

How to Use the Small Package Delivery Statewide Contract

Contract #: OFF43	Contract Duration: 03/30/2015 to 03/18/2017
MMARS #: OFF43*	Options to Renew: None
Contract Manager:	Jodi Paris Anastos – 617-720-3169 Jodi.ParisAnastos@state.ma.us
UNSPSC:	78-10-22-01 (small package delivery)
Last change date:	November 22, 2016

Contract Summary

This is a cooperative contract between the Commonwealth of Massachusetts and the National Joint Powers Alliance for UPS domestic and international small package delivery services, for which NJPA is the lead organization.

Additional contract information can be found on COMMBUYS and include this OSD update and pricing information.

Benefits and Cost Savings

- Competitive pricing on domestic and international small package delivery services
- Weekly pickup fee is waived
- Total annual savings for the Commonwealth of \$254,050.

Who Can Use This Contract?

Applicable Procurement Law: MGL c. 7, § 22; c. 30, § 51, § 52; 801 CMR 21.00

Eligible Entities:

1. Cities, towns, districts, counties and other political subdivisions;
2. Executive, Legislative and Judicial Branches, including all Departments and elected offices therein;
3. Independent public authorities, commissions and quasi-public agencies;
4. Local public libraries, public school districts and charter schools;
5. Public hospitals owned by the Commonwealth;
6. Public institutions of higher education;

7. Non-profit, UFR-certified organizations that are doing business with the Commonwealth;
8. Other entities when designated in writing by the State Purchasing Agent.

Pricing and Purchase Options

Purchase Options:

Purchases made through this contract will be direct, outright purchases.

Pricing and buying details:

Shipping rates depend upon the destination zone, as determined by UPS. You can download the zone chart as a spreadsheet from UPS at

http://www.ups.com/content/us/en/shipping/cost/zones/continental_us.html. You will need the ZIP code of your shipping destination to obtain the destination zone.

Ground Fuel Surcharge:

Fuel Surcharge is allowed on this contract, the surcharge is an indexed-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first of the Monday of each month. It is based on the National U.S. Average On Highway Diesel Fuel Price as reported by the U.S. Energy Information Administration (EIA) for the month that is two month prior to the adjustment, rounded to the nearest cent. For example, the surcharge for February is based on the December National U.S. Average On Highway Diesel Fuel Price.

To see the current Fuel Surcharge Rate click on this link:

https://www.ups.com/content/us/en/shipping/cost/zones/fuel_surcharge.html

Please Note that this is NOT the contract Fuel Surcharge Rate. To calculate the Contract Fuel Surcharge Rate, please refer to the Fuel Surcharge Rate Table at the end of this Contract User Guide.

Additional Information

A fuel surcharge is allowed on this contract and may change from time to time for different services. The Fuel Surcharge is applied to individual packages.

Service Guarantee: In lieu of filing claims under the UPS Service Guarantee, Customer shall be entitled to a refund of the Transportation Charges when the overall on-schedule delivery for all of Customer's outbound packages (i.e., packages picked up daily at Customer's Shipping Locations) falls below the agreed upon performance standards listed below ("Minimum Performance Standard"). "On-schedule" or "on-time" delivery as described herein shall have the same meaning as set forth in the UPS Tariff/Terms and Conditions of Service in effect at the time of shipping.

Customer agrees to place a UPS compatible bar-code “smart label” on every package shipped and transmit one hundred (100%) percent PLD at the end of each day for packages tendered to UPS. Only packages with a UPS-traceable bar-code “UPS Smart Label” and with matching PLD information will be eligible for this Minimum Performance Standard. If UPS does not meet the Minimum Performance Standard as set forth herein; compensation will be made by UPS to Customer on the percentage of packages falling below the minimums listed below, during a given quarter based on the average net Transportation Charge per package for each service shipped during the same time period. If the UPS performance is equal to or better than the thresholds stated below, no refund will be due.

Vendor Contact Information

Bob White, United Parcel Service, Inc., 781-710-9516; bwwwhite@ups.com

Where to Find Contract Information on COMMBUYS

To obtain in depth contract information please go to the COMMBUYS website (www.COMMBUYS.com), click on “Contract and Bid” Search, select the radio button for Contracts/Blankets, and type OFF43 into the Contract/Blanket Description field. Then click "Find It" in the search results, click on the MBPO to access:

- **Contract User Guide** – the latest version of this document
- **Rate Charts** for ground, air and other shipping methods
- **Participating Agreement** – contract for the Commonwealth's participation in the NJPA agreement
- **UPS Service Guide**- additional charges that allowed by contract will be within the UPS Service Guide

How to place an order

P.O. FOR ONE-TIME SERVICES: Once a service and price is determined, the ordering process is as follows:

1. Initiate a new requisition
2. Search for an item (Use OFF43) in the description
3. Select the appropriate catalog line
4. Enter "1" in the Quantity field and the total price in the Unit Cost field
5. Attach the vendor quote and/or a detailed order summary
6. Submit for approval

P.O. FOR ONGOING SERVICES: If the price is estimated for ongoing services (monthly pickups, etc.), then you may enter a PO for the full amount of the estimate, as per the instructions

above, and place partial receipts as you receive billing from the vendor. In such purchase orders insert the following language in the special instructions box of the PO: "This Purchase Order represents the total estimated expenditure for this engagement (*insert brief description*), against which (*identify department*) will execute partial receipts in COMMBUYS upon receipt and approval of invoices, in order to record the work accomplished according to the agreed upon engagement terms. All estimated expenditures are subject to reconciliation based on invoices rendered for agreed-upon delivery of goods and/or services."

Further direction is available in the "[How to Complete a Partial Receipt in COMMBUYS](#)" Job Aid.

RPA Release Purchases:

This contract has RPA Release enabled to allow contract users to capture spend after-the-fact associated with this contract. Contract Managers have carefully selected the contracts that would qualify for RPA Release transactions. Typically this is due to system or process impracticality and/or emergency situations preventing the standard COMMBUYS purchase order processes from being followed to process paper invoices. For more details please consult the COMMBUYS Policy Document.

Once the paper invoice for the goods or services is received by the agency, follow the directions in the [RPA Release Job Aid](#) located at Job Aids for Purchasers when entering the information into COMMBUYS; use below guidance for entering items off of the paper invoice and into a Release Requisition in the "Items" Tab:

1. Follow directions in RPA Release Enabled Requisition Job Aid until you come to the Search field in the "Items tab."
2. In the "Items" tab Search field, type in the following to get the items: contract description ("OFF43").
3. Select the appropriate catalog line; the zero dollar line item may be chosen.
4. In the line enter the details of the transactions, description, cost, and quantity
5. Enter accurate invoice numbers in the mandatory Invoice Number field for each item.
6. Attach scanned copies of all records pertaining to order placement (could be an unofficial email quote), the receipt of goods or services, and the final invoice in the "Attachments" section.

The final invoice amount should match the Release Requisition total on the Summary tab.

Ground Fuel Surcharge Custom Index

UPS uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first Monday of each month. The surcharge will be based on the National U.S. Average On Highway Diesel Fuel Price as reported by the U.S. Energy Information Administration (EIA) for the month that is two months prior to the adjustment, rounded to the nearest cent. For example, the surcharge for February is based on the December National U.S. Average On Highway Diesel Fuel Price.

National U.S. Average On-Highway Diesel Fuel Price (\$/Gallon)		
At Least:	But Less Than:	Surcharge:
\$ 0.00	\$0.85	0.00%
\$0.85	\$1.07	0.38%
\$1.07	\$1.29	0.75%
\$1.29	\$1.51	1.13%
\$1.51	\$1.73	1.50%
\$1.73	\$1.95	1.88%
\$1.95	\$2.17	2.25%
\$2.17	\$2.39	2.63%
\$2.39	\$2.61	3.00%
\$2.61	\$2.83	3.38%
\$2.83	\$3.05	3.75%
\$3.05	\$3.27	4.13%
\$3.27	\$3.49	4.50%
\$3.49	\$3.71	4.88%
\$3.71	\$3.93	5.25%
\$3.93	\$4.15	5.63%
\$4.15	\$4.37	6.00%
\$4.37	\$4.59	6.38%
\$4.59	\$4.81	6.75%
\$4.81	and up	7.00%

Fuel surcharge percentage and thresholds are subject to change without prior notice. If the National U.S. Average On Highway Diesel Fuel price surpasses \$11.19 per gallon, the fuel surcharge will begin at 18% and increase by increments of 0.375% for every \$0.22 increase in the National U.S. Average On Highway Diesel Fuel Price.

Air and International Fuel Surcharge Custom Index

UPS uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first Monday of each month. The surcharge will be based on the U.S. Gulf Coast (USGC) prices for kerosene-type jet fuel reported by the U.S. Department of Energy for the month that is two months prior to the adjustment. For example, the surcharge for April is based on the February U.S. Gulf Coast (USGC) Jet Fuel Price.

U.S. Gulf Coast (USGC) Jet Fuel Price (USD/Gallon)		
At Least:	But Less Than:	Surcharge:
\$ 0.00	\$1.06	0.00%
\$1.06	\$1.15	0.38%
\$1.15	\$1.24	0.75%
\$1.24	\$1.33	1.13%
\$1.33	\$1.42	1.50%
\$1.42	\$1.51	1.88%
\$1.51	\$1.60	2.25%
\$1.60	\$1.69	2.63%
\$1.69	\$1.78	3.00%
\$1.78	\$1.87	3.38%
\$1.87	\$1.96	3.75%
\$1.96	\$2.05	4.13%
\$2.05	\$2.14	4.50%
\$2.14	\$2.23	4.88%
\$2.23	\$2.32	5.25%
\$2.32	\$2.41	5.63%
\$2.41	\$2.50	6.00%
\$2.50	\$2.59	6.38%
\$2.59	\$2.68	6.75%
\$2.68	and up	7.00%

Fuel surcharge percentage and thresholds are subject to change without prior notice. If the U.S. Gulf Coast (USGC) Jet Fuel price surpasses \$7.99 per gallon, the fuel surcharge will begin at 29.25% and increase by increments of 0.375% for every \$0.09 increase in the U.S. Gulf Coast (USGC) Jet Fuel Price.