**INVITATION TO BID**

**BID TYPE:** PREFERRED VENDOR

**BID REFERENCE:** PV-OS-2011-07

**BID PUBLIC NOTICE DATE:** June 9, 2011

**BID OPENING DATE, TIME:** June 27, 2011 9:00 AM EST

**BID CONTRACT START DATE:** July 1, 2011

**BID ITEMS:** Office-School Supplies

**STANDARD TERMS AND CONDITIONS**

1. **BID PURPOSE:** The Kentucky Educational Development Corporation (KEDC) Board of Directors, as the Legal Education Agency (LEA) for the Kentucky Purchasing Cooperatives (KPC) solicits sealed bids that would, if accepted by the KEDC Board of Directors or its designee, establish contracts, with the general and detailed terms, conditions, and specifications contained in these standard terms and conditions and in the bid specific terms and conditions.

2. **INSTRUCTIONS FOR BIDDERS:** These standard terms and conditions along with the bid specific terms and conditions apply to all bids submitted. Any deviations or exceptions are to be explained as a part of the bid proposal. In the event of a discrepancy between the standard and bid specific terms the bid specific terms will govern.

The public notice for this invitation, the invitation itself, and any addendums can be viewed, downloaded, or printed from the Internet at [www.kybuy.org](http://www.kybuy.org) or [www.kedc.org](http://www.kedc.org) on the bid public notice date and until the time and date specified for the bid opening. Bid tabulations will be made by KEDC staff and, after the Board or its designee has taken official action, will be posted to the above websites.

3. **Clarification:** For clarification or additional information relative to this bid invitation contact the KEDC Member Services Team by email at KPCMemberServices@kybuy.org or phone (606) 928-0205. For issues related to the online bid application contact eSchoolMall Customer Care at (877) 969-7246. PLEASE DO NOT CONTACT MEMBERS.
4. AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST AND COMPLIANCE WITH THE KENTUCKY MODEL PROCUREMENT CODE:

By my signature on the bid certification, I hereby swear or affirm under penalty of false swearing as provided by KRS 523.040:

I am the bidder (if bidder is an individual), a partner in the bidder (if the bidder is a partnership), or an officer or employee of the bidding corporation having authority on its behalf (if the bidder is a corporation).

The costs quoted in the bid response are correct and have been submitted without collusion and without agreement, understanding, or planned common course of action, with any vendor of materials, equipment, or services described in the invitation to bid, designed to limit independent bidding or competition.

The contents of the bid or bids have not been communicated by the bidder, or its employees, or agents to any person not an employee or agent of the bidder or its surety on any bond furnished with the bids and will not be communicated to any such person prior to the official opening of the bid or bids. Contractor certifies that this proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud. The contractor certifies that collusive bidding is a violation of federal law and can result in fines, prison sentences and civil damage awards.

The Kentucky Educational Development Corporation collective bidding process is conducted consistent with KRS Chapter 45A:345 through 45A:460, the Model Procurement Code and that the contents of the bid proposal and the actions taken by the bidder in preparing and submitting the bid proposal are in compliance with above sections of the Model Procurement Code.

The bidder is legally entitled to enter into contracts with agencies of the Commonwealth of Kentucky and is not in violation of any prohibited conflict of interest, gratuities and kickbacks including those prohibited by the provisions of the Model Procurement Code (KRS Chapter 45A). Any employee or official of KEDC or member institution, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or things of value as an inducement or intended inducement, or in the procurement of business, or the giving of business, for or to or from, any person, or in open market seeking to make sales to the membership shall be deemed guilty of a felony and upon conviction such person or persons shall be subject to punishment or fine in accord with state and/or federal laws.

5. CERTIFICATION CONCERNING DISBARMENT AND SUSPENSION: I certify on behalf of myself, the company and its key employees that I, the company, or its key employees have not been proposed for debarment, debarred, or suspended by KPC, the Commonwealth of Kentucky, or any Federal Agency and are not listed on the Excluded Parties List System provided by the United States Government General Services Administration at www.epls.gov.

6. BID FORMS AND RETURN INSTRUCTIONS: KPC has licensed the eSchoolMall (ESM) Sourcing Solutions Suite for secure, confidential, and encrypted electronic bid submission. Bidders must register with ESM prior to bidding by visiting www.eschoolmall.com. Once a bidder has registered with ESM they should contact KPC at KPCMemberServices@kybuy.org and request that the specific bid of interest be published to them. For assistance with registration or technical questions regarding the bid interface contact ESM Customer Care at (877) 969-7246.

All bids must be submitted via the online application and any attachments provided therein. No other form of bid submission (e.g., paper, telephone, facsimile, telegraph, mail, etc.) will be accepted. Bids submitted on company forms may be rejected.

The bidder acknowledges that the bidder has read this invitation, understands it, and agrees to bind by its terms and conditions.
7. CORRECTION OF MISTAKES: Bidders are cautioned to re-check their bid for possible errors. No bid can be corrected, altered, or signed after being opened. Errors discovered after public opening cannot be corrected and bidder will be required to accept a bid contract if offered.

8. ERROR IN BID: No bid will be altered, or amended after the specified time and date set for the bid opening. The KEDC Board or its designee reserves the right to waive defects and informalities in bids, to reject any or all bids, or to accept any bid as may be deemed to its interest.

9. WITHDRAWAL OF BID: All bids shall be valid for a period of thirty (30) days from the bid opening date to allow for tabulation, study, and consideration by the KEDC Board or its designee. A bidder may withdraw a bid, without prejudice, after it has been submitted only if a written request is submitted and received prior to the expiration of the time during which bids may be submitted.

10. ADDENDUMS: KPC may issue an addendum to the bid after the bid has been released. In no instance will an addendum be issued within five (5) working days prior to the bid opening.

11. REVIEW: After the public opening of proposals received from the Bid Invitation, KEDC staff and member officials will review the results, develop a preliminary tabulation, and may contact bidders for the purpose of clarification only. If necessary, members may purchase from the apparent low bidder pending approval by the KEDC Board of Directors or its designee.

12. PRE-QUALIFICATION: KPC reserves the right to pre-qualify a potential contractor, especially any firm which has not previously participated in the KPC bid program. Criteria for qualification shall include:
   a. Product Line: The potential contractor shall provide proof that all items listed in the catalog are in stock or can be quickly obtained.
   b. Financial Capacity: The potential contractor shall have financing adequate to purchase items in the most economical quantities. References may be requested to document adequate financial capacity.
   c. Service Level: A successful bidder must have a proven (or believable) record of service, particularly with respect to delivering all items on a regularly scheduled basis, at favorable prices. A distributor may be designated as unacceptable if the requirements listed herein have been previously violated and/or poor communications exist between the seller and the membership. If KEDC does not have adequate historical data to determine the contractor's ability to provide the products bid in a timely manner, then three letters of reference from previous school district customers shall be provided.
   d. Accounting Practices: A potential contractor must clearly demonstrate to KEDC the capacity to provide accurate, reliable, and timely reports in terms of invoices, statements, credits, and usage data.

13. NON-ASSIGNABILITY OF AWARDED BID: The bid award will be made only to the individual or entity which actually submits a bid. The awarded bid cannot be conveyed to an awarded bidder's successors or assigns without the prior, express approval of the Board of Directors of KEDC or its designee.

14. TRANSMITTAL OF ORDERS: KEDC shall issue purchasing guidelines to KPC members. The members will use formal purchase orders in ordering from the awarded bidder. The successful bidder acknowledges that orders from KPC members may be transmitted from KEDC’s office on the member’s behalf. The successful bidder may use salespeople for in-person and/or telephone solicitation of orders in accordance with a mutually arrived schedule developed between the members and the awarded bidder.

KEDC has licensed the ESM Direct Buy module for the KPC online catalog. At KEDC’s option, the vendor shall 1) provide an interface between their existing website and KEDC’s online catalog utilizing “punch-out”, and/or 2) provide a listing of items in an electronic format specified by KEDC (including description, pricing, picture of item, etc.) to be imported into
KPC’s online catalog, and/or 3) accept faxed orders, and/or 4) accept e-mailed orders. The vendor shall accept orders electronically from KEDC and/or KPC members. The vendor is responsible for the initial and on-going accuracy of item information in the on-line catalog and for all programming and configuration costs on their existing web site for Option 1 and for all costs associated with compiling the data file containing the list of items in the bid contract for Option 2. KEDC may provide setup assistance at an additional charge.

15. QUANTITIES: It shall be understood that the bid contract will not obligate KPC or its members to purchase from the Bid Contract.

16. ITEM SUBSTITUTION AND OUT-OF-STOCK BACK-ORDERS: No substitutions are allowed without prior written authorization from the member. Member must be notified if item is out of stock, backordered or if timely delivery cannot be made. Upon member notification, the contractor must receive written directions from the member on how to proceed, i.e. cancel, process, etc.

17. WARRANTY: The awarded vendor shall make available and honor all manufacturer’s warranties, both standard and extended, to all KPC members. Vendor will pass through to KEDC or Members all manufacturer supplied end-user warranties on all products sourced to members pursuant to this agreement.

18. RETURNS: The successful bidder must provide a Return Material Authorization within 1 working day of the request by KPC member. Returned materials shall be restocked at no charge to the member (special order and custom crafted items excluded).

19. RECALLS: The contractor shall notify KPC and its members immediately of any products recalls. Any products that have been recalled and have been delivered shall be issued a credit and/or a comparable substitute immediately. All costs associated with voluntary and involuntary product recalls shall be borne by the awarded vendor.

20. PENALTY: The designated supplier(s) reciprocally agrees to provide total requirements as listed herein, thereby minimizing occurrences when a member may have to seek other interim product sources. Failure to deliver 100% of stock items -- within 10 business days -- shall be considered a default.

21. PRODUCT AND SAFETY INFORMATION: The successful bidder shall provide upon request by any member, the most recent MSDS information sheets for any products the vendor may deliver to said member. It is the vendor’s responsibility to comply with all local, state, and federal regulations.

22. LIABILITY: The contractor agrees to protect, defend, and save harmless KEDC, KPC, and members from any third party suits or demands for payment that may be brought for the use of any patented material, process, article, or device that may enter into the manufacture, construction, or form a part of the work covered by either order or contract; and contractor further agrees to indemnify and save harmless KEDC, KPC, and members from suits or actions of every nature and description brought against it for, or on account of any injuries or damages received or sustained by any third party, or for any willful misconduct or negligent acts of the contractor and the contractor’s servants or agents.

23. VELOCITY REPORTS: Velocity reports in an electronic format (Microsoft Excel, Access, or SQL) specified by KPC shall be issued to KPC upon request. Contractor shall compile velocity reports by member. The reports shall indicate purchasing entity, vendor item number, manufacturer item number, item description, quantity sold, and dollar value of each item sold. KEDC will routinely request procurement data from participating KPC members to verify velocity report accuracy.

24. NOTICES: Notices under this Agreement are sufficient if given by nationally recognized overnight courier service, certified mail (return receipt requested), facsimile with electronic confirmation or personal delivery to the other party if given to the last known address. Notice is effective: (a) when delivered personally, (b) three business days after sending by certified mail, (c) on the business day after sending by a nationally recognized courier service, or (d) on the business day after sending by
facsimile with electronic confirmation to the sender. A party may change its notice address by giving notice in accordance with this section.

25. SEVERABILITY: If any provision of this Agreement is determined by any court or governmental authority to be unenforceable, the parties intend that this Agreement be enforced as if the unenforceable provisions were not present and that any partially valid and enforceable provisions be enforced to the extent that they are enforceable.

26. NO WAIVER: A party does not waive any right under this Agreement by failing to insist on compliance with any of the terms of this Agreement or by failing to exercise any right hereunder. Any waivers granted hereunder are effective only if recorded in a writing signed by the party granting such waiver.

27. CUMULATIVE RIGHTS/CONSTRUCTION: The rights and remedies of the parties under this Agreement are cumulative, and either party may enforce any of its rights or remedies under this Agreement or other rights and remedies available to it at law or in equity. The section headings of this Agreement are for convenience only and have no interpretive value.

28. CONTRACT SUSPENSION: KPC may, at its sole discretion, suspend a contractor for a period of up to 90 days to investigate alleged instances of breach of contract or non-compliance. The contractor is prohibited from accepting new orders from KPC members while suspended, however, orders already in process can be completed. If the Awarded Bidder is found to be in breach of contract or non-compliant, the contract is rendered null and void. The Awarded Bidder agrees that they have no legal recourse of any nature against KEDC, KPC, or its member entities except for payment of goods, supplies and services that are due for prior purchases which were permitted to be sold by the Awarded Bidder under this bid. The decision of KPC regarding suspension and/or termination is final.

29. WARNING AND TERMINATION OF CONTRACT: KEDC may terminate the contract if the contractor fails to perform at the service level specified in the bid document. Contracts may be terminated at any time with 30 days notice or at the discretion of KEDC, in a shorter period of time, if the terms of the contract are violated in any way. In the event of termination, the members shall not be liable to any costs other than the cost of items delivered and accepted prior to the termination date. The contractor may terminate the contract if the members fail to meet mutually agreeable and specified payment terms.

Each party shall follow the following procedure if the contract is to be terminated:

Step 1 - Issue a warning letter outlining the violations and state the length of time to correct the problem(s).
Step 2 - Issue a letter of intent to cancel contract, if the problem(s) is not resolved by a given date.
Step 3 - Issue a letter to cancel contract.

In the event the physical facilities of the contractor are destroyed or a labor dispute makes performance under the terms of the contract impossible, the contractor shall not be held liable by KPC or the members.

30. OTHER CONDITIONS:

A. Contractors shall be in compliance and will comply with any and all local, state, and federal laws and regulations related to this bid and the rendering of goods and/or services.

B. This contract shall be governed in all respects as to validity, construction, capacity, performance, or otherwise by the laws of the Commonwealth of Kentucky.

C. Contractors providing services under this bid invitation, herewith assure KEDC they are conforming to the provisions of the Civil Rights Act of 1964 as amended.

D. Kentucky Sales and Use Tax Certificate of Exemption Form will be issued upon request.

E. Contractor shall comply with applicable federal, state, and local laws and regulations pertaining to wages, hours, and conditions of employment. In connection with the contractor's performance of work under this contract, contractor agrees not to discriminate against any employee(s) or applicant(s) for employment because of race, color, national origin, age, sex, disability, or religious creed.
F. In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (800) 795-3272 or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.

G. Contractor shall comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C.) 187 [h], Section 508 of the Clean Water Act (33 U.S.C. 1368, Executive Order 11738 and Environmental Protection Agency (EPA) regulations, (40 CFR Part 15), which prohibit the use under non-exempt federal contracts, grants or loans of facilities included in the EPA list of violated facilities.


I. By signing this document, the contractor certifies that this proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud. The contractor certifies that collusive bidding is a violation of federal law and can result in fines, prison sentences and civil damage awards.

J. Prohibition against conflicts of interest, gratuities, and kickbacks: Any employee or official of KEDC or member institution, elective or appointive, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or things of value as an inducement or intended inducement, or in the procurement of business, or the giving of business, for or to or from, any person, or in open market seeking to make sales to the membership shall be deemed guilty of a felony and upon conviction such person or persons shall be subject to punishment or fine in accord with state and/or federal laws.

K. The bidder is legally entitled to enter into contracts with agencies of the Commonwealth of Kentucky and is not in violation of any prohibited conflict of interest, including those prohibited by provisions of KRS 164.390, KRS 61.092-61.096, and KRS 42.990.

L. The provisions of KRS 365.080 and KRS 365.090 which permit the regulation of resale price by contract, does not apply to sales to the State.

M. KRS 45A.455 prohibits conflicts of interest, gratuities, and kickbacks to employees of KEDC or member institutions in connection with contracts for supplies or services whether such gratuities or kickbacks are direct or indirect. KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities or kickbacks to employees that are designed to secure a public contract for supplies or services.

N. KEDC reserves the right to reject any and/or all bids and to waive informalities.

OFFICE-SCHOOL SUPPLIES BID TERMS AND CONDITIONS

1. BID PURPOSE: The Kentucky Educational Development Corporation (KEDC) Board of Directors, as the Legal Education Agency (LEA) for the Kentucky Purchasing Cooperatives (KPC) solicits a sealed bid for Office-School Supplies that would, if accepted by the KEDC Board of Directors or its designee, establish a PREFERRED VENDOR BID CONTRACT, with the general and detailed terms, conditions, and specifications contained in the standard terms and conditions and in these bid specific terms and conditions. This bid contract is intended to provide member institutions the right to purchase goods and services at fixed prices from a specific list of items contained herein and other items in general at fixed percentage discount off catalog prices provided as part of the bid proposal. Said contracts shall hereinafter be referred to as the Bid Contract.

2. INSTRUCTIONS FOR BIDDERS: These bid specific terms and conditions along with the standard terms and conditions apply to all bids submitted. Any deviations or exceptions are to be explained as a part of the bid proposal. In the event of a discrepancy between the standard and bid specific terms the bid specific terms will govern.

The public notice for this invitation, the invitation itself, and any addendums can be viewed, downloaded, or printed from the Internet at www.kybuy.org or www.kedc.org on the bid public notice date and until the time and date specified for the bid opening. Bid tabulations will be made by KEDC staff and, after the Board or its designee has taken official action, will be posted to the above websites.
3. PARTICIPATING MEMBER INSTITUTIONS: Any institution that is a member of the Kentucky Purchasing Cooperative (KPC) - hereinafter referred to as member or members - is eligible to utilize the Bid Contract; however this does not mean that all members will participate. The successful bidder(s) will be required to serve all eligible members.

4. AWARD: After the review of the bid proposals, the KEDC Board or its designee may accept one or more bid contracts based criteria below and the needs of the members. In the case of identical bids, KEDC reserves the right to select and to award the contract by whatever method it chooses. If bidder’s bid proposal is accepted, Bidder shall hereinafter be called contractor. The bid proposals will be evaluated based on the points awarded to each potential contractor utilizing the following scale subject to KRS 45A.490 to 45A.494, Reciprocal Preference for Resident Bidders.

   POINTS

   1. Total of weighted core item cost calculations 40
   2. Secondary item catalog discount percentage 15
   3. eSchool Mall dynamic link connection 10
   4. Purchase from Regional Retail Stores 10
   5. Delivery Timelines 10
   6. Past Performance 10
   7. Prompt Payment Discount 5

   POINT TOTAL 100

5. CONTRACT PERIOD: The contract period will end on June 30, 2012 plus any extensions. The contract may be extended on an annual basis by KEDC not to exceed ten years in total including the first contract period. KEDC shall notify the contractor of its intent to extend or not to extend the contract by April 30th of each year. If KEDC notifies contractor of intent to extend the contract by one year, contractor shall respond by May 15th that it either does or does not intend to extend the contract. Any necessary price increases or decreases should be submitted to KEDC by June 15th for the extended year. If price increases submitted are deemed excessive by KEDC then KEDC shall have cause to not extend the contract. Price change notifications will follow the same pattern as above for any years in which this contract is extended. KEDC reserves the right to extend the term for up to 180 days to continue a source of supply until new or replacement contracts are completed. Since this bid request is subject to multiple contracts being accepted, KEDC reserves the right to renew and/or solicit additional bids. Any contract extension is contingent upon written agreement of KEDC and the contractor. The bid will not be automatically extended beyond any current year unless expressly approved by KEDC. KEDC reserves the right on any contract extension to revise, update, or supplement the contract terms and conditions including the assessment of administrative fees to the contractor as needed to cover the cost of KEDC servicing the bid contract, bidding program, or procurement service for the members.

6. PRICING: Bid Contracts may be accepted from multiple bidders. Contract pricing and discounts shall remain in effect for the entire contract and any agreed upon contract extensions, however additional discounts and/or special pricing are encouraged and may be accepted when consistent with other terms and conditions of the contract and offered equally to all members. Price change notifications will follow the same pattern as above for any years in which this contract is extended. Additional discounts and/or special pricing are encouraged and may be accepted when consistent with other terms and conditions of the contract and offered equally to all members. Accumulated or group orders may be requested by KPC during the course of the contract period.
All bid prices must include transportation and delivery charges to the location (school district, KEDC, etc.) specified during ordering. Fuel surcharges and other similar charges are not permitted. Replacement and/or supplemental products that meet or exceed the minimum bid requirements may be added to this contract at the sole discretion of KEDC. Replacement/supplemental products shall be offered at a discount equal to or greater than the original award. The contractor shall submit, on its letterhead the request to add products/services. The request shall be submitted by an authorized representative of the organization. KEDC is under no obligation to accept the offerings.

The bidder shall provide each item on this bid to all KPC members at the same price. Bidders MAY NOT submit multiple discount levels for the same product by KPC member (i.e., Regional Bidding is NOT permissible).

Should an awarded contractor negotiate or bid a lower price for an item included in this bid with any KPC member public school district, the contractor agrees to provide the product to all KPC members they propose to serve at the lower price. For example: District A and District B are both KPC members. Contractor is proposing to serve District A and not serve District B on their KPC bid documentation. The contractor is providing service to the area where District A and District B reside. Contractor then establishes a price with District B for items that are on the KPC bid thru negotiation or a school district bid that is lower than the bid price with KPC. The lower prices provided to District B become the bid price for District A and all KPC members served by the contractor.

7. DELIVERY CHARGES: All products or services procured from the Bid Contract are to be delivered free of freight charges (FOB destination). All bid prices must include transportation and delivery charges to the location (school district, KEDC, etc.) specified during ordering. Fuel surcharges and other similar charges are not permitted.

8. PROMOTION: KPC actively markets all Prime and Preferred Vendors to member districts, which includes the company logo and contact information on the KPC website, a notice of the winning bid contract(s) sent to every KPC member, and promotion of all KPC Prime and Preferred Vendors during regular district visits by KPC staff. Vendors are expected to provide promotional materials and participate in regional conferences, district shows, and trainings.

9. PAYMENTS, AND ADMINISTRATIVE FEE: Each member shall be responsible for making payment to the contractor, unless KEDC has been established as the Purchasing Agent for the contractor, in which case, KEDC will coordinate orders and payments directly to the contractor with the individual members being the ship to party. Normally, members pay bills only after approval from the member board which meets monthly. KEDC reserves the right to negotiate upon mutual agreement to serve as Purchasing Agent for any Bid Contract including charging an additional administrative fee to the contractor beyond the three percent (3%) fee detailed below.

The contractor will be assessed an administrative fee of three percent (3%) on all purchases made by KPC members under this contract. The fee is to be included in the contractor’s pricing, and can not appear on the member’s invoice. The contractor will remit payment to KEDC on a quarterly basis by the 25th day of the next month accompanied by an electronic sales report showing total amounts for all purchases made by members under this contract during the period of the bid.

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<th>Period</th>
<th>Reporting and Payment Schedule</th>
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<tr>
<td>January - March</td>
<td>April 25th</td>
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<td>April - June</td>
<td>July 25th</td>
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<td>July - September</td>
<td>October 25th</td>
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<td>October - December</td>
<td>January 25th</td>
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The contractor will compile and provide to KEDC a quarterly report showing all purchases made by members under this contract in a format provided by KEDC. Contractor shall compile sales report by member district. The sales report shall be submitted electronically. Sales must be reported in the quarter in which the member is invoiced. It is the contractor’s
responsibility to track and report all purchases made by KPC members. All sales to KPC members are considered to be made under this contract unless the contractor holds an individual bid with the member. It is the vendor’s responsibility to provide proof of individual bids.

KEDC will routinely request procurement data from participating KPC members to verify sales report accuracy. The contractor will make all administrative fee payments to KEDC by the 25th day of the succeeding month. All checks are to be made payable to KEDC and mailed to KEDC, 904 Rose Road, Ashland, KY 41102. In consideration of receiving a KPC PREFERRED VENDOR BID CONTRACT, bidder agrees to report and pay KEDC’s administrative fees for all sales to KEDC/KPC districts even if orders are placed directly by the district to the contractor.

10. PROMPT PAYMENT DISCOUNT: Contractor may provide a prompt payment percentage discount for invoice payments postmarked less than 30 days from the invoice date. The discount may take the form of either a deduction from the total invoice or a check in an amount equal to the same. Example: 1% discount for payment of invoices postmarked within 10 days of the invoice date.

11. PURCHASE OF ITEMS NOT SPECIFICALLY LISTED IN THE CORE ITEM LIST (SECONDARY ITEMS): KPC members may exercise their rights to purchase all catalog and special order items not in the Core Item list from the contractor that has been awarded the contract. Catalog and special order items shall be quoted at MSRP less a fixed percentage discount (per your bid) and shall be subject to the same auditing provisions as bid items. The initial price quote on catalog and special order items shall become the official bid price for the remainder of the bid contract.

12. PRODUCT EVALUATION: Samples requested must be furnished free of expense to KPC and KPC members for evaluation. If not destroyed or consumed in testing or evaluating, or required in connection with the award, furnished samples will, upon request, be returned at the bidder's expense. Right is reserved to mutilate or destroy any samples if considered necessary for testing purposes.

13. ACCESS TO RECORDS: All contracts over $10,000 awarded by KEDC shall include the right of KEDC, the Kentucky Department of Education, USDA, the Comptroller General of the United States, or any of their duly authorized representatives, to have unrestricted access to any books, documents, papers, records of the contractor which are directly pertinent to the awarded contract, for the purpose of making audit, examination, excerpts, and transactions.