



Department of General Services
Procurement Division
707 Third Street, Second Floor
West Sacramento, California 95605

MASTER SERVICES AGREEMENT PARCEL DELIVERY SERVICES USER GUIDE

CONTRACTOR AND CONTRACT NUMBER: 5-05-98-01 For FEDERAL EXPRESS SERVICES (FedEx Services)
CONTRACT TERM: April 11, 2005 through December 31, 2007
SERVICE: PARCEL DELIVERY SERVICES (INTERIM)
INTERNET WEB PAGE: Electronic version of all documents associated with this MSA can be found on the DGS/PD Internet web page: http://www.pd.dgs.ca.gov/traffic/default.htm
USER GUIDE ISSUE DATE AND EFFECTIVE DATE: April 11, 2005

Any questions regarding this MSA shall be directed to the contract administration team:

DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION, TRANSPORTATION MANAGEMENT
CONTRACT ADMINISTRATION TEAM
802 Q STREET
SACRAMENTO, CA 95814-6422
PHONE (916) 322-1737
FAX (916) 327-2076

(Signature on File)

RITA HAMILTON, Deputy Director

PARCEL DELIVERY SERVICES

USER GUIDE

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PARCEL DELIVERY SERVICES

SECTION I INTRODUCTION AND GENERAL INFORMATION

FedEx Services Master Service Agreement (MSA) provides State and Local Governmental Agencies with a contract that allows substantial cost savings and incentives.

This MSA offers the following benefits to State and Local Governmental Agencies:

1. The ability to download most current prices and a link to FedEx for delivery location information (www.fedex.com).
2. Eliminate time and expense associated with the establishment and maintenance of hard copies of important reference materials.
3. Reduced/Discounted rates.
4. Eliminate extensive bidding and contracting procedures by using the standardized MSA ordering process.
5. Fixed Pricing.
6. FedEx online Service Guide.

Any Local Governmental Agency that utilizes this contract must agree to follow the requirements as established within this contract (See Section 1, M. for further instructions).

A Local Governmental Agency is any city, county or other government body empowered to spend public revenues. **While the State of California makes this Master Agreement available to Local Governmental Agencies, they should make their own determination whether it is consistent with their local procurement policies and regulations.**

PCC 10298 (b) states, the director of the Department of General Services may make this agreement available to any city and county, district, or other local governmental body or corporation empowered to expend public funds for the acquisition of goods, information technology or services for assisting the agency in acquisitions conducted.

A. DGS/DPD, TRANSPORTATION MANAGEMENT UNIT (TMU) CONTRACT ADMINISTRATION TEAM

Transportation Management Team
802 Q Street
Sacramento, CA 95814-6422
Voice: (916) 322-1737
Fax: (916) 327-2076
Email: transportationmanagement@dgs.ca.gov

Team Member Listing
Dana Anderson
Vickie Balog
Annette Shaw
Tom Shinmoto

B. CONTRACTOR LISTING

MSA 5-05-98-01
Federal Express Services
Linda Keylock, Worldwide Account Manager
900 7th St. NW
Washington, DC 20001
Phone: 720-482-0405
E-mail: lkeylock@fedex.com

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C. TERM OF MSA

This agreement will remain in effect for the term stated on the Standard (STD) 213 unless the Customer provides a thirty (30) day written notification of termination to FedEx. This Agreement may be amended or terminated by either party for any reason upon thirty (30) days prior written notice to the other party. The State of California, Department of General Services and FedEx, upon mutual agreement, may extend this agreement for two additional years on a yearly basis approval or on a month-to-month basis, subject to all rate increases in effect and thereafter.

D. RESTRICTIONS

There are restrictions for this MSA (See Section II, Ordering Procedures):

1. No standard agreement shall exceed the \$250,000 limit for this Non-IT contract without the DGS/PD-MAP approval.
2. Contracts (STD 213) \geq \$250,000 are subject to DGS/PD-MAP Review/Approval and to request approval agencies must include a copy of their STD 213 and the following "Exemption to exceed the \$250,000 purchase order limit" (See Section II, Ordering Procedures).

E. PRICING

1. All Rate Charts for this MSA are fixed rates/discounts for the first year of this MSA. Ordering agencies will pay the discounted rates specified on the DGS/TMU website. Rates may not exceed these contracted discounted rates.
2. The rate charts do not reflect the discount on FedEx Hundredweight services. The percentage discount must be applied to the rate to get the actual charge.
3. The following services are non-discounted: First Overnight and Same Day Service.
4. See Page 5 of 12 for application of rates and discounts.

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State of California APPLICATION OF RATES AND DISCOUNTS

Custom Rates by Service Type

	Service Description	Custom Rates		Rate Chart includes Discount	Discount needs to be applied
		Commercial	Residential		
Domestic					
Ground**	Guaranteed date-definite, door to door delivery within 1 to 5 business days*	YES	YES	X	
Express Saver*	Guaranteed delivery by 4:30 p.m. in 3 business days within the continental U.S.*	YES	YES	X	
2nd Day*	Guaranteed delivery by 4:30 p.m. in 2 business days (residential delivery by 7 p.m.)*	YES	YES	X	
Standard Overnight*	Guaranteed delivery by 3:00 p.m. next business day*	YES	YES	X	
Priority Overnight*	Guaranteed delivery by 10:30 a.m. the next business day*	YES	YES	X	
Multiweight					
	Ground**	YES	YES	X	
Hundredweight					
	Express Saver	YES	YES	X	
	2nd Day	YES	YES	X	
	Standard Overnight	YES	YES	X	
	Priority Overnight	YES	YES	X	
International Export					
International Priority*		YES	YES	X	
International Economy*		YES	YES	X	
Specialty Services					
U.S. Import Express*		YES	YES		
1 Day Freight*		YES	YES	X	
2 Day Freight*		YES	YES	X	
3 Day Freight*		YES	YES	X	
Deferred Ground*		YES	YES	X	
International Ground to Canada*		YES	YES	X	

* Please refer to the FedEx Rate and Service Guide for specific details.

**Residential is identified as FedEx Home Delivery

FedEx Published Rates by Service Type (NON-DISCOUNTED SERVICES)

Same Day Service

Same day delivery*

First Overnight Envelope

First Overnight

Guaranteed overnight delivery by 8:00 a.m.*

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F. CONTRACTOR COLLECTION AND PAYMENT OF DGS ADMINISTRATIVE FEE

The current DGS administrative fee is set at 1.76% specified percentage of invoiced sales. The said administrative fee shall be added to the contractor billing and recovered from the participants requesting use of this contract. The Contractor is required to pay to DGS the recovered administrative fee in the form of a check payable to: Department of General Services, Procurement Division, Transportation Management Unit (TMU). The Contractor must pay the assessed administrative fee, in a single check to the State of California within thirty days at the end of each calendar quarter plus include a report summary that substantiates the contract expenditures. Contractor will perform this service at no additional charge to DGS or participants.

The checks should be mailed to:

State of California – DGS
Transportation Management Unit
802 Q Street
Sacramento, CA 95814-6422

DGS shall annually set the percentage for such administrative fee and shall notify Contractor of the percentage set each year. The administrative fee shall not increase by more than One (1) percent for the life of the contract. Contractor shall show said administrative fee as a separate line item on each Participants monthly invoice report. Payment of the administrative fee by the Contractor shall be made to DGS irrespective of reimbursement by each participating State or Local Government Agency.

G. CUSTOMER REPORTING REQUIREMENTS

All State and Local Governmental agencies that use this contract are required to complete and provide the Contractor and the Department of General Services, Transportation Management Unit, contract administration team with a copy of the following completed contract information:

A Standard Agreement (STD 213) for all State and Local Governmental contract services. The STD 213 shall be completely filled out and include the appropriate Agency billing code and all approved signatures (See Section III, Forms and STD 213 Sample).

Reporting Requirements:

All customers are required to provide and deliver a summary report of each, "Participant's Total Monthly Activity" to the Department of General Services, Transportation Management Unit no later than the 30th calendar day of the following month of the summary closing date. Each line of the report should summarize the billing information for each agency or customer utilizing a STD 213 for services contracted. The following report information is required:

- a. Customer(s) shall remit a monthly report to the DGS, TMU at transportationmanagement@dgs.ca.gov for services performed under this contract. The monthly reports shall be submitted no later than the 30th Calendar day of the following month, and contain the following information:
 1. **Customer Name** (department, agency, city, county, school district, etc.)
 2. **Total Net Amount US Dollar**
 3. **State/Local Government Billing Code**
- b. Customer(s) shall provide monthly reporting in an electronic file with tab-delimited text accessible in Microsoft Word, Excel or Access.
- c. A reporting document can be found under Forms on the Parcel Delivery Service main page of our website.

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Copies of any/all documents and additional reports that pertain to this contract when requested by the contract administrator shall be provided to the State of California, DGS, PD, TMU.

H. PRICE ESCALATIONS

Price escalations will take effect on the first invoice after the escalation is approved by the Department of General Services. Price declines shall be effective immediately upon any public notification of the decline.

Price Escalation

- a. Prices shall be allowed to escalate with the published FedEx Tariff Rates schedule; however, only one price escalation shall be allowed within any twelve (12) month period.
- b. No sooner than 300 days after the award of the contract, or 300 days after the effective date wherein any price escalation was granted, the Contractor may petition to have the latest published Tariff rates of price percentage increase become the new basis of prices.

An Amendment will be issued to the MSA with the new rates effective no sooner than 30 days after the receipt of such a petition.

I. PAYMENT PROVISIONS

Invoicing and Payment

For services satisfactorily rendered, and upon receipt and approval of the invoices the State agrees to compensate the Contractor for expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.

Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927 et. Seq. Unless expressly exempted by statute, the Act requires state agencies to pay properly submitted, undisputed invoices not more than 45 days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.

J. GENERAL TERMS AND CONDITIONS

Contractor signed and agreed to the General Terms and Conditions (GTC - 304) and these "General Terms and Conditions" are included in your agreement by reference. To view provisions, refer to the following Internet site: <http://www.ols.dgs.ca.gov/Standard+Language/default.htm>

K. CONTRACTOR CERTIFICATION CLAUSES

Contract signed and agreed to the Contractor Certification Clauses (CCC - 304) and these "Contractor Certification Clauses" are included in the agreement by reference. To view provisions refer to the following Internet site: <http://www.ols.dgs.ca.gov/Standard+Language/default.htm> .

L. SETTLEMENT OF DISPUTES

If a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through direct discussions between the parties within thirty (30) days of first entering into such discussions or as otherwise mutually agreed upon by the parties, then either party may initiate litigation in a court of competent jurisdiction to contest such decision.

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M. LOCAL AGENCIES GUIDELINES FOR USE OF THIS MSA

1. Local agencies must have obtained internal approval prior to issuing an order against this MSA. Local agencies must agree to all the terms and conditions of this MSA when issuing orders against this MSA.
2. Local agencies shall use the States forms along with their own required contract forms and must include all pertinent information as required by State ordering agencies. (See Section III, Forms)

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SECTION II ORDERING PROCEDURES

This User Guide is designed to help the ordering agency with the final selection of a Contractor. In addition to procedures found in the user guide and the DGS State Contracting Manual, the ordering agency's internal contract procedures must also be followed.

A. EXECUTING MSA SERVICE CONTRACT

1. Preparation of Contract (refer to Section III, for Forms/sample)

State of California Departments/Agencies shall follow their individual contracting procedures. Users of this contract shall use the States' Standard Agreement (STD 213) form appropriately to initiate this MSA Service Contract. Each contract user must submit a copy of their signed agreement (STD 213) to the TMU contract administrator upon receipt of appropriate State/Contractor signatures. The ordering agency's name and DGS billing code must be listed in the body of the STD 213 State form.

Do not change or repeat the terms and conditions of this MSA. The MSA contract language with DGS is incorporated by reference and is not attached to the ordering agency's contract.

2. Processing of Contracts for State Agencies

- a) No standard agreement shall exceed the \$250,000 limit for this Non-IT contract without the DGS/PD-MAP approval.
- b) Contracts (STD 213) \geq \$250,000 are subject to DGS/PD-MAP Review/Approval and to request approval agencies must include a copy of their STD 213, and the following "Exemption to exceed the \$250,000 purchase order limit".

3. Processing of the EXEMPTION TO EXCEED the \$250,000 PURCHASE ORDER LIMIT

Any agency requesting this exemption must include the following justification information to DGS/PD-MAP administrator stated below.

Project Description

A description of the project (all Phases) or program is required, as well as a listing of the services being acquired.

Competitive Solicitation Consideration

Identify the reasons why a competitive solicitation process would not result in the best solution for your business needs.

Best Value Determination

Provide the names of the contractors considered, pricing information, and the basis for determining that your selection is the best value for our business needs.

Lower Prices and or Added Value

Prices lower than the MSA price list and or added value to prices and/or total project cost are required for all purchase orders that exceed the purchase order limit.

Agencies may identify the published unit cost and the reduced cost either by line item comparison, blanket percentage reduction, or otherwise clearly document the price difference.

For added value to the total project cost, identify what the items are and how they add value.

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Historical Information

Usage, Reporting, etc..

Users of this contract that request to exceed the \$250,000 order limit shall submit their justification form to DGS/PD Multiple Award Program at the following address:

DGS/PD-MAP

Administrator: Dion Campos

707 Third Street 2nd floor

P.O. Box 989054

West Sacramento, CA 95605

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SECTION III FORMS

See the DGS/OLS Website to download the proper Standard 213 (STD 213) and/or Standard 215 (STD 215) form(s), plus you may view the instructions for form completion at the following <http://www.ols.dgs.ca.gov/contracting+info/formsandinstructions.htm> .

The State of California – DGS has the Contractors signed copy of the Payee Data Record, Standard 204 (STD 204) on file for this MSA.

The State of California – DGS has the Contractors signed copy of the Contract Certification Clause (CCC - 304) on file for this MSA.

