mailing Packet (Quarterly/Long) Quantities and Contents:

Approximately **500** School District Employer Withholding Mailing Packets **(Quarterly/Long)** for the 2014 mailing. **Mailing packets** shall consist of **one (Item 1)** Withholding Instructions page, **one (Item 2)** School District List insert, **one (Item 3)** Personalized Credit Card Information page, **one (Item 5)** Personalized SD 141 forms page, **four (Item 6)** Personalized SD 101 long forms page and **one (Item 7)** SD 101 Adjustment Worksheet. All preceding items shall be placed in a window-mailing envelope **(Item 9)** with address from Item 3 showing through the window. Items 3, 5 and 6 are printed, OCR “A” encoded, and addressed from departmental data.

School District Employer Withholding Mailing Packet (Monthly/Long) Quantities and Contents:

Approximately **5,500** School District Employer Withholding Mailing Packets **(Monthly/Long)** for the 2014 mailing. **Mailing packets** shall consist of **one (Item 1)** Withholding Instructions page, **one (Item 2)** School District List insert, **one (Item 4)** Personalized Credit Card Information page, **one (Item 5)** Personalized SD 141 forms page, **twelve (Item 6)** Personalized SD 101 long forms page and **one (Item 7)** SD 101 Adjustment Worksheet. All preceding items shall be placed in a window-mailing envelope **(Item 9)** with address from Item 4 showing through the window. Items 4, 5 and 6 are printed, OCR “A” encoded, and addressed from departmental data.

10. TECHNICAL DATA FOR THE FOUR MAILING PACKETS:

10.1 Paper Specifications and Ink Color: No substitutions of stock will be allowed after the bid opening**.** Only those papers listed in the most recent edition of the Competitive Grade Finder, or as otherwise accepted by Grade Finders, Inc., for publication in subsequent editions of its paper buyers guides will be considered. For products not listed in the current Competitive Grade Finder, a copy of Grade Finders’ letter of acceptability must be included with your bid submission.

Failure to list the paper manufacturer and brand may deem your bid non-responsive. All papers must be listed on the bid submission form (by item number) where requested.

10.1.1 Item 8 shall be printed on virgin stock 24 lb. white bond or 60 lb. uncoated, smooth white offset paper with a minimum acceptable brightness of 80 and with a minimum acceptable opacity of 89. The grain shall be parallel to the direction of the paper-flow. The rag content shall be zero and the dirt content must not exceed 10 parts per million. Ink colors for Item 8 shall be black plus one additional pantone color to be specified later.

10.1.2 Items 1, 2, 3, 4, 5, 6 and 7 of the mailing packets shall be printed on 50 lb. or 60 lb. (whichever is the most cost effective) uncoated, smooth, white offset paper with a minimum acceptable brightness of 80 and with a minimum acceptable opacity of 89. The grain shall be parallel to the direction of the paper-flow. The rag content shall be zero and the dirt content must not exceed 10 parts per million. Virgin or recycled paper, whichever is more cost effective, is acceptable for these items. Ink colors for Items 1, 2, 3, 4, 5, 6 and 7 shall be black plus one additional pantone color to be specified later. The additional pantone color may vary between items.

10.1.3 Mailing envelopes (Item 9) - 12” X 9”, 28 lb. Brown kraft, printed in black ink. Window size and position shall show the name and address but hide the account number(s). Other sizes of mailing envelope may be considered as long as envelopes meet postal specifications. Envelopes may be either catalog or booklet. Envelope layout with return address and window size/placement must be approved by Taxation. Paper for Item 9 is exempt from the Grade Finders requirement.

10.2 Scan Line (Item 8) in the mailing packets -OCR "A" font (12 point and 10 pitch) scan line shall be laser printed and meet scanning specifications for the Unisys DP600 Processor equipment. The placement of the scan line of each personalized voucher in the "addressed style" shall be 1/3" from bottom edge of form (bottom of scan line) and 1-1/2" from right edge of the form (end of scan line).

11. MAIL INSERTION AND FULFILLMENT AND DELIVERY OF ITEMS TO TAXATION:

11.1 The mailing packets shall be sorted, bagged and delivered to the U.S. Postal Service for mailing by the contractor. This includes any zip plus four sorting, bar coding and bagging. Taxation will provide funds for the postage of the mailing packet . **Contractor shall sort addresses to achieve lowest available postal rate.**

11.2 Location of mailing: Contractor shall specify the postal location where the mailing funds should be paid. **Location shall be listed in the Additional Information section on the bid submission form.**

11.3 First Class Rate: **Contractor shall sort addresses to achieve lowest available automation postal rate including (if possible) the full service intelligent mail option.** The contractor shall comply with all U.S. Postal Service regulations governing use of first class carrier route or first class zip+4 delivery point bar coded rate and insure that all mailings are sorted, bagged and delivered in this manner. Those items with no carrier route sort number showing a zip code or Zip+4 shall be sorted, delivery point bar coded and bagged at the lowest postal rate. Zip code correction and address standardization shall be utilized. Postal authorities and Taxation must be notified and have previously approved the packages for “flat” rate before mailing begins. Any "out of the country" addresses shall adhere to U.S. Postal Service regulations.
The awarded vendor shall NCOA and CASS certify the address list provided by the Ohio Department of Taxation to meet all Move Update requirements of the United States Postal Service.

11.4 Contractor shall provide documentation of total number of notification forms generated and mailed, by forwarding official copies of the US Postal Service Statement of Mailing with Permit imprints (Form numbers 3602 and 3602 R/RS/HR) on a daily basis to:

Ohio Department of Taxation
P.O. Box 530
Columbus, Ohio 43216-0530
Attn: Sandra Cataline (phone 614-466-8067)

11.5 Postage for this mailing to taxpayers is **NOT** to be included in bid. Any questions regarding postage should be directed to **Sandra Cataline** (see section 11.4). Checks for postage will be made payable to the US Postmaster.

11.6 The supplemental and update mailing packets shall be guaranteed to be mailed to taxpayers within five (5) working days from receipt of data. (Weekly updates will be provided as updated throughout the year to the successful bidder). These mailings will follow the initial mailing see schedule. Update mailings only pertain to the quarterly and monthly mailing packets that contain the short SD 101 forms page.

11.7 Packaging and Delivery of Items to Taxation: Items 1, 2, 5 and 6 that are not required for mailing shall be packaged separately. Each individual box shall be identified with a label showing its contents and quantity.

11.7.1 For Items 1, 2, 5 and 6: each box shall contain 1,000 units with chipboard dividers between every 100 units.

11.7.2 All items shall be shrink-wrapped separately on non-returnable pallets and delivered to the Ohio Department of Taxation, Income Tax Division, 4485 Northland Ridge Blvd, South Side Dock Door, Columbus, Ohio 43229.

12. TEST RUN AND TEST ORDER

12.1 Prior to printing mailing packets, the contractor shall conduct a test run to show that all required programming and forms

specifications have been met. The test shall simulate a "live" run to the degree possible - including using the 'live' data supplied by Taxation. Taxation can require additional test runs, when deemed necessary, at no additional cost.

12.2 A live, mailable, test order (ten of each mail packet; **THESE TEN ACCOUNTS MAY BE SELECTED AT RANDOM BY TAXATION**) utilizing data supplied by Taxation by date specified in section 19. This test order shall include:

- Forms and envelopes printed as specified.
- Taxation data imaged on test forms
- Test forms printed in color specified
- Taxation provided addresses imaged on test forms conveying USPS address standardization, zip plus 4 zip codes as well as Post-net (or comparable software) certified delivery point bar codes.

These test orders shall be shipped via a licensed, fully insured and bonded courier (see section 15 for more information) to **Michelle Stover** (see section 8 for address) and approved prior to any mailing. Shipping costs shall be the responsibility of the successful bidder. NOTE: The package or envelope containing these samples shall be identified by the purchase order number.

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13. QUALITY ASSURANCE/PRODUCTION PACKETS: The contractor shall maintain a thorough quality assurance program to guarantee that the delivered forms do not contain an illegible address. The contractor shall provide the replacement of any damaged, misprinted, improperly assembled, miscolored, mutilated forms, or illegibly addressed packets. Any damaged, mutilated, or illegibly addressed packets MUST be shredded immediately after the printing process.

13.1 Contractor shall cover all costs of reprinting and remailing (including postage and computer time) such errors as determined by Taxation.

13.2 Data processing proofs, print proofs, and data/print proofs shall be required and must be approved by Taxation before final production begins.

13.3 Production Packets: The first 25 completed packets of each filing frequency (both long and short) which are part of the continuing run of the total production and representative of the final delivered product. These copies will be considered as sample copies and cannot be deducted from the total quantity ordered, and shall be shipped via a licensed, fully insured and bonded courier (see section 15 for more information) to **Michelle Stover** (see section 8 for address) and approved prior to any mailing. Shipping costs shall be the responsibility of the successful bidder. NOTE: The package or envelope containing these samples shall be identified by the purchase order number.

13.4 The contractor shall submit upon request provisions for quality control and a contingency plan with a description of the equipment backup available in the event of a breakdown and any of the following possible problems that might arise:

13.4.1 Printing - detail start-restart procedures for stoppage or breakdown in the course of a run.

13.4.2 Assembly of components (inserting, presort, etc.).

14. DATA REQUIREMENTS: Taxation will provide the selected contractor with fixed length record layout of the data via a secure FTP (File Transfer Protocol) site for test and production runs. If conversion from one format to another is required, the cost shall be the responsibility of the contractor.

Data will be provided in accordance with the schedule. All data provided to the contractor will be purged within ten days from the date of file transmission. If the download of the file does not occur within the 10 business day time period, the contractor will contact the ISD Production Systems Unit regarding a time extension. If the selected contractor is unable to download the file, they must notify the Production Systems Unit of the pending problem.

The selected contractor will notify Production Systems and the Forms Printing Unit via e-mail when the file has been received. The selected contractor's email should include the following:

- Date contractor received transferred file(s).
- File name(s) received.
- Counts included with each file (or counts match statement).

Contractor must comply with the following data security requirements:

- The contractor shall not use any of this data for any other means, other than what is set forth in this proposal.
- Contractor must maintain/store/secure all electronic data in an encrypted format. The encryption shall meet or exceed the encryption standard outlined in the State of Ohio IT Standard ITS-SEC-01: http://oit.ohio.gov/IGD/policy/PDFs_EA/ITS-SEC-01.pdf.
- If contractor transmits/transfers/transports to a subcontractor any ODT-provided electronic data, the contractor will transit/transfer/transport only encrypted data. The encryption shall meet or exceed the encryption standard outlined in the State of Ohio IT Standard ITS-SEC-01, Data Encryption: http://oit.ohio.gov/IGD/policy/PDFs_EA/ITS-SEC-01.pdf .
- Within one week of the contractor's completion of the printing project, the contractor shall destroy/purge all ODT-provided data and all data/documents originating from the contractor's use of ODT-provided data. The destruction/purging shall be done by deleting all data files received from the Ohio Department of Taxation, along with any contractor's backups of the data.
- The contractor is NOT authorized to store ODT-provided data on any external media that is not encrypted.

Contractor must submit a written letter of compliance of the above data security requirements on company-letterhead stating that they have the understanding of all requirements set forth for data security and that their company will comply to these requirements throughout the entire time-frame of this project.

Contractor will be furnished data via a secure FTP site by date specified for Items 3, 4, 5, 6 and 8 with taxpayer's names, addresses and account numbers. Contractor shall stop printing personalized notifications when last name of the data is printed.

Prior to printing items for mailing to taxpayers, the contractor shall conduct a test run to show that all required programming and forms specifications have been met. The test must simulate a "live" run to the degree possible. Taxation may require additional test runs, if deemed necessary, at no additional cost until an acceptable run has been achieved.

At the conclusion of this project, the selected contractor will notify Production Systems and the Forms Printing Unit via e-mail when all files have been deleted. The selected contractor's email should include the following:

- Date contractor deleted file(s).
- How data was deleted.
- Amount of file(s) deleted.

Below is the list of contacts for any questions about data files:

- For data layout, contact **Karen Quick**, Information Services Division (ISD) at (614) 995-0335.
- For data transmission, contact **Michael Houser**, Information Production Systems (ISD) at (614) 752-1859.
- For data security, contact **Carolyn Jordan**, Information Services Division (ISD) at (614) 995-0333.

15. SECURITY AND CONFIDENTIALITY: All taxpayer information is confidential and the contractor and any sub-contractor shall be considered an agent of the Department of Taxation for this specific purpose and bound by Section 5703.21, Ohio Revised Code. All taxpayer information provided by the State of Ohio, or duplicates made by the contractor or his representative and any resultant printouts, shall be kept accountable and under reasonable security to prevent their release to any unauthorized persons. Taxpayer information shall not be used for any other purpose than the performance of this contract.

If the contractor subcontracts to another person or persons (hereinafter referred to as “subcontractor”) any or all portions of this printing project, the contractor shall require that (i) the subcontractor agree to all of the terms, provisions, limitations, and requirements set forth herein with respect to the contractor (ii) the subcontractor require any other person or persons, with whom the subcontractor delegates any or all portions of the printing project, to agree to all of the terms, provisions, limitations, and requirements set forth herein with respect to the contractor.

The contractor shall be absolutely liable for all direct, indirect, consequential, and/or unforeseen costs and damages arising in whole or in part from any breach committed by the contractor, by the subcontractor(s), and/or by any person(s) with whom the subcontractor delegates any or all portions of the printing project. Good faith, reasonable efforts, due diligence, and the absence of negligence shall not be a defense. Nothing in this provision exempts or holds harmless any subcontractor and/or person(s) with whom the subcontractor delegates any or all portions of the printing project. Nothing in this provision requires that the Department of Taxation, prior to seeking from the contractor payment of damages for any breach by any party, must initiate and/or conclude litigation against any other person(s) and/or against and or all subcontractor(s), and/or against any person(s) with whom the subcontractor delegates any or all portions of the printing project.

From origination point to destination point, the contractor must use a licensed, fully insured and bonded courier service, preferably with vehicles that contain sealed areas for any deliveries of all personalized/confidential items. The personalized/confidential items stated within this bid are from items 3, 4, 5, 6 and 8 (includes test and production samples along with the actual production pieces that will be mail by the United States Post Office). All deliveries to Taxation must be accepted by and signed by either Terry Wadlington or Michelle Stover.

Upon discovering a possible breach in the security of the information provided by Taxation, the contractor must notify Carolyn Jordan at 614-995-0333. The contractor must document the specifics of the incident known at that time into a Data Incident Report, including but not limited to:

- Name of contractor point of contact for resolving data incident with their contact information
- Date and time of the incident

- Date and time the incident was discovered
- How the incident was discovered
- Description of the incident and the data involved. Include specific data elements if known.
- Potential number of records involved. If unknown, provide a range if possible.
- Address where the incident occurred
- Information technology involved (example: laptop, server, mainframe)
- Do not include any Taxation data in the Data Incident Report.

Note: Timely notification is the most important factor, not the completeness of the Data Incident Report. Additional information will be secured via conversations with the Taxation Information Security Office. The focus of the investigation of the unauthorized access or data breach incident will be to determine whether the incident requires taxpayer notification as required by ORC 1347.12.

16. FEDERAL LANGUAGE REGARDING PERFORMANCE, CRIMINAL/CIVIL SANCTIONS AND INSPECTIONS:

16.1. PERFORMANCE:

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

(1) All work will be done under the supervision of the contractor or the contractor's employees.
(2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
(3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
(4) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
(5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
(6) All computer systems processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
(7) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
(8) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
(9) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

16.2 CRIMINAL/CIVIL SANCTIONS:

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as $5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than $1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as $1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of $1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are proscribed by IRC section 7213A and 7431.

(3) Additionally, 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.

16.3. INSPECTION:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

17. PENALTIES: Timeliness of delivery of a correctly prepared mailing packets and inserts to business taxpayers is an extremely critical component of this proposal. Failure to meet agreed upon deadlines and/or quality standards will result in a penalty of 1% of the contract price for each working day late being applied against the contract price. An additional penalty may be the barring of said contractor from bidding on future Ohio Department of Taxation bids.

18. OFFSHORE CONTRACTING/SUBCONTRACTING: No services of the Contractor or its subcontractors under this Contract will be performed outside the United States in accordance with Executive Order 2011-12K.

19. SCHEDULE: All proofs, artwork, sample forms, and finished product are shipped at contractor’s expense. To maintain schedule, overnight delivery via UPS or its equivalent may be necessary for proofs, artwork and samples.

Date	Task or Function
11/25/13	Taxation's Budget & Fiscal office obtains postal permit in Taxation's name with Contractor's assistance.
11/25/13	Taxation provides "test" computer data to contractor.
11/25/13	Taxation provides a rough draft for the envelope.
11/25/13	Taxation sends files in 'pdf' format of all items, except for the envelope, to contractor. **Exception:** Item 2 and Item 6 may be delay due to November 5, 2013 elections.
12/03/13	Contractor provides final proof of all items.
12/10/13	Taxation approves and returns final proof.
12/17/13	Taxation provides live computer data to contractor.
12/19/13	Taxation gives approval to print, provided that the contractor knows or has determined the quantities from the live data.
12/20/13	Contractor notifies Taxation of estimated postage requirements.
12/24/13	Contractor provides test order to Taxation for approval to print all items. Also, contractor delivers test samples for the SD 101 (Item 8) to Taxation.
12/24/13	Contractor delivers all items that are requested to go to Taxation.
12/31/13	Taxation delivers postage check to contractor to be deposited in Taxation's permit account.
01/06/14	Contractor begins delivery of packets to Postal Service of the initial mailing. Monthly mailing must be completed first.
01/14/14	Contractor completes delivery to Postal Service of the initial mailing.
01/14/14	Taxation provides 'live' supplemental computer cartridge(s) to contractor.
01/22/14	Contractor completes delivery to Postal Service of the supplemental mailing. Monthly mailing must be completed first.
01/30/14	Contractor forwards all camera-ready copies, disks and data to Taxation.
02/25/14	Contractor notifies Taxation via email of the deletion of the data files of the initial and supplemental mailings. On all weekly supplemental mailings, please notify Taxation on a monthly basis of the deletion of the data files.

Uncontrollable circumstances such as new legislation may delay the forwarding of the final proof copy on or before December 19, 2013. In such event, the State may negotiate change orders to maintain the original completion dates shown in this contract above. Bidder shall state the maximum cost per hour to be charged for overtime. Documentation of employee time must be supplied. Overtime will require prior approval of Administrator of State Printing and the Forms Printing Unit.

Note: Due to the November 5th elections, Item 2, Item 6 and "live" data for the school district files may be delayed until Taxation is notified of the final school district income tax election results. The anticipated time frame for this delay is between 30 to 45 days from November 5th.

Maximum Cost per hour: _____ (Not used in evaluation).

20. BID HISTORY: Following are bid quantities and the quantities required after processing computer data from the Department of

Taxation for the 2013 and 2012 School District Employer Withholding Mailing Packet bids. These figures shall not be considered part of this bid, and are listed only to show the past history of quantities.

2013 School District Employer Withholding Mailing Packets (Initial mailing only)

Description	Bid Quantity	Quantity Required
School District Monthly Withholding Mailing Packets - long	5,500	4,043
School District Quarterly Withholding Mailing Packets - long	500	396
School District Monthly Withholding Mailing Packets - short	20,000	16,794
School District Quarterly Withholding Mailing Packets - short	27,000	18,668

2012 School District Employer Withholding Mailing Packets (Initial mailing only)

Description	Bid Quantity	Quantity Required
School District Monthly Withholding Mailing Packets - long	5,500	5,107
School District Quarterly Withholding Mailing Packets - long	500	409
School District Monthly Withholding Mailing Packets - short	20,000	18,458
School District Quarterly Withholding Mailing Packets - short	27,000	20,889

21. INVOICE: DAS STATE PRINTING, ATTN.: INVOICE PROCESSING, 4200 SURFACE ROAD, COLUMBUS, OHIO 43228-1395 ALL INVOICES MUST REFERENCE: JOB NUMBER 4P0572.