

PROGRAM: 249-S						
TITLE: U.S. Treasury Checks						
AGENCY: U.S. Department of the Treasury						
TERM: November 1, 2021 thru October 31, 2022						
				CURRENT CONTRACTOR		
				BANKNOTE CORP/AMER.		
			Browns Summit, NC		Browns Summit, NC	
ITEM NO.	DESCRIPTION	BASIS OF AWARD	UNIT RATE	COST	UNIT RATE	COST
I.	ELECTRONIC PREPRESS:					
(a)	PDF soft proof-----per proof	1	50.00	50.00	<i>Due to changes in specifications</i>	
(b)	System Timework-----per hour	5	50.00	250.00	<i>previous prices will not be shown.</i>	
II.	Start-up Rolls:					
(a)	Format H-----per order	1	35,570.96	35,570.96		
(b)	Format K-----per order	1	35,570.96	35,570.96		
III.	PRINTING AND CONSTRUCTION:					
I	CHECKS:					
(a).	Format H (double, stream, roll): Print face and back of check-----per check					
(1)	Makeready/and or Setup	8	500.00	4,000.00		
(2)	Running Per 1000 copies	57,600	12.05	694,080.00		
(b)	Format K (double stream, 1 statement/roll) Printing back of statement only-----per check					
(1)	Makeready/and or Setup	8	500.00	4,000.00		
(2)	Running Per 1000 copies	3,840	39.42	151,372.80		
2.	SPECIMEN CHECKS:					
(a).	Format H (double stream roll)-----per roll	3	690.40	2,071.20		
(b)	Format K (double stream, 1 statement/roll) per roll	3	1,483.60	4,450.80		
3.	BLANK PAPER:					
	Format H (double stream roll)-----per roll	6	683.20	4,099.20		
IV.	PAPER:					
	Computation of the net number of leaves will be: based on the following:					
	Format H - Each page-size leaf.					
	Format K - Each page-size leaf.					
	PER 1000 LEAVES					
(a).	Check paper (with watermark and fibers)					
(1)	Format H	57,840	11.82	683,668.80		
(2)	Format K	3,960	23.64	93,614.40		
(b)	White Plain Copier, Xerographic Copier, Laser Printer (24-lb.) (Blank Format H only)					
(1)	Format H	480	10.63	5,102.40		
(2)	Format K	XXX	XXXXXX			
V.	PACKING AND DISTRIBUTION:					
(a).	Packing and sealing shipping containers per container					
		828	10.22	8,462.16		
(b)	Palletizing per pallet					
		276	29.35	8,100.60		
 per pallet					
	CONTRACTOR SUBTOTALS			\$1,734,464.28		
	CONTRACTOR PAPER TOTALS			782,385.60		
	SUBTOTALS LESS PAPER			952,078.68		
	ACCELERATED SCHEDULE					
	Accelerated Production Schedule:	5%		47,603.93		
	PERCENTAGE INCREASE		25%	11,900.98		
	Accelerated Distribution Schedule:	5%		828.14		
	PERCENTAGE INCREASE		25%	207.04		
	SUBTOTALS PLUS PERCENTAGE INCREASE			\$1,746,572.30		
	DISCOUNT			0%	\$0.00	
	DISCOUNTED TOTALS			\$1,746,572.30		
	AWARDED					



July 14, 2020

This is Amendment No. 1. The specifications in our invitation for bids on Program 249-S, scheduled for opening at 11:00 a.m. on July 16, 2020, are amended as follows:

- 1. The bid opening date remains July 16, 2020.
- 2. On page 21 of 36, under "STOCK/PAPER", DELETE the following:

"CD, milligrams 150"

And INSERT the following:

"CD, milligrams 100"

All other specifications remain the same.

If amendment is not acknowledged on bid, direct acknowledgement to:

Amended bid or acknowledgement must be submitted using the method(s) specified in the solicitation for bid submission, which is via e-mail to bidsapsdc@gpo.gov for this solicitation.

BIDDER MUST ACKNOWLEDGE RECEIPT OF THIS AMENDMENT PRIOR TO BID OPENING.
Failure to acknowledge receipt of amendment, by amendment number, prior to bid-opening time, may be reason for bid being declared nonresponsive.

Sincerely,

Digitally signed by Yvette Venable-Brooks
Date: 2020.07.14 14:02:17 -04'00'

YVETTE VENABLE-BROOKS
Contracting Officer

U.S. GOVERNMENT PUBLISHING OFFICE
Washington, DC

GENERAL TERMS, CONDITIONS, AND SPECIFICATION

For the Procurement of

U.S. Treasury Checks

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

U.S. Department of the Treasury

Single Award

TERM OF CONTRACT: The term of this contract is for the period beginning January 1, 2021 and ending December 31, 2021, plus up to four (4) optional 12-month extension period(s) that may be added in accordance with the "OPTION TO EXTEND THE TERM OF THE CONTRACT" clause in SECTION 1 of this contract.

NOTE: Contractor interfacing with Treasury for the electronic transmission of files from Treasury to the contractor's facility will take place from January 1, 2021 through March 31, 2021. Live production will commence on April 1, 2021.

BID OPENING: Bids shall be opened at 11:00 a.m., prevailing Washington, DC Time, on July 16, 2020, 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 will NOT be open. Based on this, bidders must submit email bids to bidapsdc@gpo.gov for this solicitation. 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.*

RESTRICTION ON LOCATION OF PRODUCTION FACILITIES: Due to the security requirements set forth in these specifications, all U.S. Treasury checks and all blank check paper must be produced in the United States. The U.S. Department of the Treasury would not be able to oversee and enforce these security requirements outside of the jurisdiction of the United States.

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. For the purpose of this contract, the U.S. Department of the Treasury will also be referred to as the Treasury Department or Treasury throughout these specifications.

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 prior to award, contact Rebecca Swan at rswan@gpo.gov or (202) 512-0307. After award, contact Cecilia Dominguez Castro at cdominguezcastro@gpo.gov or (202) 512-0307.

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 Publication 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.pdf>

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: No subcontracting is allowed.

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

Product Quality Levels:

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

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. Press Sheet
P-9. Solid and Screen Tint Color Match	O.K. Press Sheet

Special Instructions: In the event that inspection of press sheets is waived by the Government, the following listed alternate standards (in order of precedence) shall become the Specified Standards:

P-7. O.K. Proofs/Electronic media/Furnished copy/Government furnished sample.

P-9. Pantone Matching System.

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 five (5) years as a result of, and including, any extension(s) added under this clause. Further extension may be negotiated under the “EXTENSION OF CONTRACT TERM” clause. See also “ECONOMIC PRICE ADJUSTMENT” for authorized pricing adjustment(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 January 1, 2021 to December 31, 2021, 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 “Consumer Price Index - Commodities Less Food in U.S. City Average, All Urban Consumers, Seasonally Adjusted” Index published monthly 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 three (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 September 30, 2020, 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: For the purpose of this contract, the Paper Price Adjustment will be based on the date of live production. Live production will commence on April 1, 2021.

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 March 2021 will establish the Base Index.
3. There shall be no price adjustment for the first three 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:

$$\frac{\text{X - Base Index}}{\text{Base Index}} \times 100 = \text{ ___ } \%$$

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.

All requirements, starting with Security Requirements below, through page 13 must be completed and approved at time of solicitation of this contract, if not the bidder will be declared non-responsive.

DATA RIGHTS: All data and materials furnished and/or produced in the performance of this contract shall be the sole property of the Government. The contractor agrees not to assert rights or to establish any claim to such data/materials in whole or in part in any manner or form, or to authorize others to do so, without prior written consent of the Contracting Officer.

CONTRACTOR REQUIREMENTS:

Contractor's Responsibility: In accordance with Contract Terms (Rev. 01-18), the contractor shall be responsible for all blank paper, U.S. Treasury checks, plates, negatives, electronic media, proofs, or photocopies thereof, all data rights, and all other materials either Government-furnished or contractor-produced necessary to produce this product, while in their custody and control. The contractor agrees to pay the Government the amount of any loss or losses, not in excess of \$1,000,000.00 sustained by misappropriation or improper use of blank paper, checks, plates, negatives, electronic media, or proofs in the custody and control of the contractor. The \$1,000,000.00 limit applies to each occurrence during the term of the contract.

The contractor shall be responsible for adherence to Check 21 Law. All banks are affected by this law even if they do nothing to change their current check processing operations. All customers (consumers and businesses) are affected by the Check 21 Act in that they have the potential to receive a substitute check. The Accredited Standards Committee X9B (www.x9.org) focused on the development of industry standards for the financial services industry and developed the technical specification for substitute checks (DSTU X9.90-2003) in support of Check 21. (DSTU is an acronym for Draft Standard for Trial Use.) All checks, except foreign checks, are eligible to become substitute checks, including U.S. Treasury checks.

A Substitute Check is a paper reproduction of the original check that: contains an image of the front and back of the original check; except as provided under generally applicable industry standards for substitute checks to facilitate the processing of substitute checks (regulations may contain exceptions). The contractor will conform, in paper stock, dimension, and otherwise, with generally applicable industry standards for substitute checks; and is suitable for automated processing in the same manner as the original check. There are no special exceptions for U.S. Treasury Checks.

The contractor's responsibility for finished U.S. Treasury Checks shall continue until distribution is made in accordance with "DISTRIBUTION," as specified herein. The contractor's responsibility for imperfect checks, blank paper, plates, negatives, electronic media, and proofs shall continue until other disposition is accomplished in accordance with these specifications.

Reimbursement for Defective Checks: The contractor shall reimburse the Government for any costs incurred, not in excess of \$250,000.00 per incident, from the use of checks furnished by the contractor which do not conform to the specifications or to checks rendered defective or damaged due to spillage during shipment. Reimbursement shall cover such additional costs, as determined by the Contracting Officer in coordination with the contractor, in excess of costs normally incurred for machine rental, the services of personnel, supplies, and replacement of checks.

Indemnity Bond: The contractor will be required to execute an indemnity bond with a company holding a Department of the Treasury certificate of authority as an acceptable surety on Federal bonds, to cover any losses sustained by the Government by reason of the loss, misappropriation, or improper use of any of the items specified in the paragraph above, which are in the custody of the contractor. A \$500,000.00 indemnity bond will be required.

Within five (5) workdays of notification of award, the contractor will be required to show proof of the indemnity bond.

Performance Bond: The contractor will be required to execute a performance bond on Standard Form 25, with a company holding a Department of the Treasury certificate of authority as an acceptable surety on Federal bonds, for the faithful performance of this contract, including adherence to all applicable conditions and requirements contained herein. The amount of the bond will be one-half the estimated amount of the contract as shown for the items therein and awarded, but rounded to the nearest thousand, provided that such bond amount for the contract is not to exceed \$500,000.00.

Within five (5) workdays of notification of award, the contractor will be required to show proof of the performance bond.

Plant Capacity Requirements: All manufacturing, production, and waste destruction of the products covered under these specifications must be accomplished at the same facility. The contractor must be able to manufacture and deliver, in any one calendar month, at least 20,000,000 total checks for both formats.

Prohibition Against Similar Printing: The contractor shall not make or sell to any person other than the U.S. Government Publishing Office, any products that resemble the general appearance and/or contain a similar combination of design and material features as the U.S. Treasury Checks.

NOTE: The contractor shall not change, enhance, or modify any of the offered products, raw materials, manufacturing processes (including equipment) and/or suppliers (paper manufacturer, etc.) without written approval of the Government.

Moderate Risk Background Investigation: All personnel performing on this contract must pass a Moderate Risk Background Investigation to be conducted by the contractor at their own expense. The background investigation must align with the Moderate Risk Background Investigations (Tier 2) guidelines published by the Office of Personnel Management.

The contractor will be required to conduct a background investigation at the contractor's expense to align with NACI guidelines on all employees prior to granting access to the secure production and storage areas. The contractor will retain the results of these investigations for review by the U.S. Secret Service or the Department of the Treasury's Office of the Inspector General. The contractor is responsible for notifying employees of these investigations and for obtaining the employees' consent for release of information to conduct these investigations.

SECURITY: The products supplied through this contract are considered to be of high security value. The contractor must provide adequate and appropriate security measures to protect the finished goods, raw materials, and sensitive information from loss, theft, or unauthorized disclosure during prepress operations, production, and delivery.

See ATTACHMENT A, "FUNCTIONAL REQUIREMENTS FOR SECURITY."

SECURITY CONTROL REQUIREMENTS:

All financial responsibilities for compliance to the security requirements of the Treasury Department/GPO inspection must be borne by the contractor.

Floor plans may not be posted in public areas of the facility unless required by fire or other codes and ordinances and then only if secure storage and production areas are not specifically identified.

U.S. Treasury check images may not be used, in whole or in part, for marketing or decorative purposes.

Restrictions on Movement: Government property, including U.S. Treasury Checks, shall not be transferred between plants without the express written authorization of the Contracting Officer. Such transfer shall be at the contractor's expense unless other arrangements are mutually agreed upon.

DIGITAL FILE (ELECTRONIC MEDIA) SECURITY: The Government will provide the contractor with a digital version of the check. The contractor will provide encrypted, secured data storage device with an integrated USB interface of final files if Treasury makes any changes to the original digital files. This device will be shipped directly to Treasury using an overnight traceable courier. Tracking numbers will be provided via email to Treasury before shipment is completed.

The contractor shall protect the digital file at all stages of the production process, from receipt, until all traces of the file have been removed from the contractor's active files, backup files, and/or archival storage.

The contractor shall employ encryption compliant with FIPS 140-3.

The digital file will be transmitted to the contractor with a full security characterization and specification of any special handling requirements (either explicitly or by reference to an approved source, such as a Digital File Security Plan, the contract, etc.) The contractor should not accept any digital file for which this controlling information is absent.

Electronic Media Protection:

- The contractor shall lock any electronic media received from the Government in a work area with a GSA-approved Class 6 security container when not being used or reviewed.
- The electronic media will be logged in and out of the security container by designated users only.
- Material produced that could be used to create an original form, such as a master digital file, will be logged in and out by designated user only.
- The contractor shall ensure that the digital file has been removed from all systems across the contractor's network. The contractor shall sanitize any electronic media containing Treasury data before disposing of the media. Media sanitization shall follow NIST Special Publication 800-88 guidelines. Within 10 workdays of notification to do so, the contractor must furnish an affidavit to the Contracting Officer confirming final cleanup.

- An encrypted thumb drive will be furnished to the contractor for file distribution. Any changes to an image must be furnished to the Government within 30 calendar days after approval using this method. At the end of the contract, the contractor must return this thumb drive to the Government.

Workstation Access:

- All persons entering or leaving the work area must log in and out (either manually or electronically, at contractor's option) with the time and date of entry and exit.
- The access log will remain in the work area and must be maintained by the person responsible for that area. The log may be subject to review and inspected by the Government, upon request, at any time.
- Workstations must be password protected.
- All persons leaving a workstation must log off or lock the workstation session.

Securing Digital Files:

- Digital files will be saved either to a removable hard drive, a secure thumb drive, or a secure server.
- Data shall be stored and processed on the contractor's premises (not in the Cloud) with security controls consistent with NIST Special Publication 800-53.
- Hard drives will be locked in the GSA-approved security container in the work area when the room is vacated and/or at the end of each workday.
- If the contractor intends to store files on a secure server, the contractor must submit their plans for secure file storage to the Contracting Officer in conjunction with the security plans as specified under "PREAWARD PRODUCTION PLANS."

System and Communications Protection:

- The contractor shall specify how digital files provided by the Treasury Department will be protected from unauthorized changes and/or theft.
- The contract shall specify how electronic systems are protected from virus, malicious code, or unauthorized changes.
- The contractor shall specify how electronic systems are patched for vulnerabilities. The contractor is responsible for ensuring that security patches provided by software and hardware vendors are tested and applied to electronic systems supporting Treasury.
- Treasury data on electronic media shall be encrypted with FIPS 140-3 compliant cryptographic modules.

Defective Checks: Defective checks shall be held in the check manufacturing area in a secure, lockable container which shall be constructed of any substance which deters easy access or must be immediately destroyed. The key to the container should be held by a department supervisor who will periodically transfer the defective checks to the vault for storage until they are delivered to the person charged with their destruction. Such checks shall be destroyed by shredding or hydro-pulping, after which the residue may be disposed of by the contractor as waste. The width of the shreds shall not be more than 1/4 inch. Waste/defective check destruction must be performed on site.

Secure Production Area: The contractor shall provide a designated secure production area for the manufacture of plates, electronic files, negatives, checks, and the final packing into containers. The contractor shall provide security for the designated area to assure protection against theft.

Security shall include:

Access Control: The contractor shall provide the means to prevent unauthorized personnel into the secure production area on a 24-hour basis. No personnel can access this area unless authorized by the Production Manager/Security Officer. A current list of personnel authorized by the Production Manager/Security Officer must be retained by the contractor at all times and copies forwarded to the Contracting Officer and the Department of the Treasury whenever changes occur. A copy of this list must be retained by the contractor for future reference during regular security reviews by Treasury/GPO. Before authorizing an employee to enter such an area, the contractor must conduct a Moderate Risk Background Investigation at the contractor's expense to align with NACI guidelines.

Personnel shall not be permitted to carry lunch/personal containers or jackets/sweaters of any kind into the secure production area unless such items are in full view of security personnel and/or surveillance cameras at all times, and their contents are made available for inspection upon leaving the area. Procedures will be reviewed as a part of security compliance, and the Government reserves the right to modify security requirements (i.e., new security requirements, laws, or mandates received).

Unauthorized persons shall not be permitted within areas where these products are in process of manufacture and/or storage. Before authorizing any employee to enter such area, the contractor must review records and known facts concerning such employee and make a positive determination as to his/her acceptability from the standpoint of security and good moral character. New employees may not be so authorized until they have undergone an adequate investigation to develop the necessary information in this respect.

Working Hours: A security system shall be implemented to prohibit the entry of unauthorized personnel into the secure area.

Non-Working Hours: The contractor shall provide approved intrusion alarms to detect any unauthorized entry into the secure areas with a 3-minute response capability by the contractor's security personnel. The intrusion alarms will also sound in the nearest police facility. The intrusion detection systems must meet the requirements of Underwriters Laboratory (UL) Standard 1076 or UL Standard 2050.

Accountability: When requested by the Contracting Officer, the contractor shall provide a record of accountability which includes all personnel, dates, and movement throughout all phases of production to include: (1) finished product, (2) the destruction of defective work, and (3) production materials.

The contractor shall take all necessary precautions to ensure against loss of checks, negatives, electronic files, or other reproducibles at all times prior to delivery to their destination. The contractor will be held responsible for maintaining proper control and handling to prevent any information or materials required to produce the products ordered under these specifications from falling into unauthorized hands. Unless otherwise indicated herein, all extra copies, materials, production waste, etc., must be destroyed within five (5) calendar days after production.

Plates or negatives damaged or worn out during the term of the contract and all plates and negatives in the possession of the contractor at the time of expiration of the contract shall be disposed of as directed by the Contracting Officer. All plates and negatives must be stored in a secure room (see "Secure Storage Room" for storage requirements). When requested by the Government, the contractor must have the capability to provide a printed inventory list of all Government material in their possession.

Security Precautions Required:

Intrusion Detection System: The contractor shall maintain in operation, an effective security system where products covered by these specifications are manufactured and/or stored (awaiting shipment or disposal) to assure against theft and/or the product falling into unauthorized hands. The alarm system shall be on operational at all times (24 hours a day, 7 days a week). Upon request, a printout shall be provided to the Government (within five (5) workdays) which documents all facility alarm status changes and alarm conditions. The contractor shall also furnish with its Security Control Plan, a floor plan detailing the locations of intrusion detection systems, emergency lighting, and fire suppression equipment for review and approval by the Government. Closed circuit television and video recording coverage will be required during printing, packing, storage, and destruction of any excess or spoiled materials. A minimum of six (6) months will be required for storage of historical media (e.g., video tapes). Historical media must be kept in a separate, secure location.

Armed Guards: The contractor must station armed guards when the U.S. Treasury Checks are being manufactured and/or stored outside of the vault to ensure against theft. Access control to the secured area(s)/vault must be maintained on a 24-hour, round-the-clock basis.

Personnel Screening: Before authorizing any employee to enter any of the secure areas, or to participate in any way, in the manufacture, storage, or shipment of any of the products, materials, etc., covered by this contract, the contractor shall submit to the Government the name, address, date and place of birth, Social Security Number, race, sex, and fingerprints of the employee for screening purposes. The Government retains the right for granting access to any of the secure areas.

Government Access: The Government retains the right to have representatives inspect the plant prior to the beginning of production, and at any time or times it may elect during the term of the contract, to ascertain whether the checks and check formats are being produced, shipped, and delivered in accordance with the requirements stated herein, and that facilities are suitable, secure, and safe for storage of checks, plates, and related material. The Contracting Officer will supply the contractor with the names of the Government personnel authorized admittance to the facility.

Secure Storage Room: The contractor shall provide a designated secure storage room for the storage of plates, negatives, and electronic files used for the production of checks, as well as old plates and negatives awaiting destruction and Quality Assurance Samples.

A secure storage room is a room with no windows that has been upgraded to accommodate the storage of checks through structural modifications. These modifications will include the installation, on the walls and ceiling, of slab-to-slab drywall with 10-gauge expanded steel in the core area, and the floor constructed of reinforced concrete. If the area above the false ceiling is a return air plenum, required openings in the drywall will be permitted provided that 10-gauge expanded steel covers these openings.

The entrance(s) to this room will include installation of a metal door(s). The metal door(s) shall be fire rated, hollow core, 18-gauge metal (standard industrial door). Door(s) shall have a minimum amount of glassed area whenever feasible. If glassed area is used, it will be break/shatter-resistant and each glassed area shall not exceed 75 square inches. Door(s) shall meet the requirements of NFPA 80 - Doors and Windows (e.g., shall maintain the integrity of fire resistance of the walls). Door(s) shall be hung on butt hinges with non-removable hinge pins, or the hinges, if exposed to the exterior of the secure room, shall be spot welded to preclude easy removal of the door(s).

The entrance door(s) shall have a high-quality security lock, dead-bolt type, mortise, with a minimum of one inch throw for use when unoccupied. Secure storage room door shall not be placed on any building grand master, master, or sub-master lock system. This lock must be keyed differently.

The door must be a GSA-approved Class 5 security vault door; the locks must meet the Federal Specification FF-L-2740 and be GSA-approved for Class 5 and 6 file cabinets.

The secure room shall also have controlled access and electronic security/intrusion detection devices.

NOTE: At the contractor's discretion, the secure storage room and the secure vault may be combined to accomplish both requirements.

Secure Vault Area:

Upon request from the Contracting Officer, the prospective contractor shall demonstrate compliance with the Secure Vault Area requirements. If the facility does not comply with the Secure Vault requirements at the time of bid submission, the prospective contractor shall state how and when it will comply with such requirements. If the prospective contractor is unable to meet any of the security requirements stated herein, they may submit comparable security measures which will be subject to approval by Fiscal Service Security experts prior to contract award.

The contractor shall provide a secure vault area for the storage of printed check rolls, check formats, defective checks, and check production waste. A vault area is a room that may vary in size; but regardless of size, the four exterior walls, floor, and ceiling are constructed of a concrete, masonry, or composite material (exception - vault door(s), emergency air vents, and air plenum) to provide significant attack resistance as defined in the following paragraphs:

No exterior wall of the overall building structure near the check production location will be considered as an exterior wall for the vault. The vault wall may abut the exterior wall, but the building exterior wall thickness cannot be considered part of the vault wall exterior.

The four walls, ceiling, and floor, must be constructed of a concrete, masonry, or composite material that is rated Underwriters Laboratories (UL) #608-Class 2, November 2004 standard for attack resistance. Use of composite materials must meet local building codes for fire resistance. The steel rebar reinforcement of concrete walls, floor, and ceiling must meet local building codes as to spacing and number of steel rebar grids and comply with construction/attack resistance standards referenced in these specifications. Multiple layers of steel rebar grids will be staggered in each direction.

If masonry walls are constructed, they must be constructed of mortar-filled concrete block reinforced with #6 rebar steel in each concrete block core and #6 rebar reinforced in the horizontal joints on each course. Regardless of what composite construction is utilized, the construction must comply with the UL #608 - Class 2, November 2004 Standard for Attack Resistance.

Pre-stressed or poured concrete shall develop ultimate compression strength of at least 3,000 pounds per square inch, per the American Concrete Institute Standards.

All air plenums (required openings in the vault walls (except vault door)) will be permitted provided that a 10-gauge expanded steel mesh covers these openings. The 10-gauge steel mesh must be permanently affixed. There should be no single opening in the expanded steel mesh area which exceeds 100 square inches.

All electrical conduits for the alarm system, security equipment, lighting, telephone, etc., shall be in accordance with the local building and national electrical and applicable codes. The vault door will also require 1/2" Electromagnetic Technology (EMT) installed in the frame for the installation of a recessed alarm switch.

The vault door must be equal to, or exceed, the UL "Burglary Resistant Vault Doors and Modular Panels Standards," UL #608, Class 2, November 2004.

The vault entrance shall also contain an alarmed, lockable day gate. The vault door shall contain a combination lock classified as Group 1R, complying with the requirements for combination locks, UL "Standard for Combination Locks," UL #768, January 2006. The combination lock should be mounted no more than 50 inches above the finished floor and should meet the requirement of the American Disabilities Act (ADA).

The vault interior shall contain the following: smoke detector, 360 degree motion detector, a carbon monoxide detector, a panic pull station, and vault vibrators located on the four walls, floor, and ceiling.

The contractor must submit to the Contracting Officer specifications of the vault door and construction of walls, floor, and ceiling with a written security plan; or, if the contractor's vault is currently inferior to the above specification, they must submit a detailed written plan for compliance to the vault standards when submitting the security plan.

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.

PREAWARD PRODUCTION PLANS:

The contractor must present, in writing, to the Contracting Officer within five (5) workdays of being notified to do so by the Contracting Officer, 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 two (2) workdays of request.

If the contractor intends to change processes described in the production plans during the term of the contract, they must provide updated plans to Treasury/GPO for review and approval prior to implementing any changes.

Option Years - For each option year that may be exercised, the contractor will be required to review their production plans and re-submit in writing the above plans detailing any changes and/or revisions that may have occurred. The revised plans are subject to Government approval. The revised plans must be submitted to the Contracting Officer or his/her representative within five (5) workdays of notification of the option year being exercised.

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

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

Contingency Plan: The failure to deliver U.S. Treasury Checks in a timely manner would have a profoundly negative impact on the Government and the general public. Therefore, if for any reason(s) (Act of God, labor disagreements, pandemic, national emergency, etc.) the contractor is unable to perform at the said location, the contractor must have a backup facility with the capability of producing U.S. Treasury Checks. The backup facility must be operated by the contractor and must be fully operational within 90 calendar days of actual incident. The contractor may lose their performance bond if they cannot meet these terms.

After award, at the Government's option, the contractor may be required to demonstrate the failover capability via failover exercises and produce at least one entire print order from the alternate facility check press on a yearly basis. The first failover exercise may be performed after award and then once during each option year exercised. Subsequent failover exercises will be coordinated via mutual agreement between the contractor and Fiscal Service.

Plans for this contingency production must be prepared and submitted to the Contracting Officer as part of the Preaward Survey. These plans must include the location of the facility to be used, security plans at that facility, and a timetable for the start of production at that facility. Part of this plan must also include the transportation of Government materials from one facility to the other.

In order to comply with Government business continuity and resiliency requirements, the contractor must show how they will be able to produce approximately 25,000,000 checks per month for an undetermined amount of time. The cost for this additional performance shall fall under an accelerated rate.

Security Control Plan: Implementation of the approved Security Plan must be completed by Date of Award. If the contractor cannot demonstrate that they will have all security requirements in place by Date of Award, they may be declared non-responsible.

All security measures shall be subject to approval by the Government. If, at any point during the term of the contract, any changes are made to the Security Plans, these changes are also subject to approval by the Government.

The contractor's Security shall encompass the entire production facility and surrounding areas as well as the supply chain and movement of all materials.

The following shall be included in the Security Plan, at a minimum:

1. Address all of the Security Control requirements described herein and in ATTACHMENT A.
2. Address the Functional Requirements in ATTACHMENT A.
3. Disclose the source of all materials identified as adding security value to the product. These sources will be considered to be subcontractors that must also comply with all of the security requirements under this contract. The contractor will identify and document in the Security Plan all critical assets related to performance of contract work, including:
 - Finished products produced under this contract.
 - Any raw materials or subcomponents identified as adding security value to the finished product, e.g., security features incorporated from sources outside the contractor's production processes such as the watermarked paper manufacturer and supplier for cloth fibers.
 - Production waste material.
 - Design files, schematics, or specifications.
 - Customer information.
 - Training or informational materials furnished to the customer describing security features, or the application or interpretation of security features included in the product.
 - Communication of design criteria between contractor and authorized stakeholders.
 - The above list of potential assets is not intended to be comprehensive; it is the responsibility of the contractor to provide documentation of critical assets and the measures taken to adequately protect them.
4. Furnish a floorplan for all areas involved in staging, producing, preparing, and storage of the product for shipment.

Quality Control Plan: The contractor shall specify the details of their Quality Control Program describing how, when, where, and by whom the process controls and inspections will be performed (see "CONTRACTOR QUALITY CONTROL PROGRAM").

Material Handling and Inventory Control Plan – This plan should explain in detail the accountability of plates, negatives, electronic files.

PREAWARD PAPER SAMPLES AND PRODUCTION TEST: The contractor being considered for award may be required to demonstrate their ability to produce the items required in these specifications at the requisite quality level by furnishing paper samples and completing a preaward production test. The Government reserves the right to waive the paper samples and the preaward production test if there is other evidence that, in the opinion of the Contracting Officer, indicates that the contractor being considered for award has the capability to successfully produce the items required.

NOTE: For both the preaward paper samples and the preaward production test, the paper must contain a watermark, but it does not have to be Treasury's watermark.

Preaward Paper Samples: The prospective contractor will be required to submit 50 sheets (each 8-1/2 x 11" in size) of the required check stock, as specified under "STOCK/PAPER." Samples must be labeled as to the paper, paper weight, and paper manufacturer.

Samples will be inspected and tested and must comply with the specifications as to kind and quality of materials.

Samples must be submitted within 45 workdays of notification to submit.

The preaward paper samples are to be submitted to: U.S. Government Publishing Office, Chief of Testing and Technical Services, Attn: Tyler Wood, Loading Dock, Stop: QC, 44 H Street, NW, Washington, DC 20401.

If the paper samples are disapproved by the Government, the Government, at its option, may require the contractor to submit additional samples for inspection and test, in the time and under the terms and conditions specified in the notice of rejection.

In the event the additional samples are disapproved by the Government, the contractor shall be deemed to have failed to comply with the applicable requirements of these specifications for stock/paper, which may be reason for a determination of non-responsibility.

Samples will not be returned to the contractor. No charges will be allowed for costs incurred for the preaward paper samples.

Preaward Production Test: Upon approval of the preaward paper samples, the prospective contractor will be supplied with materials, such electronic files (secure USB drive, password protected) and printed samples, and is required to produce sample checks in accordance with these specifications. The contractor must ensure that the products meet the parameters established by the Government.

Contractor is to provide a full address, POC name, and phone number as to where the furnished materials are to be sent. Recipient must a U.S. Citizen. A signature will be required. The Government has the option of delivering the furnished materials to the contractor's plant. A signature will be required of the personnel who will be accountable for this furnished material.

Contractor must produce the following:

- Format H: 160,000 total checks (1 roll of 80,000 checks each to the Kansas City and Philadelphia Financial Centers).
- Format K: 80,000 total checks (1 roll of 40,000 checks each to the Kansas City and Philadelphia Financial Centers).

The numbering sequence will be provided prior to production of the test samples.

The samples must be produced using the ink, paper, equipment, and method of production which will be used in producing the finished product and must be of the kind, size, and quality the contractor will furnish. All samples must have the legend "SPECIMEN – NOT NEGOTIABLE" printed in black or red, in 18-point size type, in the area extending 2-3/4" from the right side of the check and starting 5/8" from the bottom of the check and extending at least 1/2" above that.

These samples will be inspected and tested for compliance with these specifications.

Prospective contractor to deliver the preaward test samples to the Kansas City and Philadelphia Financial Centers following the same procedures as pickup or furnishing of test materials (specified above).

The prospective contractor must submit the preaward test samples within 45 workdays of receipt of Government furnished test materials. NOTE: Contractor must notify GPO the same workday as delivery of the test samples.

If the preaward production test samples are disapproved by the Government, the Government, at its option, may require the contractor to submit additional samples for inspection and testing in the time and under the terms and conditions specified in the notice of rejection.

In the event compliance with the specifications cannot be demonstrated by the prospective contractor, they shall be declared non-responsible. Contractors found to be non-responsible will be required, under Government supervision, to destroy all plates, negatives, electronic images, or other media produced by the contractor that might be used to produce checks described in these specifications.

All printed test samples shall be manufactured at the facility and on the equipment in which the contract production quantities are to be manufactured.

NOTE: Upon completion of the preaward test, furnished materials (USB drive and printed samples) must be returned to the agency. All test files, data, etc. must be deleted from the contractor’s system. All waste, spoilage, etc. must be destroyed.

No charges will be allowed for costs incurred in the performance of this preaward production test.

Preaward Security Inspection: Compliance with the contract security requirements is subject to validation by GPO’s Product Security Branch which will conduct an initial preaward survey and regular security assessments of all supplier sites involved in the prepress operations, manufacture, storage, and distribution of product furnished under this contract. Security assessments will also be conducted at subcontractor (i.e., supplier) sites in keeping with the stated requirement to identify all security materials used in the product and the sources of those materials.

A preaward survey is required to validate the contractor’s security plan and the adequacy of security measures implemented to protect the identified critical assets. Approval of the contractor’s site(s) must be given prior to contract award; however, the preaward survey may be waived at the Contracting Officer’s discretion (for example, when the contractor’s site(s) have been subject to prior review by the Product Security Branch, and there are no unresolved actions pending from a previous assessment).

Validation of Compliance with Security Requirements: After the preaward security inspection is complete and the contract is awarded, the Product Security Branch may conduct regularly scheduled assessments of all relevant contractor sites. The frequency of reviews is based on a supply chain risk management matrix documented for this contract. The table below provides the scheduling framework.

Risk Rating Table				
Linguistic Value	Low	Medium	High	Critical
Numerical Rating	1 – 15	16 – 30	31 – 45	46 – 60

Frequency	Criteria
8 to 12 Months	Critical
12 to 18 Months	High
15 to 21 Months	Medium
18 to 24 Months	Low

COOP/Backup Locations

Frequency	Criteria
8 to 14 Months	Critical
15 to 26 Months	High
24 to 38 Months	Medium
34 to 48 Months	Low

Any changes affecting the security plan must be reported to the Contracting Officer as this will affect the assessment timeline. Major changes, such as renovation or relocation, require advance notice and approval.

CONTRACTOR QUALITY CONTROL PROGRAM: Prior to start-up, the contractor must put into effect and maintain within their own organization, an independent quality assurance organization of sufficient size and expertise to monitor the operations performed and inspect the products of each operation to a degree and extent that will ensure the Government's quality assurance, inspection, and acceptance provisions herein are met.

The contractor shall perform the process controls, inspections, and tests required to substantiate that the checks provided under this contract conform to the specifications and contract requirements (see ATTACHMENT A).

The system shall include, as a minimum, the following elements:

1. Quality assurance of all materials (e.g., check paper and inks). Each homogeneous lot of check paper and inks shall be tested for compliance with specification requirements. Records of all materials, tests, and inspections shall be maintained and made available to the Government upon request. These records include tests and inspections performed by the contractor and/or by third party laboratories. If the contractor is receiving test and inspection data from their materials suppliers, these records shall also be maintained and made available to the Government upon request.
2. Process controls, inspections, and tests during ALL phases of production.
3. Targets for control and measurement of color register and of register of marginal aligning holes with the image.
4. Use of specified standards for color and printing matching purposes when printing checks (see "QUALITY ASSURANCE LEVELS AND STANDARDS").
5. Independent inspections during the printing process of printed checks for conformance to the standard.
6. The contractor must ensure that the printing meets the following tests for sensitivity to tampering:
 - a. Water Leach Test: A cotton swab dampened with distilled water is gently rubbed over the printed area of the ink color being tested (avoiding the blend zone of the adjacent ink color). When the swab is examined, it should show the color of the ink, thus indicating water leach. This test is repeated for each color of ink.
 - b. Alcohol Leach Test: A drop of ethyl alcohol is placed on each color of ink. The ink must dissolve showing evidence of this reagent.
 - c. Bleach Test: A drop of 5% hypochlorite solution (household bleach) is placed on each color of ink. The color of each ink must bleach away or perceptively change color.
 - d. Erasure: Prepare a printed specimen check by typing characters in each color zone. Using either a hard or soft eraser, erase the typewritten characters in each color zone. The background inks must show visible evidence of erasure before the typewritten characters are erased.

- e. Light Stability: Ink colors must not show more than 10% color fade after two (2) hours in Fadeometer.
7. A computerized number verification system which has the capability to detect any missing, skipped, or duplicated numbers within any type of numbering range during all phases of check printing.
8. Use of equipment in the manufacture of checks which will reject or identify for rejection those with defects which cause incorrect operation of high-speed printing equipment, high-speed MICR reader/sorter, postprint verification, or other equipment used in the disbursement and payment of checks.
9. Examination of each order to assure that preprinted serial numbers or ICNs run consecutively from order to order, without gaps, and are not duplicated from previous orders. The contractor shall immediately notify the Treasury Department of any discrepancy in numbering sequence.
10. Independent verification of the machine set-up as to disbursing office symbol ICNs at the beginning of the numerical printing operations and prior to resuming such operations after each machine stoppage.
11. Audit of each batch of checks involved in a machine jam or malfunction during numerical printing to verify the accuracy of such printing.
12. Independent inspection and approval of checks made up specifically to replace defective checks and of their insertion in numerical sequence within the related batches.
13. All records covering the manufacturing, packing, and shipping of the checks must identify the ICN numbers or symbol and serial numbers of the checks. At a minimum, the records shall also contain:
 - a. Employee(s) handling the checks
 - b. Description of any production difficulties
 - c. Date
 - d. Time
 - e. Machine identification
14. Records of all tests and inspections. When quantitative results are available, they shall be recorded. Results of non-quantitative inspections (e.g., visual matches) shall also be recorded.
15. Records of process controls sufficient to validate their effectiveness.
16. All quality control system records shall be maintained throughout production and be made available to the Government upon request.
17. Appointment of an official who shall be responsible for the operation of the quality control system and for investigating and ascertaining the causes of deficiencies found in checks shipped as reported by the Department of the Treasury or other agencies.
18. Inspection of each printed roll for conformance to color standard, integrity of numbers, and presence of excess chad.
19. Performance of Finished Product: All check formats produced under these specifications must be guaranteed to function properly when processed. Check formats require precision spacing, printing, perforating, trimming, and marginal aligning hole punching.

NOTE: A Certificate of Conformance of each shipment certifying that the checks were tested and inspected by the contractor and found to comply with all requirements shall be furnished with the contractor's billing invoice.

WARRANTY: Contract clause 15, "Warranty," of GPO Contract Terms (GPO Publication 310.2, effective December 1, 1987 (Rev. 01-18) is amended for the solicitation to the effect that the warranty period is EXTENDED from 120 days to 180 calendar days from the date of final payment. **NOTE: The warranty for the materials stored in the vault as described under "STORAGE" is extended to 180 days after product is delivered. All other provisions remain the same.**

POSTAWARD CONFERENCE: The total requirements of the job as indicated in these specifications will be reviewed by Government representatives with the contractor's representatives at the GPO, Washington, DC, immediately after award. At the Government's option, the postaward conference may be held via teleconference.

Person(s) that the contractor deems necessary for the successful implementation of the contract must be in attendance.

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 January 1, 2021 through December 31, 2021, 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.

REQUIREMENTS: This is a requirements contract 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 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 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 within the time specified in the order, and the rights and obligations of the contractor 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 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, the 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.

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 prior to 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.

PAYMENT: Prior to submitting an invoice to GPO for payment, the contractor must submit an itemized billing invoice to the Department of Treasury (contact information/address to be provided after award) for verification, approval, and signature. After agency verification/approval, the contractor must submit the approved, signed billing invoice to the U.S. Government Publishing Office.

Submitting all 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 invoicing. 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>.

Contractor's billing invoice must be itemized in accordance with the line items in the "SCHEDULE OF PRICES."

SECTION 2. – SPECIFICATIONS

SCOPE: These specifications cover the production of U.S. Treasury Checks, with and without statements, requiring such operations as printing (including numbering), construction, packing, and distribution.

TITLE: U.S. Treasury Checks.

FREQUENCY OF ORDERS: Approximately 15 to 20 orders per year not to exceed 13% of the yearly quantity of checks.

A separate print order will be issued for proofs, when required.

A separate print order will be issued for the rolls of checks required during the start-up period. See “CONTRACT START-UP.”

NOTE: See Exhibit 4 for an anticipated schedule of orders.

QUANTITY: Approximately 400,000 to 10,000,000 checks per format per order.

Roll stock orders for the Department of the Treasury’s Kansas City and Philadelphia Financial Centers will be for monthly, quarterly, or one year’s total production with incremental shipments (October through September).

See Exhibit 4 for the anticipated schedule of orders and their quantities. The quantities specified in Exhibit 4 are estimates only. The actual, final quantity will not be known until the order is placed with the contractor.

NOTE: Due to Electronic Funds Transfer (EFT), the estimated annual quantities may decrease during the term of this contract.

QUANTITY VARIATION ALLOWED: None.

TRIM SIZES: Actual size of one check for Format H and the check portion only of Format K is 7-5/16 x 3-1/4”.

Various trim sizes will be ordered and paid for in their respective “Format” classification as follows:

Format H: 15-7/8” wide, includes 9/16” marginal aligning strip left and right. A leader strip a minimum of 5 feet in length and a trailing strip of 5 feet minimum will be required (80,000 checks per roll).

Format K: 15-7/8” wide, includes 9/16” marginal aligning strip left and right. A leader strip a minimum of 5 feet in length and a trailing strip of 5 feet minimum will be required (40,000 checks/statements per roll).

NOTE: The overall check dimension sizes for both Formats H and K may be ± 0.010 ”.

ANSI STANDARDS: The following American National Standards are referenced in various parts of these specifications and are included in the requirements to the degree(s) specified.

- ANSI INCITS 86-1980 (R.2002): Inks, Optical Character Recognition (OCR)
- ANSI INCITS 99-1983 (R.2002): Guideline for Optical Character Recognition (OCR) Print Quality
- ANSI X3.93M-1981 (R.1995): Optical Character Recognition Positioning
- ANSI X3.49-1975 (R.1995): Character Set For Optical Character Recognition (OCR-B)
- ANSI X9.7:1999 (R.2007): Bank Check Background and Numerical Convenience Amount Fields

The revisions of these standards which are effective as of the date of this contract are those which shall apply.

The ANSI and ASTM Standards may be obtained in electronic form from the American National Standards Institute, 25 W 43rd Street, New York, NY 10036, or at www.ansi.org.

GOVERNMENT TO FURNISH: Electronic files (via secure USB drive), camera copy/illustrations, manuscript copy, distribution and contact lists, samples of all check formats for color match and construction, and locks and seals for all roll stock shipments.

Identification markings such as register marks, commercial identification marks of any kind, etc., carried in the furnished electronic files or on the furnished copy, must not print on finished product. Registration or other markings on marginal pin-feed strips must not interfere with check imaging at disbursing locations.

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 including, but not limited to, microprinting and reports detailing every check order produced during the term of the contract, etc.

CONTRACT START-UP: Upon award of contract but prior to live production, the contractor will interface with the Treasury to establish connection for the electronic transmission of files from Treasury to the contractor’s facility.

Additionally, the contractor is required to provide the following:

- Format H: Six (6) rolls of 80,000 checks each to the Kansas City and Philadelphia Financial Centers.
- Format K: Six (6) rolls of 40,000 checks each to the Kansas City and Philadelphia Financial Centers.

The rolls are to be printed and constructed in accordance with the printing and construction requirements specified herein. (See “PRINTING AND INKS” and “CONSTRUCTION.”) Paper must contain Treasury’s watermark.

Contractor will be reimbursed for the rolls of printed/constructed checks in accordance with the applicable line items in the “SCHEDULE OF PRICES.”

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 agency contact 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.

PROOFS: The contractor will be required to establish and maintain a computerized proofing system compiled from hard copy furnished by the Treasury Department. The system must be capable of being updated throughout the term of the contract as a result of new information provided.

When ordered, contractor to submit one (1) “Press Quality” PDF soft proof (for content only) 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, image position, trim size, and color breaks (separation layers). Proof will not be used for color match.

Proofs will be submitted to the Treasury Department via SFTP or via email with a password-protected, encrypted file. Email address will be provided after award. The contractor will be notified if corrections to the proof are necessary.

Any contractor's errors will require revised proofs and are to be provided at no expense to the Government. No extra time will be allowed for reproofing and must be accomplished within the original production schedule allotted in the specifications.

The contractor must not print prior to 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.

Color of paper furnished must be of a uniform shade and a close match by visual inspection of the JCP and/or attached color sample(s). The Contracting Officer reserves the right to reject shipments of any order printed on paper the color of which, in his/her opinion, materially differs from that of the color sample(s).

Check and Statement Stock: 100% bleached chemical pulp, free from groundwood and unbleached pulp.

No fluorescent (optical) brighteners shall be added to the pulp or paper during manufacture. Fluorescence, due to residual white water, broke, or natural fibers, is permissible, provided the increase in reflectance, measured with and without the ultraviolet component of a light source of 3100 Kelvin in combination with a C.I.E. (International Commission on Illumination) Z (blue) filter, does not exceed 2.0 percent.

The contractor shall not change, enhance, or modify any of the offered products, raw materials, or manufacturing processes (including equipment), without written approval of the Government.

NOTE: Postconsumer fiber, in any percentage, is encouraged provided that the requirements of this standard are met.

Moisture content: Percent.....4.8 min to 6.0 max pH
pH value, not less than.....5.5

Basis weight: 17 x 22 inches,
500 sheets (pounds).....24
A tolerance of ±5 percent shall be allowed.

Stiffness: Minimum, each direction
MD, milligrams200
CD, milligrams150

Bursting strength: Minimum
lb/in²30

Tearing strength: Minimum, each direction
MD, grams60
CD, grams.....55

Pick resistance: Average, each side, not less than 14-A Dennison wax number.

Brightness: Minimum, not less than (percent)80

Opacity: Minimum, not less than (percent) 88

Thickness: Average (inch)..... 0.0048

A tolerance of ± 0.0004 inch shall be allowed. Paper shall be uniform and shall not vary more than 0.0004 inch from one edge to the other.

Porosity: Minimum TAPPI, not less than (seconds) 15

Sheffield smoothness: Average, each side
(Sheffield units)..... 100 to 180

Writing quality: Characters written with pen and ink shall be clear cut and free from excessive feathering.

General appearance: Shall conform to the following requirements:

Color: Paper shall be white and match the sample furnished by the Government. The color variation in the order and deviation from the agreed upon color standard shall not exceed $DE(CIELAB) = 1.0$. The brightness (TAPPI T-452), when measured using the Technidyne Model S4-M Brightness Tester, or equivalent testing equipment, shall not be less than 80%.

Formation and cleanliness: The paper shall have a uniform formation. The dirt content (foreign material) for each side shall not exceed 8 parts per million.

Testing and Samples: Shall be conducted in accordance with standards in the Government Paper Specification Standards No. 13 (dated September 2019), Parts 2 and 4, except when otherwise noted.

Chemical sensitivity: The paper shall be surface treated or impregnated with chemicals so as to produce an obvious visual reaction when attempted alterations are made with the following classes of chemicals: (A) organic solvents, such as ketones, esters, glycols, glycol ethers, alcohols, chlorinated hydrocarbons, and aromatic hydrocarbons; (B) acids; (C) bases; and (D) bleaches. See “Testing for Chemical Sensitivity” below.

Watermark: Paper shall contain a watermark of a Fourdrinier-type quality, or better. The watermark will be a wall paper pattern manufactured in the “Cross Machine Direction,” and will be a combination of shade and reverse wire watermarks. One (1) full image of the watermark **MUST** appear in each check and/or statement. The mark shall be distinct and legible in all respects. (See EXHIBIT 1 for example of watermark coverage.)

Treasury will establish a mill run standard for the watermark at the beginning of this contract and if a new supplier is acquired during the contract term. This standard must be used as a guide for all subsequent mill runs. Samples of this standard will be retained by Treasury and the Contracting Officer.

Fibers: Paper shall contain randomly dispersed, ultraviolet fluorescing fibers, which are approximately 1/8” in size. The approximate density of a minimum of 2 fibers per square inch of surface area. The total number of fibers that are visible on both sides of the sheet will be counted and used as a measurement. These fibers shall **NOT** interfere with optical and magnetic readers/sorters nor be capable of being reproduced using any photocopying or scanning equipment. The reflectance characteristics and color of the fiber will be provided to the contractor after award.

Contractor shall provide samples plus the names and colors of various fibers available by the paper manufacturer of contractor’s choice.

Testing for Chemical Sensitivity: Compliance to this requirement is determined by observing the paper’s reaction to chemicals as listed below:

One (1) drop of each chemical is dispensed with a glass dropper from a dropper bottle (Fisherbrand Cat. No. 02-983A, or equal) onto the surface of five (5) separate, designated areas of the specimen. This procedure is repeated on five (5) consecutive specimens.

The reaction shall be judged as present (positive) or absent (critical defect) for each specimen after the chemical has dried, approximately 18 and 36 hours after the test was performed. A positive reaction is one where there has been an obvious and permanent color change at the spot where the chemical came in contact with the paper surface. The contrast shall be distinct and visible when viewing the specimen at a distance of 12 to 18 inches from the sample at a 45-degree angle from the perpendicular of the paper surface in a well-lit room. *It is not necessary to lift or rotate the specimen to see the reaction.*

The paper shall react to the following chemicals and at the indicated concentrations prepared as a weight-volume solution using reagent grade chemical.

- Acetone or Methyl ethyl ketone
- Ethyl acetate or Butyl acetate
- Ethylene glycol
- Ethylene glycol monoethyl ether or Ethylene glycol monobutyl ether
- Benzyl alcohol or N-butyl alcohol
- Trichloroethylene, Chloroform, or Carbon tetrachloride
- Toluene or Xylene
- 5% Sulfuric acid solution
- 2% Potassium hydroxide solution
- 5% Sodium hypochlorite solution

Samples: The contractor's paper manufacturer shall submit outturn samples from each manufacturing run to the Government Publishing Office for testing and approval prior to the print production. For each manufacturing run, the manufacturer shall submit 50 sheets of paper (each approximately 8-1/2 x 11"), randomly taken and representing the entire manufacturing run. Sampling shall be conducted in accordance with the current edition of the standard method TAPPI T-400, Sampling and accepting a single lot of paper, paperboard, containerboard, or related product.

Paper samples to be delivered to: U.S. Government Publishing Office, Agency Publishing Services, DC Team, Attn: Contracting Officer, Room C838, 732 North Capitol Street, Washington, DC 20401.

Documentation: A covering document shall accompany the sample set with the following information:

- (a) GPO jacket number and program number
- (b) Manufacturer's name and mill's run number
- (c) Manufacturer's test data obtained at regular intervals throughout the manufacturing run
- (d) Description of the paper
- (e) Statement certifying that the sampling was conducted in accordance with TAPPI T-400
- (f) Statement certifying the accuracy of the test data

The documents specified in (e) and (f) above shall be signed by the manufacturer's official responsible for sampling, quality control, and quality assurance.

Blank Paper (Format H): White Plain Copier, Xerographic Copier, Laser Printer, basis weight: 24 lbs. per 500 sheets, 17 x 22", equal to JCP Code O-63.

PRINTING AND INKS: Contractor to match Pantone colors provided after award.

Face of Check: Print in five (5) Pantone colors of various tones blended to create a rainbow effect. Black type, rules, and line art overprint the colors.

Back of Check: Print in one Pantone color.

Face of Statement: The face of statement is blank.

Back of Statement: Print in one Pantone color.

Production will require nine (9) press units (for the five (5) Pantone colors) as follows:

- 1 Unit – Offset Pantone (Process Blue) for back of check
- 1 Unit – Unit must be configured for dry offset black
- 1 Unit – Split fountain rainbow with three Pantone colors
- 1 Unit – Split fountain rainbow with three Pantone colors
- 1 Unit – Split fountain rainbow with three Pantone colors
- 1 Unit – Split fountain rainbow with three Pantone colors
- 1 Unit – Offset Pantone color
- 1 Unit – Offset UV reactive invisible ink
- 1 Unit – Offset Pantone color

NOTE: For Format H, each check is full bleed with no gap.

Offset Inks: The ink shall have appropriate security characteristics among which shall be sensitivity to any kind of tampering whether by use of hard or soft erasers, rubbing, scraping, or treatment with water or any bleaching agent. The surface shall not fade, nor shall other properties be affected under ordinary conditions of storage, and the surface tint shall not smear or rub off under normal handling.

NOTE: The printing must meet the tests specified under “CONTRACTOR QUALITY CONTROL PROGRAM” to ensure sensitivity to tampering.

Additional Inks Required:

Fluorescent Ink: The face of the check shall be manufactured with a single, invisible, luminescent ink designed to fluoresce when exposed to a UV light source. Color and image will be provided after award.

Bleeding Ink: An ink which reacts to moisture, giving a contrasting bleed or colored smudge when touched with water. Color and image will be provided after award.

PRESS SHEET INSPECTION: Press sheets may be inspected at the contractor’s plant for quality conformance. Inspections will be made on a routine schedule by Government (Treasury or GPO) representatives - exact schedule will be supplied to the contractor after award. These representatives will establish new “Color O.K. Press Sheets,” which are to be used as the standard for conformance between inspections. When a press sheet inspection is required, it will be specified on the individual print order. See GPO Publication 315.3 (Guidelines for Contractors Holding Press Sheet Inspections) issued January 2015. NOTE: A press sheet inspection is for the purpose of setting specific standards that are to be maintained throughout the entire run. It does not constitute a prior approval of the entire run.

Press Sheet Review: When in production, weekly press sheets shall be submitted to the Treasury Department for inspection of conformance to the pre-established color standard. Four (4) sheets containing at least eight (8) two-up check images for each format shall be sent using a small package carrier (such as UPS or FedEx) to: 1500 (Ronald Blackwell, Annex, Room 6600, 2-7134), Joint Base Anacostia-Bolling (JBAB) Building 419/Door 123, 250 Murray Lane, SW, Washington, DC 20222. (NOTE: Do NOT validate address or the zip code will change.)

Paper Stock Inspection: Each time the contractor receives a shipment of the check paper from the paper manufacturer, samples representative of the mill run must be submitted to the Government Publishing Office for testing.

ADHERENCE TO CHECK STANDARDS: All checks supplied shall conform to the standards in quality of printing and color set forth in this contract; provided, however, that any detail of a given standard check which may appear to be a deviation from the written specifications herein shall not excuse any correctable defect in the manufacture of checks. The approved standard checks shall remain in the control of the Government, and these, along with the written standards, shall be the basis for acceptance or rejection of checks manufactured by the contractor. The contractor may be required on occasion to furnish new specimen checks for designation as standards.

The background line art on the face shall be clear, complete, and have a consistent density. Initials, words, and other details of the design shall be readable or detectable, but not so boldly printed as to lose the effect of serving as a background for the printing of the check and for the data to be added by the disbursing office.

The face of the check, including the seal of the United States Treasury, shall be clearly and sharply printed. Typefaces and other details shall have a solid and continuous deposit of ink without excessive spots, without excessive breaks in fine lines, and without mottle, smearing, slurring, or fill-in of closely spaced lines or of small open elements of typefaces.

Color register: The misregister between any two (2) colors measured on a color register target shall not exceed 0.010”.

Register between marginal holes and black image: The misregister between any marginal hole and the black image measured on a target shall not exceed 0.040”.

Inventory Control Numbers (ICN): All check types shall contain Inventory Control Numbers (ICN). The ICN shall be in OCR-B, size I font and shall be located in the top center portion of check in an area starting 3-5/8” from the left edge of the check to 5-1/4” from the left of the check and starting 1/8” from the top of the check to 3/8” from the top of the check. The ICN shall be printed in non-reflective black ink. The ICN will consist of alpha and numeric characters with commas after each third numeric character.

ICN Examples (ICN will differ by format type):

- Format K: T000,010,000
- Format K SPECIMEN: TX000,010,000

The specific ICNs to be assigned shall be indicated on the print order provided to the contractor. All ICNs on all checks for which they are required shall be in the exact same location.

NOTE: The ability to produce clear microprint, also known as microtext, microline, or nanoprint (an extremely small line of text characters, symbols, or images indiscernible to the naked eye, printed at high resolution beyond the capabilities of desktop printers or scanners) is a requirement. The awarded contractor must be able to produce microprint in black ink on the front of the check, maintaining print consistency, from the left edge to the right edge, without mottle, smearing, slurring, or filling-in of the microprint when inspected. Specific sample microprint lettering guidance will be provided after award.

DURABILITY REQUIREMENTS: All printing, including all numbering or laser printing by the contractor or by the Government, must adhere to background line art.

DEFECTS: The contractor shall examine finished checks, to the extent necessary, to eliminate imperfect work prior to delivery. Defective work includes, but is not limited to, the following defects:

- not color specified
- scuffs or tears
- broken corners
- split, ragged, or crushed edges
- wrinkles
- grain not long and/or short
- encoding quality not equal to the standard
- slime spots, dirt spots, knots, lumps, or blisters in excess of standard
- improper registration
- incorrect printing
- defective tinting
- printing quality not equal to the standard
- checks not in number sequence
- missing checks
- duplicate checks

The requirements as to number sequence, exact count, and absence of duplicate checks apply regardless of whether checks are printed with serial numbers or ICNs. In the event the contractor furnishes defective work as described above, the contractor will be required to file a complete report on the reasons for the defective work and the steps being taken to prevent future occurrences. The Contracting Officer reserves the right to require the contractor to replace any defective checks and any related copies or statements found in any order or to replace all checks within a continuous series if, in his/her opinion, segregation of the defective items would not be feasible. The determination by the Contracting Officer as to defective workmanship in a particular check or check lots shall be final and conclusive, subject to normal appeal procedures as outlined in the Disputes Clause as indicated in GPO Contract Terms (Rev. 01-18).

A single check is defective if it fails to conform to **ANY** applicable requirements of this specification.

A roll is defective if it contains more than one half of one percent defective checks (excluding excess chad). An entire shipment of rolls will be rejected if 6.5% of the shipment is deemed defective.

Testing and Inspection by Contracting Officer: At the Contracting Officer's option, tests may be required throughout the term of the contract to determine that the checks being manufactured adhere to the specifications and standards prescribed herein. The Contracting Officer may use either or both of the following methods for obtaining samples:

1. An authorized representative may periodically visit the contractor's manufacturing plant to inspect quality of printing, , the methods of packing, etc., and will select or require the contractor to furnish samples of blank stock, printed work, ink, packing material, etc., for laboratory testing.
2. The Contracting Officer may request the contractor take samples of the paper, checks, ink, packing material, etc., and promptly forward them by registered mail, secure carrier, or hand delivery with appropriate receipt to GPO. All photo prints or specimens of checks shall be voided in an approved manner before being permitted to leave the contractor's plant.

MARGINS: Margins for statements will be indicated on print order or furnished electronic file or furnished copy.

Check Face:

- Format H: Bleeds left and right onto marginal aligning strip; prints to edge top and bottom and to right edge of check on left and to left edge of check on right.
- Format K (Check Portion Only): Bleeds left and right onto marginal aligning strip; prints to edge top and bottom and to right edge of check on left and to left edge of check on right.

Check Back: 1/4" top, bottom, and left.

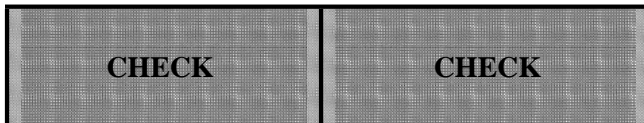
CONSTRUCTION:

NOTE: For both Formats, the maximum roll must be size 30" in diameter with a 5" (inside diameter) suitable core.

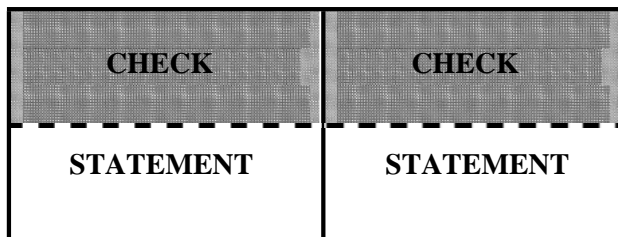
Format H: Two-up marginally punched continuous roll. Overall width is 15-7/8"; includes a 9/16" marginal aligning strip left and right. Each roll contains a leader strip (with alignment marks) minimum of five (5) feet, 80,000 total checks, and a trailing strip of five (5) feet minimum. **NOTE: All splices, including mill splices and flying splices, are unacceptable.**

Format K: Two-up marginally punched continuous roll with statement below check. Overall width is 15-7/8"; includes a 9/16" marginal aligning strip left and right. Horizontal perforations at the bottom of each check (above each statement), every 13". Each roll to contain a leader strip (with alignment marks) a minimum of five (5) feet, 40,000 checks and 40,000 statements, and a trailing strip of five (5) feet minimum. **NOTE: All splices, including mill splices and flying splices, are unacceptable.**

NOTE: On all rolls, the first full 3-1/4" check image appearing after the leader strip and before the trailing strip must be live checks bearing ICN numbers. For security reasons, **NO checks** will be allowed at the beginning or end of a roll that do not contain these numbers.



FORMAT H:
Two-up, marginally punched roll
80,000 checks per roll



FORMAT K:
Two-up, marginally punched roll
statement below check,
40,000 checks/40,000 statements

SPECIMEN CHECKS: The words "SPECIMEN NOT NEGOTIABLE" must print in black ink in a minimum typesize of 18 points (see EXHIBIT 2). The ICN alpha prefix will be "X" in the numbering sequence. The beginning of the numbering sequence will be provided with the first order and continue ascending consecutively through the term of the contract. Specimen checks will be ordered, as follows:

- Format H: Minimum order of 240,000 checks (3 rolls)
- Format K: Minimum order of 120,000 checks (3 rolls)

NOTE: There may be some contract years when specimen checks may not be ordered.

BLANK PAPER (No Check Image): Blank paper will only be ordered in Format H with a minimum order of 240,000 check-sized leaves (3 rolls). Blank Format H will contain ICN numbers with a “W” alpha prefix. The beginning of the numbering sequence will be provided on the first order and continue ascending consecutively through the term of the contract. Some unnumbered rolls possibly will be ordered.

NOTE: There may be some contract years when blank paper may not be ordered.

MARGINAL PUNCHING – ALIGNING HOLES:

- (a) The parts shall be punched along the left and right sides of form with round holes, 5/32” in diameter, spaced 1/2” center to center, 1/4” from center of holes to sides of form, with center of top aligning holes located 1/4” from top edge.
- (b) The marginal holes shall extend in a straight line parallel to the sides of the continuous strip perpendicular to the horizontal tear line perforations between sets.
- (c) All holes must be clean cut and the formats, as delivered, completely free of waste.

Marginal pin-feed hole dies must be properly maintained and replaced frequently so that they are sharp enough to produce a clean cut. Quality assurance procedures must be performed on all rolls to ensure that there is no hanging or clustered chad. Any rolls containing chad will be rejected.

- (c) Any variation from these marginal punching specifications shall be limited to the tolerance of the equipment specified herein.

MARGINAL PERFORATIONS:

- (a) Marginal perforations shall be provided for the purpose of removing marginal aligning strips from the formats. Marginal perforations will be located 9/16” from left and/or right sides (plus or minus 1/16”).
- (b) Cuts in vertical perforations must not intersect cuts in horizontal tear line perforations.
- (c) For purposes of this contract, a combination of marginal aligning holes and marginal perforations shall be defined as marginal aligning strips.

PERFORATIONS OTHER THAN MARGINAL: Checks produced in Formats H and K must be suitable for continuous operation on, but not limited to, the following equipment:

- IBM InfoPrint 4100 with a Videk 0105 Vision Verification System
- Kern Inserter, Model K3000/K3500
- Bluecrest Epic Mail Insert 3.1
- Unwinder, Model 800174
- Rewinder, Model 800190
- Pitney Bowes Flowmaster
- Tecna Unwinder u9
- Tecna Rewinder r9

PACKING AND PALLETS:

Formats H and K: Each roll must be individually wrapped in plastic and individually packaged in shipping containers, with the roll being edgewise on the bottom of the container.

Pallets shall be 30 x 30". Stringers shall be 3-3/4" high and clearance between the two stringers must be at least 27". Two-way entry is sufficient. At contractor's option, the top board may be solid. (See EXHIBIT 3.)

Three (3) containers (consisting of either a total of 240,000 checks for Format H, or 120,000 checks and statements for Format K) will be stacked on each pallet. NOTE: No mixing of formats on a pallet will be allowed.

Rolls are to lay flat (edgewise) in the container and a corner piece inserted inside each container to prevent the roll from shifting during transit. Each roll is to be identified as roll A, B, and C on every pallet. ICN numbering is to be sequential with the highest number on roll C and the lowest on roll A; therefore, roll C will be on the bottom of the pallet and roll A will be on the top.

The entire pallet must be wrapped in plastic and must contain two steel bands, both in the same direction.

The pallets shall be loaded into the trailer or other conveyance in sequence with the lowest numbers loaded first. Double stacking of pallets is not allowed.

LABELING AND MARKING: Contractor to download the "Labeling and Marking Specifications" form (GPO Form 905, R. 7-15) from gpo.gov, fill in appropriate blanks, and attach to shipping containers.

DISTRIBUTION: Ship f.o.b. destination to the following two addresses:

- Kansas City Financial Center, Kansas City, MO 64117
- Philadelphia Financial Center, Philadelphia, PA 19154

Complete addresses and quantity will be furnished with each print order.

Shipping of checks must be made in a locked and sealed truck(s) carrying two (2) armed personnel. The armed personnel must never leave their truck unattended. The tractor must be armored and the trailer must be constructed with the front, sides, top, and doors of materials that do not allow for easy access by exterior force. Trailers with exteriors constructed of wood, canvas, or any other tarpaulin-type material are not acceptable. The truck(s) must be equipped with communications equipment that enables the two personnel to be in constant contact with their base station, and thus allows for the tracking of each truck. This communication system will enable the personnel to report delays, breakdowns, or, in case of emergency, to request immediate assistance from the nearest law enforcement agency. Locks and seals for the trailer(s) will be furnished by the Government. All shipping documents will contain the seal numbers, total number of checks, containers and pallets, but will not bear any reference to the type of material being shipped. Return receipts are a requirement.

NOTE: Do not break seals except in case of emergency or on prior authority of the Government. If found broken, or if broken for emergency reasons, apply carrier's seal as soon as possible and immediately notify the Government.

Large truck shipment to Treasury's Kansas City and Philadelphia Financial Centers will be scheduled for delivery during Tuesdays through Thursdays, between the hours of 8:00 a.m. and 12:00 noon. The contractor shall not deviate from the established schedule of deliveries without prior approval of the Contracting Officer.

The contractor will be required to call Treasury's Kansas City and Philadelphia Financial Centers no less than three (3) workdays prior to shipment to provide the delivery date. Before dispatching the truck(s) for transport, the contractor must provide each Center with the names of delivery personnel, as well as information from their driver's license such as license number and the state the license was issued from, and the truck's description and tag number. Names of contacts and phone numbers for each Center will be furnished after award.

NOTE: On monthly shipments to Treasury's Kansas City and Philadelphia Financial Centers, the contractor should combine formats in large truck shipments, if possible, to maximize the load going to a destination without incurring the cost of an additional truck to do so.

Emergency Shipments: NO roll stock checks will ship via a small package carrier.

No deviations from shipping instructions will be permitted.

All expenses incidental to picking up and returning materials (as applicable), submitting proofs, and furnishing sample copies must be borne by the contractor.

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).

Print order will be emailed to the contractor.

Furnished materials will be shipped via small package carrier or delivered to the contractor by a Government representative.

All PDF soft proofs must be furnished to the agency contact as specified on the print order via SFTP or via email with a password-protected, encrypted file.

The following schedules begin the workday after notification of the availability of the print order and furnished material; the workday after notification will be the first workday of the schedule.

Proof Schedule:

- Contractor must submit required proof within five (5) workdays of notification of the availability of the print order and furnished material.
- Proofs will be withheld no more than three (3) workdays from their receipt at the ordering agency until corrections/changes/"O.K. to Print" is provided via email. (NOTE: The first workday after receipt of proofs at the ordering agency is day one (1) of the hold time.)

Regular Schedule:

- Contractor must complete production and distribution within 90 *calendar* days of receipt of notification of the availability of the print order and furnished material.

Accelerated Production Schedule:

NOTE: The contractor may be instructed to stop production on an order to accommodate an order with the accelerated production schedule. If this occurs, the ship date for the interrupted/stopped order will be revised as mutually agreeable to the Government and the contractor.

- It is anticipated that approximately 5% of all orders issued may require an accelerated production schedule.
- Contractor to complete production and distribution within 30 workdays of notification of availability print order and furnished material.

Accelerated Distribution Schedule:

- It is anticipated that approximately 5% of all orders issued will have an accelerated distribution schedule for shipping checks from the contractor's stored inventory. (No production required.)
- When required, contractor to ship the ordered quantity of checks within 10 to 15 workdays (as specified on the print order) of notification of availability of print order.

The ship/deliver date indicated on the print order is the date products ordered for shipping f.o.b. destination MUST be delivered to the destination(s) specified.

Unscheduled material such as shipping documents, receipts or instructions, delivery lists, labels, etc., will be furnished with the 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 must notify the U.S. Government Publishing Office of the date of shipment or delivery, as applicable. Upon completion of each order, contractor must contact the Shared Support Services Compliance Section via email at compliance@gpo.gov; via telephone at (202) 512-0520; or via facsimile at (202) 512-1364. Personnel receiving email, call, or facsimile will be unable to respond to questions of a technical nature or to transfer any inquiries.

STORAGE: The contractor will be required to store on a rotating basis 7,200,000 Format H checks and 960,000 Format K checks at their facility in a Class I vault at all times throughout the tenure of the contract, as follows:

- When the first order on the contract is issued, the contractor must store 7,200,000 Format H checks and 960,000 Format K checks in their facility's vault.
- When each subsequent order is placed, the contractor must use the stored checks in their vault (from the previous order) as the initial shipment on the new order, replace the 7,200,000 Format H checks and/or 960,000 Format K checks in the contractor's vault from the new order's quantity which might be more or less than the stored quantities, and then complete the distribution of the balance of the new order in accordance with the "SCHEDULE."

NOTE: Numerical sequences must be strictly adhered to. Contractor will be allowed to bill for the checks that will be stored in their vault prior to delivery.

SECTION 3. – DETERMINATION OF AWARD

The Government will determine the lowest bid by applying the prices offered in the “SCHEDULE OF PRICES” to the following units of production that 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.

NOTE: The Determination of Award estimates specified below are based on historical data; however, due to the current global pandemic, the contractor is put on notice that the estimated amounts of work anticipated on this contract may be significantly impacted during the first period of performance.

PREMIUM PAYMENT: Orders requiring an accelerated schedule will be offered and paid for at the premium rate in accordance with the contractor’s offered percentage in the “SCHEDULE OF PRICES.” All other orders will be for the regular schedule and paid for at the basic prices offered.

Percentages offered for premium priced work are additional to the basic prices offered for units of work. Failure of the contractor to deliver work at the time specified will result in disallowance of premium payments that were anticipated, and the contractor will not list such items on their voucher.

It is estimated that 5% of the orders placed on this contract will require an accelerated production schedule. Premium payments for an accelerated schedule will be evaluated for award. Evaluation will be affected by applying the percentage increase, offered for the accelerated schedule in the “SCHEDULE OF PRICES,” (Item VI.(a)) to all items except Item IV., “PAPER.”

It is estimated that 5% of the orders placed on this contract will require an accelerated shipping schedule. Premium payments for an accelerated schedule will be evaluated for award. Evaluation will be affected by applying the percentage increase, offered for the accelerated shipping schedule in the “SCHEDULE OF PRICES,” (Item VI.(b)) to Item V. “PACKING AND DISTRIBUTION” only.

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

I. (a)	1	
(b)	5	
II. (a)	1	
(b)	1	
	(1)	(2)
III. 1. (a)	8	57,600
(b)	8	3,840
2. (a)	3	
(b)	3	
3.	6	
	(1)	(2)
IV. (a)	57,840	3,960
(b)	480	XXX
V. (a)	828	
(b)	276	

SECTION 4. – SCHEDULE OF PRICES

Bids offered are f.o.b. destination.

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 nonresponsive.

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 nonresponsive.

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 billing invoices submitted to 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 IV. “PAPER.”

I. ELECTRONIC PREPRESS:

(a) PDF soft proof..... per proof.....\$_____

(b) System Timework.....per hour.....\$_____

Electronic prepress operations which cannot be properly classified under any other item shall be charged as “System Timework.” Any charge made under “System Timework” must be supported by a statement outlining in detail the operation for which payment is claimed. In case of dispute, the Contracting Officer reserves the right to be the final judge as to the operations and/or number of hours chargeable under line item I.(b).

II. START-UP ROLLS: Prices offered shall include the cost of all required materials and operations necessary for the printing, construction, packing, and distribution of the product listed in accordance with these specifications.

(a) Format H.....per order.....\$_____

(b) Format K.....per order.....\$_____

(Initials)

III. PRINTING AND CONSTRUCTION: Prices offered shall include the cost of all required materials and operations necessary (including proofs) for the printing and construction of the product listed in accordance with these specifications.

Charges for Checks, Specimen Checks, and Blank Paper to include all costs except paper, packing, and distribution.

1. Checks:

	<u>Makeready and/or Setup</u> (1)	<u>Running Per 1,000 Copies</u> (2)
(a) Format H (double stream, roll): Printing face and back of check per check..... \$ _____		\$ _____
(b) Format K (double stream, 1 check/1 statement, roll): Printing back of Statement only per check..... \$ _____		\$ _____

2. Specimen Checks:

(a) Format H (double stream, roll) per roll..... \$ _____		\$ _____
(b) Format K (double stream, 1 check/1 statement, roll)..... per roll..... \$ _____		\$ _____

3. Blank Paper:

Format H (double stream, roll)..... per roll..... \$ _____		\$ _____
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IV. 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 product(s) ordered in the applicable "Format" group. The cost of any paper required for makeready or running spoilage must be included in the prices offered.

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

Format H - Each page-size leaf.
 Format K - Each page-size leaf.

	<u>Per 1,000 Leaves</u>	
	<u>Format H</u> (1)	<u>Format K</u> (2)
(a) Check Paper (with watermark and fibers) \$ _____		\$ _____
(b) White Plain Copier, Xerographic Copier, Laser Printer (24-lb.) (Blank Format H only)..... \$ _____		\$ <u>XXXX</u>

 (Initials)

V. PACKING AND DISTRIBUTION: Prices must be all-inclusive, as applicable, and must include the cost of packing; shipping containers; pallets; all necessary wrapping and packing materials; labeling and marking; and complete distribution, in accordance with these specifications.

Price offered for line item IV.(b) must include the cost of corner pieces, shrink wrapping, and steel banding.

(a) Packing and sealing shipping containers per container\$ _____

(b) Palletizing per pallet\$ _____

VI. PREMIUM PAYMENTS:

Premium payments for the Accelerated Production Schedule, when authorized, will apply to all items except Item IV, "PAPER." Percentage increase will be added to all orders which require the "Accelerated Production Schedule."

Premium payments for the Accelerated Distribution Schedule, when authorized, will apply only to Item V., "PACKING AND DISTRIBUTION." Percentage increase will be added to all orders which require the "Accelerated Distribution Schedule."

(a) Accelerated Production Schedule: Percentage increase %

(b) Accelerated Distribution Schedule: Percentage increase %

(Initials)

SHIPMENT(S): 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 Solicitation 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 agree, 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 points(s), in exact accordance with specifications. *Failure to provide a 60-day bid acceptance period may result in expiration of the bid prior to award.*

BIDDER'S NAME AND SIGNATURE: Unless 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 in accordance with 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 Address) (Fax Number)

THIS SECTION FOR GPO USE ONLY

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

FUNCTIONAL REQUIREMENTS FOR SECURITY

These requirements must be addressed in the Security Plan and demonstrated during the regular security assessments. All of the criteria in the eight (8) major areas listed below must be addressed in addition to the Security Control requirements (see “SECURITY CONTROL REQUIREMENTS” specified in SECTION 1 of the contract).

1. Security Management:

- An individual within the company serves as the central point of contact and responsibility for oversight and management of security systems, policies, procedures, and activities.
- All security roles within the organization are defined and documented.
- Written policies and procedures are maintained within a Security Plan specific to the product supplied under this contract, addressing identification of critical assets and security measures implemented to provide adequate protection of those assets during production, storage, and transportation.
- The company has established a relationship with local law enforcement and emergency services and can validate response times to emergencies at the facility.
- Policies and procedures exist for recovery after a security incident or emergency, to include guidance for material accountability, business resumption, and customer notification.

2. Facility Physical Security:

These requirements must be addressed for any facilities employed in the prepress operations, manufacturing, and storage of the supplied product.

- Adequate intrusion detection and prevention measures are used throughout the facility.
- A surveillance system is utilized for monitoring and recording activities inside and outside the facility at all times, particularly in areas where secure materials are produced, handled, and stored
- An access control system is utilized which is capable of restricting access to the facility and providing access to secure areas on an individual, personalized basis
- There is a security center within or outside the facility used as a central point for managing, controlling, and auditing all security systems and associated activities

Intrusion Detection System (IDS) – The contractor will maintain in operation an effective security system where the product covered by these specifications is manufactured and/or stored (awaiting shipment or disposal) to assure against theft and/or the product falling into unauthorized hands.

- An IDS will detect an unauthorized penetration into the secured area. An IDS will be installed when results of a documented risk assessment determine its use as a supplemental control is warranted. When used, all areas that reasonably afford access to the secured areas shall be protected by IDS unless continually occupied.
- Closed-Circuit Television (CCTV) will be used to ensure protection of product material while being manufactured and/or stored. The CCTV will be maintained 24/7/365 and be backed up for a minimum of 30 calendar days thereafter.

Access Controls – The perimeter entrance to a secure area will be under control at all times to prevent entry by unauthorized personnel. This may be achieved by use of an automated entry control system.

Uncleared persons are to be escorted within the facility by a cleared person who is familiar with the security procedures of the facility. Personnel entering or leaving an area shall be required to secure the entrance or exit point. Authorized personnel who permit another individual to enter the area are responsible for confirming their need to know and access.

Guard Force – The contractor must have armed guards 24/7/365 on site where product material is manufactured or stored.

NOTE: Armed guard force may be waived to ensure compliance with local/country laws or based on Supply Chain Risk Management Assessment.

Secure Carrier (Transportation of Materials Between Specified Site Locations) –

- Exclusive use of vehicle will be required for transport of all materials referenced in these specifications.
 - All deliveries must be transported in appropriately-sized, high-security, armored, alarmed, padlocked, and sealed vehicles.
 - Delivery of finished units will require vehicle cab separate from the vehicle body.
 - One armed driver and one armed guard escort will be required to transport all materials.
- All guards must have a current state-issued driver's license, be in uniform, trained in firearm safety, have current weapon qualifications, and must carry a photo identification card issued by the secured carrier. At least one guard must remain with the material at all times.
- In case of emergency, the guards must have two-way communication to the respective local law enforcement department and their dispatcher(s). The guards must communicate frequently with the dispatcher throughout the course of all trips.
- The driver is to be aware of all outside activity and must notify the dispatcher in the event of any incident.

NOTE: Carrier must be bonded and insured; maintain storage, transfer, and accountability logs to assist if an audit trail is necessary on any particular delivery; conduct credit report checks to determine guards' financial status; check prior employment, former addresses, prior arrests and convictions, and have checked fingerprints of guards with an authority deemed to be appropriate by the Government.

3. Personnel Security:

Personnel working under this contract will be required to notify their employer and provide information that will be shared with GPO if any of the below listed circumstances apply to them either before they begin work on this contract or at any time during their participation in performing on this contract.

- All personnel working under this contract or on GPO programs or having access to sensitive information about those programs must have undergone adequate pre-employment screening, to include background checks, employment and education verification, and credit history checks.
- Depending upon the nature of the work performed, some employees and officers of the company may be required to undergo background screening by the U.S. Government.
- Adequate security training is performed during on-boarding process and at regular intervals for all current employees.
- Policies and procedures exist for dismissal and termination and for removing access to secure areas, systems, and materials.
- Policies and procedures exist for escorted visitor access.
- All employees are provided with identification allowing them to be recognized as authorized individuals, both visually and by the access control system.
- Procedures exist for authorizing access to restricted areas, including an approval and notification process.

Counter-Intelligence Issues:

- Are personnel approached or contacted by ANY individual seeking unauthorized access to sensitive material?
- Do personnel become aware of anything regarding a colleague that could be a counter-intelligence concern?

Legal Issues:

- Are arrested; subject to criminal charges (including charges that are dismissed); receive citations, tickets, or summonses; or, are detained by federal, state, or other law-enforcement authorities for violations of the law within or outside of the U.S. (**NOTE:** Traffic citations/tickets/fines are reportable if they exceed \$150 and only when the fine is assessed, unless drugs or alcohol were involved. Court fees or other administrative costs associated with the traffic citation/ticket/fine should not be added to the final assessed amount.).
- File for bankruptcy, regardless of whether it is for personal or business-related reasons.
- Have wages garnished for any reason.
- Have home foreclosed upon.
- Are named defendant in any civil lawsuit Citizenship Issues.
- Change citizenship or acquire dual citizenship Life Circumstances.
- Have legal action resulting in a name change, marry or cohabitate with a person (**NOTE:** A cohabitant is a person who lives in a spouse-like relationship or with a similar bond of affection or obligation, but is not the legal spouse, child, or other relative.)
- Are hospitalized for mental health reasons.
- Are treated for drug or alcohol abuse.
- Use an illegal drug or a legal drug in a manner that deviates from approved medical direction.
- Self-reports any situations in which they receive a large amount of cash (e.g., inheritance, gambling winnings, etc.).

Sensitive Information Access / Foreign Travel:

- Have business-related travel to a sensitive or non-sensitive country (Use common sense as to what constitutes a “sensitive country” and/or consult internal agency publications.);
- Have substantive contact with any foreign national not related and previously self-reported;
- Are employed by, represent, or have other business-related associations with a foreign or foreign-owned interest, or with a non-U.S. citizen or other individual who is both a U.S. citizen and a citizen of a foreign country;
- Have an immediate family member who assumes residence in a sensitive country and when that living situation changes, e.g., a family member returns to the U.S. or moves to another country, sensitive or non-sensitive;
- Undertake a foreign adoption or propose to host a foreign exchange student.

4. Operations Security:

- Policies and procedures exist for handling sensitive documents, data, and information, including classification, control, and destruction.
- Policies and procedures exist pertaining to information disclosure, including publicly available information on company activities.
- Disclosure of activities under this contract or pertaining to any other GPO program publicly or privately to a third party are prohibited without prior consent.
- Screening of incoming and outgoing communications for sensitive data may be required.
- Adequate security training is performed during on-boarding process and at regular intervals for all current employees.

5. IT Security:

- Intrusion prevention measures are employed to prevent access from the Internet to the company's internal network.
- Internal network controls are provided to segregate common resources from secure, restricted resources used to design and/or produce materials under this contract.
- Remote access to company network is encrypted and secured via IPSec or other accepted technology, and direct remote access to secure network segment is disallowed.
- Encryption is employed for data deemed sensitive to GPO programs while at rest in production or data storage systems.
- Encryption is used for data in transit when such data is considered sensitive, e.g., design files or shipment details sent via email or other transmission method.
- Vulnerability assessment and testing are performed regularly.
- Backups of critical systems are performed regularly and adequately safeguarded.
- Change management policies and procedures are implemented.

6. Material Security:

- All secure materials are stored in dedicated, separate storage areas with access limited to a small number of authorized employees.
- Critical production activities are performed only by authorized employees in secure, access-controlled areas.
- Movement and handling of materials is performed strictly under two-person control at all times.
- Material outside of dedicated storage areas is under two-person control at all times.
- Materials are accounted for by physical or other means during all phases of production and storage, and this accounting method is audited and reconciled throughout the production process to final shipment.
- Materials produced under this contract are adequately segregated, secured, and accounted for, including waste material.
- Waste material is identified and disposed of in a manner adequate to ensure its complete destruction, rendering it useless for purposes of identification, re-use, or reverse engineering.
- An inventory control system is utilized to ensure accountability of product and all materials used in manufacturing.

7. Shipping and Receiving:

- All incoming shipments of security materials are inspected and verified prior to acceptance, and any discrepancies are reported to the shipper and supplier.
- All outgoing shipments are inspected and verified prior to loading.
- A manifest is produced for all shipments, validated at outgoing inspection, and transmitted to the customer according to an accepted procedure.
- Procedures exist for customer notification of pending shipment, including anticipated delivery time and secure shipment details, e.g., carrier, drivers, and seal numbers.
- All shipments are delivered via an accepted secure shipper.
- Shipments are packaged in plain outer packaging, with no external indication of the contents. Internal packaging must have tamper-evident seal closures (*when possible*).
- Shipping methods and routes must be documented in the security plan, including sub-contractors/suppliers of identified security raw materials and subcomponents.
- Track and trace is employed on all secure shipments.

8. Business Continuity and Disaster Recovery:

Business Continuity may be addressed in a separate document, but referenced in the Security Plan, and addresses the following requirements:

- Identification of greatest risks to business continuity at the production site(s)
- A plan for continuing consistent and timely delivery of ordered materials adequate to compensate for any foreseeable impact generated by the identified risks
- A plan for recovery of business functions in the event of a prolonged outage, with estimated timeline.
- Identification of redundant/alternate facility to address loss of facility and/or equipment.

EXHIBIT 1

Example of continuous-design watermark showing approximate coverage and design.
Exact design will be furnished after award.

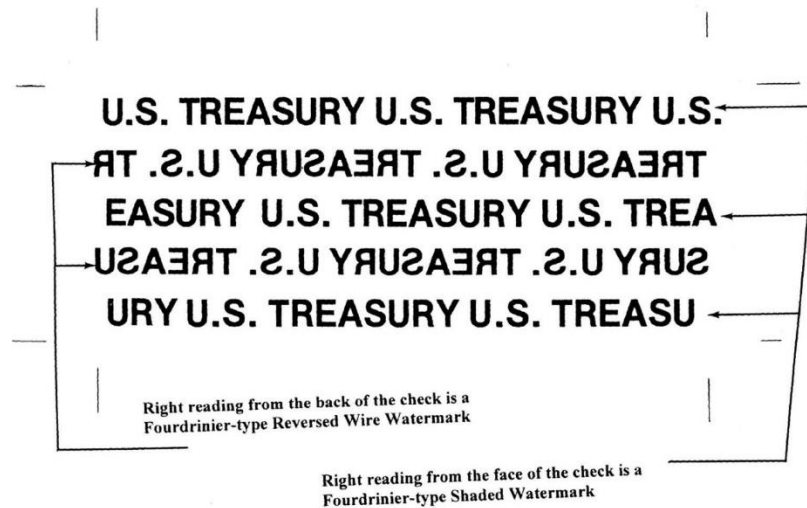


EXHIBIT 2

SAMPLE OF SPECIMEN CHECK



 	United States Treasury $\frac{15-51}{000}$	X 123,456,789	Check No.
Pay to the order of		SPECIMEN NOT NEGOTIABLE	

EXHIBIT 3

CHECK PALLET APPROXIMATE BANDING POSITION

FORMATS H AND K (3 ROLLS PER PALLET)

PALLET SIZE 30" X 30"

FORMAT H: 240,000 CHECKS PER PALLET

FORMAT K: 120,000 CHECKS/120,000 STATEMENTS PER PALLET

