



NJPA CONTRACT #010615
OFFICE, SCHOOL, AND OTHER WORKPLACE-RELATED SUPPLIES AND SERVICES

Contract Owner - National Joint Powers Alliance (NJPA) Website: www.njpacoop.org In order to access the pricing and terms of this contract an agency must be a registered member of NJPA. Membership is free and the simple enrollment application can be completed online at the NJPA website.

Contract Term - August 1, 2015 – July 31, 2020 (including the 1 year optional extension)

Single Awardee - Staples Contract & Commercial, Inc, operating as Staples Advantage

Products Included - Office, Classroom, Toner, Paper, Managed Print Services (MPS), Technology, Facilities, Safety, and Transactional Furniture. Also, Custom Print, Promotional products, Digital Copy, and specials plus additional incidental items included as “Sourced Goods”. Lease/service contract options for Coffee, Water, Ware Wash, and MPS are also included in this offering.

Pricing:

- Hot List
 - Net Priced: Approximately 1,800 items (subject to change per contract terms)
 - Primarily paper, petroleum-based and other industry-related products with potentially volatile pricing due to product content and/or manufacturing processes
 - Staples may request a price change adjustment for Hot List Pricing items by submitting to NJPA, no more than once a calendar quarter, a request for price adjustment(s). Although pricing/product change does not have to take effect on the start of the calendar quarter.
 - Price changes require NJPA approval.
- Core List
 - Net Priced: Approximately 20,000 items. Primarily In-stock Office, Classroom, Technology and Facilities Supplies. (subject to change per contract terms)
 - Prices fixed for a year (Jan 1 – Dec 31).
 - Staples can submit a request for price changes annually, 30 days prior to Dec 31.
 - Requires NJPA approval. If approved, Jan. 1st is the effective date of any changes.
- Non-Core Items.
 - Non-Core Items are those items that are not on the Hot List or Core List, and available on Staplesadvantage.com. For those Non-Core Items that appear on Staples.com, such Non-Core Items will be priced based on the current national Staples.com price for such items, which Supplier will update on a weekly basis, provided that such pricing is exclusive of tier pricing, closeouts, promotions and/or specials.
 - The prices for Non-Core Items that are not available for purchase on Staples.com shall appear on Staplesadvantage.com, and shall be adjusted to reflect changes in stock availability, market conditions, buying expense, and other factors that affect the overall cost of the Non-Contract Items. Notwithstanding anything to the contrary, Non-Core Items are not subject to customer audit or any pricing guarantee.

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- Technology Products.
 - Prices for technology items provided to participating Members under the Staples technology ordering system referred to as Sequoia (or its successor) shall be priced at the then current List Price, and may be subject to discount.
- Pricing for custom products.
 - Pricing for customized and/or print or promotional products is based upon product specifications agreed to between Staples and the participating Member.
- Promotional Products.
 - Staples proposes that pricing for ASI products ordered on our Staples Promotional Product ordering system referred to as Linc (or its successor), be governed by the terms in Exhibit 4. Staples may update product and pricing for Promotional Products by submitting a request to NJPA no more than once a calendar quarter.
 - Pricing for ASI products ordered on our Staples Promotional Product ordering system, will be governed by a contract margin that is variable to transaction size. In our proposed pricing structure below, margin decreases as transaction size increases.
 - | <u>Order Transaction Size</u> | <u>Contract Margin</u> |
|-------------------------------|------------------------|
| ▪ \$0 - \$999 | 28% |
| ▪ \$1,000 - \$4,999 | 26% |
| ▪ \$5,000 - \$9,999 | 24% |
| ▪ \$10,000+ | 22% |
- Sourced Goods
 - Staples Advantage customers frequently request we source goods and services on their behalf that could be non-stock or custom in nature and are within the scope of our sourcing and distribution capabilities. Staples will also facilitate access to these “Sourced Goods” and services to NJPA and its participating Members.
 - The prices for Sourced Goods shall be those prices that appear on the ordering platform at time of order, or as otherwise established between Staples and the applicable participating Member at the time the order is placed.
 - Sourced Goods may include additional delivery or handling charges that would be the responsibility of the ordering member.

Ceiling Prices - Staples may offer quantity or volume discounts to members as permissible in sections 5.18 and 5.19 “Ceiling Price” of this RFP.

- 5.18 Proposal pricing is to be established as a ceiling price. At no time may the proposed equipment/products and related services be offered pursuant to this Contract at prices above this ceiling price without request and approval by NJPA. Contract prices may be reduced to allow for volume considerations and commitments and to meet the specific and unique needs of an NJPA Member.
- 5.19 Allowable specific needs may include competitive situations, certain purchase volume commitments or the creation of custom programs based on the individual needs of NJPA Members.

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Volume Price Discounts –

- 5.20 Proposers are free to offer volume commitment discounts from the contract pricing documented in a Contract resulting from this RFP. Volume considerations shall be determined between the Vendor and individual NJPA Members on a case-by-case basis.

Rebates - Staples will pay each participating NJPA member a volume rebate of such member’s Net Sales annually, to be paid within forty-five (45) calendar days of each annual anniversary of the Member’s first order date, calculated as follows or as otherwise agreed to in writing by Staples and the member (“Volume Rebate”):

<u>Net Sales</u>	<u>Volume Rebate</u>
\$ 0.00 - \$ 75,000	0%
\$ 75,000.01 - \$150,000	1%
\$150,000.01 - \$300,000	2%
\$300,000.01 - \$500,000	3%
\$500,000.01 - \$750,000	4%
\$750,000.01 or more	5%

Payment of all Volume Rebates paid hereunder is (i) contingent upon the member paying all invoices within the payment terms specified in the contract; and (ii) based on the individual member’s aggregate annual Net Sales and is payable back to dollar one.

Sales associated with the **MPS Program and other sales of certain technology products** that are processed through Staples technology system referred to as Sequoia (or its successor), will be excluded from this volume rebate.

Sales associated with **Promotional Products** that are processed through Staples promotional products system referred to as Linc (or its successor) will be excluded from this volume rebate.

Sales associated with **Printed Products** that are processed through Staples print system referred to as Baan (or its successor) will be excluded from this volume rebate.

“**Net Sales**” - Net Sales will be defined as the gross sales price of the applicable products sold under this Contract, less shipping costs (including freight charges and insurance), taxes, duties, any rebates actually paid, discounts and allowances actually taken, rejections and returns to the extent credit is given or paid, and also excluding purchases made via staples.com, or any Staples retail channel.

Additional Services/Products - There may be additional services available which are associated with certain products, including, but not limited to: furniture, facilities or water/coffee dispensers, etc. which at the option of the Member may be purchased or leased at the time of order/agreement. The costs for such services shall be paid to Staples by the NJPA Member.

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Minimum Order - Unless otherwise mutually agreed to by Staples and an NJPA member, NJPA and its members shall have a minimum order size of **\$35.00** per order (“Minimum Order Size”).

Delivery - There are no additional charges associated with standard delivery from Staples Advantage. Common delivery exceptions that require a surcharge include:

- Furniture unpacking or assembly and/or moving or removal
- Expedited deliveries
- Desktop deliveries
- Deliveries outside Staples’ standard distribution area (i.e. offshore including Hawaii and Alaska)
- Manufacturer direct or special orders

Surcharges are calculated on a per-order basis.

Payment Terms – Staples’ standard payment terms are Net 30 days. Each participating Member will remit all invoice payments, including all taxes on its product purchases to Staples in thirty (30) calendar days from receipt of invoice, unless otherwise agreed to in writing by Staples and Member.

Managed Print Services (MPS)

Exhibit 3 sets forth the current pricing and terms governing Managed Print Services. Staples may update product and pricing for Managed Print Services by submitting a request to NJPA no more than once a calendar quarter. **Exhibit 3 is available as a separate document upon request.**

Retail Stores - Contract pricing is available at Staples retail stores on NJPA contract items (Retail store spend does **not** apply to rebate accruals)

Self- Auditing – Staples takes our compliance obligations serious, while holding ourselves accountable to high internal standards. As such, we have put a process in place that has centralized our public sector pricing functions to a single team. This myopic oversight to pricing control allows us to manage pricing, compliance, and auditing at the highest level. This includes the pricing team understanding of the terms of the contract and unilateral control of maintaining the contract pricing in the system. Additionally, internal audits are frequently conducted on order history to identify any mischarges and system errors, with a protocol in place for corrective measures that includes issuing credits if necessary proactively and directly to the participating Member.

NJPA Audits - 7.8 No more than once per calendar year during the Contract term, Vendor may be required to make available to NJPA the invoice reports and/or invoice documents from Vendor pertaining to all invoices sent by Vendor and all payments made by NJPA members for all equipment/products and related services purchased under the awarded Contract. NJPA must provide written notice of exercise of this requirement with no less than fourteen (14) business days’ notice. NJPA may employ an independent auditor or NJPA may choose to conduct such audit on its own behalf. Upon approval and after the auditor has executed an appropriate confidentiality agreement, Vendor will permit the auditor to review the relevant Vendor documents. NJPA shall be responsible for paying the auditor’s fees. The parties will make every reasonable effort to fairly and equitably resolve discrepancies to the satisfaction of both parties. Vendor agrees that the NJPA may audit their records with a reasonable notice to establish total compliance and to verify prices charged under of the Contract are being met. Vendor agrees to provide verifiable documentation and tracking in a timely manner.

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