

NOTICE OF AWARD
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STATE OF ILLINOIS
DEPARTMENT OF
CENTRAL MANAGEMENT SERVICES

T NUMBER: TX044
PAGE NO.: 00001

DISTRIBUTE TO: 416PRT : BUREAU OF STRATEGIC SOURCING

NOTICE OF AWARD

CONTRACT TITLE: PRT 1099 STATEMENT OF BENEFITS
FOR IDES

CONTRACT NO: 4018407

OPTIONS AVAILABLE: 00 JOINT PURCHASING: NO

VENDOR NAME AND ADDRESS VENDOR NUMBER:
R R DONNELLEY & SONS CO
SPRINGFIELD OFFICE
220 APPOMATTOX DRIVE
SUITE 300
SPRINGFIELD, IL 62711-8188

CONTACT THE FOLLOWING IN THE EVENT OF QUESTIONS PERTAINING TO THIS CONTRACT:

BUYER NAME AND PHONE
DIANE JAROSZ
(217) 782-0876

SOLICITATION: 228608 BID OPEN DATE: 05/30/17

CONTRACT NO: 4018407
A10128 : VENDOR PAYMENT PROGRAM:

DUE TO UNPRECEDENTED ECONOMIC RECESSION, ILLINOIS HAS EXPERIENCED LOWER THAN EXPECTED REVENUES WHICH HAS LED TO A DELAYED PAYMENT CYCLE. IN MANY CASES, VENDORS AND SERVICE PROVIDERS ARE WAITING SEVERAL MONTHS TO RECEIVE PAYMENT FOR GOODS AND SERVICES PROVIDED TO THE STATE. THE STATE OF ILLINOIS VENDOR PAYMENT PROGRAM IS INTENDED TO PROVIDE RELIEF TO THOSE VENDORS AND SERVICE PROVIDERS.

FOR MORE INFORMATION PLEASE SEE OUR WEBSITE AT PAYMENTS.ILLINOIS.GOV.

CONTRACT NO: 4018407
P42620 : DELIVERY:

DELIVERY SHALL BE MADE DURING THE REGULAR WORK WEEK DURING ESTABLISHED RECEIVING HOURS (8:00 A.M. TO 2:00 P.M.) UNLESS PREVIOUS ARRANGEMENTS HAVE BEEN MADE WITH THE ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY. SUCCESSFUL VENDOR SHALL CONTACT JAMES JOHNSON AT 312-793-6626 TO ARRANGE FOR DELIVERY 24 HOURS PRIOR TO ANTICIPATED DELIVERY.

DELIVER TO:
DEPARTMENT OF EMPLOYMENT SECURITY
RECEIVING - 11TH FLOOR
36 SOUTH WABASH
ROOM 1188
CHICAGO, IL 60603

CONTRACT NO: 4018407
P427A2 : SCOPE:

THE STATE OF ILLINOIS DEPARTMENT OF CENTRAL MANAGEMENT SERVICES, BUREAU OF STRATEGIC SOURCING, IS ESTABLISHING AN AGENCY SPECIFIC CONTRACT FOR THE PROCUREMENT OF 1099-G, STATEMENT OF UNEMPLOYMENT INSURANCE (UI) BENEFITS PAID FORMS, ON BEHALF OF THE ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY.

CONTRACT NO: 4018407
P427B2 : PERIOD OF CONTRACT:

THIS CONTRACT WILL COMMENCE UPON THE DATE OF EXECUTION AND WILL EXPIRE FIVE (FIVE) YEARS FROM THE DATE OF CONTRACT EXECUTION.

THERE ARE NO RENEWAL OPTIONS AVAILABLE WITH THIS CONTRACT.

CONTRACT NO: 4018407
P427C8 : ECONOMIC ADJUSTMENT:

THE PRICES IN THIS CONTRACT MUST REMAIN FIRM FOR THE FIRST YEAR OF THE CONTRACT. THEREAFTER, ONE PRICE ADJUSTMENT NO MORE FREQUENTLY THAN ONCE A YEAR.

ALL ADJUSTMENT REQUESTS SHALL BE MADE IN WRITING. VENDOR SHALL NOT BE ENTITLED TO APPLY AN UPWARD PRICE ADJUSTMENT WITHOUT FIRST OBTAINING APPROVAL OF SUCH REQUEST FROM THE BUREAU OF STRATEGIC SOURCING (BOSS).

IN THE EVENT A DOWNWARD ADJUSTMENT IS WARRANTED, THE STATE RESERVES THE RIGHT TO ADJUST ONCE DURING ANY GIVEN TWELVE (12) MONTH PERIOD FOR THIS DECREASE. IT WILL BE THE RESPONSIBILITY OF THE VENDOR TO NOTIFY BOSS OF ANY SUCH DECREASE.

MAXIMUM ALLOWABLE ADJUSTMENTS SHALL BE GOVERNED BY THE U.S. BUREAU OF LABOR STATISTICS PRODUCER PRICE INDEX (PPI) ITEM NUMBERS:

09450101 FOR BOND AND WRITING PAPER,
09471103 FOR DIGITAL PRINTING AND
09150636 FOR ENVELOPES.

THE BASE PPI PUBLISHED INDEX WILL BE DETERMINED BY THE MONTH OF THE BID OPENING DATE. IF THE BID OPENING DATE OCCURS IN MAY, THEN THE BASE PPI WILL BE MAY'S PUBLISHED INDEX.

THE PUBLISHED PPI INDEX AT THE TIME OF REQUESTED ADJUSTMENT WILL BE DETERMINED BY THE MONTH AND DAY THE ADJUSTMENT WAS SUBMITTED TO BOSS REGARDLESS OF WHETHER IT IS A PRELIMINARY OR FINAL INDEX PUBLICATION. NO FURTHER ADJUSTMENTS WILL BE MADE ONCE THE MAXIMUM ALLOWABLE ADJUSTMENT HAS BEEN CALCULATED FOR THE GIVEN 12 MONTHS.

THE MAXIMUM ALLOWABLE ADJUSTMENT SHALL BE CALCULATED AS FOLLOWS:

MAXIMUM ALLOWABLE PRICE = A / B * C

A = BID PRICE
B = BASE PPI INDEX (DEFINED BY TIME OF BID OPENING)
C = PUBLISHED PPI INDEX AT TIME OF REQUESTED ADJUSTMENT

THE U.S. BUREAU OF LABOR STATISTICS WEB SITE CAN BE LOCATED AT
[HTTP://WWW.BLS.GOV/PPI/](http://www.bls.gov/ppi/).

SHOULD THE REFERENCED PRODUCER PRICE INDEX (PPI) BECOME DISCONTINUED DURING THE CONTRACT, IT WILL BE REPLACED BY AN APPROPRIATE ALTERNATIVE PPI CHOSEN BY BOSS AND ALL ADJUSTMENTS WILL BE CALCULATED BASED ON THE SAME METHODOLOGY AS OUTLINED ABOVE, BUT WITH DATA FROM THE NEW REPLACEMENT INDEX.

REQUESTED ADJUSTMENTS SHALL INCLUDE THE CONTRACT NUMBER, COMMODITY NUMBER, LINE NUMBER, BID PRICE AND REQUESTED PRICE ADJUSTMENT.

IN ALL CASES THE CONTRACTOR MUST FILE A CLAIM FOR SUCH ADJUSTMENT PRIOR TO THE DELIVERY OF THE GOODS. IN ANY EVENT, THE CLAIM FOR SUCH ADJUSTMENT WILL NOT APPLY TO RELEASE ORDERS EXECUTED PRIOR TO THE DATE THE BUREAU OF STRATEGIC SOURCING RECEIVED THE ECONOMIC ADJUSTMENT REQUEST.

IF THE CONTRACTOR HAS UNRESOLVED COMPLAINTS FILED AGAINST IT FOR NON-DELIVERY OR POOR QUALITY, THE REQUEST MAY BE DENIED UNTIL SUCH TIME AS ALL PAST COMPLAINTS ARE RESOLVED.

PRICING ADJUSTMENTS SHALL ONLY BE APPLIED TO THE PORTION OF THE BID PRICE THAT DERIVES FROM THE VENDOR'S COST OF DIGITAL PRINTING, PAPER AND ENVELOPES. IN THE BID PRICE SHEET SECTION OF THIS SOLICITATION, SPECIFY WHAT PERCENTAGE OF THE BID PRICE CORRESPONDS TO THESE COMPONENTS. THIS REPRESENTS THE ADJUSTABLE PORTION OF THE BID PRICE.

 VENDOR NAME AND ADDRESS

R R DONNELLEY & SONS CO
 SPRINGFIELD OFFICE
 220 APPOMATTOX DRIVE
 SUITE 300
 SPRINGFIELD, IL 62711-8188
 PRIME VENDOR: Y
 CONTRACT BEGIN DATE: 07/15/17

CONTRACT NO: 4018407
 PYMT TERMS: NONE
 DELIVERY: 40 DAYS ARO
 VENDOR NO:
 BUSINESS CLASS CODE:>NNLVN
 LEGAL STATUS: CORPORATION
 CONTRACT END DATE: 07/14/22

CONTACT NAME: BRAD GOETZ
 CONTACT PHONE: (217) 546-6350
 CONTACT E-MAIL: BRAD.GOETZ@RRD.COM

CONTACT FAX: (217) 787-9652

DISTRIBUTOR VENDORS

IKON
 1806 N MARKET ST
 CHAMPAIGN, IL 61822-1312

VENDOR NO:
 BUSINESS CLASS: NNLEN
 LEGAL STATUS: CORPORATION

CONTACT NAME: NO BAF ON FILE
 CONTACT PHONE: (217) 351-8150

LINE#	DESCRIPTION/MFGR/BRAND	QUANTITY FROM/TO	UNIT	DISCOUNT	UNIT PRICE
00001	COMMODITY CODE: X021-427-0014 1099-G STATEMENT OF UI BENEFITS PAID	1200.000	M	N/A	\$ 130.39000

TO BE FURNISHED IN STRICT COMPLIANCE WITH SPECIFICATIONS PROVIDED BELOW.

BOTH A PRINTED SAMPLE SHOWING A PRINTED POSTAL BARCODE AND THE FOLLOWING INFORMATION MUST BE PROVIDED WITH THE TWO REFERENCES LISTED BELOW: NAME AND ADDRESS OF REFERENCED ACCOUNT; NAME AND CONTACT INFORMATION OF PERSON TO CONTACT FOR REFERENCED ACCOUNT; DATE OF THE MAILING; NUMBER OF PIECES IN THE MAILING; NAME AND ADDRESS OF FACILITY WHERE THE MAILING WAS PRODUCED & MAILED FROM; NUMBER OF DAYS BETWEEN RECEIPT OF PRODUCTION INPUT TAPE TO MAILING DATE.

REFERENCE 1. A FORM 1099-G MAILING OF APPROXIMATELY 400,000 PIECES PER YEAR USING ONE SHEET OF 8.5" X 11" PAPER PRINTED ON BOTH SIDES, FOLDED AND INSERTED INTO A 4.125" X 9" WINDOWED ENVELOPE.

REFERENCE 2. A MAILING RELATED TO A FORM 1099-G PROCESS FOR A LARGE PUBLIC OR PRIVATE ORGANIZATION.

SECURITY: ATTACH TO BID A COMPREHENSIVE REPORT OF VENDOR'S INTENDED AND BACK-UP FACILITY SECURITY SYSTEM AND PROCEDURE. ALL SECURE FILE TRANSFER DATA PROVIDED BY IDES OR DUPLICATES MADE BY THE VENDOR AND ANY RESULTANT PRINTOUTS, MUST BE KEPT UNDER REASONABLE SECURITY TO PREVENT THEIR RELEASE TO ANY UNAUTHORIZED PERSONS. SECURE FILE TRANSFER DATA MAY NOT BE DUPLICATED IN WHOLE OR IN PART FOR ANY OTHER PURPOSE THAN TO CREATE MATERIAL TO BE USED FOR THE PERFORMANCE OF THIS BID. ALL DUPLICATE FILES OR RESULTANT PRINTOUTS, EXCEPT PRINTED FORMS, SHALL BE DESTROYED BY THE VENDOR PURSUANT TO SUBSEQUENT DIRECTIONS FROM AN AUTHORIZED IDES REPRESENTATIVE. VENDOR MUST HAVE A SECURITY SYSTEM THAT CAN PROVIDE A LISTING OF ALL INDIVIDUALS ENTERING OR LEAVING THE FACILITY DURING THE PRODUCTION OF AN ORDER.

BACK-UP FACILITY: PROVIDE WITH THE BID, EVIDENCE OF A BACK-UP FACILITY THAT IN THE EVENT OF A DISASTER OR OTHER OCCURRENCE WHICH RENDERS THE PRIMARY FACILITY INOPERABLE, WILL BE USED TO PRODUCE AND MAIL THE FORMS 1099-G BY THE REQUIRED DATE. THIS BACK-UP FACILITY MUST HAVE THE SAME MANUFACTURING, SECURITY, AND QUALITY ASSURANCE CAPABILITIES AS THE PRIMARY FACILITY IN ORDER TO MAINTAIN CONTINUITY IN THE EVENT OF A DISASTER.

MAILING REQUIREMENTS:

BARCODING: MAILED FORM 1099-G MUST BE ZIP + 4 DELIVERY POINT PRE-SORTED; BAR CODED; SEALED AND SORTED TO UNITED

LINE# DESCRIPTION/MFGR/BRAND QUANTITY UNIT DISCOUNT UNIT PRICE
FROM/TO

00001 CONTINUED....
STATES POSTAL SERVICE (USPS) SPECIFICA-
TIONS TO RECEIVE THE LOWEST AUTOMATED
FIRST CLASS POSTAGE RATE AVAILABLE.

POSTAL PERMIT: AGENCY UNITED STATES
POSTAL SERVICE FIRST CLASS PERMIT WILL
BE REQUIRED. VENDOR WILL BE REIMBURSED
FOR ANY USPS PERMIT FEES AND AGENCY WILL
ASSIGN THE NEW PERMIT TO OUR USPS CAPS
ACCOUNT. THE VENDOR MUST SUPPLY THE
AGENCY WITH COPIES OF THE USPS 3600-R
POSTAL STATEMENT PERMIT IMPRINT FORMS.

MAILING DEADLINE: VENDOR WILL DELIVER
MAILING PIECES DIRECTLY TO THE USPS FROM
THEIR FACILITY. VENDOR MUST GUARANTEE
THAT ALL FORM 1099-G WILL BE MAILED
NO LATER THAN JANUARY 26 OF EACH YEAR.
IF VENDOR FAILS TO MEET THE JANUARY 26
DEADLINE, THE VENDOR SHALL BE LIABLE TO
IDES FOR ALL DAMAGES, LOSSES, OR ANY AND
ALL ASSOCIATED COSTS SUSTAINED BY IDES
AS A RESULT OF DELAY IN THE PERFORMANCE
OF THIS AGREEMENT.

INSUFFICIENT ADDRESS: FORMS WITH
ADDRESSES INSUFFICIENT FOR MAILING ARE
TO BE BUNDLED TOGETHER IN ZIP CODE SE-
QUENCE AND RETURNED TO IDES. TOGETHER
WITH THESE FORMS, THE VENDOR WILL PRO-
VIDE A REPORT LISTING EACH RETURNED
MAILING PIECE INCLUDING SOCIAL SECURITY
NUMBER AND NAME OF THE INTENDED RECIP-
IENT.

TYPE OF MEDIA: IDES WILL SUBMIT THE DATA
TO BE PROCESSED VIA SECURE FILE TRANSFER.
THE DATA WILL BE AVAILABLE NO LATER
THAN JANUARY 9 OF EACH YEAR.

TESTING: SUCCESSFUL BIDDER MUST BE ABLE
TO PROVIDE SAMPLES OF FORM 1099-G
DOCUMENTS FOR IDES REVIEW BASED UPON
IDES PROVIDED TEST DATA NO LATER THAN
DECEMBER 19 OF EACH YEAR. TEST DATA WILL
BE SENT BY IDES NO LATER THAN DECEMBER 7
OF EACH YEAR.

PROCESSING AND MAILING: THE SUCCESSFUL
BIDDER IS RESPONSIBLE FOR THE PROCESSING
OF A CLEAR IMAGE ON ALL PARTS OF EACH
FORM AND GUARANTEES THAT NO INCOMPLETE
OR ILLEGIBLE FORMS WILL BE MAILED.
ALL FORMS 1099-G MUST BE MAILED BY
JANUARY 26 AS VERIFIED BY THE USPS.

PRODUCT DESCRIPTION:

1099-G TAX FORM
OVERALL SIZE IS 8.5"X 11 PRINTED 2-SIDE
IN BLACK INK ON 24# WHITE MOCR BOND
PAPER WITH ONE FULL WIDTH PERFORATION.
SIDE ONE HAS THREE PARTS. PART ONE IS
FOR THE RETURN ADDRESS AND OUTGOING
ADDRESS. BOTH ADDRESSES ARE THREE LINES
HIGH. IN ADDITION, A USPS DESTINATION
BAR CODE LINE IS TO BE ADDED TO THE OUT-
GOING ADDRESS AS WELL AS A DATA MATRIX
BARCODE IDENTIFIED IN THE DATA SPECIFI-

LINE# DESCRIPTION/MFGR/BRAND QUANTITY UNIT DISCOUNT UNIT PRICE
FROM/TO

00001 CONTINUED....
CATIONS BELOW. PART TWO IS FOR THE IDES
BULLETIN BOARD FOR SPECIAL MESSAGING
TO BE PROVIDED BY IDES. PART THREE IS
THE 1099-G TAX FORM. SIDE TWO CONTAINS
THE ILLINOIS STATE INCOME TAX
WITHHOLDINGS DEDUCTED FROM THE BENEFIT
PAYMENTS. A BOX NINE HAS TO BE INCLUDED
ON THE TAX FORM AND LABELED IL INCOME
TAX WITHHELD.

1099-G TAX FORM ENVELOPE:
OVERALL SIZE IS 4.125" X 9" O/S IN BLACK
INK ON FACE WITH INSIDE SECURITY TINT IN
BLACK INK AND TWO WINDOWS FOR THE RETURN
ADDRESS AND OUTGOING ADDRESS FIELDS.
ENVELOPE MUST BE COMPLETELY SEALED AFTER
TAX FORM IS INSERTED.

DATA SPECIFICATIONS:
SUCCESSFUL VENDOR IS TO PROVIDE AN
AUDIT REPORT TO VERIFY THE ACCURACY OF
THE DATA PROVIDED IS IN BALANCE AND
AGREEMENT WITH WHAT WILL BE PRINTED AND
MAILED. FOR QUALITY CONTROL PURPOSES
DURING INSERTION, THE VENDOR
IS TO PRINT A UNIQUE VARIABLE
DATA MATRIX BARCODE THAT
WILL BE READ BEFORE EVERY TAX FORM IS
INSERTED INTO THE OUTER ENVELOPE TO
ENSURE THE CORRECT TAX FORM IS IN
SEQUENCE AND THAT THE DATA MATRIX
BARCODE WILL BE READ AGAIN AFTER IT HAS
BEEN INSERTED TO ENSURE THE CORRECT TAX
FORMS REMAIN IN SEQUENCE, AVOIDING
INSERTION DOUBLE-STUFFS.

VENDOR TO PROVIDE LIVE SIGN-OFFS ON LIVE
PRINTED STOCK.

IMPORTANT NOTE: PRIOR TO PROOF, CONTACT
JAMES JOHNSON AT 312/793-6626 TO
ENSURE COPY IS CORRECT.

PROOF REQUIRED IN TRIPLICATE WITHIN
SEVEN DAYS AFTER RECEIPT OF FILE.
SEND PROOF TO:
DEPARTMENT OF EMPLOYMENT SECURITY
PROCUREMENT
JAMES JOHNSON
36 SO. WABASH, 10TH FLOOR
CHICAGO, IL 60603
PHONE: 312-793-6626

DELIVERY TO BE PER SPECIFICATIONS
WITHIN THIS BID DOCUMENT

TOTAL EST. QUANTITY/YR - 400,000

NO OVERRUNS ALLOWED; UNDERRUNS LIMITED
TO 2%

PERCENTAGE OF BID PRICE:
COST OF PAPER: 30%
COST OF ENVELOPES: 30%
COST OF DIGITAL PRINTING: 40%
VENDOR: R R DONNELLEY & SONS CO
: SPRINGFIELD OFFICE
CONTRACT NO: 4018407