

INVITATION TO BID

State of Ohio
Department of Administrative Services
General Services Division
Office of Procurement Services

The Original Signed Bid must be submitted to the Office of Procurement Services to receive consideration for award.		BIDDER NAME	
BID NUMBER OT900012	OPENING DATE (1:00 p.m.) MARCH 7, 2011	STREET ADDRESS <input type="checkbox"/> Check if remit address is different and list on separate sheet	
General Services Division Office of Procurement Services 4200 Surface Road Columbus, OH 43228-1395 Attn: Bid Desk		CITY STATE ZIP	
		COUNTY	MBE/EDGE CERTIFICATE NUMBER
		TELEPHONE NO. ()	TOLL FREE NO. 1 - ()
		CONTACT PERSON	FAX NO. ()
REQ./INDEX NO. DOH018	BID NOTICE DATE MARCH 2, 2011	CONTRACTOR'S E-MAIL ADDRESS	
SELECT YOUR PREFERRED METHOD OF RECEIVING PURCHASE ORDERS AND ENTER THE E-MAIL OR FAX NUMBER INFORMATION (ONLY SELECT ONE METHOD)			
<input type="checkbox"/> E-Mail <input type="checkbox"/> Fax			
In addition to the standard terms for payment, the payment terms for state agency(ies) will be 2%, 10 Days, Net 30 Days unless otherwise stated in the following space. If no discount is offered, bidder should circle "Net 30 Days". ____%, ____Days, Net 30 Days			
PARTICIPATING AGENCY(IES): OHIO DEPARTMENT OF HEALTH, BUREAU OF NUTRITION SERVICES, 246 NORTH HIGH STREET, 6 TH FLOOR, COLUMBUS, OH 43215			
ADDENDUM FOR CHANGE ADDENDUM NO.: 2 REVISION DATE: 02/25/11			
THE DEPARTMENT OF ADMINISTRATIVE SERVICES, OFFICE OF PROCUREMENT SERVICES IS SOLICITING BIDS FOR: INFANT FORMULA REBATE FOR THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)			
This bid addendum is issued to make corrections and clarifications due to questions submitted through the Inquiry Process.			
Pages 1, 7, 8, 12, 14 and 17 are noted with corrections/clarifications. Discard the previous pages and insert these replacement pages.			

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		TELEPHONE NO. ()	TOLL FREE NO. 1 - ()
		CONTACT PERSON	FAX NO. ()
REQ./INDEX NO. DOH018	BID NOTICE DATE JANUARY 31, 2011	CONTRACTOR'S E-MAIL ADDRESS	
SELECT YOUR PREFERRED METHOD OF RECEIVING PURCHASE ORDERS AND ENTER THE E-MAIL OR FAX NUMBER INFORMATION (ONLY SELECT ONE METHOD) <input type="checkbox"/> E-Mail <input type="checkbox"/> Fax			
In addition to the standard terms for payment, the payment terms for state agency(ies) will be 2%, 10 Days, Net 30 Days unless otherwise stated in the following space. If no discount is offered, bidder should circle "Net 30 Days". ____%, ____Days, Net 30 Days			
PARTICIPATING AGENCY(IES): OHIO DEPARTMENT OF HEALTH, BUREAU OF NUTRITION SERVICES, 246 NORTH HIGH STREET, 6TH FLOOR, COLUMBUS, OH 43215			
<p>THE DEPARTMENT OF ADMINISTRATIVE SERVICES, OFFICE OF PROCUREMENT SERVICES, IS SOLICITING BIDS FOR:</p> <p>INFANT FORMULA REBATE FOR THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)</p> <p>TERM OF CONTRACT: This Invitation to Bid is to establish a requirements contract to procure the described supplies or services on behalf of the above participating agency(ies). The agency(ies) may place orders against the Contract beginning <u>October 1, 2011</u> or upon the date when DAS signs the Contract, whichever is later in time. The Contract will expire <u>September 30, 2014</u> unless DAS terminates the Contract based upon reasons set forth in Article I-C of the Standard Contract Terms and Conditions. No agencies may place purchase orders against the Contract beyond the expiration date unless DAS renews the Contract by amendment or letter. The Contractor may begin performance under the Contract only upon receipt of a valid order from a participating state agency.</p> <p>INSTRUCTIONS TO BIDDERS AND CONTRACT TERMS AND CONDITIONS, Revised 10-01-07, are a part of this Invitation to Bid. Copies may be downloaded by clicking on this link: Instructions: Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions. All prior versions of Instructions to Bidders, Contract Terms and Conditions are null and void.</p> <p>By submitting this Invitation to Bid, the Contractor certifies that Contractor has truthfully disclosed the location(s) where all services are to be performed; the location(s) where all applicable State contract data is to be maintained or made available; and the principal location of business for the Contractor and all subcontractors. The Contractor further certifies and acknowledges that Contractor will not change the country of the location(s) where services are performed and will not change the country of the location(s) where data is maintained or made available without prior written consent of the State.</p> <p>Any questions or clarifications regarding this Invitation to Bid should be directed to the Office of Procurement Services through the Internet at www.procure.ohio.gov/. All questions should be submitted a minimum of seven (7) working days prior to the bid opening date.</p>			
PRINTED/TYPED SIGNATURE	AUTHORIZED SIGNATURE (ORIGINAL SIGNATURE ONLY) (Please sign in blue ink)	DATE	

The ORIGINAL signed Bid must be submitted to the Office of Procurement Services by 1:00 o'clock p.m., on the above listed opening date to receive consideration for award. It is requested that the Bidder NOT sign their bid in BLACK ink. BIDDER CERTIFIES, by signature affixed to its bid, that the information provided by it in its bid including the certified statements, is accurate and complete. Bidder declares to have read and understood and agrees to be bound by all of the instructions, terms, conditions and specifications of this Invitation to Bid and agrees to fulfill the requirements of any awarded contract at the prices bid.

SPECIFICATIONS AND REQUIREMENTS

III. REQUIREMENTS

A. INFANT FORMULA

- * 1. Infant formulas shall be nutritionally complete, not requiring the addition of any ingredient other than water prior to being served in a liquid state. Infant formulas shall meet the requirements under 7 CFR 246.10(e)(1)(iii) and 7 CFR §246.10(e)(2)(iii) which describes formula requirements and is suitable for routine issuance to the majority of generally healthy, full-term infants.
1. All infant formula shall contain at least ten (10) milligrams of iron per liter of formula at the label specified dilution.
 2. All infant formula shall supply sixty-seven (67) kilocalories per one hundred (100) milliliters (twenty (20) kilocalories per fluid ounce) of infant formula at the label specified dilution.
 3. Formula shall be manufactured under and comply with all applicable provisions of the Federal Food, Drug and Cosmetic Act, as amended, including the Infant Formula Act of 1980, and all regulations promulgated there-under.
 4. All products offered within the categories of milk-based and soy-based infant formulas shall be the same manufacturer/brand name for each of these categories unless as specified in Section III, Item A, paragraph 7. Same brand name shall be construed, for purposes of this bid, to indicate the same infant formula in three (3) different forms. The forms shall be: 1) concentrate requiring the addition of water, 2) ready-to-feed/use requiring no additional preparation, and 3) powder requiring the addition of water.
 5. The Contractor will be required to pay a rebate on all contract brand infant formulas using the same percentage discount used for each form of the milk based contract brand infant formulas it produces, as calculated in Section III, Item A, paragraph 9.
 6. If the Contractor does not manufacture soy-based infant formula, the Contractor must contract with another manufacturer to supply the soy-based infant formula. The Contractor will be required to pay a rebate on the contracted soy-based infant formula using the same percentage discount used for each form of the milk-based infant formulas it produces, as calculated in Section III, Item A, paragraph 9.
 7. Infant formulas for rebate specified in this bid are being bid as brand specific, which signifies that no alternates will be accepted for an award. This is in accordance with the Ohio Administrative Code 123:5-1-10(1).
 8. The rebate amount per unit for the milk-based infant formulas listed in Column B of the Rebate Bid Sheet on page 15 will be the rebate amount per unit bid by the Contractor on the Rebate Bid Sheet (Column F), adjusted, if applicable, by the escalator clause. The rebate amount per unit for other contract brand infant formulas will be determined as follows:

**
 - a. The State will calculate the percentage discount for each physical form (concentrated liquid, ready-to feed/use, and powder) of the milk-based contract brand infant formula. The percentage discount will be calculated by dividing the Rebate per Unit for the milk-based contract brand infant formula Rebate Bid (Column F), by the Contractor's published wholesale full truckload price per unit, as of the date of the bid opening and indicated in the Rebate Bid Sheet (Column E).
 - b. Unless otherwise specified in this contract, the rebate amount per ounce for each type and form of all other contract brand infant formulas will be calculated by multiplying the percentage discount for each physical form of the milk-based contract brand infant formula (as determined in 9a, above) by the Contractor's published wholesale full truckload price per ounce for each of the other contract brand infant formulas, as of the date of the bid opening.
 - c. The rebate amount per ounce may be adjusted, if applicable, in accordance with the Escalator Clause of this agreement.
- *

* To indicate a correction to the Federal Regulation Code referenced.

** To indicate a clarification that escalator clause is the "Fixed Price with Economic Adjustments" on page 2.

SPECIFICATIONS AND REQUIREMENTS(CONT'D)

B. CONTRACT BRAND INFANT FORMULA REBATE PROCEDURE

1. For the term of any contract awarded pursuant to this bid, the Contractor shall, in exchange for single supplier status, rebate monthly, a fixed amount per ounce of contract brand infant formula calculated by multiplying the rebate amount for that item, as determined according to Section III, Item A, paragraph 9, by the number of ounces redeemed during the valid period by WIC retail vendors located in WIC retail counties.
2. Payments due to the State shall be based on the number of ounces of infant formula redeemed.
3. The rebate amount applied to the infant formula shall be the rebate amount effective for that infant formula during the month of the first day of use of the Food Instrument on which the infant formula is specified.
- * 4. The State WIC Agency shall produce a monthly report specifying the amount of infant formula identified as redeemed in the preceding month through the regular WIC payment system. There are 3 recent invoice reports attached in Attachment Two. [A link is provided for Invoices for June, July, August, December, 2010 and January 2011.](#)
5. The State WIC Agency shall also produce a monthly report specifying the amount of infant formula redeemed through the State WIC Agency exception payment process.
6. The State WIC Agency shall submit an invoice based on Section III, Item B, paragraphs 4 and 5 and a copy of the reports to the Contractor within forty-five (45) calendar days after the end of the month for which the State WIC Agency is invoicing the Contractor for payment. The invoice shall contain the methodology and all data used to calculate the monthly rebate payment owed by the Contractor.
7. Each month as part of the automated WIC Business Intelligence (BI) database process, the State WIC Agency calculates the partial redeemed count and amount for rebated formula. Rebated items are not combined on WIC coupons with any other products. The steps in the partial redemption calculation are as follows:
 - a. Sum the total cans statewide that were contained on the WIC coupons redeemed in the prior month to obtain a total statewide can count. This summary is by item number and month.
 - b. Sum the statewide amount paid for all of these items. This summary is by item number and month.
 - c. Calculate an average statewide price for the items paid rounded to 4 decimal points. This average is by item number and month.
 - d. For each WIC coupon that contained a rebated item and was paid a value greater than zero, calculate the partial redemption item count for the coupon.
 - e. This calculation is equal to the count of items issued on the coupon minus the result of amount paid divided by the state average rounded-up.

Example:

Cans of formula issued on the WIC coupon = 7
Amount State WIC Agency paid on the WIC coupon = \$30.00
State average for this formula = \$6.00

The formula looks like this with the values added:
Partial cans = 7 cans issued – Round-up (\$30.00 / \$6.00)
This equates to 2 partial cans on this WIC coupon.

The State WIC Agency writes the value (2) to the obligation record in the WIC Business Intelligence (BI) database process load process in addition to calculating the Partial Dollar Amount it represents. The Partial Dollar Amount is equal to the Partial Count multiplied by the rebate amount. These values are included in the monthly report run for Rebate Partial.

* To indicate a link to additional invoices

SPECIFICATIONS AND REQUIREMENTS (CONT'D)

VI. CONTRACTOR QUALIFICATIONS

- A. The Contractor shall be registered under the Federal Food, Drug and Cosmetic Act as required by 42 USC section 1786(f)(15) and that that its products are in compliance with Federal regulations issued pursuant to P.L. 100-137.
- B. The Contractor shall be in compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in United States Department of Labor regulations.
- * C. The Contractor shall be in compliance with all applicable standards, orders, and requirements issued under 33 USC 1368, Executive Order 11738, and 40 CFR Part 32, and any applicable standards and policies related to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act. Refer to <http://www.gsa.gov/portal/content/101588>.

VII. DOCUMENTATION

- A. The Bidder shall certify to the state of Ohio that their company is registered under the Federal Food, Drug and Cosmetic Act as required by 42 USC section 1786(f)(15). An officer of the company shall in the form of a letter, on Bidder's company letterhead, sign this certification.
- B. The Bidder shall certify to the state of Ohio that the infant formulas offered are manufactured and comply with all applicable provisions of the Federal Food, Drug and Cosmetic Act, as amended, including the Infant Formula Act of 1980, and all regulations promulgated there under. This certification may be included in the same letter as that specified in Section VII, Item A.
- C. The Bidder shall certify to the state of Ohio that their company is in compliance with all applicable standards, orders, or requirements issued under 33 USC 1368, Executive Order 11738, and 40 CFR Part 32, and any applicable standards and policies related to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act. This certification may be included in the same letter as that specified in Section VII, Item A.
- D. The Bidder shall certify to the state of Ohio that:
 - 1. The rebates offered in this bid response have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition as to any matter relating to such rebate with any other manufacturer or with any competitor.
 - 2. Unless otherwise required by law, the rebates, which have been offered, have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to the award directly or indirectly to any other manufacturer or to any competitor.
 - 3. No attempt has been or will be made by the Bidder to induce any other person or firm to submit or not submit a bid response for the purpose of restricting competition.
 - 4. This certification may be included in the same letter as that specified in Section VII, Item A.
- E. The Bidder shall provide with the bid response the name, address, E-mail address and telephone number of company representative to be Contractor's contact for any contract awarded pursuant to this bid, as specified in Section VIII, Item E.
- F. The Bidder shall provide with the bid response a copy of the nationally published commercial wholesale full truckload price list for each infant formula produced and/or subcontracted. Price list shall be that which is in effect on the published opening date of the bid.

* To indicate reference of GSA Web site.

SPECIFICATIONS AND REQUIREMENTS (CONT'D)

VIII. NOTES

- * A. If the State WIC Agency adds more types of infant formulas (excluding exempt infant formula) produced by the Contractor to its approved list during the term of the contract, the Contractor shall pay a rebate calculated in accordance with Section III, Item A, paragraph 9, except, to determine the rebate amount, the State will use the [Contractor's published wholesale truckload price per ounce](#) at the time the infant formula is approved by the State WIC Agency.
- B. During the term of any contract issued pursuant to this bid, if the Contractor discontinues the production of the contract brand infant formula, the Contractor may, in writing to the State WIC Agency, offer a replacement for the infant formula. The Contractor must include in the written offer for the replacement: The reason for the offer, the wholesale full truckload price per ounce, the net price per ounce, documentation that the offered product is a WIC approved formula and meets the Federal WIC definition for an infant formula, the formulation of the offered product and an explanation of how the offered product will serve the same population served by the product being replaced.
- C. The State WIC Agency reserves the sole discretion to determine if a product offered by the Contractor under Section VIII, Item B is appropriate as a replacement of the contract infant formula. To be appropriate, the offered contract brand infant formula must at a minimum:
1. Be a formula approved by the United States Department of Agriculture, Food and Nutrition Service to be used as an infant formula by meeting the Federal definition for infant formula (see Requirement section on page 7);
 2. Be offered at the same net price per ounce as the contracted product, or if the replacement infant formula is formulated so that a different number of ounces is necessary to meet the same nutritional needs being met by the contracted product, offer the replacement product at a net price per ounce that is equivalent to the net price per ounce as the contracted product; and
 3. Be necessary because the manufacturer is discontinuing production of the contract infant formula.
- D. If the State WIC Agency adds a new or replacement infant formula, the change will take effect within 90 days of written notification by the State WIC Agency of the addition or replacement.
- E. Representative:
- Both the State WIC Agency and the Contractor shall appoint a representative to assist in the administration of any contract awarded pursuant to this bid. All required notices pursuant to any contract awarded pursuant to this bid by either party shall be sent to the other party's representative. In the event that either party designates a different representative after the term of any contract awarded pursuant to this bid has begun, notice of that individual's name, address, and telephone number shall be furnished to the other party, in writing, within fifteen (15) calendar days after the designation.
- F. Market research activities and/or correspondence with WIC Vendors or WIC participants must be done with the prior approval of the State WIC Agency.
- G. Contractor may not have access to any records identifying participants by name and/or address. Contractor may not have access to any information about a vendor that individually identifies the vendor, except for vendor's name, address and authorization status.

* To indicate addition of "excluding exempt infant formula".

** To indicate addition of link to "Exempt Formula Can Count and Participation."

BID SUBMISSION CHECK LIST

<u>SUBMITTED REFERENCE</u>	<u>SUBMITTAL DESCRIPTION</u>	<u>PAGE</u>
	* MANDATORY SUBMITTALS TO ACCOMPANY THE BID RESPONSE	
_____	BID COVER PAGE, SIGNED IN BLUE INK	PAGE 1
# _____	SECTION VII, ITEMS A-E: CERTIFICATION STATEMENT	PAGE 12
*** _____	SECTION VII, ITEM E: CONTRACTOR'S CONTACT	PAGE 12
*** _____	SECTION VII, ITEM F: PUBLISHED WHOLESALE PRICE LIST:	PAGE 12
*** _____	COMPLETED BID PRICE PAGE	PAGE 15
*** _____	INFANT FORMULA REBATE INFORMATION AND BID EVALUATION	PAGE 16
	** SUBMITTALS REQUIRED DURING THE EVALUATION PROCESS	
_____	AUTOMOBILE LIABILITY CHECKLIST	PAGE 3
*** _____	CONTRACTOR/SUBCONTRACTOR DISCLOSURE CERTIFICATION	PAGE 4
_____	FEDERAL TAXPAYER IDENTIFICATION FORM W-9	PAGE 13
_____	OBM VENDOR INFORMATION FORMS	PAGE 13
_____	AFFIRMATIVE ACTION PLAN COMPLIANCE	PAGE 13
_____	INSURANCE REQUIREMENTS AND ENDORSEMENTS	PAGE 13
_____	COMPLETED AND SIGNED DMA FORM	PAGE 13
_____	REGISTRATION WITH THE SECRETARY OF STATE	PAGE 13
*** _____	AFFIRMATION AND DISCLOSURE BANNING OFFSHORE	PAGE 19

* Mandatory submissions must be submitted with the bid response. Failure to submit these documents shall deem the Bidder as not responsive and their bid will be disqualified.

& ** Required documentation/materials should be submitted with the bid. If not submitted with the bid, the Bidder must provide the said documentation/materials within seven (7) business days, after notification, to the Office of Procurement Services.

Submit as a single letterhead document, signed by a company principal. Identify Section and Item being addressed.

After notification by the State, failure to provide these documents as required; will cause your bid to be deemed as not-responsive, and no further consideration for award will be given.

This checklist is provided solely for the Bidder's benefit. Submission of the mandatory/required materials does not guarantee that the Bidder will be deemed compliant with all of the specifications and requirements as stated in this Bid. Completing this checklist does not absolve the Bidder's responsibility to thoroughly review and understand all of the specifications and requirements as stated in this Bid.

*** To indicate a correction to the page numbers.

& To indicate a change to the timeline required from five (5) days to seven (7) days.