

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

November 6, 2008

CHANGE NOTICE NO. 8
TO
CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: June 30, 2009	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective November 11, 2008, price increases per the attached.

All other terms and conditions will remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations.

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$698,488.76

ITEM LISTING

<u>Item</u>	<u>Commodity Number</u>	<u>Unit</u>	<u>Description</u>	<u>Unit Price</u>
001	966-13	TH	UC-1570 Benefit Checks Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$21.48</u>
002	966-13	TH	UC-1570 Replacement Checks Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$150.04</u>
003	966-13	TH	Form 1099G Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$50.06</u>
004	966-13	TH	Form UC-1771-2 Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$37.11</u>
005	966-13	TH	Benefit Overpayment Refund Check UA1570BO	<u>\$211.79</u>
006	966-13	TH	Tax Refund Check Additional Charges: Plate: \$85.00 Packed in 500's. Item No. 1570TR	<u>\$186.39</u>

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

July 17, 2008

CHANGE NOTICE NO. 7
TO
CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: June 30, 2009	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective immediately, minimum orders for item 5 is 5,000 and item 6 is 8,000.

Also note that this contract is EXTENDED one year to June 30, 2009 and is INCREASED \$119,125.00.

All other terms and conditions will remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations and Ad Board approval on July 15, 2008.

TOTAL INCREASE: \$119,125.00

TOTAL REVISED ESTIMATED CONTRACT VALUE: \$698,488.76

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

October 26, 2007

CHANGE NOTICE NO. 6
TO
CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective November 1, 2007, price increases per the attached.

All other terms and conditions will remain the same.

AUTHORITY/REASON:

Per DMB Purchasing Operations

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$579,363.76

ITEM LISTING

<u>Item</u>	<u>Commodity Number</u>	<u>Unit</u>	<u>Description</u>	<u>Unit Price</u>
001	966-13	TH	UC-1570 Benefit Checks Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$20.37</u>
002	966-13	TH	UC-1570 Replacement Checks Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$142.62</u>
003	966-13	TH	Form 1099G Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$46.29</u>
004	966-13	TH	Form UC-1771-2 Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$33.98</u>
005	966-13	TH	Benefit Overpayment Refund Check UA1570BO	<u>\$201.32</u>
006	966-13	TH	Tax Refund Check Additional Charges: Plate: \$85.00 Packed in 500's. Item No. 1570TR	<u>\$177.18</u>

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

January 29, 2007

CHANGE NOTICE NO. 5
TO
CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective January 26, 2007, the following item has been added to this contract per the specifications described below. Please refer to the revised item listing. All other prices, specifications, terms and conditions remain the same.

Item #6 – Tax Refund Check – Item Number: 1570 TR

8-1/2" X 11" Laser check – Printed on #25 boise cascade check protect watermarked paper with toner grip W/W. Printed one color on the face PMS-348 green, additional artificial watermark on the back plus endorsement backer. Consecutive numbered in 3 places plus micro-static and consecutive numbers, 2 full horizontal perforations. No over or under run. Wrapped in packages of 500. Additional charges – Plate: \$85.00

AUTHORITY/REASON:

Per DMB/Acquisition Services

TOTAL ESTIMATED CONTRACT VALUE: \$579,363.76

ITEM LISTING

<u>Item</u>	<u>Commodity Number</u>	<u>Unit</u>	<u>Description</u>	<u>Unit Price</u>
001	966-13	TH	UC-1570 Benefit Checks Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$19.36</u>
002	966-13	TH	UC-1570 Replacement Checks Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$135.57</u>
003	966-13	TH	Form 1099G Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$44.48</u>
004	966-13	TH	Form UC-1771-2 Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$32.48</u>
005	966-13	TH	Benefit Overpayment Refund Check UA1570BO	<u>\$191.37</u>
006	966-13	TH	Tax Refund Check Additional Charges: Plate: \$85.00 Packed in 500's. Item No. 1570TR	<u>\$168.42</u>

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

September 11, 2006

CHANGE NOTICE NO. 4
TO
CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective October 10, 2006, price **INCREASES** per the attached.

All other terms, conditions, and price remain the same.

AUTHORITY/REASON:

Per DMB/Acquisition Services

Total Estimated Contract Value Remains: \$579,363.76

ITEM LISTING

Item	Commodity Number	Unit	Description	Unit Price
001	966-13	TH	UC-1570 Benefit Checks Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$19.36</u>
002	966-13	TH	UC-1570 Replacement Checks Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$135.57</u>
003	966-13	TH	Form 1099G Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$44.48</u>
004	966-13	TH	Form UC-1771-2 Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$32.48</u>
005	966-13	TH	Benefit Overpayment Refund Check UA1570BO	<u>\$191.37</u>

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 ACQUISITION SERVICES
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

October 5, 2005

**CHANGE NOTICE NO. 3
 TO
 CONTRACT NO. 071B3001360
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 schweitzer@completesource.com	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective October 10, 2005, price **INCREASES** per the attached.

All other terms, conditions, and price remain the same.

AUTHORITY/REASON:

Per DMB/Acquisition Services

NET INCREASE: \$13,542.16

Total Revised Estimated Contract Value: \$579,363.76

ITEM LISTING

Item	Commodity Number	Unit	Description	Unit Price
001	966-13	TH	UC-1570 Benefit Checks Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$18.66</u>
002	966-13	TH	UC-1570 Replacement Checks Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$130.73</u>
003	966-13	TH	Form 1099G Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$42.57</u>
004	966-13	TH	Form UC-1771-2 Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$30.99</u>
005	966-13	TH	Benefit Overpayment Refund Check UA1570BO	<u>\$191.37</u>

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET September 1, 2004
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CONTRACT CHANGE NOTICE NO. 2
TO

CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512 <u>schweitzer@completesource.com</u>	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

NATURE OF CHANGE (S):

Effective immediately, addition of Benefit Overpayment Refund Check (UA 1570B0) per the attached specifications and mock-up. Pricing per the following:

<u>Item</u>	<u>Commodity Code</u>	<u>Unit</u>	<u>Description</u>	<u>Unit Cost</u>
005	966-13	TH	Benefit Overpayment Refund Check (UA1570B0)	\$191.37

All other terms, conditions, and price remain the same.

AUTHORITY/REASON:

Per DMB/Acquisition Services

NET INCREASE: \$4,000.00

Total Revised Estimated Contract Value: \$565,821.60



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
BUREAU OF WORKERS' & UNEMPLOYMENT COMPENSATION
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
DAVID C. HOLLISTER, DIRECTOR

DAVID A. PLawecki
DEPUTY DIRECTOR, CIS
BUREAU OF WORKERS' &
UNEMPLOYMENT COMPENSATION

To: Debbie Ciccone
From: Chester Dzbanski

Date: 6/29/2004

Subject: Benefit Overpayment Refund Checks Specifications.

As per our conversation, I am attaching a copy, what the new Benefit Overpayment Refund Check (UA 1570BO) should look like, a copy of the MICR Specification Sheet, and the modifications that are listed below.

The Benefit Overpayment Refund check (UA 1570BO) stock should contain the same artwork, perforations, and safety features as the Tax Refund Check (UA 1570TR) stock, with the following changes.

1. The color should be (208 Burgundy).
2. The starting check number should be 13500. The identifying number 9-32/720 printed in the right hand corner.
3. Add the phrase 'VALID FOR SIXTY (60) DAYS FROM DATE OF ISSUE' to be located under 'BANK ONE, MICHIGAN'. (See attached copies.)
4. The MICR account number should read (644114357) see attached.
5. See additional wording and format changes on attached sample.
6. Please confirm if the pricing will be the same as the Tax Refund Checks (UA1570TR)
7. The check stub will be redesign as per our attached sample.
8. The pre-printed endorsement statement on the back of the Benefit Overpayment Refund checks should be the same as the Tax Refund checks.

Security Line should read....

UN 137017 (REV. 8/87)

1
3500

UNEMPLOYMENTINSURANCEAGENCYUNEMPLOYMENTINSURANCEAGENCYUNEMPLOYMENTINSURANCEAGENC

Michigan Department of Labor & Economic Growth

Unemployment Insurance Agency

CHECK #
13500

**UNEMPLOYMENT INSURANCE AGENCY
BENEFIT OVERPAYMENT REFUND**

		CLAIMANT NUMBER
REASON FOR REFUND	MAIL DATE	REFUND AMOUNT

The enclosed check is a required refund of unemployment benefits repaid by you and applied to your overpayment account. The reasons for the required refund is stated above. If you have any questions regarding this refund please contact the Benefit Overpayment Collection Unit at 1-800-638-6372

BUREAU OF WORKERS' & UNEMPLOYMENT COMPENSATION
MICHIGAN DEPARTMENT OF CONSUMER & INDUSTRY SERVICES

1
3500
9-32
720

BANK ONE, MICHIGAN
VALID FOR ~~USE~~ FROM DATE OF ISSUE

PAY
TO THE
ORDER
OF

VOID

VOID

DOLLARS	CENTS
\$	

SIXTY (60) DAYS

⑈011420⑈ ⑆072000326⑆

644114357⑈



**Bank One, Michigan
MICR Specification Sheet
(Valid For This Order Only)**

Please Type or Print Legibly

Account Number (Do Not Include Dashes, Spaces or Leading Zeros)

77240

Bank Name & Branch Line Stamp

Bank One, Michigan Main Office #000

Information Concerning Customer's Printer
Name and Address

STATE OF MICHIGAN
UNEMPLOYMENT AGENCY

Prepared By (Full Name) **Nancy Jenkins**
Date Prepared **6/2/00**
Phone No. **(734) 957-2325**
Refer Questions To: **(734) 957-3361**
(734) 957-4198

Check Length is: Less than 7 1/4 Greater than 7 1/4

This specification sheet applies only to paper and card checks containing no computer punching.

Special Instructions

1. Document Size - Business: Maximum 8.75 inches length x 3.667 inches height. Personal: Maximum 8.75 inches length x 3.667 inches height. Minimum 7.25 inches length x 2.75 inches height.
2. Paper weight requirement is 24lb. to 28lb. bond long grain. Check colors should meet the requirement of 80% reflectivity.
3. No magnetic ink printing is permitted in the MICR Characters. Printed borders should not be printed in magnetic ink. The signature line should be located above the clear band. If check is printed in all magnetic ink, no MICR encoding should be 3/16" above and parallel to bottom of check.
4. The left edge of the check must extend at least 1/4" beyond the last encoded character.
5. MICR serialization (sequential numbering) is mandatory. All serialized numbers in upper right corner must contain same size font and coincide with MICR serialization. Business - Maximum 10 digits. Personal - Maximum 4 digits.
6. Fractional identification 9-32/720 and Customer's account number must be in upper right corner. (See sample check and details below)
7. Branch line stamp must appear in lower left corner. (See sample check)
8. Verify caption with customer.
9. Voids - must be contained in .008" x .008" square. Voids in double zones must be contained in .010" x .010" square.
10. Spacing - Distance between right edge of adjacent characters must be .125" plus (+) or minus (-) .010" (transit and amount fields only). In other fields, minimum space between characters must be no less than .115".
11. Debasement - Limited to .001" depth measured from face of the document.
12. Signal Level - A relative signal level of any character may vary 50% to 200% of nominal signal level.
13. Extraneous Ink - Spots within character edge irregularity limits (.0015" to .0035") are subject to character edge specification.

Sample Check

Maximum Height 3.667

Maximum Length 8.75 inches

① 123456
② 9-32/720
③ 12345678

Business: Minimum Length 7.25 inches
Personal: Minimum Length 6.00 inches

④ Back Name

Explanation of Symbols
TR = Transit Symbol
DA = Dash Symbol
AC = On Us Symbol
BL = Blank Position
X = Serial Number Positions
(Consecutive Checks)

Business Checking		Transit		Account Number	
Serial Number	Symbol	Serial Number	Symbol	Serial Number	Symbol
56	35	54	53	52	51
55	34	53	52	51	50
54	33	52	51	50	49
53	32	51	50	49	48
52	31	50	49	48	47
51	30	49	48	47	46
50	29	48	47	46	45
49	28	47	46	45	44
48	27	46	45	44	43
47	26	45	44	43	42
46	25	44	43	42	41
45	24	43	42	41	40
44	23	42	41	40	39
43	22	41	40	39	38
42	21	40	39	38	37
41	20	39	38	37	36
40	19	38	37	36	35
39	18	37	36	35	34
38	17	36	35	34	33
37	16	35	34	33	32
36	15	34	33	32	31
35	14	33	32	31	30
34	13	32	31	30	29
33	12	31	30	29	28
32	11	30	29	28	27
31	10	29	28	27	26
30	09	28	27	26	25
29	08	27	26	25	24
28	07	26	25	24	23
27	06	25	24	23	22
26	05	24	23	22	21
25	04	23	22	21	20
24	03	22	21	20	19
23	02	21	20	19	18
22	01	20	19	18	17
21	00	19	18	17	16
20	99	18	17	16	15
19	98	17	16	15	14
18	97	16	15	14	13
17	96	15	14	13	12
16	95	14	13	12	11
15	94	13	12	11	10
14	93	12	11	10	09
13	92	11	10	09	08
12	91	10	09	08	07
11	90	09	08	07	06
10	89	08	07	06	05
09	88	07	06	05	04
08	87	06	05	04	03
07	86	05	04	03	02
06	85	04	03	02	01
05	84	03	02	01	00
04	83	02	01	00	99
03	82	01	00	99	98
02	81	00	99	98	97
01	80	99	98	97	96
00	79	98	97	96	95
99	78	97	96	95	94
98	77	96	95	94	93
97	76	95	94	93	92
96	75	94	93	92	91
95	74	93	92	91	90
94	73	92	91	90	89
93	72	91	90	89	88
92	71	90	89	88	87
91	70	89	88	87	86
90	69	88	87	86	85
89	68	87	86	85	84
88	67	86	85	84	83
87	66	85	84	83	82
86	65	84	83	82	81
85	64	83	82	81	80
84	63	82	81	80	79
83	62	81	80	79	78
82	61	80	79	78	77
81	60	79	78	77	76
80	59	78	77	76	75
79	58	77	76	75	74
78	57	76	75	74	73
77	56	75	74	73	72
76	55	74	73	72	71
75	54	73	72	71	70
74	53	72	71	70	69
73	52	71	70	69	68
72	51	70	69	68	67
71	50	69	68	67	66
70	49	68	67	66	65
69	48	67	66	65	64
68	47	66	65	64	63
67	46	65	64	63	62
66	45	64	63	62	61
65	44	63	62	61	60
64	43	62	61	60	59
63	42	61	60	59	58
62	41	60	59	58	57
61	40	59	58	57	56
60	39	58	57	56	55
59	38	57	56	55	54
58	37	56	55	54	53
57	36	55	54	53	52
56	35	54	53	52	51
55	34	53	52	51	50
54	33	52	51	50	49
53	32	51	50	49	48
52	31	50	49	48	47
51	30	49	48	47	46
50	29	48	47	46	45
49	28	47	46	45	44
48	27	46	45	44	43
47	26	45	44	43	42
46	25	44	43	42	41
45	24	43	42	41	40
44	23	42	41	40	39
43	22	41	40	39	38
42	21	40	39	38	37
41	20	39	38	37	36
40	19	38	37	36	35
39	18	37	36	35	34
38	17	36	35	34	33
37	16	35	34	33	32
36	15	34	33	32	31
35	14	33	32	31	30
34	13	32	31	30	29
33	12	31	30	29	28
32	11	30	29	28	27
31	10	29	28	27	26
30	09	28	27	26	25
29	08	27	26	25	24
28	07	26	25	24	23
27	06	25	24	23	22
26	05	24	23	22	21
25	04	23	22	21	20
24	03	22	21	20	19
23	02	21	20	19	18
22	01	20	19	18	17
21	00	19	18	17	16
20	99	18	17	16	15
19	98	17	16	15	14
18	97	16	15	14	13
17	96	15	14	13	12
16	95	14	13	12	11
15	94	13	12	11	10
14	93	12	11	10	09
13	92	11	10	09	08
12	91	10	09	08	07
11	90	09	08	07	06
10	89	08	07	06	05
09	88	07	06	05	04
08	87	06	05	04	03
07	86	05	04	03	02
06	85	04	03	02	01
05	84	03	02	01	00
04	83	02	01	00	99
03	82	01	00	99	98
02	81	00	99	98	97
01	80	99	98	97	96
00	79	98	97	96	95
99	78	97	96	95	94
98	77	96	95	94	93
97	76	95	94	93	92
96	75	94	93	92	91
95	74	93	92	91	90
94	73	92	91	90	89
93	72	91	90	89	88
92	71	90	89	88	87
91	70	89	88	87	86
90	69	88	87	86	85
89	68	87	86	85	84
88	67	86	85	84	83
87	66	85	84	83	82
86	65	84	83	82	81
85	64	83	82	81	80
84	63	82	81	80	79
83	62	81	80	79	78
82	61	80	79	78	77
81	60	79	78	77	76
80	59	78	77	76	75
79	58	77	76	75	74
78	57	76	75	74	73
77	56	75	74	73	72
76	55	74	73	72	71
75	54	73	72	71	70
74	53	72	71	70	69
73	52	71	70	69	68
72	51	70	69	68	67
71	50	69	68	67	66
70	49	68	67	66	65
69	48	67	66	65	64
68	47	66	65	64	63
67	46	65	64	63	62
66	45	64	63	62	61
65	44	63	62	61	60
64	43	62	61	60	59
63	42	61	60	59	58
62	41	60	59	58	57
61	40	59	58	57	56
60	39	58	57	56	55
59	38	57	56	55	54
58	37	56	55	54	53
57	36	55	54	53	52
56	35	54	53	52	51

Deposit Tickets Business and Personal

Transit

Account Number

Serial Number

Tran Code

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET **August 16, 2004**
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CONTRACT CHANGE NOTICE NO. 1
TO

CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER/CA (517) 373-7374 Joan Bosheff
Contract Compliance Inspector: Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS <p style="text-align: center;">Net 30 days</p>	SHIPMENT <p style="text-align: center;">Per Specs</p>
F.O.B. <p style="text-align: center;">Delivered</p>	SHIPPED FROM <p style="text-align: center;">Bay City, Michigan</p>
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">Per Specs</p>	

NATURE OF CHANGE (S):

Effective September 1, 2004, price increases per the attached. All other terms and conditions remain the same.

AUTHORITY/REASON:

Per DMB/Acquisition Services

Estimated Contract Value Remains: \$561,821.60

ITEM LISTING

Item	Commodity Number	Unit	Description	Unit Price
001	966-13	TH	UC-1570 Benefit Checks , per the attached specifications (Attachment A). Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$18.04</u>
002	966-13	TH	UC-1570 Replacement Checks , per the attached specifications (Attachment A). Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$126.37</u>
003	966-13	TH	Form 1099G , per the attached specifications (Attachment A). Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$40.60</u>
004	966-13	TH	Form UC-1771-2 , per the attached specifications (Attachment A). Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$29.29</u>

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

July 24, 2003

NOTICE
TO

CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512	TELEPHONE Paul Schweitzer (616) 285-9110
	VENDOR NUMBER/MAIL CODE
	BUYER (517) 373-7374 Joan Bosheff
Contract Administrator Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	

The terms and conditions of this Contract are those of **ITB #07113000046** this Contract Agreement and the vendor's quote dated **February**. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: \$561,821.60

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES
P.O. BOX 30026, LANSING, MI 48909
 OR
530 W. ALLEGAN, LANSING, MI 48933

CONTRACT NO. 071B3001360
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF VENDOR Complete Source Inc. 4455 44th Street SE Kentwood, MI 49512	TELEPHONE Paul Schweitzer (616) 285-9110 VENDOR NUMBER/MAIL CODE BUYER (517) 373-7374 Joan Bosheff
Contract Administrator Charles Ash Printing of Unemployment Checks – CIS – BW & UC	
CONTRACT PERIOD: From: July 1, 2003 To: July 1, 2008	
TERMS Net 30 days	SHIPMENT Per Specs
F.O.B. Delivered	SHIPPED FROM Bay City, Michigan
MINIMUM DELIVERY REQUIREMENTS Per Specs	
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07113000046 this Contract Agreement and the vendor's quote dated February. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence. Estimated Contract Value: \$561,821.60	

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the [ITB No. 07113000046](#). Orders for delivery of equipment will be issued directly by the [Department of Consumer & Industry Services](#) through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR:

FOR THE STATE:

Complete Source Inc.

 Firm Name

 Authorized Agent Signature

 Authorized Agent (Print or Type)

 Date

 Signature
Joan Bosheff, Buyer Specialist

 Name
Tactical Purchasing, Acquisition Services

 Title

 Date



**STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
ACQUISITION SERVICES**

**FOR
PRINTING OF UNEMPLOYMENT CHECKS
AND OTHER FORMS**

**FOR DEPARTMENT OF CONSUMER
AND INDUSTRY SERVICES
BUREAU OF WORKERS' AND
UNEMPLOYMENT COMPENSATION**

CONTRACT #071B3001360

JULY, 2003

CONTRACT #071B3001360
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- ATTACHMENT A** – Specifications (7 pages)
- ATTACHMENT B** – Properties of Bond Papers (4 pages)
- ATTACHMENT C** – Michigan Printing Act (1 page)

**SECTION I - REQUIREMENTS****I-A REQUIRED INFORMATION****A. COMPANY INFORMATION**

1. Complete Source, Inc.
4455 44th Street SE
Kentwood, MI 49512
Phone: (616) 285-9110
Fax: (616) 285-0145
www.completesource.com
Contact: Paul Schweitzer

Subcontractor:
F.P. Horak Company
P.O. Box 925
401 Saginaw Street
Bay City, MI 48707-0925

2. **SECURITY**

At minimum, security features at manufacturing and warehouse facilities must include the following:

BUILDING EXTERIOR

- Fire exit doors with break alarm bell for local alert in the event of exit.
- Locks on all outside doors.
- 24-hour intrusion detection and alarm system.
- Secured access with entry by card key or other keyless entry system.

BUILDING INTERIOR

- A log for all visitors entering office and manufacturing areas.
- Employee escort of visitors throughout the facility at all times.
- Restricted access to all areas where BW&UC warrant stock is stored.
- Restricted access by authorized staff to where BW&UC warrant stock is staged before, during and after production.
- All spoilage and overruns to be destroyed by a method acceptable to the State of Michigan.
- Restricted access to all plates and electronic or digital forms containing BW&UC warrant information.



- Printing plates produced only under maximum security conditions and stored in vaults when not in use.
- A shipping manifest created for all warrants produced. The cartons must be stacked in sequential order per the shipment specifications and placed on pallets for delivery.
- The State of Michigan reserves the right to enter the contractor's premises at any time during the production and storage of the forms to inspect methods of production and security to assure full compliance with all provisions of this contract and future purchase orders.

The Contractor and its subcontractors shall comply with the security access requirements of individual State facilities.

B. PRODUCT QUALITY

1. SPECIFICATIONS

Definite Specifications - All commodities and/or services to be furnished hereunder shall conform to the specifications in Attachment A.

C. SERVICE

1. ORDERING/CUSTOMER SERVICE

The Contractor shall have the capacity to receive orders electronically, by phone, facsimile, and by written order. The Contractor shall have internal controls, approved by Acquisition Services, to insure that orders which are placed by authorized individuals with the State. The Contractor shall verify orders that have quantities that appear to be abnormal or excessive.

The Contractor shall have an accessible customer service department with an individual specifically assigned to State of Michigan accounts. The Contractor shall have experienced sales representatives make timely personal visits to State accounts. The Contractor's customer service must respond to State agency inquiries promptly.

2. REPORTING

The Contractor shall be able to provide various reports, when requested by the State. Examples include itemized report of total items (commodities and services) purchased by all agencies or individual agencies, open invoice reports, delivery compliance reports, quantity reports, service compliance reports, etc.



D. DELIVERY

1. TIME FRAMES

It is required that all orders be delivered within seven (7) calendar days for proofs, fifteen (15) calendar days for test samples after receipt of accepted proof, and thirty (30) calendar days to complete and deliver the quantity ordered after approval of the test samples.

2. MINIMUM ORDER

The minimum order is 1,000,000 of UC-1570 Benefit Checks; 4,000 of UC-1570 Replacement Checks; 1,000,000 of Form 1099G; and 20,000 of Form UC-1771-2.

3. F.O.B. POINT

Prices are "F.O.B. Delivered" with transportation charges prepaid on all orders of 1,000,000 of UC-1570 Benefit Checks; 4,000 of UC-1570 Replacement Checks; 1,000,000 of Form 1099G; and 20,000 of Form UC-500,000 or more to the State. bidder from further consideration.

4. PACKAGING

The pack sizes indicated on the Contract represent the sizes currently used by the industry. The Contractor is requested to provide packaging that most closely meets these packaging sizes. However, the Contractor may submit alternates. The State reserves the right of final approval on packaging offered by the Contractor.

Packaging and containers, etc., shall be in accordance with supplier's commercial practice and shall meet the requirements of Department of Transportation (D.O.T.) and rail and motor carrier freight classifications in effect at time of shipment, which will permit application of the lowest freight rate.

5. PALLETIZING

Shipments shall be palletized whenever possible and shall conform to the following:

- Manufacturers standard 4-way shipping pallets are acceptable.
- Maximum height: 5'6"; including pallet.
- Maximum weight: 3500 pounds; including pallet.
- Pallets are to be securely banded or shrink-wrapped.
- The cost of palletizing must be included in the unit price.



E. GENERAL PROVISIONS

1. PRINTING

All printing under this Contract shall be in compliance with the provisions of Public Act 153 of 1937, as amended (Attachment C).

2. INSPECTION

All work to be performed hereunder shall be produced in the plant of the contractor or that of his/her principal and the principal shall be designated. Any subcontractor must be in compliance with Public Act 153 of 1937, as amended.

The Director of Acquisition Services reserves the right to inspect the plant in which the work will be produced; to examine the equipment and facilities; and to determine the ability of the contractor to perform the work in accordance with the requirements.

3. FORM MODIFICATION/LACK OF NEED FOR SERVICE

The State reserves the right of form modification. Such modifications are subject to the approval of Acquisition Services. Price revision requests due to form modification shall be approved by the State.

In addition, BW&UC may, at any time, determine that it no longer needs an item. BW&UC is not obligated to pay for any services which it does not authorize.

4. EMERGENCY PLAN

The Contractor shall have an emergency disaster plan to continue providing service without interruption. The Contractor shall not be liable for liquidated damages when delays arise out of causes beyond the control and without fault or negligence of the contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the state in either its sovereign or contractual capacity, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the delays must be beyond control and without the fault or negligence of the contractor.

5. KEY PERSONNEL

The Contractor must be able to staff a trained project team which possesses talent and expertise in the area of warrant processing. BW&UC MUST be immediately notified in writing when a key member assigned to this project is removed from working on the project. Written notification must include a summary of qualifications (education, years of experience, years with the company etc.) for the replacement personnel assigned to the project.



SECTION II - GENERAL CONTRACT PROVISIONS

II-A GENERAL

The Contract is for Printed Materials including Unemployment Checks and Other Forms for the Department of Consumer and Industry Services, Bureau of Workers' and Unemployment Compensation. Exact quantities to be purchased are unknown; however, the Contractor will be required to furnish all such materials and services as may be ordered during the CONTRACT period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities. Orders for delivery will be issued directly to the Contractor by the Department of Consumer and Industry Services, Bureau of Workers' and Unemployment Compensation, on the Purchase Order Contract Release Form.

The Contract will be a Unit Price Contract.

II-B ISSUING OFFICE

The Contract is issued by Acquisition Services, State of Michigan, Department of Management and Budget, hereinafter known as Acquisition Services, for the Department of Consumer and Industry Services, Bureau of Workers' and Unemployment Compensation, hereinafter known as BW&UC. Where actions are a combination of those of Acquisition Services and BW&UC, the authority will be known as the State.

Acquisition Services is the sole point of contact in the State with regard to all procurement and contractual matters relating to the commodities and/or services described herein. Acquisition Services is the only office authorized to change, modify, amend, alter, clarify, etc., the specifications, terms, and conditions of the Contract. Acquisition Services will remain the **SOLE POINT OF CONTACT** throughout the procurement process. All communications covering this procurement must be addressed to:

Department of Management and Budget
Acquisition Services
ATTN: Joan Bosheff
2nd Floor, Mason Building
P.O. Box 30026
Lansing, Michigan 48909
Phone: (517) 373-7374
E-Mail: bosheffj@michigan.gov

II-C CONTRACT ADMINISTRATOR

Upon receipt at Acquisition Services of the properly executed Contract Agreement, the person named below will be allowed to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of the Contract implies no authority to change, modify, clarify, amend, or otherwise alter the terms, conditions, and specifications of such Contract. That authority is retained by Acquisition Services. The Contract Administrator for this project is:



Charles Ash, Manager
Printing and Distribution Services
Department of Consumer and Industry Services
Bureau of Workers' and Unemployment Compensations
14333 Woodrow Wilson
Detroit, Michigan 48238
Phone: (313) 868-2997
E-Mail: ashcharles@michigan.gov

II-D CONTRACT TERM

The term of this Contract will be for a five (5) year period and will commence July 1, 2003, through July 1, 2008. At the sole option of the State, the Contract may be extended for up to 2 (two) additional years. Contractor performance, quality of products, price, and the Contractor's ability to deliver on time are some of the criteria that will be used as a basis for any decision by Acquisition Services to extend the Contract.

II-E ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

The following documents constitute the complete and exclusive agreement between the parties. The following order of precedence shall apply (in descending order):

- A. Any contract resulting from the State's ITB #07113000046.
- B. Any addenda to that ITB.
- C. The Contractor's response to that ITB.

The State of Michigan shall not be bound by any part(s) of the bidder's response to the ITB which contains information, options, conditions, terms, or prices neither requested nor required in the ITB. In the event of any conflicts between the specifications, terms and conditions indicated by the State and those indicated by the Contractor, those of the State take precedence. The contract supercedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to this subject.

II-F NO WAIVER OF DEFAULT

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other term of the Contract.

II-G REVISIONS, CONSENTS, AND APPROVALS

The Contract may not be modified, amended, extended, or augmented except by a writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing signed by the other party.



II-H SEVERABILITY

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

II-I SURVIVOR

Any provisions of the Contract that impose continuing obligations on the parties including, but not limited to the Contractor's indemnity and other obligations shall survive the expiration or cancellation of the Contract for any reason.

II-J GOVERNING LAW

The Contract shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

II-K RELATIONSHIP OF THE PARTIES (INDEPENDENT CONTRACTOR)

The relationship between the State and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the State for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

II-L HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Contract.

II-M INCURRING COSTS

The State of Michigan is not liable for any cost incurred by the Contractor prior to signing of the Contract. The State fiscal year is October 1st through September 30th. The Contractor should realize that payments in any given fiscal year are contingent upon enactment of legislative appropriations. Total liability of the State is limited to terms and conditions of the Contract.

II-N NEWS RELEASES

News releases (including promotional literature and commercial advertisements) pertaining to the ITB and Contract or project to which it relates shall not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the ITB and Contract are to be released without prior written approval of the State and then only to persons designated.



II-O CONTRACTOR RESPONSIBILITIES

The Contractor will be required to assume responsibility for all contractual activities, whether or not that Contractor performs them. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, the Contract must include a list of subcontractors, including firm name and address, contact person and a complete description of work to be subcontracted. The State reserves the right to approve subcontractors and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract. Any change in subcontractors must be approved by the State, in writing, prior to such change.

II-P PERFORMANCE REVIEWS

Acquisition Services, in conjunction with BW&UC, may review with the Contractor their performance under the Contract. Performance reviews shall be conducted quarterly, semi-annually or annually depending on Contractor's past performance with the State. Performance reviews shall include, but not limited to, quality of products/services being delivered and provided, timeliness of delivery, percentage of completion of orders, the amount of back orders, status of such orders, accuracy of billings, customer service, completion and submission of required paperwork, the number of substitutions and the reasons for substitutions, and other requirements of the Contract.

Upon a finding of poor performance which has been documented by Acquisition Services, the Contractor shall be given an opportunity to respond and take corrective action. If corrective action is not taken in a reasonable amount of time as determined by Acquisition Services, the Contract may be canceled for default. Delivery by the Contractor of unsafe and/or adulterated or off-condition products to any State agency is considered a material breach of Contract subject to the cancellation provisions contained herein.

II-Q AUDIT OF CONTRACT COMPLIANCE

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

II-R SAFETY AND ACCIDENT PREVENTION

In performing work under this Contract on State premises, the Contractor shall conform to any specific safety requirements contained in the Contract or as required by law or regulation. The Contractor shall take any additional precautions as the State may reasonably require for safety and accident prevention purposes. Any violation by the Contractor of such safety requirements, rules, laws or regulations shall be a material breach of the Contract subject to the cancellation provisions contained herein.

**II-S WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT**

In performing services for the State pursuant to this Contract, the Contractor shall comply with Department of Civil Service Rules 2-20 regarding Workplace Safety and 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service Regulations governing workplace safety and discriminatory harassment and any applicable state agency rules on these matters that the agency provides to the Contractor. Department of Civil Service Rules and Regulations can be found on the Department of Civil Service website at www.michigan.gov/mdcs.

II-T ASSIGNMENT

The Contractor shall not have the right to assign the Contract or to assign or delegate any of its duties or obligations under the Contract to any other party (whether by operation of law or otherwise), without the prior written consent of the State. Any purported assignment in violation of this Section shall be null and void. Further, the Contractor may not assign the right to receive money due under the Contract without the prior written consent of the Director of Acquisition Services.

II-U DELEGATION

The Contractor shall not delegate any duties or obligations under the Contract to a subcontractor other than a subcontractor named and approved in the bid unless the Director of Acquisition Services has given written consent to the delegation.

II-V DISCLOSURE

All information in a bidder's proposal and the Contract is subject to the provisions of the Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq.

II-W TAXES

- A. Sales Tax: For purchases made directly by the State of Michigan, the State is exempt from State and Local Sales Tax. Prices shall not include such taxes. Exemption Certificates for State Sales Tax will be furnished upon request.
- B. Federal Excise Tax: The State of Michigan may be exempt for Federal Excise Tax, or such taxes may be reimbursable, if articles purchased under this Contract are used for the State's exclusive use. Certificates exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent to the Contractor upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices shall not include the Federal Excise Tax.
- C. Contractors are expected to collect and pay all applicable federal, state, and local employment taxes for all persons involved in the resulting Contract. Also, bidders shall maintain appropriate payroll information on a system that can produce any reports that may be needed by Acquisition Services.

**II-X PRICE ADJUSTMENTS**

Prices are the maximum for a period of 365 days from the date the Contract becomes effective.

Prices are subject to change at the end of each 365-day period. Such changes shall be based on changes in actual costs incurred. Documentation of such changes must be provided with the request for price change in order to substantiate any requested change. Acquisition Services reserves the right to consider various pertinent information sources to evaluate price increase requests (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics). Acquisition Services also reserves the right to consider other information related to special economic and/or industry circumstances, when evaluating a price change request. Changes may be either increases or decreases, and may be requested by either party. Approved changes shall be firm for the remainder of the contract period unless further revised at the end of the next 365-day period.

Requests for price changes shall be RECEIVED IN WRITING AT LEAST TEN DAYS PRIOR TO THEIR EFFECTIVE DATE, and are subject to written acceptance before becoming effective. In the event new prices are not acceptable, the CONTRACT may be cancelled. The continued payment of any charges due after September 30th of any fiscal year will be subject to the availability of an appropriation for this purpose.

II-Y ADDITIONAL PRODUCTS/SERVICES

The State reserves the right to add an item(s) that is not described on the item listing and is available from the Contract vendor. The item(s) may be included on the Contract, only if prior written approval has been granted by Acquisition Services.

II-Z CONTRACTOR'S LIABILITY INSURANCE

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract. The Contractor also agrees to provide evidence that all applicable insurance policies contain a waiver of subrogation by the insurance company.

All insurance coverages provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The Insurance shall be written for not less than any minimum coverage herein specified or required by law, whichever is greater. All deductible amounts for any of the required policies are subject to approval by the State.



The State reserves the right to reject insurance written by an insurer the State deems unacceptable.

BEFORE THE CONTRACT IS SIGNED BY BOTH PARTIES OR BEFORE THE PURCHASE ORDER IS ISSUED BY THE STATE, THE CONTRACTOR MUST FURNISH TO THE DIRECTOR OF ACQUISITION SERVICES, CERTIFICATE(S) OF INSURANCE VERIFYING INSURANCE COVERAGE. THE CERTIFICATE MUST BE ON THE STANDARD "ACCORD" FORM. THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING. All such Certificate(s) are to be prepared and submitted by the Insurance Provider and not by the Contractor. All such Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Acquisition Services, Department of Management and Budget. Such NOTICE must include the CONTRACT NUMBER affected and be mailed to: Director, Acquisition Services, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909.

The Contractor is required to provide the type and amount of insurance checked () below:

- 1. Commercial General Liability with the following minimum coverages:

- \$2,000,000 General Aggregate Limit other than Products/Completed Operations
 - \$2,000,000 Products/Completed Operations Aggregate Limit
 - \$1,000,000 Personal and Advertising Injury Limit
 - \$1,000,000 Each Occurrence Limit
 - \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability policy.

- 2. If a motor vehicle is used to provide services or products under this Contract, Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability policy.

- 3. Worker's disability compensation, disability benefit or other similar employee benefit act with minimum statutory limits. NOTE: (1) If coverage is provided by a State fund or if Contractor has qualified as a self-insurer, separate certification must be furnished that coverage is in the state fund or that Contractor has approval to be a self-insurer; (2) Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable; and (3) Any policy of insurance must contain a provision or endorsement providing that the insurers' rights of subrogation are waived. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.



- 4. For contracts providing temporary staff personnel to the State, the Contractor shall provide an Alternate Employer Endorsement with minimum coverage of \$1,000,000.
- 5. Employers liability insurance with the following minimum limits:
 - \$100,000 each accident
 - \$100,000 each employee by disease
 - \$500,000 aggregate disease

II-AA INDEMNIFICATION

A. General Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:

- 1. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from (1) the product provided or (2) performance of the work, duties, responsibilities, actions or omissions of the Contractor or any of its subcontractors under this Contract.
- 2. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from a breach by the Contractor of any representation or warranty made by the Contractor in the Contract;
- 3. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or related to occurrences that the Contractor is required to insure against as provided for in this Contract;
- 4. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Contractor, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the State;
- 5. Any claim, demand, action, citation or legal proceeding against the State, its employees and agents which results from an act or omission of the Contractor or any of its subcontractors in its or their capacity as an employer of a person.



B. Patent/Copyright Infringement Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State, its employees and agents from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or the operation thereof, become or in the Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

C. Indemnification Obligation Not Limited

In any and all claims against the State of Michigan, or any of its agents or employees, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefits acts, or other employee benefits acts. This indemnification clause is intended to be comprehensive. Any overlap in subclauses, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other subclause.

D. Continuation of Indemnification Obligation

The duty to indemnify will continue in full force and affect notwithstanding the expiration or early termination of the Contract with respect to any claims based on facts or conditions, which occurred prior to termination.

II-BB CONTRACT DISTRIBUTION

Acquisition Services shall retain the sole right of Contract distribution to BW&UC unless other arrangements are authorized by Acquisition Services.

**II-CC ACCOUNTING RECORDS**

The Contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the Contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Michigan. Financial and accounting records shall be made available, upon request, to the State of Michigan, its designees, or the Michigan Auditor General at any time during the Contract period and any extension thereof, and for three years from expiration date and final payment on the Contract or extension thereof.

II-DD NON-DISCRIMINATION CLAUSE

In the performance of the Contract, the Contractor agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental handicap or disability. The Contractor further agrees that every subcontract entered into for the performance of the Contract will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2201, et seq, and the Michigan Handicapper's Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, et seq, and any breach thereof may be regarded as a material breach of the Contract.

II-EE CANCELLATION

The State may cancel this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents, and employees for any of the following reasons:

1. **Material Breach by the Contractor.** In the event that the Contractor breaches any of its material duties or obligations under the Contract, which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State, or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of cancellation to the Contractor, cancel this Contract in whole or in part, for cause, as of the date specified in the notice of cancellation.

In the event that this Contract is cancelled for cause, in addition to any legal remedies otherwise available to the State by law or equity, the Contractor shall be responsible for all costs incurred by the State in canceling the Contract, including but not limited to, State administrative costs, attorneys fees and court costs, and any additional costs the State may incur to procure the services required by this Contract from other sources. All excess re-procurement costs and damages shall not be considered by the parties to be consequential, indirect or incidental, and shall not be excluded by any other terms otherwise included in the Contract.

In the event the State chooses to partially cancel this Contract for cause charges payable under this Contract will be equitably adjusted to reflect those services that are cancelled.



In the event this Contract is cancelled for cause pursuant to this section, and it is therefore determined, for any reason, that the Contractor was not in breach of contract pursuant to the provisions of this section, that cancellation for cause shall be deemed to have been a cancellation for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in the Contract for a cancellation for convenience.

2. Cancellation For Convenience By the State. The State may cancel this Contract for its convenience, in whole or part, if the State determines that such a cancellation is in the State's best interest. Reasons for such cancellation shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Contract services no longer practical or feasible, and (c) unacceptable prices for additional services requested by the State. The State may cancel the Contract for its convenience, in whole or in part, by giving the Contractor written notice 30 days prior to the date of cancellation. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those services that are cancelled.
3. Non-Appropriation. In the event that funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available. The Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this project. If funds are not appropriated or otherwise made available, the State shall have the right to cancel this Contract at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of cancellation to the Contractor. The State shall give the Contractor written notice of such non-appropriation or unavailability within 30 days after it receives notice of such non-appropriation or unavailability.
4. Criminal Conviction. In the event the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State, reflects upon the Contractor's business integrity.
5. Approvals Rescinded. In the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Article 11, Section 5 of the Michigan Constitution of 1963, and Chapter 7 of the Civil Service Rules. Notwithstanding any other provision of this Contract to the contrary, the State Personnel Director is authorized to disapprove contractual disbursements for personal services if the Director determines that the Contract of the disbursements under the Contract violate Article 11, Section 5 of the Constitution or violate applicable Civil Service rules or regulations. Cancellation may be in whole or in part and may be immediate as of the date of the



written notice to the Contractor or may be effective as of the date stated in such written notice.

II-FF NOTICE AND RIGHT TO CURE

In the event of a curable breach by the Contractor, the State shall provide the Contractor written notice of the breach and a time period to cure said breach described in the notice. This section requiring notice and an opportunity to cure shall not be applicable in the event of successive or repeated breaches of the same nature or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage or destruction of any real or tangible personal property.

II-GG ELECTRONIC FUNDS TRANSFER

Electronic transfer of funds is available to State contractors. Vendors are encouraged to register with the State of Michigan Office of Financial Management so the State can make payments related to this Contract electronically at www.cpexpress.state.mi.us.

II-HH MODIFICATION OF CONTRACT

Acquisition Services reserves the right to modify this contract at any time during the contract term. Such modification may include changing the locations to be serviced, additional locations to be serviced, method or manner of performance of the work, number of days service is to be performed, addition or deletion of tasks to be performed, addition or deletion of items, and/or any other modifications deemed necessary. Any changes in pricing proposed by the Contractor resulting from the proposed changes are subject to acceptance by the State. Changes may be increases or decreases. **IN THE EVENT PRICES ARE NOT ACCEPTABLE TO THE STATE, THE CONTRACT SHALL BE SUBJECT TO COMPETITIVE BIDDING BASED UPON THE NEW SPECIFICATION.**

II-II UNFAIR LABOR PRACTICES

Pursuant to 1980 Public Act 278, as amended, MCL 423.231, et seq, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to Section 2 of the Act. A Contractor of the State, in relation to the Contract, shall not enter into a Contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to Section 4 of 1980 Public Act 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor appears in the register.

II-JJ FORM, FUNCTION, AND UTILITY

If the Contract is for use of more than one State agency and if the good or service provided under this Contract do not the meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the good or service from another source.

**II-KK CONTRACT PAYMENT SCHEDULE**

The specific payment schedule for the Contract will be mutually agreed upon by the State and the Contractor. The schedule should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy statements shall be forwarded to the designated representative by the 15th day of the following month.

II-LL PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Acquisition Services has approved a change.

II-MM RECYCLED CONTAINERS

The Contractor is encouraged to offer products packaged in containers using recovered materials suitable for the intended use. 'Recovered material' is defined as post-consumer waste (any products generated by a business or consumer which have served their intended end use, and which have been separated or diverted from solid waste for the purpose of collection, recycling, and disposition) and 'secondary waste' (industrial by-products and wastes generated after completion of a manufacturing process that would normally not be reused).

II-NN ASSIGNMENT OF ANTITRUST CAUSE OF ACTION

For and in consideration of the opportunity to submit a quotation and other good and valuable consideration, the bidder hereby assigns, sells and transfers to the State of Michigan all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of payment and which relate solely to the particular goods, commodities, or services purchased or procured by this State pursuant to this transaction.

II-OO QUALITY ASSURANCE

The State reserves the right to periodically test products which have been received to verify compliance with specifications. If laboratory analysis shows that the product does not meet specifications or fails to perform satisfactorily at any time, the Contractor shall be responsible for:

1. All costs of testing and laboratory analysis.
2. Disposal and/or replacement of all products which fail to meet specifications.
3. All costs of repair and/or replacement of equipment deemed to have been damaged by substandard products as determined by the State.

**II-PP INSPECTION**

All goods are subject to inspection and testing. In the event goods are defective in material or workmanship, or otherwise fail to meet the requirements of the Contract, the State shall have the right to reject the goods or retain the goods and correct the defects. The Contractor shall pay the State for expenses incurred in correcting defects. Rejected goods will be held for 45 days after delivery. The Contractor must arrange for the return of said goods, including paying for handling, packing, and transportation costs. The State has the authority to dispose of the goods without further liability to the State in the event the Contractor fails to make arrangements within the specified time period.

II-QQ OPTIONAL USE OF STATE AGENCY PRODUCTION FACILITIES

State agencies are exempt from utilizing the Contract if they would instead prefer to purchase similar items from the following State agency production facilities:

- Michigan State Industries (MSI), which provides valuable training opportunities for inmates at State correctional facilities.
- Department of Management and Budget, Print and Graphics Services



ITEM LISTING

Item	Commodity Number	Unit	Description	Unit Price
001	966-13	TH	UC-1570 Benefit Checks , per the attached specifications (Attachment A). Minimum Order: 1,000,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$17.20</u>
002	966-13	TH	UC-1570 Replacement Checks , per the attached specifications (Attachment A). Minimum Order: 4,000 checks Mill: <u>Boise</u> Brand: <u>Boise</u>	<u>\$120.47</u>
003	966-13	TH	Form 1099G , per the attached specifications (Attachment A). Minimum Order: 1,000,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$38.27</u>
004	966-13	TH	Form UC-1771-2 , per the attached specifications (Attachment A). Minimum Order: 20,000 forms Mill: <u>Enterprize</u> Brand: <u>Enterprize Laser</u>	<u>\$27.40</u>



ATTACHMENT A

SPECIFICATIONS

FORM UC 1570 – UNEMPLOYMENT CHECKS

- UC 1570 Benefit Checks – 9.5" x 11", boxed, pin feed, continuous
For use at the Lansing Consolidated Print Center and for use as a back up at the Oakman Multi-Service Center in Detroit.
- UC 1570 Replacement Checks – 8.5" x 11", boxed, cut sheet
For use by the BW&UC Trust Fund Accounting Section

It is the intention of the Bureau of Workers' and Unemployment Compensation (BW&UC) to continue to issue the form UC 1570 in the same form and color previously issued; however, the State reserves the right to make any format or text changes that are necessary during the term of this contract.

Paper Stock:

Paper shall be 24# bond suitable for use in a laser electrophotographic print process. The paper shall have high toner transfer efficiency and shall yield prints without visible feathering or toned image breakup. See Attachment B for additional paper specifications. .

Acceptable Brands:

Paper shall be either James River or Boise Cascade 24# stock. NO ALTERNATE BRANDS WILL BE ACCEPTED.

Dimensions of Paper Stock and Quantity:

1. 9.5" x 11", boxed, pin-feed forms with 2 color pantograph, microline printing, consecutive number on front and back of check – Bureau of Workers' and Unemployment Compensation, Benefit Check, UC 1570.
2,000 per box.
Estimated total quantity per year: 4,300,000 (2,150 boxes).
2. Test forms for the item listed above in item #1.
Estimated quantity: 6,000
3. Replacement checks, cut sheet, with 2 color pantograph, microline printing, consecutive number on front of check – Bureau of Workers' and Unemployment Compensation, Benefit Replacement Check, UC 1570.
2,000 per box
Estimated total quantity per year 6,000, 3 boxes.
4. Composition charges for changes to the check stock listed above in number 1 and number 3 above.

**Specific Requirements:**

1. Form UC-1570 Benefit Check shall be printed front and back. Front of check shall be a light blue background with dark blue print and consecutive numbering in black. Back of item is printed in black with an artificial watermark.

The face of this item will have a two-color pantograph with the State of Michigan seal at the center.

The back of the check portion (not the stub) shall bear an artificial watermark in a step-and-repeat pattern approved by the BW&UC. The watermark shall be visible to the human eye when viewed at an angle but shall not be such that it can be photographically reproduced. The ink used shall fluoresce under a black or ultraviolet light.

A consecutive control number shall be printed on the face of the check in the upper left-hand corner. The printing shall be in black and will use an OCR-A font. There will be no duplicate numbers, and missing numbers are not to exceed 1% of the total run. A guaranteed list of missing numbers, in sequential order, shall be provided the BW&UC upon delivery. The vendor will be provided the beginning number to use with each order against this contract.

Microline printing will be used on the face of the item. On contract award the vendor will be provided the verbage that the BW&UC wishes to be included in this area. This printing will appear to be a solid line to the human eye but will, under magnification, show the verbage that will be provided. This will be a line of approximately three (3) inches in length.

Perforation – There shall be a clearly marked perforation at three (3) inches from the bottom of the document. The perforation shall be strong enough to withstand the stress of printing while cleanly separating when the check is removed from the stub portion. The perforation shall stop short of the edge of the document. The traction strips shall also be perforated ½ inch from the document edges.

Security features – A safety paper shall be used which will contain invisible fluorescent fibers (increasing the difficulty of photocopying the check). The paper used will provide improved toner adherence over standard papers. The paper used will be sensitive to bleach or solvents and will produce a visible stain if these products were to be applied

2. Form UC-1570 Replacement check has all the same requirements as listed under #1 above with the following exceptions:
 - The forms are cut sheet instead of continuous – 8.5" x 11".
 - Tractor strips are not applicable to this item.
 - The check number is pre-assigned and printed on the check in the upper right-hand corner and on the stub.
 - The MICR associated with the check and transit numbers are printed by the vendor.
 - The beginning check number will be supplied by the BW&UC at the point this product is ordered.
 - The consecutive control number in the upper left-hand corner does not apply to this item.

**Test Samples**

Upon award of the contract, the vendor will prepare test samples of each of the products and provide them to the State at no additional cost. For initial setup the State may require the vendor to provide up to two boxes or one roll of each product. After written approval of test samples by the BW&UC, the vendor may proceed with the balance of the production run(s). The State will not be obligated to pay for additional test samples if the first samples are unacceptable due to incompatibility with equipment, improper inks, or defective forms

Changes after initial approval which are made at the State's direction are cost items that may be billed to the State. The vendor must provide an hourly rate for any cost categories that may apply such as artwork and set-up fees.

Quantity and Minimum Order:

UC-1570 Benefit Checks - approximately 4,300,000 per year.

Contract releases to be a minimum 1,000,000. The vendor shall identify any fees that would apply if the State orders less than 1,000,000. Normally delivery of UC-1570 Benefit Checks will be made to the Michigan Department of Management and Budget, Consolidated Print Center, in Lansing, Michigan.

UC-1570 Replacement Checks – approximately 6,000 per year.

Contract releases to be a minimum 4,000. The vendor shall identify any fees that would apply if the State orders less than 4,000. Normally delivery shall be made to the Trust Fund Accounting Section, located at Cadillac Place, Suite 13-397, 3024 West Grand Blvd., Detroit, Michigan.

Overruns/Underruns

Responsibility for payment of overruns/underruns will be limited to 1% of the quantity ordered.

Equipment Compatibility:

UC-1570 Benefit Check will be processed on either an OCE' PageStream, MICR printing system, or an IBM InfoPrint 4000 ID1/ID2 printing system. Post-processing equipment used is large scale, production folder inserters, and U.S. Postal Service sorting and processing equipment.

Packaging and Carton Labeling:

No splice guarantee on continuous forms.

Packaging shall be taped shut with reinforced tape so that the packages will not open accidentally with normal handling, storage, and shipping.

Cartons and rolls shall be securely attached to the pallets. Pallets shall be secured to allow transportation by truck and movement with a forklift.

Lowest numbered checks are to be loaded toward the front of the truck and highest numbered checks to be nearest the doors so they will be unloaded first.



Since this is a security document, the name of the document shall not appear on the outside of the package/carton/roll. Each package/carton/roll shall be appropriately labeled either UC 1570 or UC 1570 Replacement (with no reference to check) showing sequence of numbers contained within the package/carton.

FORM 1099G

Contractor’s responsibilities include all necessary supplies such as paper, printing and forms manufacture, data processing, personalization, sorting, folding, inserting into envelopes, application of permit information, and delivery to the United States Postal Service (USPS).

Production Schedule:

The following is a general production schedule for this project. Except for the final delivery dates, all dates may be negotiated within 7 days. Extra time is provided between the date for approving the test and the release of production tapes if the first test is unacceptable.

Copy released to printer	November 5
Copy proof received	November 12
Test tapes released and proof approved	November 12
Testing materials with construction proof received	December 10
Testing materials approved	Before production tapes are released
Release of production tapes	January 10
Mail Date	January 24

Statutes that require mailing on or before January 31 bind the BW&UC. Any late mailing of these forms is considered a breach of contract.

Basic Construction:

A. Quantity 1,000,000 forms. Quantity is a one-year estimate and varies based on annual records. Exact record counts will not be available until production data is run. The Contractor will be required to produce forms that contain two copies of each record on the Bureau’s file.

The Contractor may bill only for the actual number of forms produced (see Section V.B, Invoicing).

B. Size Final size of 8.5” x 11” and shall meet all USPS requirements for 1st class permit mailing.

C. Stock Paper – 20 to 24# Bond – White

D. Ink Paper – Black printed two sides

E. Perforations Each form will contain two copies of the 1099G. Perforations will be located between copy B and copy D of the 1099 as well as between copy B and the address panel. Perforations shall be sufficiently sturdy to withstand folding but should tear cleanly by hand.



- F. Confidentiality Final document shall be sealed such that a casual observer or mail handler cannot see personalized information.
- G. Copy The BW&UC will provide camera-ready copy, diskettes or negatives.
- H. Artwork Artwork and negatives used to produce this job are the property of the State of Michigan. Ownership of the artwork is included in the purchase price. All plates, negatives, keylines and other materials relating to this job shall be delivered to the State of Michigan upon request.

Form Personalization and Mailing:

- A. Personalization Contractor will personalize each form with variable information from data provided by the BW&UC. Personalization shall be performed in a single pass so data will be kept synchronized. All personalization shall be in black ink. **One hundred (100) percent retrieval of all the variable information from the production data is required.**
- B. Data Exchange The BW&UC will provide magnetic cartridges prepared on tape units compatible with IBM-3480 Units. These units are formatted in 38,000 bpi, 18-track, phase encoded, EBCDIC odd parity, labeled.
- C. Data Security To preserve the confidentiality of the data provided by the BW&UC, all work shall be produced in the contractor's plant or in its subcontractor's plant.

All agency data shall be protected from unauthorized release. Any duplicates of tapes or cartridges made for back up shall be erased immediately upon completion of the project. All tapes or cartridges, duplicates of tapes or cartridges, and any information printed from the tapes or cartridges shall be kept under reasonable security to prevent their release to any unauthorized person. **UNDER NO CIRCUMSTANCES SHOULD ANY DATA TAPE OR CARTRIDGE BE REPRODUCED WITHOUT PRIOR WRITTEN APPROVAL.** All magnetic media shall be returned to the contract administrator within 30 days of completion of the work.

VIOLATORS WHO RELEASE BW&UC DATA ARE SUBJECT TO PROSECUTION UNDER MICHIGAN EMPLOYMENT SECURITY ACT, SECTION 421.54(d).

- D. Testing
 - Test 1: The BW&UC will provide test data from which the contractor shall produce a construction proof with an imaged overlay. Test proof shall show all imaging as it will appear on the final document. Production tapes will not be released until a successful test is completed.
 - Test 2: Contractor shall duplicate the first 25 records from the production tape. These forms shall be printed at the beginning of the production run then sent by overnight mail on the same day they are imaged to the BW&UC contact person for approval. The BW&UC reserves the right to alter production if these test samples are unsatisfactory.



Test 3: Contractor shall image every 1000th form of the production run with a 'Z' file. Contractor should use these forms to verify the quality of the imaging and the accuracy of the data. These forms should be forwarded to the contract administrator for review within 5 days of production. The State may choose not to require this test or to reduce the frequency of this test if the manufacturing method does not warrant it.

E. Mail Sort

First class, carrier route rate. Before imaging, contractor shall match the BW&UC's data with a USPS qualified zip-code and first class carrier-route sort program, append the carrier route code, apply the correct "PostNet" barcode, postal qualify the file and prepare for delivery to the post office. Subcontractors for the postal sorting are acceptable, and a copy of the subcontractor's current CASS certificate must be provided to the State. Quality of barcode imaging must meet USPS guidelines.

Contractor is to insert, but leave unscaled, any foreign mail. This foreign mail shall be directly sent to by overnight mail to:

State of Michigan
Department of Consumer and Industry Services
Bureau of Workers' and Unemployment Compensation
Publishing and Distribution Unit
14333 Woodrow Wilson
Detroit, Michigan 48238
ATTN: Mail Supervisor

F. Quality Control

Contractor shall maintain a thorough quality assurance program. Any damaged, mutilated or illegibly addressed forms shall be shredded immediately after printing. Forms damaged in this manner shall be corrected at the contractor's expense.

The BW&UC will pay for the exact number of forms mailed as documented on the U.S. Postal Service Postage Statement – First Class Mail – Permit Imprint (Form 3600-R).

G. Postage Payment
and Proof of
Mailing

The BW&UC has franking privileges. Within three working days after the agency's forms have been mailed, the contractor shall send the proof of mailing furnished by the U.S. Postal Service to the contract administrator. The USPS Statement of First-Class mailing with Permit Imprints (form 3600-R) shall clearly identify the Bureau's name, the proper federal permit and the agency cost code.



Pricing:

- A. Liquidated Damages Because of statutory requirements, late delivery of these products is not acceptable. The BW&UC will impose liquidated damages of two (2) percent of the total price for each day the delivery is delayed. Damages will not be imposed if the delay is created by the BW&UC.

- B. Invoicing Contractor will receive one (1) purchase order from the BW&UC. Contractor shall provide a single invoice to the contract administrator that includes the purchase order number and the date the items were mailed.

FORM UC-1771-2

Contractor shall produce two sided 8.5" x 11" forms for the on 9.8" x 11" roll paper as follows:

Basic Construction:

- A. Quantity 60,000 forms per year. Minimum order amount 20,000 forms.

- B. Size Final size of 8.5" x 11" shall meet all USPS requirements for 1st class permit mailing.

- C. Roll Size Large Roll: 40"-50" diameter by 9.5".
 Small Roll: 20" diameter by 9.5"

- D. Stock Paper – 20 to 24# bond, white paper shall have a toner transfer efficiency of 99.7%.

- E. Ink Black and red printed on front side, and black on the reverse side.

- F. Copy The BW&UC will provide camera-ready copy, diskettes or negatives.

- G. Artwork Artwork and negatives used to produce this job are the property of the State of Michigan.
 Ownership of the artwork is included in the purchase price. All plates, negatives, keylines and other materials relating to this job shall be delivered to the State of Michigan upon request.

- H. Printing Rolls shall be printed front and back including marking for alignment and trimming at the top and bottom of each document, all of which need to be compatible with the IBM InfoPrint 4000 printer, and USPS sorting and processing equipment, production inserters.

Packaging and Carton Labeling:

No splice guarantee on roll paper.

Rolls shall be securely attached to the pallets. Pallets shall be secured to allow transportation by truck and movement with a forklift.