

CONTRACT NUMBER 4400004940

BETWEEN

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES**

AND

UNITED PARCEL SERVICE

THIS CONTRACT AMENDMENT is entered into by and between the Commonwealth of Pennsylvania ("Commonwealth"), acting through its Department of General Services ("DGS") and United Parcel Service ("Contractor"), with a local address of 359 East Park Drive, Harrisburg, PA 17111-2730.

WITNESSETH:

WHEREAS, DGS issued Invitation for Bid No. 6100010034 ("IFB") seeking a supplier to provide small package delivery services including standard ground and next day package delivery within the continental United States and international air delivery ("Package Delivery Service"); and,

WHEREAS, Contractor submitted the low bid for the IFB and was awarded Contract #4400004940 (the "Contract"); and,

WHEREAS, DGS proposes to amend the Contract to afford to other states, and political subdivisions of other states, the opportunity to utilize the Contract; and,

WHEREAS, the Contractor is amenable to amending the Contract in this manner; and

NOW THEREFORE, intending to be legally bound hereby, the Commonwealth and Contractor agree as follows:

- 1. Recitals.** The recitals set forth above are incorporated by reference as a material part of this Contract Amendment.
- 2. Participating Addendum with an External Procurement Activity.** Section 1902 of the *Commonwealth Procurement Code*, 62 Pa.C.S. § 1902, permits external procurement activities to participate in cooperative purchasing agreements for the procurement of services, supplies or construction.

- a. Definitions. The following words and phrases have the meanings set forth in this subsection:
- 1) *External procurement activity:* The term, as defined in 62 Pa. C. S. § 1901, means a “buying organization not located in the Commonwealth [of Pennsylvania] which if located in this Commonwealth would qualify as a public procurement unit [under 62 Pa. C.S. §1901]. An agency of the United States is an external procurement activity.”
 - 2) *Participating addendum:* A bilateral agreement executed by the Contractor and an external procurement activity that clarifies the operation of the Contract for the external procurement activity concerned. The terms and conditions in any participating addendum shall affect only the procurements of the purchasing entities under the jurisdiction of the external procurement activity signing the participating addendum.
 - 3) *Public procurement unit:* The term, as defined in 62 Pa. C. S. § 1901, means a “local public procurement unit or purchasing agency.”
 - 4) *Purchasing agency:* The term, as defined in 62 Pa. C. S. § 103, means a “Commonwealth agency authorized by this part or any other law to enter into contracts for itself or as the agent of another Commonwealth agency.”
- b. General. A participating addendum shall incorporate the terms and conditions of the Contract. The Contractor shall not be required to enter into any participating addendum.
- c. Additional Terms.
- 1) A participating addendum may include additional terms that are required by the law governing the external procurement activity.
 - 2) A participating addendum may include new, mutually agreed upon terms that clarify ordering procedures specific to a participating external procurement activity.
 - 3) The construction and effect of any participating addendum shall be governed by and construed in accordance with the laws governing the external procurement activity.
 - 4) If an additional term requested by the external procurement activity will result in an increased cost to the Contractor, the Contractor shall adjust its pricing up or down accordingly.
- d. Prices.

1) Price adjustment. For any costs affecting the percent markup that the Contractor will or will not incur or that differ from costs incurred or not incurred in the fulfillment of this Contract, the Contractor shall adjust its pricing up or down accordingly. These costs may include, but not be limited to:

- a) State and local taxes;
- b) Unemployment and workers compensation fees;
- c) E-commerce transaction fees; and
- d) Costs associated with additional terms, established pursuant to this subsection.

2) The Contractor's pricing for an external procurement activity shall be firm and fixed for the duration of the initial term of the Contract. After the initial term of the Contract, if the Contract is renewed, the Contractor's pricing may be adjusted up or down based on market conditions only with the mutual agreement of both the Contractor and any external procurement activity.

e. Usage Reports on External Procurement Activities. The Contractor shall furnish to the Contracting Officer an electronic quarterly usage report, preferably in spreadsheet format, no later than the fifteenth calendar day of the succeeding calendar quarter. Reports shall be e-mailed to the Contracting Officer for the Contract. Each report shall indicate the name and address of the Contractor, contract number, period covered by the report, the name of the external procurement activity that has used the Contract and the total volume of sales to the external procurement activity for the reporting period.

f. Electronic Copy of Participating Addendum. The Contractor, upon request of the Contracting Officer, shall submit one (1) electronic copy of the participating addendum to the Contracting Officer within ten (10) days after request.

3. **Electronic Signatures.** In accordance with Section V.5 (CONTRACT-003.1a Signatures) of the Contract Terms and Conditions, this Contract Amendment may not include "ink" signatures by the Commonwealth. The electronically-printed name of the purchaser represents the signature of that individual who has the authority, on behalf of the Commonwealth and DGS, to authorize the Contractor to proceed. The Commonwealth and the Contractor specifically agree that no handwritten signature shall be required in order for this Contract Amendment to be legally enforceable.

4. **Approval.** This Contract Amendment will be effective following the final required Commonwealth approval.

IN WITNESS WHEREOF, the parties hereto have signed this Contract Amendment the day and year first above written.

Witness:

Tammie Hindz 7/2/09
Signature Date

Tammie Hindz -
Printed Name

Director, Business Development
Title

United Parcel Service

JRB 7/2/2009
Signature Date

John R. Reen
Printed Name

Manager, Business Development
Title

Federal I.D. Number – 13-1426500
SAP Vendor Number – 102409

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES**

By: [Signature Affixed Electronically]
Deputy Secretary Date

APPROVED:

[Signature Affixed Electronically]
Comptroller Date

APPROVED AS TO FORM AND LEGALITY:

[Signature Affixed Electronically]
Office of Chief Counsel Date

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 3
Change Effective Date: 1/29/10

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

PLEASE NOTE: Effective 1/29/10 UPS has made changes to their Weekly Service Charges. The following changes will be reflected on your UPS bills for your Weekly Service Charges:

- Agencies shipping \$0-\$14.99 a rate of \$4.00 (which represents a \$5.00 savings per week).
- Agencies shipping \$75.00 or more a \$0 rate (no change from 2009)
- Agencies shipping \$15-\$59.99 at a \$4.00 rate (no change from 2009)
- Agencies shipping \$60-\$74.99 will be issued a weekly \$4.00 credit on all invoices.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 4
Change Effective Date: 7/1/10

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

In accordance with the option to renew clause, the Commonwealth, by mutual consent of the awarded supplier has renewed the contract for a 1 year period effective **July 1, 2010 through June 30, 2011** for the following supplier **United Parcel Service #4400004940**.

The following changes listed below will take place effective 7/1/10. Please see the new price rates listed on the marketplace website:

The contract prices for Zones 2 and 3 have been reduced by 4% for weights 1 – 70 lbs.

There is now \$0 Daily Pick up Charge

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 5
Change Effective Date: 6/3/10

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

TO ALL USING AGENCIES: All packages designated for any of the locations listed below require security screening and approval by Commonwealth personnel for any suspicious materials before being delivered to their final destination. Both the security screening and the final delivery will be completed by approved Commonwealth of Pennsylvania personnel. All parcels for the agencies listed on the attached sheet should be delivered to:

**The Commonwealth/Senate Mail Screening Facility
State Hospital Grounds – 2 North Circle Drive
Harrisburg, PA**

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number:4400004940
Change Number: 6
Change Effective Date: 6/21/10

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
Commodity Specialist Name: **Wanda Bowers 717-346-3840 or wbowers@state.pa.us**

CHANGE SUMMARY:

PLEASE NOTE: All agencies that are faxing purchase orders to and starting new UPS accounts should contact Kathy Ireland.

Kathy Ireland
Sr. Administrative Assistant
401-333-6870 (ph)
401-709-0210 (fax)
kireland@ups.com

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 7
Change Effective Date: 8/4/10

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

UPS is implementing a Smart Pick Up Service the theme is that UPS is putting in place discounts off current fees that will allow everyone to get a zero pickup fee. The fees that are charged are based on the amount that the agencies are shipping for example:

Agency Accounts that Ship \$0.00-\$74.99 would be charged a \$10.00 weekly fee if they don't sign up for Smart Pickup.

Agency Accounts that ship \$75.00 or more would be charged \$0 cost

If you fall within the \$0.00 - \$74.99 category and have not signed up for Smart Pickup please do so by calling the UPS Technical Support Line at 877-289-6418 if you have any problems signing up please contact our UPS Representative Andy Sullivan at 201-410-8637 or asullivan@ups.com. UPS is working on implementing a call center with any additional questions or problems you may have concerning Smart Pickup. The agencies will be notified when this has been finalized.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 8
Change Effective Date: 12/17/10

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY: 1

United Parcel Services (UPS) has a new Account Representative. Please see her contact information below:

Cassie Dyer
Director Government Sales
404-519-9682
cassiedyer@ups.com

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 9
Change Effective Date: 1/3/11

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

Effective January 3, 2011 there is a new Accessorial Rate Chart for United Parcel Service (UPS). The new rates are posted to the contract in marketplace.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

2011 ACCESSORIALS

Effective January 3, 2011

Domestic	Rate
Additional Handling	\$8.00
Address Corrections- Ground	\$11.00
Address Corrections- Air	\$11.00
Address Corrections (Maximum per Shipment)	\$77.00
Carbon Neutral Surcharge - Ground	\$0.05
Carbon Neutral Surcharge - Air	\$0.20
Chargeback for Consignee Billing Shipments	\$11.00
C.O.D.s	\$10.50
Delivery Area Surcharge - Commercial	\$1.85
Delivery Area Surcharge - Residential	\$2.75
Delivery Area Surcharge - Extended Commercial	\$1.85
Delivery Area Surcharge - Extended Residential	\$3.00
Delivery Area Surcharge - Hundredweight	\$9.25 per shipment
Delivery Change Request - Phone	\$6.00
Delivery Change Request - Web	\$4.00
Delivery Confirmation Response	\$2.00
Delivery Confirmation Response - Signature Required	\$3.25
Delivery Confirmation Response - Adult Signature Required	\$4.25
Delivery Intercept (Redirect, Return, or Future Del)	\$11.00
Dimensional Weight Factor	166
Dry Ice	\$5.00
Early AM Out of Territory	\$10.00
Early AM Premium (Daily & Retail Rate)	\$31.00
Early AM Premium (Standard List Rate)	\$25.00
Excessive Tracking, Tracing, & Refund Requests	\$3.00
Hazardous Materials Surcharge, Air	\$35.00
Hazardous Materials Surcharge, Ground	\$25.00
Declared Value	\$0.75 per \$100 (\$2.25 Min.)
Large Package Surcharge	\$50.00
Missing/Invalid Account # Charge	\$11.00
On Call Pickup -- Same Day	\$0.00
On Call Pickup -- Future Day	\$0.00
On-Call Pickup Residential Surcharge	\$2.45
On-Call Pickup Area Surcharge - Residential	\$2.75
On-Call Pickup Area Surcharge - Extended Residential	\$3.00
On-Call Pickup Remote Surcharge - Alaska	\$15.00
On-Call Pickup Remote Surcharge - Hawaii	\$6.00
Proof of Delivery- (Fax or Mail)	\$3.00
Quantum View Notify	\$0.00
Remote Area Surcharge - Alaska	\$15.00
Remote Area Surcharge -Hawaii	\$6.00
Residential Differential - Ground	\$2.45
Residential Differential - Air	\$2.75
Residential Differential - Hundredweight	\$24.00 per shipment
Saturday Pickup	\$15.00
Saturday Delivery	\$15.00
Ship Notification (fax)	\$0.00
UPS Returns: Print Return Label	\$0.50
UPS Returns: Electronic Return Label	\$1.00
UPS Returns: Print & Mail Return Label	\$2.25
UPS Returns Plus: 1 UPS Pickup Attempt	\$5.00
UPS Returns Plus: 3 UPS Pickup Attempts	\$7.00
UPS Returns Plus: Call Tag	\$8.00
Verbal Confirmation of Delivery	\$3.00
Weekly Service Charges:	
Daily Pickup and Daily Pickup On Route (\$0.00-\$74.99 Billed)	\$10.00
Daily Pickup and Daily Pickup On Route (\$75+ Billed)	\$0.00
UPS Smart Pickup	\$0.00
Day-Specific Pickup- 4 Days (\$0.00-\$74.99 Billed)	\$20.00
Day-Specific Pickup- 4 Days (\$75+ Billed)	\$10.00
Day-Specific Pickup- 3 Days (\$0.00-\$74.99 Billed)	\$15.00
Day-Specific Pickup- 3 Days (\$75+ Billed)	\$10.00
Day-Specific Pickup- 1 or 2 Days	\$10.00
International	Rate
Bill Duty/Tax & Shipping Charges to Shipper	\$15.00
Carbon Neutral Surcharge - International Express	\$0.75
Carbon Neutral Surcharge - International Standard	\$0.10
Certificate of Origin	\$10.00
Currency Conversion Rate	0.75%

<i>Delivered Duty Paid, V.A.T. Unpaid</i>	\$15.00
<i>Dimensional Weight Factor</i>	139
<i>Extended Area Surcharge</i>	Greater of \$24 or \$0.24 per pound
<i>Freight Collect Refusal - International</i>	\$11.00
<i>Large Package Surcharge</i>	\$50.00
<i>Saturday Delivery</i>	\$15.00
<i>Worldwide Express Plus Surcharge</i>	\$40.00
<i>Import Control CI Removal Charge</i>	\$20.00

Collective Number:
SRM/SAP Contract Number:4400004940
Change Number: 10
Change Effective Date: 6/13/2011

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2010 – June 30, 2011)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

Effective June 13, 2011 the pricing for declared value of packages over \$100 will change from \$.75 to .70 cents. UPS is implementing a new Capital Flex Insurance Program and the Commonwealth will be participating in this program. You will see on your UPS invoice the new rate when you request insurance on any package valued at \$100 or more.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number: 4400004940
Change Number: 11
Change Effective Date: 6/27/11

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2011 – June 30, 2012)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

In accordance with the option to renew clause, the Commonwealth, by mutual consent of the awarded supplier has renewed the contract for a 1 year period effective **July 1, 2011 through June 30, 2012** for the following supplier United Parcel Service **#4400004940**. **All rates will remain the same.**

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number:4400004940
Change Number: 12
Change Effective Date: July 5, 2011

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2011 – June 30, 2012)
Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

Effective July 5, 2011 all Commonwealth Agencies when electing to insure their packages valued at \$100 dollars or more will be using the UPS Capitol Flex Insurance Program. The rate for this will be \$.70 cents per package instead of the \$.75 cents paid previously. There will be no changes from our current process other than the Commonwealth receiving a reduced rate.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

Collective Number:
SRM/SAP Contract Number:4400004940
Change Number: 13
Change Effective Date : October 20, 2011

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All using Agencies of the Commonwealth
Subject: Small Package Delivery Contract
Contract Period: July 1, 2009 – June 30, 2010
(Renewal July 1, 2011 – June 30, 2012)

Commodity Specialist Name: Wanda Bowers 717-346-3840 or wbowers@state.pa.us

CHANGE SUMMARY:

Effective October 20, 2011, Amendment 2 was done to add language to the contract allowing United Parcel Service (UPS) to transport alcohol on the behalf of the PA Liquor Control Board and its PA Wine and Spirit Stores and with an adult signature to customer's residences. Please see Amendment 2, which is posted on the marketplace.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.

**AMENDMENT NUMBER 2
TO CONTRACT SRM NO.
4400004940**

This Amendment No. 2 is made and agreed to this 19 day of October , 2011, by and between United Parcel Service. ("Contractor"), and the Commonwealth of Pennsylvania, acting through the Department of General Services, (hereinafter called "DGS").

WHEREAS, the Contractor and DGS entered into a contract, identified as SRM No. 4400004940 (the "Contract"), for Small Package Delivery Service beginning with contract execution and ending June 30, 2012; and

WHEREAS, DGS and the Contractor desire to revise the *Statement of Work, Small Package Delivery*, of the Contract.

NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. The Contract is amended by adding the following section to the *Statement of Work, Small Package Delivery*:

Restricted Article Exception - UPS is authorized by the Commonwealth of Pennsylvania, Department of General Services to transport alcoholic beverages on behalf of the Pennsylvania Liquor Control Board (PLCB). This authority is granted by the Commonwealth of Pennsylvania, Department of General Services for the transportation of alcoholic beverages (a) from warehouse to the Pennsylvania Wine and Spirit store locations; (b) from one Pennsylvania Wine and Spirit store location to another; and (c), with **adult signature required**, from Pennsylvania Wine and Spirit store locations to consumers' residences and from warehouse to consumers' residences.

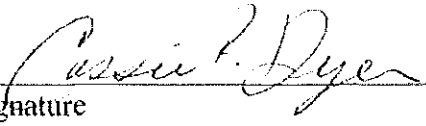
2. Once the Contractor signs this Amendment Number 2, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 2, will be effective following the final required Commonwealth approval.

3. Except as amended by this Amendment Number 2, all other terms and conditions of the Contract and Amendment No. 1 shall remain as originally written.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment No. 2 to the Contract.

WITNESS:

CONTRACTOR:


Signature

Signature

Cassie R. Dyer / Director
Printed Name/Title

Printed Name/Date

36-2407381
Federal Identification Number

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES**

By: To be affixed electronically _____
Deputy Secretary for Procurement Date

APPROVED AS TO FORM AND LEGALITY:

To be affixed electronically _____
Office of Chief Counsel Date

8-K-153Q _____
Office of General Counsel Date

8-K-1530 _____
Office of Attorney General Date

APPROVED FOR FISCAL RESPONSIBILITY,
BUDGETARY APPROPRIATENESS AND
AVAILABILITY OF FUNDS:

To be affixed electronically _____
Comptroller Date

SAP/SRM Contract Number: 4400004940
Change Number: 14
Change Effective Date: 6/19/12

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG**

For: All Using Agencies of the Commonwealth
Subject: Small Package Delivery Services: Participating Addendum
Contract Period: Beginning July 1, 2012 and Ending June 30, 2013
Commodity Specialist: Wanda Bowers XM4 717-346-3840 wbowers@pa.gov

CHANGE SUMMARY:

New language has been added to the Participating Addendum. A copy of the revised document has been posted to the marketplace website with the contract.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT NOT CHANGED BY THIS CHANGE NOTICE REMAIN AS ORIGINALLY WRITTEN.



pennsylvania
DEPARTMENT OF GENERAL SERVICES

INTENT TO PARTICIPATE

Contract 4400004940

Effective July 1, 2009, the Commonwealth of Pennsylvania entered into a contract with United Parcel Service to meet the Commonwealth's Small Package Delivery services. An Amendment was done to allow other states to participate in our contract pricing. As indicated below in our Participating Addendum:

I-1. Participating Addendum with an External Procurement Activity.

Section 1902 of the *Commonwealth Procurement Code*, 62 Pa.C.S. § 1902, permits external procurement activities to participate in cooperative purchasing agreements for the procurement of services, supplies or construction.

a. **Definitions.** The following words and phrases have the meanings set forth in this subsection a, of Part I, Section I-32:

- 1) *External procurement activity:* The term, as defined in 62 Pa. C. S. § 1901, means a "buying organization not located in the Commonwealth [of Pennsylvania] which if located in this Commonwealth would qualify as a public procurement unit [under 62 Pa. C.S. §1901]. An agency of the United States is an external procurement activity."
- 2) *Participating addendum:* A bilateral agreement executed by the Contractor and an external procurement activity that clarifies the operation of the Contract for the external procurement activity concerned. The terms and conditions in any participating addendum shall affect only the procurements of the purchasing entities under the jurisdiction of the external procurement activity signing the participating addendum.
- 3) *Public procurement unit:* The term, as defined in 62 Pa. C. S. § 1901, means a "local public procurement unit or purchasing agency."
- 4) *Purchasing agency:* The term, as defined in 62 Pa. C. S. § 103, means a "Commonwealth agency authorized by this part or any other law to enter into contracts for itself or as the agent of another Commonwealth agency."

b. **General.** A participating addendum shall incorporate the terms and conditions of the Contract resulting from this RFP. The Contractor shall not be required to enter into any participating addendum.

c. **Additional Terms.**

- 1) A participating addendum may include additional terms that are required by the law governing the external procurement activity.

- 2) A participating addendum may include new, mutually agreed upon terms that clarify ordering procedures specific to a participating external procurement activity.
- 3) The construction and effect of any participating addendum shall be governed by and construed in accordance with the laws governing the external procurement activity.
- 4) If an additional term requested by the external procurement activity will result in an increased cost to the Contractor, the Contractor shall adjust its pricing up or down accordingly.

d. **Prices.**

- 1) **Price adjustment.** For any costs affecting the percent markup that the Contractor will or will not incur or that differ from costs incurred or not incurred in the fulfillment of this Contract, the Contractor shall adjust its pricing up or down accordingly. These costs may include, but not be limited to:
 - a) State and local taxes;
 - b) Unemployment and workers compensation fees;
 - c) E-commerce transaction fees; and
 - d) Costs associated with additional terms, established pursuant to this **Part I, Section I-32.**
- 2) The Contractor's pricing for an external procurement activity shall be firm and fixed for the duration of the initial term of the Contract. After the initial term of the Contract, if the Contract is renewed, the Contractor's pricing may be adjusted up or down based on market conditions only with the mutual agreement of both the Contractor and any external procurement activity.

e. **Usage Reports on External Procurement Activities.** The Contractor shall furnish to the Contracting Officer an electronic quarterly usage report, preferably in spreadsheet format no later than the fifteenth calendar day of the succeeding calendar quarter. Reports shall be e-mailed to the Contracting Officer for the Contract. Each report shall indicate the name and address of the Contractor, contract number, period covered by the report, the name of the external procurement activity that has used the Contract and the total volume of sales to the external procurement activity for the reporting period.

f. **Electronic Copy of Participating Addendum.** The Contractor, upon request of the Contracting Officer, shall submit **one** electronic copy of the participating addendum to the Contracting Officer within **ten** days after request.

This Agreement incorporates the UPS Rate and Service Guide and Tariff/Terms and Conditions of Service in effect at the time of shipping and any reference to this Agreement shall be deemed also to refer to such incorporated documents, unless otherwise indicated. The UPS Rate and Service Guides and Tariff/Terms and Conditions of Service are maintained at local UPS offices and at <http://www.ups.com>.

PARTIES TO THIS AGREEMENT

The parties to this Agreement have affixed their signatures below in witness and in execution of this Intent to Contract, this _____ day of _____, 2009.

Printed Name and Title - United Parcel Service

Signature

Printed Name and Title - Participating State

Signature

Printed Name and Title - Commonwealth of Pennsylvania

Signature