

Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production

Specifications

The Department of Finance and Administration (DFA), Office of the Mississippi Management and Reporting System (MMRS) is seeking Invitation for Bid (IFB) for the production printing and mailing of the State of Mississippi W-2 and 1099-MISC tax forms for tax years 2015, 2016, and 2017 and the placement of the W-2 and 1099-MISC print images on a searchable CD-ROM. **This is for a three (3) year engagement.**

DFA is seeking a three-year commitment for the production of W-2 and 1099-MISC forms. Responding vendors must propose for tax years 2015, 2016, and 2017 and provide services for printing both W-2 and 1099-MISC information in order to be considered.

For purposes of estimating postage costs, responding vendors must use **current** First Class Postage Rates in their estimates. The State of Mississippi acknowledges the State will be charged the **actual** cost of First Class Postage at the time of the mailings for each tax year. DFA will pay first class postage to ensure the employee address information is not altered in any form. This requirement includes no alteration of City, Zip code and Zip + 4 information as well as no alteration of other components of the mailing address.

For purposes of the IFB, DFA estimates 22,000 of its 42,000+ W-2 employee population will elect to receive electronic W-2s for tax years 2015, 2016, and 2017. Vendors should use an estimate of 22,000 W-2 forms to be printed, mailed, and placed on a searchable CD-ROM for **each** tax year. Vendors should provide detailed cost per form for any forms processed above this number.

For purposes of the IFB, DFA estimates 6,000 1099-MISC forms to be printed, mailed, and placed on a searchable CD-ROM for tax years 2015, 2016, and 2017. Vendors should provide detailed cost per form for any forms processed above this number.

The vendor awarded the contract will be responsible for the end-to-end processing requirements of this IFB. The use of address correction software or any other software that alters address information is not permissible. Winning vendor may choose to subcontract portions of this project; however, the winning vendor will be held responsible for meeting all objectives and dates. Since the resulting agreement will be with a single vendor, any winning vendor choosing to subcontract will be responsible for paying their subcontractors.

Dates for mailing of W-2 and 1099-MISC forms are set by federal statute and are not negotiable.

DFA agrees to make payment, to the awarded vendor, **electronically** of undisputed amounts within forty-five (45) days of receipt of the invoice.

Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production

Vendor's Proposal

To be considered for award the following must be included in the vendor's response:

- Vendor must respond to all required entries in the Item Specification List including cost for every requirement;
- Vendor must complete the attached IFB checklist;
- Vendor must include terms of modification and not to exceed rates of increase for any cost of services (other than postage);
- Vendor must include first class postage costs in the response and detail whether it must be prepaid and if prepaid how any prepaid overage will be applied;
 - If postage must be pre-paid, the vendor must acknowledge that they will **invoice** DFA **electronically** for the estimated postage cost of mailing W-2 and 1099-MISC forms no later than:
 - **December 1, 2015 for tax year 2015**
 - **December 1, 2016 for tax year 2016**
 - **December 1, 2017 for tax year 2017**
 - If the vendor fails to submit the electronic invoice for postage by the date specified, the vendor must acknowledge that they are still responsible for mailing the W-2 and 1099-MISC forms by the designated deadline;
- Vendor must acknowledge their agreement to be paid electronically via the State's current e-payment and remittance vehicle;
- Vendor must acknowledge their agreement to invoice the state electronically via the State's current e-invoicing vehicle;
- Vendor must acknowledge they understand that pricing is for a **three (3)** year engagement;
- Vendor must acknowledge they understand that the award will be based on printing both the W-2 and 1099-MISC information; in addition, to providing the information via CD ROM as outlined in the specification list;
- Vendor must acknowledge that they will print the W-2 and 1099-MISC information using the file layouts and mapping created by DFA;
- Vendor must acknowledge that they will fold all W-2 and 1099-MISC forms to ensure that **NO** information (other than the address information) is visible when the envelope is sealed.
- Vendor must acknowledge that they will ensure the W-2 and 1099-MISC are post marked by the federal statute guidelines and the timelines established by DFA. DFA acknowledges they will provide the final production files to the awarded vendor on or before the established deadlines in the "Production Timeline" of this document.
- Vendor must acknowledge that if all W-2 and 1099-MISC information is not post marked by the federal statute guidelines that they will be required to pay the penalties established by the federal statute and will not invoice DFA for such penalties. DFA acknowledges they will provide the final production files to the awarded vendor on or before the established deadlines in the "Production Timeline" of this document.

Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production

- Vendor must acknowledge all employees and subcontractors involved in any aspect of the project will be required to execute the attached signed confidentiality form(s) and that the form(s) will be part of the contract with the winning vendor. The confidentiality form guarantees that all the data and information will be safeguarded and will not be shared with any entity or person without the written consent of DFA.
- Vendor must supply three (3) verifiable references for similar comprehensive engagements. The references must include the company name, contact person name, contact person phone number and email address;
- If awarded the contract, the vendors must acknowledge they will be available for regularly scheduled status meetings via conference calls;
- Vendors must submit a sample printing (front and back) of at least ten (10):
 - W-2 forms using the attached DFA format, and;
 - 1099-MISC forms using the attached DFA format.

DFA will **ONLY** accept samples from the test file(s) sent to the vendor by DFA.

To request test file(s), using the IRS specified layout for electronic submission and/or modified version, please send an email to mash@dfa.ms.gov. The subject of the email must be "W2 & 1099 Printing."

All sample, test, and production printing must be of the highest quality with accurate registration, uniform ink coverage and no bleed through.

DFA reserves the right to reject any response that does not submit a sample printing that meets the printing specifications.

Failure to meet the specifications may be considered breach of contract with the State and may be cause for removal from State of Mississippi bidders list for a period of 24 months.

To aid in the printing, DFA will also provide a copy of the IRS regulations upon request.

- DFA reserves the right to reject any or all responses.

Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production

Recycled Materials

Mississippi law requires that specifications be written as to promote the use of products made from recovered materials. Therefore, bidders are asked to consider bidding on a product made from recovered materials; provided, however, that any product bid must be equal in quality, weight, texture, and color to the product required by these specifications. For the purpose of this specification, a product made from recovered materials must be at least 20% post consumer waste as defined by EPA and ASTM. Products made from recovered materials will be given a preference in the award procedure as follows:

- (1) The low bid that meets specifications will be determined.
- (2) If the low bid meeting specifications is made from recovered materials, then the award will be made to the vendor offering the low bid.
- (3) If the low bid is not made from recovered materials, the award will be made to the low bid meeting specifications that is made from recovered materials; provided, however that the price paid may not be more than 10% higher than the lowest bid received.
- (4) If there are no bids for recycled products within 10% of the lowest bid, then the award will be made to the vendor offering the lowest bid.

Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production

Production Timeline

The vendor must acknowledge the following dates and timelines for processing.

DFA will:

- Supply **Test** W-2 and 1099-MISC files by
 - January 11, 2016 for tax year 2015;
 - January 10, 2017 for tax year 2016;
 - January 10, 2018 for tax year 2017;
- Approve Test prints of W-2 and 1099-MISC forms and mailers from the winning vendor prior to DFA's submission of the final production files to the vendor for the printing of original tax forms for mailing;
- DFA will provide the actual **Production** W-2 and 1099-MISC files no later than:
 - January 25, 2016 for tax year 2015;
 - January 25, 2017 for tax year 2016
 - January 25, 2018 for tax year 2017
- All files, including test files, must be transmitted via a secure connection (password protected) such as SSL or VPN, or they may be transmitted via FTP over the internet if they are PKI encrypted.

The awarded vendor will:

- Adhere to the requirements listed in vendor's proposal section of this document.
- Process and provide DFA the results of each test file within 2 days.
- To receive final approval before printing and mailing the production file(s), the vendor must send DFA ten (10) printed, folded, and sealed W-2 and 1099-MISC forms for review.
 - The W-2 and 1099-MISC forms must be printed from the production file(s) sent by DFA.
 - The processed forms must be sent via overnight mail, at the vendor's expense, in a single non-descriptive envelope to the address of DFA's choosing.
 - DFA will provide this address when the production file is created.
 - **NO** information (other than the DFA address) can visible when the processed forms are sealed in the single envelope.
 - Once received and reviewed, DFA will provide the vendor approval to process the production files.
 - DFA reserves the right to conduct another test if the production file samples are not acceptable.
 - The ten (10) W-2 and 1099-MISC forms sent to DFA must be re-processed and mailed with the complete production file(s).
- Ensure that production files are processed by the date established by DFA and the federal statute.
- All files, including test files, must be transmitted via a secure connection (password protected) such as SSL or VPN, or they may be transmitted via FTP over the internet if they are PKI encrypted.
- Provide the CD ROM Reader and CD ROM(s) of production data to DFA by the established DFA date.

**Invitation for Bid
Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production**

IFB Vendor Questions

All questions regarding this IFB must be submitted in writing, via email, to DFA by 5:00 PM Central Standard Time (CST) Wednesday, October 14, 2015 to mash@dfa.ms.gov. No questions will be accepted after this deadline. The subject of the email must be "W2 & 1099 Printing."

A summary of all questions and answers and any revision to the IFB will be posted at www.dfa.ms.gov as an addendum located under the Bid and RFP Notice Section, #3160000664 by 5:00 PM CST Tuesday October 20, 2015. Specific references to a vendor will be removed from the questions and answers.

It is the vendor's responsibility to review the answers to the questions. DFA will NOT notify the vendor's when the answers are published.

Proposal Submission Deadline

Proposals can be submitted electronically in MAGIC no later than 12:00 AM Central Standard Time (CST) on Wednesday, October 28, 2015. DFA/MMRS is not responsible for proposals submitted after the deadline. The proposal packet submitted must contain all items on the IFB checklist.

Proposals can also be sent in via **overnight** mail to the address below. The proposals must be post marked no later than 12:00 AM Central Standard Time (CST) on Wednesday, October 28, 2015. The proposals packet must include a printed copy of each of the proposal items on the IFB checklist and a CD or flash drive with a soft copy of all items.

Mississippi Department of Finance and Administration
Mississippi Management Reporting System
Attn: David Pitcock
210 East Capitol Street
Suite 1400
Jackson, Mississippi 39201

Note: If vendors need help submitting their proposal within MAGIC, please contact the MMRS Call Center at 601-359-1343 or via email at mash@dfa.ms.gov. The call center hours of operation are Monday – Friday; 8:00 AM – 4:30 PM CST. As the deadline for submission is 12:00 AM, if you need assistance in submitting in MAGIC, you will need to be sure to contact the call center during its hours of operation. **No Assistance will be provided after 4:30 PM CST and proposals will not be accepted after the submission deadline.**