

COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
805 E. BROAD STREET
P. O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

NOTICE OF CONTRACT RENEWAL

1. DATESeptember 1, 2009
2. COMMODITY NAMEAwards, Service, State Employee
3. CONTRACT NUMBER08015-02-09
4. CONTRACT PERIOD September 1, 2009 through August 31, 2010
5. SUPERSEDES 0801502-09R
6. AUTHORIZED USERS State Agencies
7. CONTRACTORS' eVA NUMBER See Page 5
8. CONTRACTOR..... See Page 5
9. CONTRACTORS' PHONE NUMBER See page 5
10. TERMSNet 30
11. DELIVERY *See Price Pages
12. F.O.B. Agency
13. MINIMUM ORDER..... \$100.00
14. FOR FURTHER CONTRACT INFORMATION CONTACT: Lucinda Garwood,
Phone (804) 786- 5412 / Fax (804) 786-0223
15. ADDITIONAL COPIES OF CONTRACTS AND ANY ASSOCIATED CONTRACT CHANGES MAY BE VIEWED AND PRINTED AT THE DPS WEBSITE: www.dgs.state.va.us/dps.
16. NOTICE TO ALL STATE AGENCIES: This contract is the result of a competitive bid program and its use is optional for all State Agencies (unless otherwise indicated in item 6 above) in the purchase of any commodity listed herein
17. **Note:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.
***O.C. TANNER PRICING WILL NOT GO UP UNTIL 1 OCTOBER 2009**



By: Lucinda Garwood
Statewide Contract Officer

INSTRUCTIONS

1. Purchase orders will be submitted to the Contractor via the Commonwealth of Virginia's electronic procurement system, also known as eVA. The orders will be governed by this agreement and the terms and conditions contained in the separate agreement for participation in eVA executed by the contractor. If this contract is authorized for use by localities, Virginia cities, counties, town and political subdivisions may use this contract only if the orders are placed through eVA.

Written Purchase Orders Required by the Contractor. **When required by the contractor**, state agencies and public bodies will supply written purchase order forms for orders under \$5,000.

Verbal/Facsimile Orders. When a written purchase order is not required by the contractor, state agencies have the authority to place verbal and/or facsimile orders for requirements valued at less than \$5,000.

2. If this contract is authorized for use by localities (see line item 6, page 1), Virginia cities, counties, towns and political subdivisions may use their own form to order items listed in this contract.
3. The applicable contract number, federal employer identification number (FEI), and item number (for itemized contracts) must be shown on each purchase order and copy, each facsimile transmission or given verbally when telephonic orders are placed.
4. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia City, county, town or political subdivision.
5. Any complaint as to quality, faulty or delinquent delivery, or violation of contract provisions by contractor shall be reported to the Division of Purchases and Supply for handling with the contractor. Preprinted forms (DGS-41-024), by which to facilitate the notification of the contractor and this office of complaints, are available from the Division of Purchases and Supply (786-8873).
6. Renewals. One (1), one year renewal remains. The decision as to whether to exercise the next renewal option will be made by the contract officer approximately four to six months in advance of the expiration date of the current term.
7. Price Adjustments. During the current term of the contract, price escalation may be allowed every 365 days, if justified. The contract officer makes the decision to allow or deny a request for increase based upon the documentation submitted by the contractor. The contractor is required to pass on any price reductions immediately. **IMPORTANT!** All price increases must be approved by the contract officer. Contract users will be sent a Notice of Contract Change from this office as official notification of such changes, if approved. There is also a price adjustment allowed for gold (see paragraph 10)

SPECIAL CONDITIONS

8. **MINIMUM ORDER:** will be \$100.00 for F.O.B. delivery to ordering agency within the Commonwealth of Virginia. For orders of less than \$100.00, the contractor will be permitted to add actual transportation cost (prepaid) to invoice for payment, or the agency may purchase such order off contract from other sources. Partial shipments of less than the minimum order value which are made at the option of the contractor shall be made F.O.B. Destination with no transportation charges added. If at the agency's request shipments are below the minimum order value, the contractor may add actual transportation cost to invoice for payment.

9. **DELIVERY:** J. Jenkins shall be made within ten (10) weeks after receipt of the order. In the event the Contractor is unable to fill any order within the 10 week period, the Contractor shall immediately notify the Division of Purchases and Supply, in writing, listing the reasons for such delay. Such written notification shall not negate the Commonwealth's right to declare the Contractor in default as indicated herein.

O. C. Tanner shall be made within 30 days after receipt of the order. In the event the Contractor is unable to fill any order within the 30 days, the Contractor shall immediately notify the Division of Purchases and Supply, in writing, listing the reasons for such delay. Such written notification shall not negate the Commonwealth's right to declare the Contractor in default as indicated herein.

10. **GOLD SURCHARGE:** Bid prices shall be indicated as base price. All base prices shall be figured upon the free-market price of fine gold at \$360.00 a troy ounce. A gold surcharge shall be in addition to base prices and shall reflect the difference between the pure gold content of all emblems and functional items at the \$360.00 an ounce figure and the actual free-market value. The gold surcharge shall be computed for each order at the time the order is received. The Commonwealth will allow a price increase or decrease per grain on gold actually included in each line item. Contractor shall include with his invoice the price of gold as listed from Morning London FIX base price on the date of receipt of order.

The following formula shall be used by the Contractor when determining the surcharge to be added/subtracted for each item:

1. Market Price of Gold on date of receipt --- \$360.00 base price of gold on purchase order <hr style="width: 50%; margin-left: 0;"/> 480 grains		Price Change = per grain of 24K gold
2. Price change per grain of 24K gold	X Number of grains quoted in the item .50000 for 12K Gold	X .41667 or 10K Gold + Base Price of the item

This formula shall determine the total price for each item ordered.
 Price of gold was between \$641.9 and \$653.75 on August 10, 2006.

11. **WARRANTY:** All jewelry and certificates shall be fully guaranteed against defects in material and workmanship for a period of one year following date of delivery, excluding vandalism and abuse. Should any defect be noted by the owner, the purchasing office will notify the contractor of such defect or nonconformance. Notifications will state either (1) that the contractor shall replace or correct, or (2) the owner does not require replacement or correction, but an equitable adjustment to the contract price will be negotiated. If the contractor is required to correct or replace, it shall be at not cost to the Commonwealth and shall be subject to all provisions of this clause to the same extent as materials initially delivered. If the contractor fails or refuses to replace or correct the deficiency, the office issuing the purchase order may have the materials corrected or replaced with similar items and charge the contractor the cost occasioned thereby or obtain an equitable adjustment in the contract price.

12. **GENERAL SPECIFICATIONS:**

- A. **DESIGN:** The design of all emblems shall be an exact replica of the Commonwealth of Virginia Flag which depicts the obverse side of the Great Seal of the Commonwealth surrounded by a field of #300 K-Blue French enamel. Flag and fringe shall be a part of the highlighted detail, as

shall all details of the State seal. Actual size of each emblem shall be 0.500" x 0.562" x 0.060" (thickness). All details and highlights shall be raised and polished and all emblems shall be packaged in Lucite (or suitable replacement, depending upon availability) presentation boxes.

Each emblem supplied shall be furnished with a service award certificate for the appropriate year of service at no additional cost; with the exception of the five-year award, which shall be furnished at the contract price. The ten-year awards shall contain a die-struck numeral and the appropriate stone sets with all other emblems stone-set entirely.

- B. METAL: The metal quality to be used in the manufacture of all ten through twenty-year awards shall be a 1/10th 10K gold-filled quality. All mountings shall also be 1/10th 10K rolled gold filled. All twenty-five through fifty-year emblems shall be manufactured in 10K gold. All gold-filled emblems shall have polished fronts and backs. Mountings shall be attached to functional items with 10K gold pegs and all functional items shall be of a 1/20th 12K gold-filled quality.
- C. STONES: Colored stones may be synthetic. Diamonds shall be of 'VS' quality (slightly imperfect) or better. Diamonds shall be of the first pique-color white to top brown (light). All stones shall be single-cut and set at the girdle. Stone size shall be 0.02 carats each.
- D. ATTACHMENTS: The attachments for the men's pinette/tie tack combinations and the ladies' pins shall be a nickel-silver quality and finished in Hamilton gold to match the reverse of each emblem. All emblems attached to functional items shall be pegged with 10K pegs and finished on the reverse side.
- E. ENAMELING: Emblems shall contain #300 K-Blue French enamel which shall be twice charged (applied) and twice fired (baked), stone smoothed and free of all pits, bubbles, waves and polished. All color shall be uniform.
- F. FINISH: All emblems shall be finished in medium/brown/rose with all highlights, fronts, backs and edges polished.
- H. CERTIFICATES: All certificates shall be prepared on 80 lb. white or off-white cover stock. Text shall be thermo graphed (raised printed) in black ink. State seal shall be 1 1/2" diameter and embossed in metallic gold ink. All certificates shall measure approximately 8 1/2" x 11". J. Jenkins does not charge for a certificate when the agency orders an award for the recipient.

12. **OTHER PROGRAMS:**

Lot 3 for use by VDOT has being added to this contract. The vendor for Lot 3 is O. C. Tanner. Pricing in this lot is higher than other lots. The higher price provides for the outsourced administration, print and internet brochure communication, and other services not available in lot 1 and 2. Contact the buyer on this contract if your agency is interested in participation in this type of arrangement.

LOT 4 has been added to this contract for ABC. The Vendor is O.C. Tanner.

State Agencies may design their own programs from available items providing the discounts are the same or similar to the discount for items already awarded and the final cost of these new items are in line with previously awarded items. State Agencies must submit a request for approval of their program to the contract officer along with item description and prices prior to use by the agency.

08015-02-08R AWARDS, SERVICE, STATE EMPLOYEE
09/1/2007 THROUGH 08/31/2008

VENDOR ORDER ADDRESS LIST

<u>eVA</u>	<u>VENDOR NAME/ADDRESS/CONTACT PERSON</u>	<u>TELEPHONE</u>
C9545	J. JENKINS SONS COMPANY, INC. 1801 WHITEHEAD ROAD BALTIMORE, MD 21207 www.jjenkinssons.com SHIRLEY SPARAGANA ssparagan@aol.com	(410) 265-5200 Phone (410) 298-4809 Fax
E14563	O. C. TANNER 1930 SOUTH STATE STREET SALT LAKE CITY, UT 84115 www.octanner.com 3519 MAYLAND COURT RICHMOND, VA 23234 Contact is Erik Oliver Erik.oliver@octanner.com Engraving surcharge \$12.50 for two lines on items like clocks.	(800) 828-8902 X 40025 (801) 493-3254 Fax (877) 747-8177 Phone (804) 747-8196 Phone (804) 747-8295 Fax