

PROG#	Program 748-M												
TITLE:	IRS Correspondence Production Service (CPS) Mailers												
AGENCY:	Internal Revenue Service (IRS)												
TERM:	Date of Award ending June 30, 2023												
			Advantage Mailing LLC			Amsive		BMS Direct, Inc.		NPC, Inc.		Pinnacle Data Systems	
			Anaheim, CA			Miamisburg OH		Lynchburg, VA		Claysburg, PA		Suwanee, GA	
ITEM #	DESCRIPTION	BASIS OF AWARD	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	
I.	PREPRESS: Prices include the cost of all required materials and operations												
	Processing/Formatting File.....per order	41	2,500.00	102,500.00	5,000.00	205,000.00	500.00	20,500.00	50.00	2,050.00	N/C	0.00	
II.	PRINTING, IMAGING, BINDING, AND CONSTRUCTION:												
	Prices submitted for line items I. (a) through (c) must be complete and includes all makeready and materials required.												
	Contractor will be allowed to charge for the production of the envelopes only on print orders issued specifically for the initial envelope inventory and for replenishment/maintenance of envelope inventory. Contractor is not allowed to charge for the production of envelopes (line items II. (b) and (c)) on orders issued for the production/distribution of the complete mailers.												
(a)	Notice: Printing/Imaging in black including binding.....per 1,000 leaves	106,207	60.00	6,372,420.00	16.50	1,752,415.50	80.00	8,496,560.00	5.20	552,276.40	8.00	849,656.00	
(b)	Mail-out Envelope (4-3/8 x 9-3/4" black, including construction....per 1,000 envelopes	46,303	35.00	1,620,605.00	23.00	1,064,969.00	51.00	2,361,453.00	15.00	694,545.00	N/C	0.00	
(c)	CRE Envelope (3-7/8 x 8-7/8") printing in black, including construction.....per 1,000 envelopes	7,991	30.00	239,730.00	13.69	109,396.79	45.00	359,595.00	10.00	79,910.00	N/C	0.00	
III.	PAPER: Per 1,000 leaves												
	Computation of the net number of leaves will be based on the following:												
	Notice - Each page-size leaf.												
	All Envelopes - One page-size leaf will be allowed for each envelope.												
	Notice: At contractors option:												
(a)	White uncoated text (50 or 60-lb) or white writing (20-lb).....	106,207	30.00	3,186,210.00	11.85	1,258,552.95	22.00	2,336,554.00	8.95	950,552.65	7.20	764,690.40	
(b)	Mail-out Envelop (4-3/8 x 9-3/4") white writing envelope (24-lb).....	46,303	40.00	1,852,120.00	23.00	1,064,969.00	51.00	2,361,453.00	15.00	694,545.00	40.00	1,852,120.00	
(c)	CRE Envelope (3-7/8 x 8-7/8") White Writing Envelope (24-lb).....	7,991	30.00	239,730.00	13.69	109,396.79	45.00	359,595.00	10.00	79,910.00	23.00	183,793.00	
IV.	ADDITIONAL OPERATIONS:												
(a)	Plate change for Envelopes for Foreign Distribution.....per order	41	500.00	20,500.00	20.00	820.00	600.00	24,600.00	5.00	205.00	N/C	0.00	
(b)	Secure Document Shredding/Destructionper 1,000 leaves	2,495	N/C	0.00	1.50	3,742.50	25.00	62,375.00	3.00	7,485.00	5.00	12,475.00	
V.	GATHERING, INSERTING, AND MAILING:												
	Inserting into mail-out envelopeper 1,000 mailers	46,303	35.00	1,620,605.00	21.00	972,363.00	40.00	1,852,120.00	27.78	1,286,297.34	12.00	555,636.00	
	CONTRACTOR TOTALS			\$ 15,254,420.00		\$ 6,541,625.53		\$ 18,234,805.00		\$ 4,347,776.39		-----	
	DISCOUNT		0.50%	\$ 76,272.10	0.00%	\$ -	0.00%	\$ -	0.25%	\$ 10,869.44	0.00%	-----	
	DISCOUNTED TOTALS			\$ 15,178,147.90		\$ 6,541,625.53		\$ 18,234,805.00		\$ 4,336,906.95		-----	
			CERTIFIED #3			CERTIFIED #2		CERTIFIED #4		CERTIFIED #1			

PROGR/	Program 748-M									
TITLE:	IRS Correspondence Production Service (CPS) Mailers									
GENCY:	Internal Revenue Service (IRS)									
TERM:	Date of Award ending June 30, 2023									
			PREVIOUS CONTRACTOR #6		PREVIOUS CONTRACTOR #3		PREVIOUS CONTRACTOR #1		PREVIOUS CONTRACTOR #2	
			Advantage Mailing LLC		Amsive		NPC, Inc.		Pinnacle Data Systems	
			Anaheim, CA		Miamisburg OH		Claysburg, PA		Suwanee, GA	
			BASIS OF							
ITEM N	DESCRIPTION	AWARD	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST
I.	PREPRESS: Prices include the cost of all required materials and operations									
	Processing/Formatting File.....per order	41	2,500.00	102,500.00	5,000.00	205,000.00	1,000.00	41,000.00	N/C	0.00
II.	PRINTING, IMAGING, BINDING, AND CONSTRUCTION:									
	Prices submitted for line items I. (a) through (c) must be complete and includes all makeready and materials required.									
	Contractor will be allowed to charge for the production of the envelopes only on print orders issued specifically for the initial envelope inventory and for replenishment/maintenance of envelope inventory. Contractor is not allowed to charge for the production of envelopes (line items II. (b) and (c)) on orders issued for the production/distribution of the complete mailers.									
(a)	Notice: Printing/Imaging in black including binding.....per 1,000 leaves	106,207	70.00	7,434,490.00	7.00	743,449.00	2.48	263,393.36	7.00	743,449.00
(b)	Mail-out Envelope (4-3/8 x 9-3/4" black, including construction....per 1,000 envelopes	46,303	9.94	460,251.82	8.85	409,781.55	7.48	346,346.44	N/C	0.00
(c)	CRE Envelope (3-7/8 x 8-7/8") printing in black, including construction.....per 1,000 envelopes	7,991	7.11	56,816.01	6.92	55,297.72	4.90	39,155.90	N/C	0.00
III.	PAPER: Per 1,000 leaves									
	Computation of the net number of leaves will be based on the following:									
	Notice - Each page-size leaf.									
	All Envelopes - One page-size leaf will be allowed for each envelope.									
	Notice: At contractors option:									
(a)	White uncoated text (50 or 60-lb) or white writing (20-lb).....	106,207	20.00	2,124,140.00	6.00	637,242.00	4.31	457,752.17	5.40	573,517.80
(b)	Mail-out Envelop (4-3/8 x 9-3/4") white writing envelope (24-lb).....	46,303	9.94	460,251.82	8.85	409,781.55	7.48	346,346.44	21.00	972,363.00
(c)	CRE Envelope (3-7/8 x 8-7/8") White Writing Envelope (24-lb).....	7,991	7.11	56,816.01	6.93	55,377.63	4.90	39,155.90	11.25	89,898.75
IV.	ADDITIONAL OPERATIONS:									
(a)	Plate change for Envelopes for Foreign Distribution.....per order	41	----	----	----	----	----	----	----	----
(b)	Secure Document Shredding/Destructionper 1,000 leaves	2,495	----	----	----	----	----	----	----	----
V.	GATHERING, INSERTING, AND MAILING:									
	Inserting into mail-out envelope									
per 1,000 mailers	46,303	25.00	1,157,575.00	18.00	833,454.00	21.36	989,032.08	10.00	463,030.00
	CONTRACTOR TOTALS			\$ 11,852,840.66		\$ 3,349,383.45		\$ 2,522,182.29		\$ 2,842,258.55
	DISCOUNT			0.50% \$ 59,264.20		0.00% \$ -		0.25% \$ 6,305.46		1.00% \$ 28,422.59
	DISCOUNTED TOTALS			\$ 11,793,576.46		\$ 3,349,383.45		\$ 2,515,876.83		\$ 2,813,835.96

U.S. GOVERNMENT PUBLISHING OFFICE

Washington, DC

GENERAL TERMS, CONDITIONS, AND SPECIFICATIONS

For the Procurement of

IRS Correspondence Production Services (CPS) Mailers

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

Internal Revenue Services (IRS)

Multiple Award

TERM OF CONTRACT: The term of this contract is for the period beginning Date of Award, and ending June 30, 2023, plus up to two (2) optional 12-month extension periods that may be added in accordance with the "OPTION TO EXTEND THE TERM OF THE CONTRACT" clause in SECTION 1 of this contract.

BID OPENING: Bid shall be opened at 11:00 a.m., prevailing Washington, DC Time, on June 15, 2022 at the Government Publishing Office, Washington, DC. (Due to the COVID-19 pandemic, this will NOT be a public bid opening.)

BID SUBMISSION: Due to the COVID-19 pandemic, the physical office, Washington, DC, will NOT be open to the public. Based on this, bidders must submit email bids for this solicitation to: bidsapsdc@gpo.gov. No other method of bid submission will be accepted at this time. The program number and bid opening date must be specified in the subject line of the emailed bid submission.

Bids received after 11:00 a.m. on the bid opening date specified above will not be considered for award.

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

Abstracts of contract prices are available at <https://www.gpo.gov/how-to-work-with-us/vendors/contract-pricing>.

For information of a technical nature, contact Cecilia Dominguez Castro on (202) 512-0307 or at cdominguezcastro@gpo.gov.

SECTION 1. - GENERAL TERMS AND CONDITIONS

GPO CONTRACT TERMS: Any contract which results from this Invitation for Bid will be subject to the applicable provisions, clauses, and supplemental specifications of GPO Contract Terms (GPO Publication 310.2, effective December 1, 1987 (Rev. 01-18)) and GPO Contract Terms, Quality Assurance through Attributes Program for Printing and Binding (GPO Pub. 310.1, effective May 1979 (Rev. 09-19)).

GPO Contract Terms (GPO Publication 310.2) – <https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/contractterms2018.p>

GPO QATAP (GPO Publication 310.1) – <https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/qatap-rev-09-19.pdf>

SUBCONTRACTING: The contractor may subcontract only the printing and manufacturing of the envelopes.

DEFINITIONS: For the purpose of this contract, the Contracting Officer’s Representative (COR) or Contracting Officer’s Technical Representative (COTR) is the IRS representative and will be identified after award. The terms “vendor” and “contractor” are used interchangeably throughout this contract. Additionally, the terms “business days” and “workdays” are used interchangeably throughout this contract.

GPO IMPRINT REQUIREMENTS: The GPO imprint requirement, GPO Contract Terms, Supplemental Specification, No. 9 is waived.

QUALITY ASSURANCE LEVELS AND STANDARDS: The following levels and standards shall apply to these specifications:

Product Quality Levels:

- (a) Printing (page related) Attributes - Level IV.
- (b) Finishing (item related) Attributes - Level IV.

Inspection Levels (from ANSI/ASQC Z1.4):

- (a) Non-destructive Tests - General Inspection Level I.
- (b) Destructive Tests - Special Inspection Level S - 2.

Specified Standards: The specified standards for the attributes requiring them shall be:

<u>Attribute</u>	<u>Specified Standard</u>
P-7. Type Quality and Uniformity	O.K. Proofs/Average Type Dimension/ Electronic Media

OPTION TO EXTEND THE TERM OF THE CONTRACT: The Government has the option to extend the term of this contract for a period of 12 months by written notice to the contractor not later than 30 days before the contract expires. If the Government exercises this option, the extended contract shall be considered to include this clause, except, the total duration of the contract may not exceed three (3) years as a result of, and including, any extension added under this clause. Further extension may be negotiated under the “EXTENSION OF CONTRACT TERM” clause. See also “ECONOMIC PRICE ADJUSTMENT” for authorized pricing adjustments(s).

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

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

For the purpose of this clause, performance under this contract will be divided into successive periods. The first period will extend from Date of Award to June 30, 2023, and the second and any succeeding period(s) will extend for 12 months from the end of the last preceding period, except that the length of the final period may vary. The first day of the second and any succeeding period(s) will be the effective date of the economic price adjustment for that period.

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

The economic price adjustment will be the percentage difference between Index averages as specified in this paragraph. An index called the variable index will be calculated by averaging the monthly Indexes from the 12-month interval ending 3 months prior to the beginning of the period being considered for adjustment. This average is then compared to the average of the monthly Indexes for the 12-month interval ending March 31, 2022, called the base index. The percentage change (plus or minus) of the variable index from the base index will be the economic price adjustment for the period being considered for adjustment.

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

PAPER PRICE ADJUSTMENT: Paper prices charged under this contract will be adjusted in accordance with “Table 9 - Producer Price Indexes and Percent Changes for Commodity Groupings and Individual Items” in Producer Price Indexes report, published by the Bureau of Labor Statistics (BLS), as follows:

NOTE: *The Paper Price Adjustment clause (as specified here) will not apply to envelopes ordered on the print order issued for the initial envelope inventory (see “ENVELOPE INVENTORY”).*

1. BLS code 0913-01 for Offset and Text will apply to all paper required under this contract.
2. The applicable index figures for the month of June 2022, will establish the base index.
3. There shall be no price adjustment for the first three (3) production months of the contract.
4. Price adjustments may be monthly thereafter, but only if the index varies by an amount (plus or minus) exceeding 5% by comparing the base index to the index for that month which is two months prior to the month being considered for adjustment.

5. Beginning with order placement in the fourth month, index variances will be calculated in accordance with the following formula:

$$\frac{X - \text{base index}}{\text{base index}} \times 100 = \text{_____} \%$$

where X = the index for that month which is two months prior to the month being considered for adjustment.

6. The contract adjustment amount, if any, will be the percentage calculated in 5 above less 5%.
7. Adjustments under this clause will be applied to the contractor's bid price(s) for Item III., "PAPER" in the "SCHEDULE OF PRICES" and will be effective on the first day of any month for which prices are to be adjusted.

The Contracting Officer will give written notice to the contractor of any adjustments to be applied to invoices for orders placed during months affected by this clause.

In no event, however, will any price adjustment be made which would exceed the maximum permissible under any law in effect at the time of the adjustment. The adjustment, if any, shall not be based upon the actual change in cost to the contractor, but shall be computed as provided above.

The contractor warrants that the paper prices set forth in this contract do not include any allowance for any contingency to cover anticipated increased costs of paper to the extent such increases are covered by this price adjustment clause.

PRIVACY AND SECURITY REQUIREMENTS: Protection of Confidential Information –

The contractor shall comply with all Federal, state, and local laws, and IRS policies and regulations to include but not limited to:

- (a) The contractor shall restrict access to all IRS Sensitive But Unclassified (SBU) information obtained in the performance of this contract to those employees and officials who need it to perform the specific services outlined in this contract.
- (b) The contractor shall process all IRS SBU information obtained in the performance of the contract under the immediate supervision and control of authorized personnel in a manner that will protect the confidentiality of the records and in such a way that the unauthorized persons cannot gain access to any such records.
- (c) The contractor shall inform all personnel with access to the confidential information obtained from the IRS in the performance of this contract of the confidential nature of the IRS SBU information and safeguards required to protect this information from improper disclosure.
- (d) The contractor shall ensure that each contractor employee performing IRS work knows the prescribed rules of conduct and that each contractor employee is aware that he/shemay be subject to criminal penalties for violations of the Privacy Act.
- (e) All confidential information obtained from the IRS for use in the performance of this contract shall, at all times, be stored in an area that is physically secured to prevent unauthorized access.
- (f) All contractor employees shall either be literate in English or have a translator available at all times who can read, speak, and understand the language in order to ensure all operational, security, and contract requirements are met. The contractor shall ensure communications are provided at a level such that employees can understand instructions and converse with the customer.

- (g) Work areas for the production of IRS work shall be in dedicated areas that have fixed barriers and access controlled to only those employees working on the IRS contract. Signs shall be posted that only IRS cleared employees may enter. All phases of work will be staged in one main area for each process and sufficiently protected from unauthorized access or commingling with non-IRS work. IF DEDICATED PRODUCTION AREAS WITH FIXED BARRIERS ARE NOT POSSIBLE, ALL EMPLOYEES WITH ACCESS TO THE PRODUCTION AREA WILL NEED TO BE SECURITY SCREENED. All IRS work areas will be open to IRS representatives for inspection at all times.
- (h) For contractor, at least one supervisory employee must be permanently assigned to the secured areas to always visually observe the printing, imaging, binding, construction, inserting, storing, shipping, and destruction of any spoiled materials.

IR1052.224-9000 Safeguards Against Unauthorized Disclosure of Sensitive but Unclassified Information (JUN 2021).

1. Treasury Directive Publication 15-71 (TDP 15-71), Chapter III – Information Security, Section 24 – Sensitive But Unclassified Information defines SBU information as ‘any information, the loss, misuse, or unauthorized access to or modification of which could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under Section 552a of Title 5, United States Code(USC) (the Privacy Act) but which has not been specifically authorized under criteria established by an executive order or an act of Congress to be kept secret in the interest of national defense or foreign policy.’SBU may be categorized in one or more of the following groups —
 - Federal Tax Information (FTI), including any information on or related to a tax return
 - Returns and Return Information
 - Sensitive Law Enforcement Information
 - Employee and Personnel Information
 - Personally Identifiable Information (PII)
 - Information Collected or Created from Surveys
 - Other Protected Information
2. Confidentiality requirements for tax returns and return information (FTI) are established by Section 6103 of the Internal Revenue Code (IRC) (26 USC 6103), and the penalties for unauthorized access and disclosure of returns and return information are found in Sections 7213, 7213A and 7431 of the IRC (26 USC 7213, 7213A and 7431). This contract is covered by IRC 6103(n) and the related regulation - 26 CFR §301.6103(n)-1.
3. Contractors who perform work at contractor managed sites using contractor managed IT resources shall adhere to the general guidance and specific privacy and security control requirements contained in the most recent version of Publication 4812 (see Exhibit 9), Contractor Security & Privacy Controls, IRM 10.23.2 - Personnel Security, Contractor Investigations, IRM 10.5.1 Privacy Policy, and IRM 10.8.1 - Information Technology (IT) Security, Policy and Guidance. Publication 4812 and IRM 10.5.1, 10.8.1 and 10.23.2 provide comprehensive lists of all security, privacy, information protection and disclosure controls and guidance.
4. Eligibility, Fitness and Suitability. Contractor personnel hired for work within the United States or its territories and possessions and who require staff-like access, wherever the location, to IRS owned or controlled facilities or work on contracts that involve the design, operation, repair, or maintenance of information systems, and/or require staff-like access to SBU information, must meet the eligibility requirements under IRM 10.23.2, Personnel Security, Contractor Investigations, and shall be subject to security screening and investigative processing, commensurate with the position sensitivity level, and in accordance with IRM 10.23.2, and TDP 15-71. Contractor personnel must be found both eligible and suitable, and approved for staff-like access (interim or final) by IRS Personnel Security prior to starting work on the contract/order, and before being granted access to IRS information systems or SBU information.

5. General Conditions for Allowed Disclosure. Any SBU information, in any format, made available to or created by the contractor personnel shall be treated as confidential information and shall be used only for the purposes of carrying out the requirements of this contract. Inspection by or disclosure to anyone other than duly authorized officer or personnel of the contractor shall require prior written approval of the IRS. Requests to make such inspections or disclosures shall be addressed to the Contracting Officer (CO).
6. Nondisclosure Agreement. Consistent with TD P 15-71, Chapter II, Section 2, and IRM 10.23.2.15 - Nondisclosure Agreement for Sensitive but Unclassified Information, each contractor personnel who requires staff-like access to SBU information shall complete, sign and submit to Personnel Security – through the CO (or COR, if assigned) — an approved Nondisclosure Agreement prior to being granted staff-like access to SBU information under any IRS contract or order.
7. Training. All contractor personnel assigned to this contract with staff-like access to SBU information must complete IRS-provided privacy and security awareness training, including the Privacy, Information Protection, and Disclosure training, as outlined in IR1052.224-9001 Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access.
8. Encryption. All SBU information must be protected at rest, in transit, and in exchanges (i.e., internal and external communications). The contractor shall employ encryption methods and tools to ensure the confidentiality, integrity, and availability of SBU information.
9. Particularly relevant to this clause are the updated sections to IRM 10.8.1 and Publication 4812 (see Exhibit 9) regarding email and text messages, alternative work sites, and incident management:
 - For email and text messaging, the contractor shall abide by IRM 10.8.1.4.17.2.2 “Electronic Mail (Email Security”, IRM 10.5.1.6.8 “Email” plus all subsections, and IRM 10.8.2.2.1.18 “Contractor”; or Publication 4812 section 29.3.1 “Email Security”. Included are requirements on encryption, subject line content, and restrictions on personal email accounts.
 - For alternate work sites the contractor shall abide by IRM 10.8.1.4.11.16 “PE-17 Alternate Work Site” or Publication 4812 section 21.16 “PE-17 Alternate Work Site”. Included are requirements for incident reporting, encryption, and secure access.
10. Incident and Situation Reporting. Contractors are required to report a suspected or confirmed breach in any medium or form, electronically, verbally or in hardcopy form immediately upon discovery. All incidents related to IRS processing, information or information systems shall be reported immediately upon discovery to the CO, COR, and CSIRC. Contact the CSIRC through any of the following methods:

CSIRC Contact Information: Telephone: (240) 613-3606; email: csirc@irs.gov.

In addition, if the SBU information is or involves a loss or theft of an IRS IT asset, e.g., computer, laptop, router, printer, removable media (CD/DVD, flash drive, floppy, etc.), or non-IRS IT asset (BYOD device), or a loss or theft of hardcopy records/documents containing SBU data, including PII and tax information, the contractor shall report the incident/situation to the Treasury Inspector General for Tax Administration (TIGTA) hotline at (800) 366-4484.
11. Staff-Like Access to, Processing and Storage of Sensitive but Unclassified (SBU) Information. The contractor shall not allow contractor personnel to access, process or store SBU on Information Technology (IT) systems or assets located outside the continental United States and its outlying territories.

Contractors utilizing their own IT systems or assets to receive or handle IRS SBU data shall not commingle IRS and non-IRS data.

12. Disposition of SBU Information. All SBU information processed during the performance of this contract, or to which the contractor was given staff-like access (as well as all related output, deliverables, or secondary or incidental by-products, information or data generated by the contractor or others directly or indirectly from the source material), regardless of form or format, shall be completely purged from all data storage components of the contractor's facilities and computer systems, and no SBU/Personally Identifiable Information (PII) information will be retained by the contractor either.

- When it has served its useful, contractual purpose, and is no longer needed to meet the contractor's other, continuing contractual obligations to the IRS or
- When the contract expires, or is terminated by the IRS (for convenience, default, or cause).

The contractor shall completely purge from its systems and Electronic Information Technology, and/or return all SBU data, including PII and tax information (originals, copies, and derivative works) within 30 calendar days of the point at which it has served its useful contractual purpose, or the contract expires or is terminated by the IRS (unless, the CO determines, and establishes, in writing, a longer period to complete the disposition of SBU data including PII and tax information).

The contractor shall provide to the IRS a written and signed certification to the COR that all SBU materials/information (i.e., case files, receipt books, PII and material, tax information, removable media (disks, CDs, thumb drives)) collected by, or provided to, the contractor have been purged, destroyed or returned.

13. Records Management.

A. Applicability.

This language applies to all contractors whose personnel create, work with, or otherwise handle Federal records, as defined in Section B, regardless of the medium in which the record exists. Contractor personnel are bound by the Records Management by Federal Agencies (44 U.S.C. Chapter 31) regarding the care and retention of Federal records.

B. Definitions.

"Federal record" as defined in 44 U.S.C. § 3301, includes all recorded information, regardless of form or characteristics, made or received by a Federal agency under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the United States Government or because of the informational value of data in them.

The term Federal record:

1. includes IRS records;
2. does not include personal materials;
3. applies to records created, received, or maintained by contractors pursuant to their IRS contract; and
4. may include deliverables and documentation associated with deliverables.

C. Requirements.

1. Contractor shall comply with all applicable records management laws and regulations, as well as National Archives and Records Administration (NARA) records policies, including but not limited to the Federal Records Act (44 U.S.C. chapters. 21, 29, 31, 33), NARA regulations at 36 CFR Chapter XII Subchapter B, and those policies associated with the safeguarding of records covered by the Privacy Act of 1974 (5 U.S.C. 552a). These policies include the preservation of all records, regardless of form or characteristics, mode of transmission, or state of completion.

2. In accordance with 36 CFR 1222.32, all data created for Government use and delivered to, or falling under the legal control of, the Government are Federal records subject to the provisions of 44 U.S.C. chapters 21, 29, 31, and 33, the Freedom of Information Act (FOIA) (5 U.S.C. 552), as amended, and the Privacy Act of 1974 (5 U.S.C. 552a), as amended and must be managed and scheduled for disposition only as permitted by statute or regulation.
3. In accordance with 36 CFR 1222.32, contractor shall maintain all records created for Government use or created in the course of performing the contract and/or delivered to, or under the legal control of the Government and must be managed in accordance with Federal law. Electronic records and associated metadata must be accompanied by enough technical documentation to permit understanding and use of the records and data.
4. IRS and its contractors are responsible for preventing the alienation or unauthorized destruction of records, including all forms of mutilation. Records may not be removed from the legal custody of IRS or destroyed except for in accordance with the provisions of IRM 1.15.5, Relocating/Removing Records, the agency records schedules and with the written concurrence of the CO. Willful and unlawful destruction, damage or alienation of Federal records is subject to the fines and penalties imposed by 18 U.S.C. 2701. In the event of any unlawful or accidental removal, defacing, alteration, or destruction of records, contractor must immediately notify the appropriate CO. The CO must report the loss using the PII Breach Reporting Form. Privacy, Governmental Liaison and Disclosure (PGLD, Incident Management) will review the PII Breach Reporting Form and alert the Records and Information Management (RIM) Program Office that a suspected records loss has occurred. The agency must report promptly to NARA in accordance with 36 CFR 1230.
5. The Contractor shall immediately notify the appropriate CO immediately upon discovery of any inadvertent or unauthorized disclosures of information, data, documentary materials, records or equipment. Disclosure of non-public information is limited to authorized personnel with a need-to-know as described in the 748-M contract. The contractor shall ensure that the appropriate personnel, administrative, technical, and physical safeguards are established to ensure the security and confidentiality of this information, data, documentary material, records and/or equipment is properly protected. The contractor shall not remove material from Government facilities or systems, or facilities or systems operated or maintained on the Government's behalf, without the express written permission of the Head of the Contracting Activity. When information, data, documentary material, records and/or equipment is no longer required, it shall be returned to the IRS control or the contractor must hold it until otherwise directed. Items returned to the Government shall be hand-carried, mailed, emailed, or securely electronically transmitted to the CO or address prescribed in the 748-M contract. Destruction of records is EXPRESSLY PROHIBITED unless in accordance with Paragraph (4).
6. No subcontracting is allowed on the 748-M contract, except the printing and manufacturing of envelopes.
7. The contractor shall only use Government IT equipment for purposes specifically tied to or authorized by the contract and in accordance with IRS policy.
8. The contractor shall not create or maintain any records containing any non-public IRS information that are not specifically tied to or authorized by the contract.
9. The contractor shall not retain, use, sell, or disseminate copies of any deliverable that contains information covered by the Privacy Act of 1974 or that which is generally protected from public disclosure by an exemption to the Freedom of Information Act.

10. IRS owns the rights to all data and records produced as part of this contract. All deliverables under the contract are the property of the U.S. Government for which IRS shall have unlimited rights to use, dispose of, or disclose such data contained therein as it determines to be in the public interest. Any contractor rights in the data or deliverables must be identified as required by FAR 52.227-11 through FAR 52.227-20.
11. Training. All contractor personnel assigned to this contract who create, work with or otherwise handle records are required to take IRS-provided records management training. The contractor is responsible for confirming training has been completed according to agency policies, including initial training and any annual or refresher training.

D. Flow down of requirements to subcontractors

1. No subcontracting is allowed on the 748-M, except for the printing and manufacturing of envelopes.

IR1052.224-9001 Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access (JUN 2021)

The Federal Information Security Modernization Act of 2014 (FISMA) requires each Federal agency to provide periodic information security awareness training to all contractors involved in the management, use, or operation of Federal information and information systems. In addition, contractor personnel are subject to the Taxpayer Browsing Protection Act of 1997, which prohibits willful unauthorized inspection of returns and return information and details that any violation of the Act could result in civil and criminal penalties. Contractor personnel are subject to the Privacy Act of 1974 (5 U.S.C. 552a; Pub. L. No. 93-579), December 1974. Contractor personnel are bound by the Records Management by Federal Agencies (44U.S.C. Chapter 31) regarding the care and retention of Federal records.

1. The contractor must ensure all new contractor personnel complete all assigned briefings which are based on the responses provided on the Risk Assessment Checklist Form 14606 (see Exhibit 10). These responses pertaining to access to any IRS system, including basic LAN, email and internet; access to any Sensitive but Unclassified (SBU) data; and access to any IRS facility. Since new contractor personnel will not have access to the IRS training system, the COR shall provide softcopy versions of each briefing.
 - i. Exception: Contractor personnel performing under IRS contracts with Nonprofit Agencies Employing People Who Are Blind or Severely Disabled (as described in FAR Subpart 8.7) are exempted from the aforementioned briefing requirements, unless the contractor requests access to the training, or there is a compelling justification for requiring the training that is approved by the Contracting Officer (CO). An example of this would be in an instance where visually impaired personnel is assigned to perform systems development and has potential staff-like access to IRS information.
 - ii. Service Personnel: Inadvertent Sensitive Information Access Training contractor personnel performing: (i) janitorial and cleaning services (daylight operations), (ii) building maintenance, or (iii) other maintenance and repair and need staff-like access to IRS facilities are required to complete Inadvertent Access to Sensitive Information (SBU) Access training.
2. In combination these mandatory briefings are known as IRS Security Awareness Training (SAT). The topics covered are: Cybersecurity Awareness, Privacy Information Protection and Disclosure, Unauthorized Access to Taxpayer Data, Records Management, Inadvertent Sensitive Information Access and Insider Threat. The completion of the assigned mandatory briefings constitutes the completion of the Security Orientation.
3. The SAT must be completed by contractor personnel within five (5) business days of successful resolution of the suitability and eligibility for staff-like access as outlined in IR1052.204-9000 Submission of Security Forms and Related Materials and before being granted access to SBU data. The date listed on the memo provided by IRS Personnel Security shall be used as the commencement date.

4. Training completion process.

The contractor must submit confirmation of completed SAT mandatory briefings for each contractor personnel by either:

- i. Using Form 14616 (see Exhibit 4) signed and dated by the individual and authorized contractor management entity and returned to the COR. This option is used for new contractor personnel and any that do not have an IRS network account.
- ii. Using the IRS training system which is available to all contractors with IRS network accounts.

5. Annual Training.

For contracts/orders/agreement exceeding one year in length, either on a multiyear or multiple year basis, the contractor must ensure that personnel complete assigned SAT mandatory briefings annually no later than September 1st of the current calendar year. The contractor must submit confirmation of completed annual SAT on all personnel unable to complete the briefings in the IRS training systems by submitting completed Form 14616 assigned to this contract/order/agreement, via email, to the COR, upon completion.

6. Contractor's failure to comply with IRS privacy and security policy (to include completion and certification of SAT requirements within the timeframe specified) maybe subject to suspension, revocation or termination (temporarily or permanently) of staff-like access to IRS IT systems and facilities.

Flow down of clauses. No subcontracting is allowed on the 748-M contract, except for the printing and manufacturing of envelopes.

IR1052.204-9000 Submission of Security Forms and Related Materials (JUN 2021)

The Treasury Security Manual (TD P 15-71) sets forth investigative requirements for contractors who require staff-like access, wherever the location, to (1) IRS-owned or controlled facilities (unescorted); (2) IRS information systems (internal or external systems that store, collect, and/or process IRS information); and/or (3) IRSSensitive But Unclassified (SBU) information.

“Staff-Like Access” is defined as authority granted to perform one or more of the following:

- Enter IRS facilities or space (owned or leased) unescorted (when properly badged);
- Possess login credentials to information systems (internal or external systems that store, collect, and/or process IRS information);
- Possess physical and/or logical access to (including the opportunity to see, read, transcribe, and/or interpret) SBU data; (see IRM 10.5.1 for examples of SBU data);
- Possess physical access to (including the opportunity to see, read, transcribe, and/or interpret) security items and products (e.g., items that must be stored in a locked container, security container, or a secure room. These items include, but are not limited to security devices/records, computer equipment and identification media. For details see IRM 1.4.6.5.1, Minimum Protection Standards); or,
- Enter physical areas storing/processing SBU information (unescorted)

Staff-like access is granted to an individual who is not an IRS employee (and includes, but is not limited to: contractor personnel, whether procured by IRS or another entity, vendors, delivery persons, experts, consultants, paid/unpaid interns, other Federal employee/contractor personnel, cleaning/maintenance personnel, etc.), and is approved upon required completion of a favorable suitability/fitness determination conducted by IRS Personnel Security.

For security requirements at contractor facilities using contractor-managed resources, please reference the latest version of [Publication 4812](#), (see Exhibit 9) Contractor Security & Privacy Controls. The contractor shall permit access to IRS SBU information or information system/assets only to individuals who have received staff-like access approval (interim or final) from IRS Personnel Security.

Contractor personnel requiring staff-like access to IRS equities are subject to (and must receive a favorable adjudication or affirmative results with respect to) the following eligibility/suitability pre-screening criteria, as applicable:

- IRS account history for Federal tax compliance (for initial eligibility, as well as periodic checks for continued compliance while actively working on IRS contracts);
- Selective Service registration compliance (for males born after 12/31/59);
- contractors must provide proof of registration which can be obtained from the Selective Service website at www.sss.gov;
- U.S. citizenship/lawful permanent residency compliance; if foreign-born, contractors must provide proof of U.S. citizenship or Lawful Permanent Residency status by providing their Alien Registration Number (“A” Number);
- Background investigation forms;
- Credit history;
- Federal Bureau of Investigation fingerprint results; and,
- Review of prior Federal Government background investigations.

In this regard, contractor shall furnish the following electronic documents to Personnel Security (PS) at hco.ps.contractor.security.onboarding@irs.gov within 10 business days (or shorter period) of assigning (or reassigning) personnel to this contract/order/agreement and prior to the contractor personnel performing any work or being granted staff-like access to IRS SBU or IRS/contractor facilities, information systems/assets that process/store SBU information thereunder:

- IRS-provided Risk Assessment Checklist (RAC);
- Non-Disclosure Agreement (if contract terms grant SBU access); and,
- Any additional required security forms, which will be made available through PS and the COR.

Contract Duration:

- a. Contractor personnel whose duration of employment is 180 calendar days or more per year must meet the eligibility/suitability requirements for staff-like access and shall undergo a background investigation based on the assigned position risk designation as a condition of work under the Government contract/order/agreement.
- b. If the duration of employment is less than 180 calendar days per year and the contractor requires staff-like access, the contractor personnel must meet the eligibility requirements for staff-like access (Federal tax compliance, Selective Service Registration, and U.S. Citizenship or Lawful Permanent Residency), as well as an FBI Fingerprint result screening.
- c. For contractor personnel not requiring staff-like access to IRS facilities, IT systems, or SBU data, and only require infrequent access to IRS-owned or controlled facilities and/or equipment (e.g., a time and material maintenance contract that warrants access one or two days monthly), an IRS background investigation is not needed and will not be requested if a qualified escort, defined as an IRS employee or as a contractor who has been granted staff-like access, escorts a contractor at all times while the escorted contractor accesses IRS facilities, or vendor facilities where IRS IT systems hardware or SBU data is stored. As prescribed in IRM 10.23.2, escorting in lieu of staff-like access for IT systems and access to SBU data (escorted or unescorted) will not be allowed.

The contractor personnel will be permitted to perform under the contract/order/agreement and have staff-like access to IRS facilities, IT systems, and/or SBU data only upon notice of an interim or final staff-like approval from IRS Personnel Security, as defined in IRM 10.23.2 – Contractor Investigations, and is otherwise consistent with IRS security practices and related IRMs, to include, but not limited to:

- IRM 1.4.6 – Managers Security Hand book; IRM10.2.14 – Methods of Providing Protection; and, IRM 10.8.1 -Policy and Guidance.

Current Investigation Reciprocity: Individuals who possess a prior favorably adjudicated Government background investigation that meets the scope and criteria required for their position may be granted interim staff-like access approval upon verification of the prior investigation, receipt of all required contractor security forms, and favorable adjudication of IRS pre-screening eligibility/suitability checks. If their current investigation meets IRS established criteria for investigative reciprocity, individuals will be granted final staff-like access, and will not be required to undergo a new investigation beyond an approved pre-screening determination.

Flow down of clauses: No subcontracting is allowed on the 748-M, except for the printing and manufacturing of envelopes.

IR1052.204-9001 Notification of Change in Contractor Personnel Employment Status, Assignment, or Standing (JUN 2021)

The contractor, via email (hco.ps.contractor.security.onboarding@irs.gov), shall notify the Contracting Officer (CO), Contracting Officer's Representative (COR), and Personnel Security within one (1) business day of the contractor becoming aware of any change in the employment status, information access requirement, assignment, or standing of a contractor personnel under this contract or order – to include, but not limited to, the following conditions:

- Receipt of the personnel's notice of intent to separate from employment or discontinue work under this contract/order;
- Knowledge of the personnel's voluntary separation from employment or performance on this contract/order (if no prior notice was given);
- Transfer or reassignment of the personnel and performance of duties under this contract/order, in whole or in part, to another contract/order (and if possible, identify the gaining contract/order and representative duties/responsibilities to allow for an assessment of suitability based on position sensitivity/risk level designation);
- Denial of or revocation of staff-like access as determined by IRS Personnel Security; separation, furlough or release from employment;
- Anticipated extended absence of more than 45 calendar days;
- Change of legal name;
- Change to employment eligibility;
- Change in gender or other distinction when physical attributes figure prominently in the biography of an individual;
- Actual or perceived conflict of interest in continued performance under this contract/order (provide explanation); or
- When required by the COR, the contractor may be required to provide the information required by this clause to the IRS using the Risk Assessment Checklist (RAC) or security documents as identified by Personnel Security. The notice shall include the following minimum information:
 - Name of contractor personnel;
 - Nature of the change in status, assignment or standing (i.e., provide a brief non-personal, broad-based explanation);
 - Affected contract/agreement/order number(s);
 - Actual or anticipated date of departure or separation;
 - When applicable, the name of the IRS facility or facilities this individual routinely works from or has staff-like access to when performing work under this contract/order;

- When applicable, contractor using contractor owned systems for work must ensure that their systems are updated to ensure personnel no longer have continued staff-like access to IRS work, either for systems administration or processing functions; and
- Identification of any Government Furnished Property (GFP), Government Furnished Equipment (GFE), or Government Furnished Information (GFI) (to include Personal Identity Verification (PIV) credentials or badges – also referred to as Smart ID Cards) provided to the contractor personnel and its whereabouts or status.

In the event the subject contractor is working on multiple contracts, orders, or agreements, notifications, shall be combined, and the cognizant COR for each affected contract or order (using the Contractor Separation Checklist Form 14604 (Rev. 8-2016)) shall be included in the joint notification along with Personnel Security. These documents (the RAC and security forms) are also available by email request to Personnel Security.

The vendor POC and the COR must ensure all badges, smart cards, equipment, documents, and other Government furnished property items are returned to the IRS, systems accesses are removed, and Real Estate & Facilities Management is notified of Federal workspace that is vacant.

The change in the employment status, assignment, or standing of a contractor personnel to this contract or order would not form the basis for an excusable delay for failure to perform under the terms of this contract, order or agreement.

Flow down of clauses. No subcontracting is allowed on the 748M contract, except for the printing and manufacturing of envelopes.

CONTRACTOR SECURITY MANAGEMENT: The IRS requires that the contractor's employees having a need for staff-like access to Sensitive But Unclassified information must be approved through an appropriate level of security screening or investigation.

Immediately upon certification, the contractor must furnish the Government with a description of all positions requiring staff-like access to IRS data. The Government (including an IRS personnel security officer) will assess the risk level for each position and determine the need for individual security investigations.

Upon certification of contract, the IRS will provide the necessary forms and instructions to the contractor. Within 24 hours of receipt of the forms/instructions, the contractor must return the forms filled out for each employee who will be involved in the production on this contract. The contractor must comply/abide by the following IRS Acquisition Security clauses.

- IR1052.204-9000 Submission of Security Forms and Related Materials.
- IR1052.204-9001 Notification of Change in Contractor Personnel Employment Status, Assignment, or Standing.
- IR1052.224-9000 Safeguards Against Unauthorized Disclosure of Sensitive but Unclassified Information.
- IR1052.224-9001 Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access.

All contractor employees who work on IRS contracts that require staff-like access to IRS-owned or controlled facilities, SBU information, IT Systems and/or assets must be investigated. All contractors will undergo a moderate risk background investigation for staff-like access.

- The IRS shall bear the cost of conducting a security screening for contractor employees requiring one.
- The Government will provide electronic copies of the required forms.
- Any costs for fingerprinting will be borne by the contractor.

Contractor employees who require staff-like access to IRS SBU information and/or IT systems, regardless of location, must complete mandatory annual security training.

The COR is responsible for ensuring contractors receive Security Awareness Training (SAT) within five (5) business days of being granted interim/final staff-like access to IRS sensitive information or IT systems.

Contractor employees who will have physical and/or logical access to IRS taxpayer data must be both eligible and suitable to work on an IRS contract as determined by IRS Personnel Security. Contractor is responsible for providing the following forms/documentation for their employees assigned to IRS contracts to IRS Personnel Security:

Eligibility Requirements Include the Following:

1. Must meet the following U.S. citizenship or residency requirements based on the assigned position risk level:
 - Low Risk - Must be a U.S. citizen or Lawful Permanent Resident (LPR) of the United States.
 - Moderate Risk - Must be a U.S. Citizen or LPR with at least three (3) consecutive years of U.S. residency, from the date of legal entry, as a LPR.
 - High Risk - Must be a U.S. Citizen.

Any subject who is foreign-born must provide proof of U.S. citizenship or Lawful Permanent Resident status. Subjects must provide their Alien Registration Number (“A” number) for corroboration by IRS Personnel Security.

2. Subjects must be Federal tax compliant and must remain tax compliant while actively working on IRS contracts. IRS will check subjects’ tax compliance status upon notification of subject being assigned to work on the IRS contract.
3. All male subjects born after December 31, 1959, must be registered with Selective Service (SS). For male U.S. citizens, proof of registration can be obtained by accessing the SS website at <https://www.sss.gov/> and following the prompts on the “Verify or Update Registration” tab. If the search results in a “Matched Record,” click on the “Print an Official Selective Service Registration Acknowledgment Letter” button and follow the prompts for saving the letter as a PDF file. The letter should then be provided to IRS Personnel Security. If the subject is not registered, he must provide a waiver of registration requirement from SS.

Suitability Requirements Include the Following: A completed Risk Assessment Checklist (RAC) spreadsheet – this spreadsheet should be completed by the contractor point of contact to provide needed information about each employee who will be working on the contract.

The following forms must be completed by each subject assigned to the contract:

1. A completed and signed Optional Form (OF) 306, *Declaration for Federal Employment* (see Exhibit 1)
2. A signed Non-Disclosure Agreement form (see Exhibit 2)
3. A signed Fair Credit Release form (see Exhibit 3)
4. A completed Electronic Questionnaires for Investigations Processing (e-QIP) package. The IRS Personnel Security will send each subject a separate email with instructions for completing e-QIP. The e-QIP package is only required for those subjects who do not have a favorably adjudicated Federal background investigation within the last five (5) years. If the contractor only requires a Low-Risk investigation and Personnel Security can find a previous Low Risk Tier 1, there is no need to conduct a new Low Risk Tier 1. Reciprocity will apply.
5. Any additional required security forms, which will be made available through the COR.

One or all of the following training materials may need to be completed by each subject assigned to the contact (to be determined by Personnel Security):

1. Privacy, Information Protection & Disclosure Briefing Mandatory Briefing
2. Records Management Overview
3. Introduction to UNAX Briefing for Contractors
4. Certification of Annual UNAX Awareness Briefing

5. Cybersecurity Awareness Training
6. Contractor Security Awareness Training (SAT) Certification
7. Inadvertent Sensitive Information Access
8. Insider Threat and/or Facilities Physical Security.

The contractor must submit confirmation of completed SAT mandatory briefings for each employee assigned to this contract. Contractor to use Form 14616 (see Exhibit 4), signed and dated by the individual and authorized contractor management entity and returned to the COR within 72 hours of receipt of above training materials.

Annual Training: For contracts exceeding one (1) year in length, either on a multiyear or multiple year basis, the contractor must ensure that personnel complete assigned SAT mandatory briefings annually no later than September 30th, of the current calendar year.

Contractor's failure to comply with IRS privacy and security policy (to include completion and certification of SAT requirements within the timeframe specified) may be subject to temporary suspension from receiving work orders on this contract.

Specialized IT Security Training (SITS) - Mandatory Training for Significant IT Security Role: Any contractor employee who has a significant IT security role or responsibility shall complete specialized IT security (SITS) training pertinent to the role/responsibility. This includes, but is not limited to, any contractor employees with a privileged network user account that allows full system permission to resources within their authority or to delegate that authority. A list of the specialized IT security roles and the number of hours of training required for each role may be obtained by contacting the COR. (See Exhibit 12.)

Contractor employees newly assigned to a significant IT security role, including at time of contract award, must complete the training prior to commencement of work. Proof of specialized IT training is required within five (5) business days of being granted staff-like access approval by Personnel Security. Thereafter, each contractor employee assigned to the contract/order shall complete Awareness Training annually by May 15th, of the current calendar year.

Existing contracts that have been modified or will be modified to include contractor employees identified as having a specialized IT security role must complete the SITS Training within 45 calendar days of the contract modification designating an employee to a specialized IT security role and annually, by May 15th, thereafter.

Separation of Contractor's Employee From this Contract: The following form must be completed by the contractor to separate an employee/contractor from an IRS contract: Form 14604, *Contractor Separation Checklist*. (See Exhibit 7.)

The contractor shall email the Form 14604 to Bartholomew.s.truitt@irs.gov and douglas.r.hayton@irs.gov, and the Contracting Officer within one (1) workday of the contractor becoming aware of any change in the employment status, information access requirement, assignment, or standing of a contractor employee under this contract or order.

The vendor is responsible to ensure that any accesses (physical entry into building or work area, SBU data, SBU hard copy) are removed from the separated employee.

The change in the employment status, assignment, or standing of contractor personnel to this contract or order would not form the basis for an excusable delay for failure to perform under the terms of this contract, order, or agreement.

Briefings: IRS will conduct a 1-hour privacy awareness briefing by teleconference with the contractor employees, in addition to the required training they must take. IRS will need to conduct multiple sessions at varied times to account for shift work. Contractor must provide a site interpreter for services for hearing-impaired employees and translators for non-English speaking employees. This briefing is required before the subject's work on the contract begins.

Secure Shredding of Damaged Notices: Damaged letters that are un-mailable must be securely shredded to a size that is unreadable to prevent disclosure of taxpayer information. These letters need to be reprinted, inserted, and mailed within the same time period as the other notices in the file. (See “DISPOSAL OF WASTE MATERIALS.”)

Chain of custody with material must be documented, and contractor personnel will conform to security requirements.

100% ACCOUNTABILITY: Contractor must maintain 100% accountability in the accuracy of imaging and mailing of all pieces throughout the run. The contractor must ensure that there are no missing or duplicate pieces and that no pieces with mis-imaged data or imaged data derived from more than one record is on the same piece. The contractor must also ensure that no outgoing envelope contains IRS statements for more than one individual.

UNIQUE NUMBER: The contractor will be required to produce a unique number for each notice using their own equipment, so the contractor may retrieve and reproduce records for any unusable package or when packages are pulled as quality control samples (“see QUALITY CONTROL SAMPLES”).

SPOILED NOTICES: The contractor must replace all spoiled imaged notices. The contractor must provide sufficient detail to fulfill the contract requirements for 100% mailing that there are no missing pieces.

DISPOSAL OF WASTE MATERIALS: The contractor is required to demonstrate how all waste materials used in the production of sensitive records containing SBU data and PII will be definitively destroyed (i.e., burning, pulping, shredding, macerating, or other suitable similar means). Electronic records containing PII must be definitively destroyed in a manner that prevents reconstruction. Definitively destroying the records means the material cannot be reassembled and used in an inappropriate manner in violation of law and regulations. Sensitive records are records that are exempted from disclosure by statute, including the Privacy Act or regulation. Contractor required to show proof of disposal.

Destruction of waste must occur inside the contractor’s secure production facility, close to the point of production. Any waste material containing PII that is not destroyed immediately must be covered at all times while awaiting destruction. A cover must be placed over any bins with waste material containing PII when being moved from one location to another within the contractor’s facility. Sending intact waste containing PII to a municipal incinerator, a recycler, or any other off-site processor is not acceptable and will be considered a data breach.

Upon completion of each order, the contractor must delete/scrub all furnished data from their systems and shred all CD-ROMs (if furnished).

Contractor must provide a destruction certificate to the IRS (when applicable).

NOTE: Disposal of waste material cannot be subcontracted.

PREAWARD SURVEY: In order to determine the responsibility of the contractor, the Government reserves the right to conduct an on-site preaward survey at the contractor's facility or to require other evidence of technical, production, managerial, financial, and similar abilities to perform, prior to the award of a contract. As part of the financial determination, the contractor in line for award may be required to provide one or more of the following financial documents:

- 1) Most recent profit and loss statement
- 2) Most recent balance sheet
- 3) Statement of cash flows
- 4) Current official bank statement
- 5) Current lines of credit (with amounts available)
- 6) Letter of commitment from paper supplier(s)

The documents will be reviewed to validate that adequate financial resources are available to perform the contract requirements. Documents submitted will be kept confidential and used only for the determination of responsibility by the Government. Failure to provide the requested information in the time specified by the Government may result in the Contracting Officer not having adequate information to reach an affirmative determination of responsibility.

POST-CERTIFICATION PLANS: The contractor shall present, in writing, to the Contracting Officer within two (2) workdays of being notified to do so by the Contracting Officer or his/her representative, detailed plans for each of the following activities. The workday after notification to submit will be the first day of the schedule. If the Government requests additional information after review of plans, the contractor must submit updated plans within one (1) workday of request.

The contractor shall submit the plans as a PDF file to: apsdc@gpo.gov and douglas.r.hayton@irs.gov.

THESE PROPOSED PLANS ARE SUBJECT TO REVIEW AND APPROVAL BY THE GOVERNMENT, AND ORDERS WILL NOT BE MADE PRIOR TO APPROVAL OF THE SAME. THE GOVERNMENT RESERVES THE RIGHT TO WAIVE ANY OR ALL OF THESE PLANS.

Option Years: For each option year that may be exercised, the contractor will be required to re-submit, in writing, the above plans detailing any changes and/or revisions that may have occurred. The contractor should be prepared to submit these plans to GPO within five (5) workdays of notification of the option year being exercised.

If there are no changes/revisions, the contractor will be required to submit to the Contracting Officer a statement confirming that the current plans are still in effect.

Production Plans: Items to be included in the Production Plans are:

- 1) Processing and sorting furnished files, as well as the security of the taxpayer information.
- 2) Scheduled start-up dates for all phases of production at all locations (i.e., multiple facilities).
- 3) How coordination/communication will flow from one production phase to another.
- 4) Who will be responsible for each phase.
- 5) How the product will be staged and/or shipped.
- 6) Point(s) of contact for the weekdays and weekend for the duration of the contract.
- 7) Any other special requirements which are specific to this contract.

Quality Systems Plans: The contractor shall submit a PDF file of their plans outlining the Quality Systems, as specified below. The plans shall be submitted to: apsdc@gpo.gov and douglas.r.hayton@irs.gov.

Failure to maintain the quality systems in accordance with the contractor's quality plans approved by the Government may result in the Government's termination of the contractor for default.

Quality Systems: The contractor shall initiate, prior to start-up and maintain throughout the term of this contract, a Quality Systems to assure conformance to all requirements of this contract. The plan should also address what actions will be initiated when defects are detected.

The Quality Systems shall assure the quality of components from subsidiary plants. This element includes assuring that components from different sources will be compatible BEFORE the start of production.

The Quality Systems shall include procedures for assuring that all variable data elements are accurately and completely imaged and that all addressed items are mailed. These procedures shall explicitly describe the methods to be used to assure that no records are missed or duplicated when an interruption of variable imaging occurs (e.g., due to equipment malfunction) during all phases of production.

Quality Systems Official: The contractor shall designate an official who shall monitor and coordinate the quality system. This official shall serve as the Government's main point of contact on quality matters during the term of the contract. The name of the official shall be provided in the plan along with title, position, and telephone number.

Quality Control Sample Plan: The contractor must provide a description of how the contractor will create the quality control samples for periodic samplings (every 40,000th piece) to be taken during the production run, provide for backup and re-running in the event of an unsatisfactory sample, and contain control systems that will detect defective, missing, or mutilated pieces. (See "QUALITY CONTROL SAMPLES.")

Records: Records of tests, inspections, and critical process controls shall be time stamped and maintained on file. The records must be made available to the GPO and/or IRS inspector until the expiration of the warranty period of this contract (see GPO contract terms). Copies of the forms used to record the inspections and test results shall be submitted with the plan.

Envelope Quality Control Procedures: The contractor must establish and administer a quality assurance program which will ensure all envelopes meet specifications whether they are produced "in line" or at a subcontractor's (envelope manufacturer's) site.

Inspection by the Government: The right of the Government to make general or specialized tests and inspections does not relieve the contractor of any responsibility. Quality Systems shall not relieve the contractor of responsibility for meeting all requirements in this contract.

Security Control Plans: The contractor shall operate and maintain an effective security system whereby materials used to perform the contract are manufactured and/or stored (e.g., while awaiting to be processed, distributed, or disposed) so as to ensure against theft and/or the unauthorized possession of the materials. Contractor is cautioned that Government provided information/materials shall not be used for non-government business. Specifically, Government information shall not be used for the benefit of a third party.

The contractor must provide a secure area(s) dedicated to the processing and storage of materials. Secure work areas must be under camera surveillance, with access limited to only those employees involved in the production of this contract. Signs must be posted that only assigned employees may enter. It is prohibited for cameras and cell phones to be in the work areas of the production.

At least one supervisory employee must be permanently assigned to the secured areas to visually observe, at all times, the production of work and the destruction of any materials.

The Government retains the right to conduct on-site security reviews at any time during the term of the contract.

The Security Control Plans shall provide in detail, at a minimum:

- How all accountable materials will be handled throughout all phases of production.
- How all furnished data will be stored and protected.
- How the disposal of waste materials will be handled. (see "DISPOSAL OF WASTE MATERIALS.")
- List of contractor's employees involved and their specific function.
- How all applicable Government-mandated security/privacy/rules and regulations, as cited in this contract, shall be adhered to by the contractor.

Part of the Security Control Plan shall include a floor plan detailing the area(s) to be used, showing existing walls, equipment to be used, and the processing and storage locations.

PREPRODUCTION TELECONFERENCE CALLS: The contractor will be contacted to set up several preproduction teleconferences calls and meetings as specified below. Contractor must make themselves available for calls #1, #2, and #3 below within one (1) week after certification.

- 1) Physical Security Initial Call (approximately one (1) hour) – Contractor will be given instructions on what supporting documentation needs to be presented to IRS for specific items related to physical security. Supporting documentation will be presented at the Physical Security Final Meeting (#5) below. Contractor will be allowed 15 workdays from this initial call to assemble supporting documentation. An alternate time frame may be possible if the IRS agrees.
- 2) Cybersecurity Initial Call (approximately one (1) hour) – Contractor will be given instructions on what supporting documentation needs to be presented to IRS for specific items related to cybersecurity. Supporting documentation will be presented at the Cybersecurity Final Meeting (#6) below. Contractor will be allowed 15 workdays from this initial call to assemble supporting documentation. An alternate time frame may be possible if the IRS agrees.
- 3) IRS Personnel Security Call (approximately 2 hours) – This call will be to discuss the information that is needed from the contractor for each employee working on this contract. Contractor will be allowed five (5) workdays from this call to assemble required documentation recording IT employees that will be working on this contract. Contractor will be allowed 15 workdays from this call to assemble required documentation about all other employees that will be working on this contract. An alternate time frame may be possible if the IRS agrees.
- 4) Production and Quality System Review (approximately one (1) hour) – The production plan and the quality system plan will be discussed between IRS Publishing and the contractor. Attending this meeting will be representatives from the Internal Revenue Service and the Government Publishing Office.
- 5) Physical Security Final Review Meeting (up to one (1) full workday) – Contractor will present supporting documentation to the IRS for specific items related to physical security. At the Government’s option, this meeting may be held online or in-person at the contractor’s facility. Information will most likely be presented to IRS on WebEx, or Microsoft Teams for an online meeting.
- 6) Cybersecurity Final Review Meeting (up to three (3) full workdays) – Contractor will present supporting documentation to the IRS for specific items related to cybersecurity. At the Government’s option, this meeting may be held online or in-person at the contractor’s facility. Information will most likely be presented to IRS on WebEx, or Microsoft Teams for an online meeting.

To establish coordination of all required operations, contractor representatives from each involved production area for the successful implementation of the contract must be in attendance.

IMPORTANT FOR FINAL REVIEW MEETINGS (Calls #5 and #6 above): It is crucial that the contractor have supporting documentation, as specified in the initial call, already prepared and ready for presentation for Physical Security and Cybersecurity final review meetings. If there are high-risk findings from the Physical Security and Cybersecurity final reviews, the contractor will be expected to remediate the high-risk finding within 20 workdays from the final review meeting/notification. An alternate time frame may be possible if the IRS agrees.

QUALITY SYSTEMS AUDIT: In connection with the preproduction conference calls (see “PREPRODUCTION TELECONFERENCE CALL”), should the Government elect, a quality systems audit could be conducted. Following the conference calls, IRS/GPO may conduct an in-depth audit of all contractor quality control methods, quality systems, and quality plans in a formal review of the previously approved written plan. This audit would require the contractor to plan, in advance, all quality related functions which would be required to complete the contract. This procedure will be mandatory for all contractors doing IRS Tax Notice mail-out work for the first time.

QUALITY CONTROL SAMPLES:

For the first awarded print order for each contractor only: The contractor will be required, within the first 5,000 printed notices, to pull 10 random sample notices (all leaves) and immediately ship via priority overnight, by traceable means, to: Internal Revenue Service CPS Operations, Attn: Kimberly Leonard, 985 Michigan Avenue, Detroit, ME 48226.

For all print orders (including the first print order): The contractor will be required to pull a notice (all leaves) every 40,000th piece throughout the entire run. Samples are to be shipped via overnight method, by traceable means, to: Internal Revenue Service CPS Operations, Attn: Kimberly Leonard, 985 Michigan Avenue, Detroit, ME 48226.

All notices pulled for the quality control sample must be re-ordered in the process for mailing and be mailed within the same time period as the other notices in the file.

Contractor to provide the shipping tracking numbers to: douglas.r.hayton@irs.gov and kimberly.leonard@irs.gov.

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

ORDERING: Items to be furnished under the contract shall be ordered by the issuance of print orders by the Government. Orders may be issued under the contract from Date of Award through June 30, 2023 plus for such additional period(s) as the contract is extended. All print orders issued hereunder are subject to the terms and conditions of the contract. The contract shall control in the event of conflict with any print order. A print order shall be “issued” upon notification by the Government for purposes of the contract when it is electronically transmitted or otherwise physically furnished to the contractor in conformance with the schedule.

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

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

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

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

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

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

Subject to any limitations elsewhere in this contract, and pursuant to the section entitled "DETERMINATION OF AWARD AND PLACEMENT OF WORK," the low contractor and each successive low contractor shall furnish to the Government all items set forth herein which are called for by print orders issued in accordance with the "ORDERING" clause of this contract, except when the shipping/delivery schedule cannot be met.

ADDITIONAL EMAILED BID SUBMISSION PROVISIONS: The Government will not be responsible for any failure attributable to the transmission or receipt of the emailed bid including, but not limited to, the following –

1. Illegibility of bid.
2. Emails over 75 MB may not be received by GPO due to size limitations for receiving emails.
3. The bidder's email provider may have different size limitations for sending email; however, bidders are advised not to exceed GPO's stated limit.
4. When the email bid is received by GPO, it will remain unopened until the specified bid opening time. Government personnel will not validate receipt of the emailed bid before bid opening. GPO will use the prevailing time (specified as the local time zone) and the exact time that the email is received by GPO's email server as the official time stamp for bid receipt at the specified location.

PRIVACY ACT NOTIFICATION: This procurement action requires the contractor to do one or more of the following: design, develop, or operate a system of records on individuals to accomplish an agency function in accordance with the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties as stated in 5 U.S.C. 552a (i)(1) CRIMINAL PENALTIES. 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) CRIMINAL PENALTIES and m(1) GOVERNMENT CONTRACTORS.

PRIVACY ACT

(a) The contractor agrees:

- (1) To comply with the Privacy Act of 1974 and the rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals in order to accomplish an agency function when the contract specifically identifies (i) the system or systems of records and (ii) the work to be performed by the contractor in terms of any one or combination of the following: (A) Design, (B) development, or (C) operation;
- (2) To include the solicitation notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation when the statement of work in the proposed subcontract requires the design, development, or operation of a system of records on individuals to accomplish an agency function; and
- (3) To include this clause, including this paragraph (3), in all subcontracts awarded pursuant to this contract which require the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved where the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency where the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor and any employee of the contractor is considered to be an employee of the agency.

(c) The terms used in this clause have the following meanings:

- (1) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records including the collection, use, and dissemination of records.
- (2) "Record" means any item, collection or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (3) "System of records" on individuals means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

PAYMENT: Upon completion of each order, prior to submitting a billing invoice to GPO for payment, the contractor must submit an itemized billing invoice to the ordering agency (agency contact information to be provided after award) for verification, approval, and signature.

After agency verification and approval, the contractor must submit the approved, signed billing invoice and supporting documents to the U.S. Government Publishing Office.

Submitting invoices for payment via the GPO fax gateway (if no samples are required) utilizing the GPO barcode coversheet program application is the most efficient method of receiving payment. Instruction for using this method can be found at the following web address: <http://winapps.access.gpo.gov/fms/vouchers/barcode/instructions.html>.

Invoices may also be mailed to: U.S. Government Publishing Office, Office of Financial Management, Attn: Comptroller, Stop: FMCE, Washington, DC 20401.

For more information about the billing process refer to the General Information of the Office of Finance web page located at: <https://www.gpo.gov/how-to-work-with-us/vendors/how-to-get-paid>.

All contractor billing invoices must be itemized under the line items in the "SCHEDULE OF PRICES."

SECTION 2. – SPECIFICATIONS

SCOPE: These specifications cover the production of notice mailers consisting of notice, Courtesy Reply Envelope (CRE), and mail-out envelope, requiring such operations as electronic prepress, printing and variable imaging; binding, construction, gathering and inserting; and distribution.

TITLE: IRS Correspondence Production Services (CPS) Mailers.

FREQUENCY OF ORDERS: Approximately 20 to 80 orders per year.

Approximately 2 to 4 orders may be placed in the same week requiring the same schedule.

A separate print order will be issued to each certified contractor for the initial envelope inventory. Separate print orders will be issued as needed for maintenance of envelope inventory. (See “ENVELOPE INVENTORY.”)

NOTE: Print order(s) will not be offered or issued to any contractor until a favorable adjudication has been received for all security requirements (as specified in SECTION 1) for that contractor, including the print order for the initial envelope inventory.

QUANTITY: Approximately 500,000 to 2,000,000 notices per order.

NOTE: The IRS can determine the quantity of notices per data file with a fair degree of accuracy, but not the number of page/leaves in each notice. After processing/sorting the furnished data files, the contractor is required to notify the IRS with the final count to include the quantity and number of total pages/leaves per notice.

QUANTITY VARIATIONS: No shortages or overruns will be allowed.

NUMBER OF PAGES:

Notices: Approximately 1 to 28 pages (1 to 14 leaves) per notice. (NOTE: Based on historical data, it is anticipated that approximately 99% of the notices will be from 1 to 8 leaves.)

CRE Envelope: Face and back (after construction).

Mail-out Envelope: Face and back (after construction).

TRIM SIZE:

Notices: 8-1/2 x 11”.

CRE Envelope: 3-7/8 x 8-7/8” (No. 9) plus flap.

Mail-out Envelope: 4-3/8 x 9-3/4” plus 2-3/16” flap.

GOVERNMENT TO FURNISH:

Notices: IRS will furnish Advanced Function Presentation (AFP) files via the IRS internet portal called the Enterprise File Transfer Utility (EFTU). Electronic transfer will be via Secure File Transfer Protocol (SFTP).

The data will be encrypted/password protected using WinZip 9.0 (256 Bit AES encryption). The SFTP will be used for the taxpayer’s data transfer to the contractor. The contractor will be required to retrieve the data file(s) using SFTP protocol. The password will be secured emailed to the contractor.

In case of a data transfer failure, the IRS will furnish CD-ROMs containing the same data. (Refer to “DATA FILES AND METADATA” for more information.)

Envelopes: The IRS will furnish a PDF file with specifications for each envelope via email.

On occasion, as needed and subject to availability, the IRS may furnish mail-out and/or CRE envelopes to the contractor in order to meet the schedule.

IRS Form 13456 (see Exhibit 11), IRS Publishing - Postage Report in a fillable PDF file.

IRS Form 9558 – Inspection Notification Report. (Provided after certification.)

Mailing permit number and indicia for the First-Class Mail.

Data Files and Metadata: Files composition and file format will be supplied in Advance Function Presentation format containing tax filer and address information (Exhibit 8, to be provided after certification). All content will vary depending on taxpayer’s tax situation. Each record will vary in page count. Each front facing page (odd page number 1, 3, 5, 7, 9, etc.) will contain a 2D barcode and must be output to maintain accurate sheet count and be readable by the contractor to maintain integrity of the sheet count for each individual mailer. Each record contains metadata, such as date and if a CRE is required. Identifiable Document Format (IDF) and 2D barcode format will be provided (Exhibit 8A, to be provided after certification).

The data contains the AFP file which is the construct of the actual print file and contains metadata for presorting purposes and inserting capabilities via the interpretation of the Tag Logic Elements (TLE) which contains PII. The IDF files will be utilized to trigger the CRE envelope insertion when necessary.

Identification markings such as register marks, commercial identification marks of any kind, etc., except GPO imprint, form number, and revision date, carried in the electronic files, must not print on finished product.

EXHIBITS: The examples shown as Exhibits 5 and 6, are representatives of some of the requirements which will be ordered under this contract. However, it cannot be guaranteed that future orders will correspond exactly to these Exhibits.

Exhibits 1 through 4, 7, and 9 through 12 to be provided upon request by emailing cdominguezcastro@gpo.gov.

- Exhibit 1 – Declaration for Federal Employment OF 306
- Exhibit 2 – Non-Disclosure Agreement Form (NDA)
- Exhibit 3 – Form 13340
- Exhibit 4 – Form 14616
- Exhibit 5 – Envelope 178
- Exhibit 6 – Envelope 205
- Exhibit 7 – Form 14604
- Exhibit 8 and 8a – Test Data, IDF and 2D (to be provided after certification)
- Exhibit 9 – Publication 4812
- Exhibit 10 – Form 14606
- Exhibit 11 – Form 13456
- Exhibit 12 – FISMA Specialized IT Security (SITS) Roles Table
- Exhibit 13 – Sample Envelope Inventory Report

CONTRACTOR TO FURNISH: All materials and operations, other than those listed under “GOVERNMENT TO FURNISH,” necessary to produce the product(s) in accordance with these specifications.

The contractor must be able to send and receive password-encrypted, zipped files via email.

The contractor is required to have Internet access provided through an Internet Service Provider, an email account, and a web browser equivalent to Internet Explorer or Microsoft Edge (most current version). The contractor is also required to have Adobe Acrobat 9.1 (or higher) software (not Adobe Reader). The contractor must furnish an email address for the IRS to email the forms mentioned here.

In order to meet the required schedule, the contractor is required to have an initial envelope inventory (see “ENVELOPE INVENTORY”).

ELECTRONIC PREPRESS: Prior to image processing, the contractor shall perform a basic check (preflight) of the furnished media and publishing files to assure correct output of the required reproduction image. Any errors, media damage, or data corruption that might interfere with proper file image processing must be reported to the IRS publishing specialist specified on the print order.

The contractor shall create or alter any necessary trapping, set proper screen angles and screen frequency, and define file output selection for the imaging device being utilized. Furnished files must be imaged as necessary to meet the assigned quality level.

The contractor must verify the accuracy of the Postal barcodes with the USPS.

When required by the Government, the contractor shall make minor revisions to the electronic files. It is anticipated that the Government will make all major revisions.

Prior to making revisions, contractor shall copy the furnished files and make all changes to the copy.

PROOFS:

- **Notice (all orders):** Five (5) press quality PDF soft proofs will be required from randomly selected records from each file (both static and variable data), using the same Raster Image Processor (RIP) that will be used to produce the final printed product. PDF proof will be evaluated for text flow and image position.

The contractor will be instructed from which files to create PDF soft proofs for each print order, approximately three (3) files. Contractor will select five (5) records from each requested file and create soft proof for all leaves in that record.

Proofs must contain all notice information as required (see “PRINTING AND VARIABLE IMAGING” specified herein). Proofs will be evaluated for proper font type, spacing, alignment, etc. Proofs must contain all the live variable data for each name as provided in the furnished data.

Proofs must show all margins and dimensions and indicate trim marks.

- **All Envelopes (First Print Order Only Awarded to a Contractor):** One (1) press quality PDF soft proof will be required using the same Raster Image Processor (RIP) that will be used to produce the final printed product. PDF proof will be evaluated for text flow and image position. Proofs must show all margins and dimensions, and indicate trim marks. Proofs must show flap and window size/placement, as applicable, and security tint.

If any contractor’s errors are serious enough in the opinion of the Government to require revised proofs, the revised proofs are to be provided at no expense to the Government. No extra time can be allowed for this reproofing; such operations must be accomplished within the original production schedule allotted in the specifications.

Contractor must not print prior to the receipt of an “O.K. to Print.”

STOCK/PAPER: The specifications of all paper furnished must be in accordance with those listed herein or listed for the corresponding JCP Code numbers in the “Government Paper Specification Standards No. 13” dated September 2019.

Government Paper Specification Standards No. 13 – https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/vol_13.pdf.

All text paper used in each order must be of a uniform shade.

Notices: At the contractor’s option, the following stocks/papers may be used:

White Uncoated Text, basis weight: 50 or 60 lbs. per 500 sheets, 25 x 38”, equal to JCP code A60.

White Writing, basis weight: 20 lbs. per 500 sheets, 17 x 22”, equal to JCP code D10.

All Envelopes: White Writing Envelope, basis weight: 24 lbs. per 500 sheets, 17 x 22”, equal to JCP Code V20.

ENVELOPE INVENTORY: In order to meet the required 8-workday schedule, the contractor is required to have the following:

Initial Inventory – The contractor is required to procure/produce the mail-out and CRE envelopes as specified below –

- *Mail-out Envelopes (E178)* – A minimum of 2,000,000, up to a maximum of 4,000,000 mail-out envelopes, printed and constructed as specified herein, in inventory as soon as possible (see “NOTE” below).
- *CRE Envelopes (E205)* – A minimum of 1,000,000, up to a maximum of 2,000,000 CRE envelopes, printed and constructed as specified herein, in inventory as soon as possible (see “NOTE” below).
- *Mail-out Envelopes for Foreign Distribution* – A quantity of 20,000 mail-out envelopes, printed, constructed, and marked for foreign distribution (as specified under “DISTRIBUTION”) in inventory as soon as possible (see “NOTE” below).
- *Storage* – A minimum amount of storage/warehouse space to stage the mail-out and CRE envelope inventory amounts specified above (minimum of 35 pallets up to a maximum of 70 pallets of storage space). (See “STORAGE.”)

The envelopes (both mail-out and CRE) must be staged in the storage/warehouse space on pallets. Pallets are not to be double stacked (see “STORAGE”).

A separate (one-time) print order will be furnished for the initial procurement/production/staging of the envelopes as specified above.

NOTE: Contractor must notify IRS and GPO when they have the minimum number of envelopes required (printed/constructed) in inventory.

The contractor will be allowed to invoice for the initial envelope amounts as specified above in accordance with the requirements as specified under “PAYMENT.”

Once the print order for the initial inventory has been issued and the contractor has been paid for these envelopes, no additional time will be allowed in the schedule for the procurement/production of envelopes on orders issued for the production/distribution of the complete mailers.

NOTE: Once the contractor has invoiced and received payment for the initial envelope inventory (as specified above), these envelopes are now considered Government property, and as such, the IRS retains the right to take possession of any or all of the contractor's initial inventory at any time throughout the term of the contract or while the contractor still has any of the initial inventory stock on hand.

The Government may take possession of some or all of the initial envelope inventory in order to furnish to another contractor to meet the demands of this contract. The Government will only take possession of any of the initial envelope inventory from any contractor after that contractor has declined to accept the offer. The Government will never take possession of any contractor's initial envelope inventory without offering that order to the contractor first. (See "SECTION 3. for more information regarding placement of work.)

If needed, the IRS will arrange for the shipping of the envelopes at the Government's expense.

Maintenance of Inventory – As the initial envelope inventory is used in the production and distribution of the mailers ordered on a print order, the contractor is required to replenish and maintain the initial envelope counts as specified under "Initial Inventory."

As the contractor procures/produces the envelopes to maintain the initial counts, the IRS will issue a print order specifically for those envelopes, and the contractor will be allowed to invoice in accordance with the requirements as specified under "PAYMENT."

The requirements specified under "*Initial Inventory*, NOTE" above also apply to all envelopes procured/produced throughout the term of the contract to maintain the initial envelope counts.

The requirements specified under "STORAGE" also apply to the maintained inventory counts.

Once the print order for the replenished inventory has been issued and the contractor has been paid for these envelopes, no additional time will be allowed in the schedule for the procurement/production of envelopes on orders issued for the production/distribution of the complete mailers.

PRINTING AND VARIABLE IMAGING:

Notices: All leaves print and image face and back, head-to-head, in black ink only. Printing consists of agency logo, text and line matter. Imaging consists of variable elements from the IRS record layout. Each notice will be almost entirely variable imaged data. There is very little static information from notice to notice.

Mail-out Envelope: Envelope prints face and back (after construction) in black ink. Printing consists of text and line matter only.

Printing on ALL envelopes shall be in accordance with the requirements for the style envelope ordered. All printing shall comply with all applicable U.S. Postal Service regulations. The envelope shall accept printing without feathering or penetrating to the reverse side.

ALL Envelopes require a security tint (lining is acceptable) printed on the inside (back – before manufacture) in black ink only. Security tint must cover entire inner envelope surface up to the gum line. Contractor may use stock design (no proprietary design or company logos allowed) for security tint but must guarantee that the product will ensure complete opacity and prevent show through of any material contained therein.

CONTRACTOR MUST BE ABLE TO RUN ENVELOPE 178 WITH A 2-3/16" FLAP ON THEIR EQUIPMENT.

CRE Envelope: Envelope prints face and back (after construction) in black ink. Printing consists of text and line matter only.

The GPO requirement is waived and must not print on final product.

MARGINS: Margins on notices will be 1/8" from all four edges of each leaf to live printed area.

BINDING (NOTICES): Trim four sides.

CONSTRUCTION (ENVELOPES): IMPORTANT: The required envelopes must be window envelopes. The furnished data files are pre-composed for the windows with the taxpayer's full name only on the composed correspondence and not in the metadata. The ordering agency requires the addresses, both mailing and return, to be presented just as composed. Window envelopes are also required as specified since the full return address is not part of the metadata. Imaging the mailing and return addresses onto non-window envelopes is not allowed.

CRE Envelope (Envelope 205) (3-7/8 x 8-7/8"): Envelopes must be open side, with gummed, fold-over flap for sealing. At contractor's option, seams may be high-cut diagonal or side seams. Flap may be either square-cornered or diagonal sealing, at contractor's option. Flap depth is at the contractor's option but must meet USPS requirements and must be coated with a suitable glue that will securely seal the envelope without adhering to contents, not permit resealing of the envelope, and permit easy opening by the recipient. NOTE: All envelopes must have a fold at bottom.

Face of envelope to contain one die-cut address window (1 x 3-1/2" in size) with slightly rounded corners. Die-cut window is to be located 5/8" from the bottom 8-7/8" edge of the envelope and 3/4" from the left 3-7/8" edge of the envelope. (See Exhibit 6.)

Mail-out Envelope (Envelope 178) (4-3/8 x 9-3/4"): Envelopes must be open side, with gummed, fold-over flap for sealing. At contractor's option, seams may be high-cut diagonal or side seams. Flap must be a diagonal flap. Flap must be 2-3/16", must meet USPS requirements, and must be coated with a suitable glue that will securely seal the envelope without adhering to contents, not permit resealing of the envelope, and permit easy opening by the recipient. (See Exhibit 5.)

Face of envelope to contain one (1) large die-cut address window to accommodate both return and mailing address, as follows:

- One die-cut window (overall window size is 2-7/8 x 5-1/8") with rounded corners. Top portion of window is 1-1/4 x 4-1/4"; bottom portion of window is 1-5/8 x 5-1/8".
- Die-cut window is to be located 7/8" from the top 9-3/4" edge of the envelope and 1/2" from the left 4-3/8" edge of the envelope. (See Exhibit 5.)

Foreign Version of Envelope 178 (4-3/8 x 9-3/4"): A foreign mail version of Envelope 178 will be created by the contractor and in accordance with the USPS international mail regulations.

NOTE: All envelopes must have a fold at bottom.

Flap Adhesive: All sealing flap adhesive shall be a water-activated type of such a consistency to prevent premature sealing of the flap and curling of the envelope after drying. The flap adhesive shall be uniformly applied and have a minimum thickness of 0.015mm (0.0006 inch). The flap shall be capable of being quickly and securely sealed using finger tips after moistening the adhesive. When opened 15 to 20 seconds after sealing, the flap shall pull fibers from the body of the envelope from not less than 75% of the adhesive area of the flap beyond the throat, up to a maximum width of one-inch gum strip from the edge of the flap.

All Envelope Windows: Windows are to be covered with a suitable transparent, low-gloss, polystyrene material, 1.5 mil thickness, that must be clear of smudges, lines, and distortions. Polystyrene material must be securely affixed to the inside of the envelope so as not to interfere with insertion of contents. Polystyrene material must meet the current U.S. Postal Service's (USPS) readability standards/requirements.

GATHERING AND INSERTING:

Gather all leaves of the notice in proper sequence. Notice leaves are to be nested together with all faces forward.

Notices are to be folded (tri-fold) and inserted into the mail-out envelope. Contractor to fold and insert notice into the mail-out envelope, using whichever method is the most economical to the Government.

When required, as determined by the processed/sorted data files, the contractor is to insert a CRE envelope into the appropriate mailers. CRE envelope is to be inserted behind the notice (when viewed from the window side of the envelope).

NOTE: Based on historical data, it is anticipated that approximately 50% of all notice mailers will require a CRE envelope.

Notices are to be inserted into the mail-out envelope with the return address and the recipient's name and mailing address on the first page facing out for visibility through the applicable window. It is the contractor's responsibility to assure that: only the imaged taxpayer's name and address on the notice will be visible through the window in the mail-out envelope; only one notice is inserted into each mail-out envelope; and, only one CRE envelope (if required) is inserted into the mail-out envelope.

QUALITY ASSURANCE RANDOM COPIES: The contractor may be required to submit quality assurance random copies to test for compliance against the specifications. The print order will indicate the number required, if any. When ordered, the contractor must divide the entire order into equal sublots and select a copy from a different general area of each subplot. The contractor will be required to certify that the copies were selected as directed using GPO Form 917 – Certificate of Selection of Random Copies which can be located on GPO.gov. Copies will be paid for at the running rate offered in the contractor's bid, and their cost will not be a consideration for award. A copy of the print order must be included with the samples.

Business Reply Mail labels will be furnished for mailing the quality assurance random copies. The copies are to be mailed at the same time as the first scheduled shipment. A U.S. Postal Service approved Certificate of Mailing, identified by GPO program, jacket, and print order numbers must be furnished with billing as evidence of mailing.

DISTRIBUTION: Mail f.o.b. contractor's city each individual mailer to domestic (nationwide, including APO/FPO and the U.S. Territories) and foreign destinations. Contractor is responsible for all costs associated with transporting mailers to the USPS.

All mailing must be at the First-Class Rate.

Contractor must mail to the furthest destinations (from the contractor's facility) first.

The Government will furnish a permit number and indicia for the First-Class Mail. A PS Form 3600, Statement of Mailing with Permit Imprints and a GPO Form 712, Certificate of Conformance must be completed and submitted to the entry post office for all bulk shipments using permit imprint mailing labels.

The contractor is cautioned that the "Postage and Fees Paid" indicia may be used only for the purpose of mailing material produced under this contract.

Orders which result in mailings of less than 200 pieces or less than 50 pounds will require the contractor to apply the appropriate postage to each mailing. Contractor will be reimbursed for postage by submitting a properly completed Postal Service Form with billing invoice for payment.

Mail must be Presorted to maximize postal discount to USPS First Class Letter Commercial Automation 5-digit and AADC levels whenever possible.

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

Certificate of Conformance: When using Permit Imprint Mail the contractor must complete GPO Form 712 - Certificate of Conformance (Rev. 10/15), and the appropriate mailing statement or statements supplied by USPS. A fillable GPO Form 712 Certificate of Conformance can be found on the GPO website [Forms and Standards \(gpo.gov\)](https://www.gpo.gov).

USPS Regulations: The contractor must comply with all U.S. Postal Service regulations governing the preparation of First-Class rate mailings which are in effect at the time of the mailing for both domestic and international mail, including the issuance of the required forms (mailing statements) and the weighing of shipments. The contractor must meet with local postal authorities before the start of production.

The Domestic Mail Manual (DMM) has specific requirements regarding the minimum and maximum package sizes the contractor must adhere to.

Carrier Route Presort: The contractor must utilize a commercially prepared software package for assigning a portion of the mail file in an approved carrier route format (carrying carrier route endorsement and number on the first line of the mailing address).

Intelligent Mail Barcode (IMb): Contractor will be required to create and apply the proper USPS IMb coding for tracking purposes for billing and research for the IRS.

Contractor will utilize the USPS Informed Visibility (IV) Mail Tracking & Reporting (IV-MTR) service that provides end-to-end mail tracking information for letter and flat pieces, bundles, handling units, and containers. Contractor will provide mail scanned events reports or provide access to reports that include, at a minimum: mail drop date, quantities, postage, and last delivery scan event. If the contractor elects to provide reports, the reports will be made available by close of business Friday for the week in which a mailing has occurred. Contractor must adhere to all USPS Domestic Mail Manual and USPS IV Mail Tracking and Reporting Guide requirements.

The contractor is to furnish documentation on 100% of mail turnover to USPS by the date specified on the print order.

Mailers for Foreign Destinations: Contractor will use an International mailing indicia and must include “Par Avion/Air Mail” text on front of mail-out envelopes in accordance with all postal regulations in effect at time of mailing. (NOTE: Contractor will be allowed to charge for a plate change in accordance with the applicable line item in the “SCHEDULE OF PRICES.”)

Zip Code Count Report: Contractor’s software must provide 3-digit, 5-digit, and carrier route zip code count report for the contractor’s use during the addressing operation. Mail must be presorted to maximize postal discount to USPS First Class Letter Commercial Automation 5-digit and AADC levels whenever possible.

Presort Palletization: As outlined by the Postal Service in the Domestic Mail Manual, the carrier route presort palletization program requires that in most cases, depending on thickness and weight, individual mailers of 10 or more pieces are to be prepared for carrier routes. This may take the form of packages or packages in bundles presented on pallets. (See the USPS DMM Manual for specific requirements.)

Internal Wrapping or Tying: All bundles containing mixed carrier routes or 3/5-digit ZIP codes require internal wrapping or tying in direct packages of 10 or more letters. (See the USPS DMM Manual for details.)

Postal Pallets: The USPS will provide pallets upon contractor's request, or contractor may use their own pallets that meet postal requirements, at their own expense. Loaded pallets must be wrapped with a shrinkable or stretchable plastic strong enough to retain the integrity of the pallet during transportation and handling. Pallets must be prepared in accordance with the requirements in the USPS DMM manual (Notices and Bundles Presented on Pallets and Palletizing Sacks). Letters must be palletized separately from sacks. Please consult with USPS representative for bulk mail acceptance requirements.

National Change of Address (NCOA): The furnished files contain addresses that have been processed through NCOA.

Coding Accuracy Support System (CASS): The furnished files contain addresses that have been processed through CASS. IRS will provide the contractor with CASS certification.

Presort Accuracy Validation and Evaluation (PAVE): Contractor's software must also be PAVE certified.

Pallet Assembly and Storage/Staged: Loaded pallets must be assembled and stored/staged for eventual turn over to U.S. Postal Service beginning no sooner than the date specified on the print order. The pallets are to be staged in order so that the furthest destinations from the contractor's facility will be turned over first and the closest destinations last.

Contractor must specify the location of the staging area(s) and the proposed point of entry(ies) for the notice mailers. (See "SCHEDULE OF PRICES.")

First-Class Mail: The Postal Service will verify the total weight of the mailing. The contractor must comply with all Domestic Mail Manual regulations governing use of First-Class Mail. Due to the IRS's 100% delivery requirement, optional mail procedures that do not weigh each pallet of mail are not allowed or authorized.

Vehicles Provided: Truck/trailers (vans) will be provided by the U.S. Postal Service upon request to the USPS. However, physical loading is the contractor's responsibility, in conformance with the U.S. Postal Service loading plan. Vans will not be provided before earliest turnover date as indicated on the print order without demurrage costs.

Turnover Requirements: Contractor must ship to furthest designations (from the contractor's facility) first. Contractor must release the notices to USPS not later than the schedule for each order.

APO/FPO: APO/FPO mail is to be addressed by the contractor, tied into 5-digit packages, placed in regular canvas bags for each unique zip code, and mailed to San Francisco/Oakland or New York per the DMM requirements. The contractor must obtain bag tags (or produce tags at their own expense) from the Postal Service for each APO/FPO destination. Each bag tag should contain the following:

- APO Destination and code (e.g., APO AE 09028)
- First-Class Mail (STD A FLATS)
- IRS Washington, DC 20224

Postage Statements/IRS Postal Forms: The contractor is required to complete and submit via email Form 13456 (see Exhibit 11) to the IRS within three (3) workdays after the final turnover of mail packages to the USPS. Contractor to email Form 13456 to: postage@publish.no.irs.gov, and douglas.r.hayton@irs.gov.

For the contractor's convenience, Form 13456 is provided as a fillable PDF file. The IRS will complete the top portion of the form prior to emailing to the contractor. If there is any information missing or incorrect, please contact Douglas Hayton at: douglas.r.hayton@irs.gov.

The contractor is responsible for capturing five (5) data elements from every postage statement (i.e., USPS Form 3602, 3602-R, 3600). The five (5) elements are:

- 1) Barrel stamped post office zip code
- 2) Postage statement date
- 3) Quantity mailed
- 4) Postage amount
- 5) Postage statement type

NOTE: The form must contain only postage information for the designated GPO Print Order number.

Prior to submitting Form 13456, the contractor must rename the file “GPO print order number_date.pdf (e.g., “00001_9-02-03.pdf”). If the contractor completes an additional form per day, they should add a suffix to the file name starting with the letter “a” then “b”, etc., (e.g., “a00001_09-02-03.pdf). The contractor is also responsible for the accuracy of the information returned to the IRS. Any delay or missing input could result in delay of payment.

All Postage Statements (USPS Form 3600, 3602-R, 3600) must contain the IRS Agency Cost Code “67039” in the “Federal Agency Cost Code” box. The GPO program and print order numbers must be included in the mailer information located in the upper portion of the postage statement.

All expenses incidental to submitting PDF soft proofs and furnishing sample copies must be borne by the contractor.

DISTRIBUTION REPORTING: It is the intention of the Government that all mail pieces in a file forwarded to the contractor will be expeditiously accepted by the USPS regardless of the quality of the recipient address. To confirm completion of this, the following report shall be required:

Within one (1) workday of completion of mailing of any file received, the contractor shall provide the IRS with a statement of file completion with the following data:

- Received file name.
- A count of received pieces in the file.
- Date of file receipt.
- The date the last of the file’s mail pieces were accepted by the USPS.
- A count of the pieces mailed from the file.
- An explanation of any difference between received and mailed volume.

The statement shall be sent via email to the following: douglas.r.hayton@irs.gov.

Daily Mailing Report: Contractor is required to email a daily report showing completed mail to the IRS publishing specialist specified on the print order.

Postage Summary Report: Contractor is required to submit postage summary reports, for each phase, showing the number of pieces and cost of Carrier Route, 3/5 digit, and Basic broken out by weekly phase mailings and the grand total. The reports are to be submitted following Delivery Point Validation processing. Contractor to email this report no later than three (3) workdays after final mail completion to the IRS publishing specialist specified on the print order.

Final Shipping Notification: Contractor is required to submit a final shipping notification on the final day of shipping confirming that the order is completed. Contractor to email the final shipping notification to the IRS publishing specialist specified on the print order.

Daily Production Report: Contractor is required to provide daily addressing production information required to complete Report Form 9659. Contractor to email the report to the IRS publishing specialist specified on the print order.

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

NOTE: THIS IS A TIME SENSITIVE PROCUREMENT. (See SECTION 3. for more information regarding placement of work.)

Print order to be furnished via email. AFP files will be furnished through the EFTU site.

IRS will issue the print order and furnish the data files one (1) workday after emailed acceptance of the offered order.

Contractor to email PDF soft proofs of the notices and PDF soft proof of the envelopes to douglas.r.hayton@irs.gov. Notice proofs must be emailed as password-encrypted, zipped files. Password for encrypted proof files must be sent in a separate email.

The following schedule begins the SAME workday as receipt of the print order and AFP files. The same workday as receipt will be the first workday of the schedule.

- Contractor must complete production and distribution within eight (8) workdays of receipt of the print order and AFP files. on orders for up to and including 2,000,000 notice mailers.
- Contractor to sort the data file and provide IRS with the actual page breakdown for the notices (i.e., number of notices with one leaf, number of notices with two leaves, etc.). This information must be provided to the IRS within two (2) workdays after receipt of the furnished data.
- No specific date is set for submission of proofs. Proofs must be submitted as soon as possible to allow for revised proofs if contractor's errors are judged serious enough to require them.
- PDF soft proofs will be withheld no more than one (1) workday from their receipt at the ordering agency until changes/corrections/"O.K. to Print" are provided via email.

NOTE: PDF soft proofs submitted to the IRS before 12 noon will be reviewed before close of business that same workday. PDF soft proofs submitted after 12 noon will be reviewed before noon the following workday. Contractor must submit proofs before 12 noon on the workday preceding a weekend or Federal holiday to ensure review before close of business that same workday.

- All file sorting/processing and proof time is included in the 8-workday schedule.
- For orders over 2,000,000 mailers, contractor will be allowed one (1) additional workday in the schedule for each additional 300,000 mailers, or fraction thereof.

The ship/deliver date indicated on the print order is the date products ordered for mailing f.o.b. contractor's city must be delivered to the U.S. Postal Service.

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

For compliance reporting purposes, the contractor is to notify the U.S. Government Publishing Offices of the date of shipment or delivery. Upon completion of each order, contractor must contact the Shared Support Services Compliance Section via email at compliance@gpo.gov or via telephone at (202) 512-0520. Personnel receiving email or call will be unable to respond to questions of a technical nature or to transfer any inquires.

STORAGE:

All storage/warehouse space must be climate controlled.

At contractor's option, the storage space does not have to be on site at the contractor's plant. However, no additional time will be allowed in the schedule for transportation of envelopes from the storage facility to the contractor's plant on orders for production of mailers.

All related costs for storage (on site or off site) of any/all mail-out and CRE envelopes must be included in the contractor's submitted bid pricing. No additional reimbursement will be authorized for storage. This requirement applies to both Government-furnished and contractor-furnished envelopes.

The contractor must provide storage/warehouse space for the following –

Storage of Envelope Stock Furnished by the Government – If the IRS furnishes any envelopes (mail-out and/or CRE), the contractor must properly store all furnished envelope stock in a manner that provides protection from any type of damage, especially from the elements.

Contractor must keep an accurate and updated account of how much furnished envelope stock is used under the requirements of this contract, including spoilage and/or damaged stock. The contractor will be responsible for reimbursing the Government for any stock that is damaged or lost while in their possession.

Storage of Envelope Stock Furnished by the Contractor – The contractor will be required to store the contractor procured/produced envelopes (see "ENVELOPE INVENTORY") on this contract in a manner that provides protection from any type of damage, especially from the elements. Contractor will be responsible for replacing, at contractor's cost, any stock that is damaged or lost while in contractor storage, except to the extent that such material is consumed in the performance of this contract.

ENVELOPE INVENTORY REPORTING: Contractor must provide a monthly report detailing their envelope inventory to include, but not limited to, the following:

- How many of each envelope type (mail-out and CRE) ordered for initial envelope inventory and date(s) received.
- How many of each envelope type currently in inventory.
- How many of each envelope type used in the production/distribution of the mailers (include list of print orders accepted for production of mailers).
- How many of each envelope type ordered for the replenishment/maintenance of envelope inventory and date(s) received.
- How many of each envelope type furnished by the IRS (if applicable) and date(s) received.
- How many of each envelope type the IRS has taken possession of for another contractor, if applicable, and date(s) picked up.
- If possible, contractor's run waste percentage.

This report is to be provided on the first day of each month as an Excel spreadsheet via email and emailed to: cdominguezcastro@gpo.gov and douglas.r.hayton@irs.gov. (NOTE: If the 1st day of the month falls on a Saturday, Sunday, or Federal holiday, contractor must provide the report on the next immediate workday.)

CONTRACT COMPLETION: Upon completion of this contract, the IRS will take possession of all remaining envelopes that have been purchased by the contractor during the term of the contract.

Contractor must be able to store envelopes for up to six (6) months after the contract ends. The contractor will be required to store the envelopes in a manner that provides protection from any type of damage, especially from the elements. The storage/warehouse facility must be climate controlled.

The contractor will be responsible for reimbursing the Government for any stock that is damaged or lost while in their possession.

All related costs for this storage must be included in the contractor's submitted bid pricing. No additional reimbursement will be authorized.

The IRS will arrange for the shipping of the surplus envelopes at the Government's expense at the end of the contract.

SECTION 3. - DETERMINATION OF AWARD AND PLACEMENT OF WORK

The Government will make multiple awards under this solicitation since it is anticipated that one firm may not be able to meet all of the requirements.

In order to make multiple awards and to determine the sequence of bidders, the Government will apply the prices offered by each bidder in the "SCHEDULE OF PRICES" to the following units of production which are the estimated requirements to produce one (1) year's production under this contract. These units do not constitute, nor are they to be construed as a guarantee of the volume of work which may be ordered for a like period of time.

In offering work, the Government will first communicate with the low contractor to determine whether or not at that time the order for the specified quantity can be accepted for shipment within the time required by the Government. The Government will be obligated to offer each order with the low contractor first, the next low contractor second, and so on until the order has been accepted. Orders shall be offered only to only to those contractors whose prices are determined to be fair and reasonable. The low contractor and each successive next low contractor shall be obligated to accept the order except when the shipping schedule cannot be met. When the contractor accepts, a formal print order will be issued.

NOTE: The above requirement of the contractor's obligation to accept an order unless the schedule cannot be met has been revised to include the contractor's inability to obtain the required paper or envelopes.

DUE TO THE URGENCY OF THE WORK, ORDERS WILL BE OFFERED BY EMAIL, AND THE CONTRACTOR MUST REPLY VIA EMAIL WITHIN ONE (1) HOUR AS TO WHETHER OR NOT THE ORDER CAN BE ACCEPTED. IMMEDIATELY AFTER NOTIFICATION OF BEING CERTIFIED, CONTRACTOR MUST PROVIDE IRS AND GPO WITH A VALID EMAIL ADDRESS.

Any contractor's position in the sequence of awards may be jeopardized by consistently refusing work. When such an instance is found, the contractor involved will be notified and unless prompt adjustment in order acceptance is made to maintain the lowest cost to the Government, the contractor may be disqualified from further participation under this contract.

Any contractor's position in the sequence of awards may be jeopardized by contractor delays in completing each of the specified post award activities including, but not limited to; submitting the required paperwork to attain security clearance, attending required phone meetings, completing training, and approval of their plans. In the event that the contractor has caused any avoidable delays, the IRS may issue print orders to other certified contractors in order to meet critical distribution schedules pending completion of required activities by the lower sequenced contractors.

Notwithstanding any sequence of contractors established as a result of the Determination of Award, the Government reserves the right, without limitation, to establish a specific sequence of contractors for any or all print orders to be issued under this contract, by abstracting the contract prices of each contractor against actual print orders to be issued and adding any applicable costs to the Government for transportation of the finished product to all destinations. In the event a specific sequence is established, such sequence of contractors shall control the order in which the print order(s) is offered. The determination to establish a specific sequence or sequences shall not be cause for an adjustment in the contract price or any other term or condition of the contract.

Exception: Noncompliance with the shipping and/or delivery schedule, or any other term, condition, or specification of this contract will be cause, and the GPO reserves the right, to withhold further orders until the contractor is judged by the Government to have established adequate procedures to fulfill the requirements.

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

I. 41

II. (a) 106,207
(b) 46,303
(c) 7,991

III.
(a) 106,207
(b) 46,303
(c) 7,991

IV. (a) 41
(b) 2,495

V. 46,303

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SECTION 4. - SCHEDULE OF PRICES

Bids offered are f.o.b. contractor’s city.

Prices must include the cost of all required materials and operations for each item listed in accordance with these specifications.

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

An entry of NC (No Charge) shall be entered if bidder intends to furnish individual items at no charge to the Government. Bids submitted with NB (No Bid), NA (Not Applicable), or blank spaces for an item may be declared non-responsive.

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

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

Fractional parts of 1,000 will be prorated at the per-1,000 rate.

Contractor’s billing invoice must be itemized in accordance with the line items in the “SCHEDULE OF PRICES.”

Cost of all required paper must be charged under Item III., “PAPER.”

I. PREPRESS: Prices offered shall include the cost of all required materials and operations, in accordance with these specifications.

Processing/Formatting Fileper order.....\$ _____

II. PRINTING, IMAGING, BINDING, AND CONSTRUCTION: Prices offered shall include the cost of all required materials and operations necessary (including proofs, excluding paper) for the printing, imaging, binding, and construction of the products listed in accordance with these specifications.

Prices submitted for line items I.(a) through (c) must be complete and include all makeready and materials required, regardless of number of production locations utilized.

Contractor will be allowed to charge for the production of the envelopes only on print orders issued specifically for the initial envelope inventory and for replenishment/maintenance of envelope inventory. Contractor is not allowed to charge for the production of envelopes (line items II. (b) and (c)) on orders issued for the production/distribution of the complete mailers.

Contractor is not allowed to charge for envelopes furnished by the Government.

(Initials)

- (a) Notice:
Printing/imaging in black ink, including binding..... per 1,000 leaves.....\$ _____
- (b) Mail-out Envelope (4-3/8 x 9-3/4”):
Printing in black ink, including construction..... per 1,000 envelopes.....\$ _____
- (c) CRE Envelope (3-7/8 x 8-7/8”):
Printing in black ink, including construction..... per 1,000 envelopes.....\$ _____

III. PAPER: Payment for all paper supplied by the contractor under the terms of these specifications, as ordered on the individual print orders, will be based on the net number of leaves furnished for the products ordered. The cost of any paper required for makeready or running spoilage must be included in the prices offered.

Contractor will be allowed to charge for the paper of the envelopes only on print orders issued specifically for the initial envelope inventory and for replenishment/maintenance of envelope inventory. Contractor is not allowed to charge for the envelope paper (line items III. (b) and (c)) on orders issued for the production/distribution of the complete mailers.

Contractor is not allowed to charge for envelope paper for envelopes furnished by the Government.

Computation of the net number of leaves will be based on the following:

Notice – Each page-size leaf.

All Envelopes – One page-size leaf will be allowed for each envelope.

Per 1,000 leaves

- (a) Notice:
At contractor’s option: White Uncoated Text (50 or 60-lb.)
or White Writing (20-lb.)\$ _____
- (b) Mail-out Envelope (4-3/8 x 9-3/4”):
White Writing Envelope (24-lb.).....\$ _____
- (c) CRE Envelope (3-7/8 x 8-7/8”):
White Writing Envelope (24-lb.).....\$ _____

IV. ADDITIONAL OPERATIONS:

- (a) Plate change for Envelopes for Foreign Distribution per order..... \$ _____
- (b) Secure Document Shredding/Destruction per 1,000 leaves..... \$ _____

(Initials)

V. GATHERING, INSERTING, AND MAILING: Prices offered must include the cost of all required materials and operations necessary for the mailing of the notices including cost of gathering (collating) notices (single or multiple leaves) in proper sequence, folding, insertion of notice(s) and CRE envelope (if applicable) into mail-out envelope, and mailing in accordance with these specifications.

Inserting into mail-out envelope per 1,000 mailers \$ _____

POINT OF ENTRY FOR FIRST CLASS MAIL:

All mailing will be made from the _____

Post Office located at Street Address _____

City _____, State _____ Zip Code _____

LOCATION OF STAGING AREA:

City _____, State _____ Zip Code _____

(Initials)

SHIPMENTS: Shipments will be made from: City _____ State _____.

The city(ies) indicated above will be used for evaluation of transportation charges when shipment f.o.b. contractor's city is specified. If no shipping point is indicated above, it will be deemed that the bidder has selected the city and state shown below in the address block, and the bid will be evaluated and the contract awarded on that basis. If shipment is not made from evaluation point, the contractor will be responsible for any additional shipping costs incurred.

DISCOUNTS: Discounts are offered for payment as follows: _____ Percent _____ Calendar Days. See Article 12 "Discounts" of Solicitations Provisions in GPO Contract Terms (Publication 310.2).

AMENDMENT(S): Bidder hereby acknowledges amendment(s) number(ed) _____.

BID ACCEPTANCE PERIOD: In compliance with the above, the undersigned agrees, if this bid is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the bidder) from the date for receipt of bids, to furnish the specified items at the price set opposite each item, delivered at the designated point(s), in exact accordance with specifications. Failure to provide a 60-day bid acceptance period may result in the expiration of the bid before award.

BIDDER'S NAME AND SIGNATURE: Unless a specific written exception is taken, the bidder, by signing and submitting a bid, agrees with and accepts responsibility for all certifications and representations as required by the solicitation and GPO Contract Terms - Publication 310.2. When responding by email, fill out and return one copy of all pages in "SECTION 4. - SCHEDULE OF PRICES," including initialing/signing where indicated. Valid electronic signatures will be accepted per the Uniform Electronic Transactions Act, §2. Electronic signatures must be verifiable of the person authorized by the company to sign bids. *Failure to sign the signature block below may result in the Bid being declared non-responsive.*

Bidder _____
(Contractor's Name) (GPO Contractor's Code)

(Street Address)

(City - State - Zip Code)

By _____
(Printed Name, Signature, and Title of Person Authorized to Sign this Bid) (Date)

(Person to be Contacted) (Telephone Number)

(Email) (Fax Number)

THIS SECTION FOR GPO USE ONLY

Certified by: _____ Date: _____ Contracting Officer: _____ Date: _____
(Initials) (Initials)

Envelope 178 (Rev. 9-2003) Envelope Specification Sheet

This sheet is for envelope specifications and composition. **Do not use as camera copy.** Envelope must conform to the USPS requirements.

Product ID Envelope 178	Copy change area A (return address) N/A	Copy change area B (mailing address) N/A	Indicia required N/A	Print order number	Office ID N/A
Revision date (Rev. 9-2003)					Version N/A

Envelope Specifications

Construction

Printed open side, high cut, diagonal or side seam, with tapered 2-3/16" V flap (not to exceed 2-1/4"), flap gummed and folded down.

This envelope requires black opaquing design printed inside.

Material covering window is 1.5 mil clear polystyrene.

Text Specifications

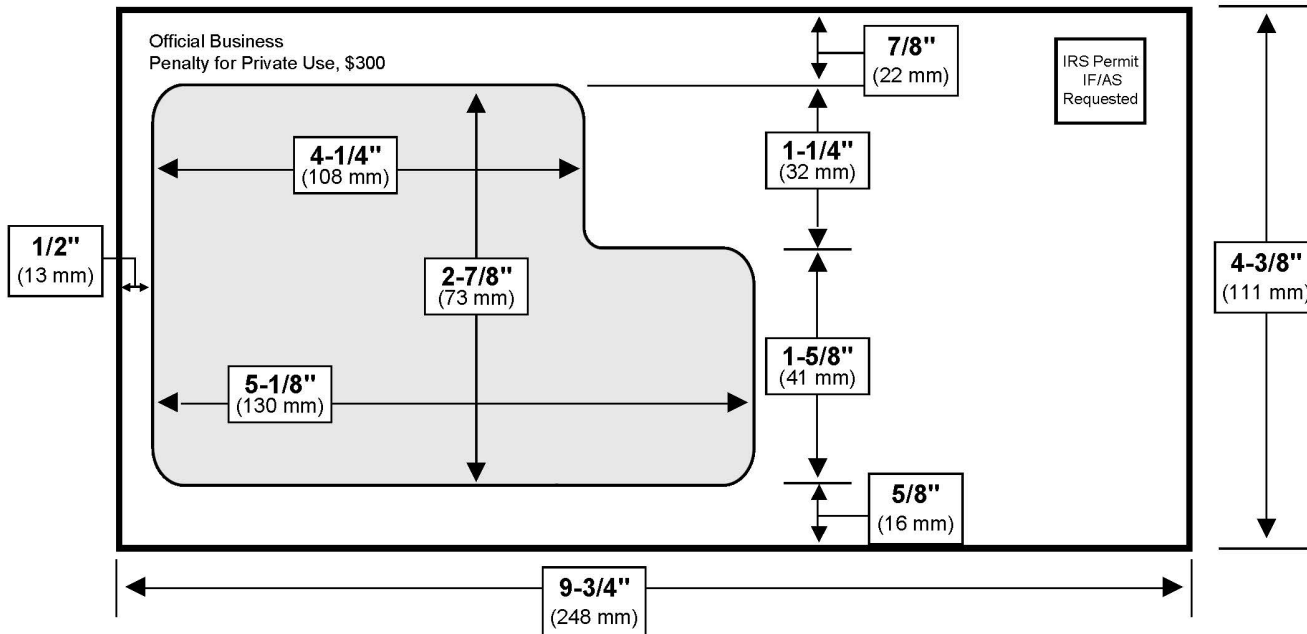
Font is Helvetica (or equal).

Official Business (two line statement) is 9 point.

Back printing is 6 point.

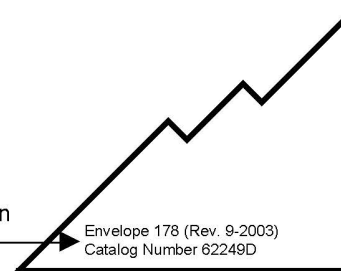
Size 9-3/4" x 4-3/8" (248 mm x 111 mm)	Stock White Writing or Wove 24#
Ink Black	Window Multi-dimensional (see diagram) 1.5 mil thickness

Additional comments



Back Printing

Position bottom & right margins appropriately in lower right corner.



Envelope 205 (Rev. 5-2001) Envelope Specification Sheet

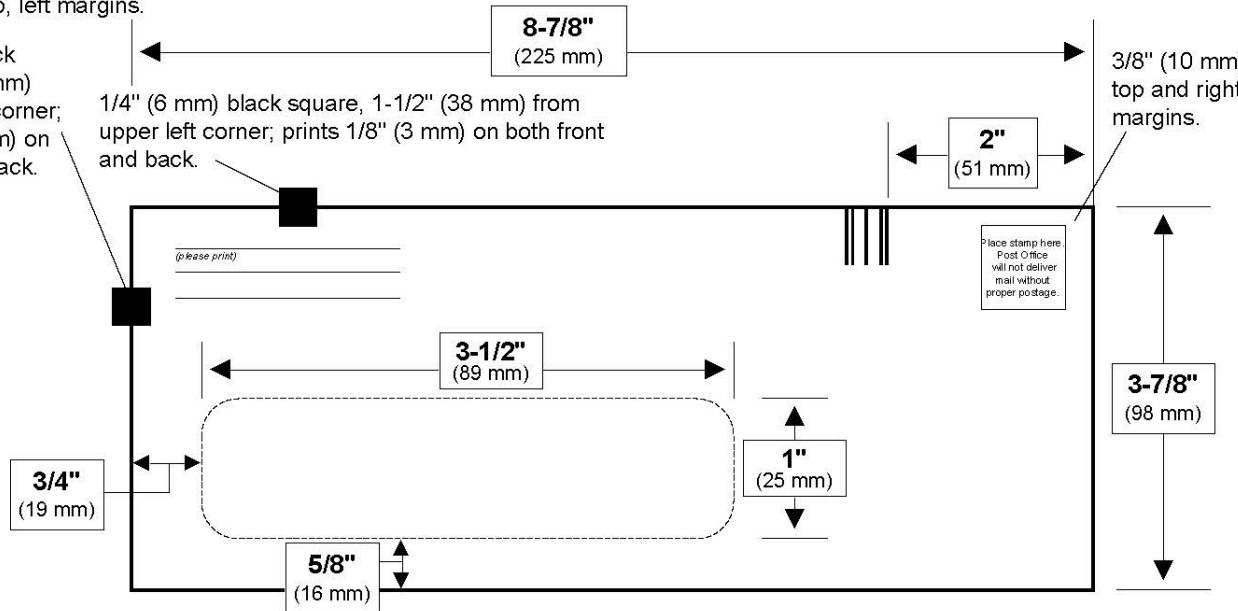
This sheet is for envelope specifications and composition. **Do not use as camera copy.** Envelope must conform to the USPS requirements.

Product ID Envelope 205	Copy change area A (return address) N/A	Copy change area B (mailing address) N/A	Indicia required N/A	Print order number	Office ID N/A
Revision date (Rev. 5-2001)					Version N/A

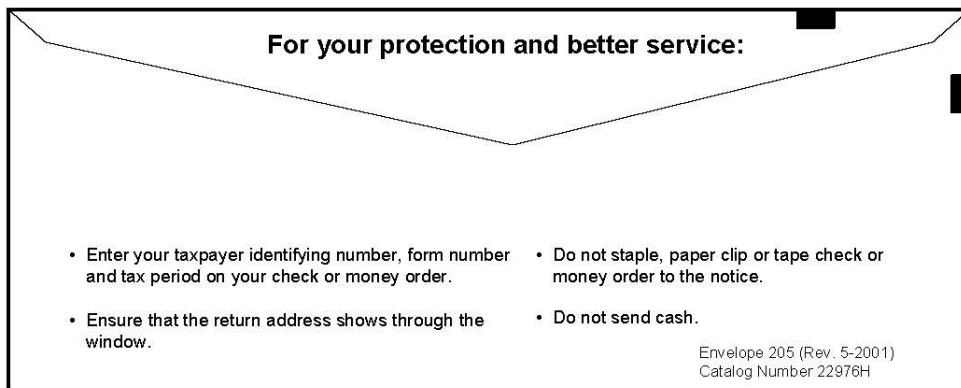
3/8" (10 mm) top, left margins.

1/4" (6 mm) black square, 1" (25 mm) from upper left corner; prints 1/8" (3 mm) on both front and back.

1/4" (6 mm) black square, 1-1/2" (38 mm) from upper left corner; prints 1/8" (3 mm) on both front and back.



Envelope Back



Note: Diagonal flap for illustration only

Back Printing

Position bottom & right margins appropriately in lower right corner.

Envelope Specifications

Construction

Printed open side, high cut, diagonal or side seam, flap gummed and folded down.

This envelope requires black opaquing design printed inside.

Text Specifications

All type is 10 point Helvetica (or equal) except as noted otherwise.

Official Business (two line statement) is 9 point.

Type on flap is 12 point Bold.

Back printing is 6 point (envelope number, revision date and catalog number only).

Size 8-7/8" x 3-7/8" (225 mm x 98 mm)	Stock White Writing or Wove 24#
Ink Black	Window 3-1/2" x 1" (89 mm x 25 mm) Clear Polystyrene

Additional comments

