

UPS Response to
The State of Utah/NASPO ValuePoint
Solicitation #BC16018
NASPO ValuePoint Master Agreement
for
Small Package Delivery Services
Due: June 24, 2016 2pm MDT



Redacted Version



June 24, 2016

Mr. Brad Cummings
Contracts Analyst, Purchasing Agent
State of Utah Division of Purchasing
Capitol Hill
3150 State Office Building
Salt Lake City, Utah 84114

Ref: UPS Response to RFQ NASPO ValuePoint Small Package Delivery Solicitation BC16018

Brad,

It is with great pleasure that we submit our response to the NASPO Value Point solicitation.

Over the past four plus years, UPS, the State of Utah and NASPO ValuePoint (formerly WSCA) along with all participating states and their entities, have worked hard to ensure the success of the NASPO ValuePoint contract. Because of this collaborative effort, the program is highly regarded as one of the most successful cooperatives in place today.

Since receiving our award in 2011, the UPS Sales Team has been actively engaged with all of our participating states including thousands of NASPO ValuePoint participants at the state and local agency level, as well as many colleges and universities, to ensure a beneficial and efficient solution set is deployed.

By leveraging the UPS portfolio, state agencies and other entities have realized cost savings, become more efficient and implemented solutions that aligned with state requirements. For example, the UPS Newborn Screening Program was designed for the state Departments of Health to meet requirements for blood testing within a specific time. This program has been recognized by many states as well as by the 2016 APHL Newborn Screening and Genetic Testing Symposium.

The UPS Sales Team that supports NASPO ValuePoint participants has over 250 combined years of experience in bringing solutions to state government accounts. Our position as a "trusted advisor" has provided UPS with a tremendous understanding of the requirements of state agencies' business and allows us to provide relevant solutions that ultimately save time, effort and money for NASPO ValuePoint participants, while doing so in a sustainably responsible manner.

Our partnership has been mutually beneficial and we look forward to our continued engagement. UPS has met, and in many cases exceeded, the value proposed in the current contract. We estimate that our solutions have provided the state government participants an estimated \$3.12 M in annualized savings - with significant potential to implement additional cost savings measures.

We look forward to your review of our offer and believe it provides the best overall value, combining aggressive rates with industry leading performance, unmatched technology and second to none sustainability metrics.

Sincerely,

Tom Dames
UPS –Director of Enterprise Accounts
202-675-4228
tdames@ups.com



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1 - RFP Form

State of Utah

Rev 8C16018



State of Utah Request for Proposal

Legal Company Name (include d/b/a if applicable) United Parcel Service, Inc.		Federal Tax Identification Number 36-2407381		State of Utah Sales Tax ID Number 653936-01	
Ordering Address 55 Glenlake Parkway, NE		City Atlanta	State GA	Zip Code 30328	
Remittance Address (if different from ordering address) 		City 	State 	Zip Code 	
Type <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Government		Company Contact Person Tom Dames			
Telephone Number (include area code) 404-675-4228		Fax Number (include area code) 404-675-4233			
Company's Internet Web Address https://www.ups.com		Email Address tdames@ups.com			
Discount Terms (for prompt payment discounts) 		Days Required for Delivery After Receipt of Order (see attached for any required minimums) 			

By submitting a proposal in response to this RFP, the Offeror acknowledges and agrees that the specifications, terms and conditions, or other elements of the RFP are not ambiguous, confusing, contradictory, unduly restrictive, erroneous, or anticompetitive. The Offeror further acknowledges that it has read this RFP, along with any attached or referenced documents, and this document, including the General Provisions.

Offeror's Authorized Representative's Signature 	Date 6-24-16
Type or Print Name Tom Dames	Position or Title Director - Enterprise Accounts



2 - Executive Summary

UPS is uniquely qualified to continue to meet the small package delivery and logistic needs of the State Governments and their entities.

Some highlights of our offer include:

- Dedicated Sales Team with significant experience and knowledge in state government, transportation and logistics
- In-depth Portfolio of Services
- UPS Customer Solutions that align with state requirements
- Single Driver Advantage
- Business Process improvements that are designed to reduce cost and make agencies more efficient
- UPS Technology & Visibility Solutions

The UPS team that supports the NASPO ValuePoint Contract is experienced with serving government related entities and has successfully marketed the previous contract. This past performance and the over 250 combined years of delivering value to UPS customers by our team makes UPS the unrivaled source for state government transportation needs.

We offer an unmatched portfolio of domestic and international services with service to every address (100% of zip codes) in the 50 states and Puerto Rico. Our comprehensive portfolio offers more guaranteed, time-definite delivery options than anyone else. UPS has the capacity and experience to develop customized shipping and logistics solutions for those state government agencies and entities with specialized requirements. UPS has a proven track record in developing customized shipping and logistics solutions for state government agencies and entities.

The Account Management Team has worked closely with state agencies by developing solutions that align with state requirements. The UPS Newborn Screening Program is one example.

This UPS solution customized a new screening sample delivery process. Professionals submitting specimens can now rely upon UPS Next Day Air® service, creating labels quickly and easily through UPS's web-based shipping platform, CampusShip®. Tracking and visibility tools provide real-time status of every sample for both the shipper and receiving lab. This standardized shipping process enabled visibility of every shipment for the lab and also streamlined the user experience. Every package from every hospital and midwife can be located. If there is a delay, a dedicated UPS administrative support professional intervenes to accelerate the recovery process. This program has been well received by many states and healthcare organizations.

UPS owns the world's largest transportation network. And UPS alone offers an integrated Ground and Air network, without the use of sub-contractors anywhere in the domestic US. This operational advantage allows States and their Agencies to take use the single driver advantage. Because one driver picks up all of your ground and air



packages, the shipper can use UPS's shipping system to use the Time in Transit and Cost Comparison tool to determine how much they want to pay to meet their delivery deadlines. Empowering users to make these smart decisions can result in significant savings to the consumer.

We understand the budgetary constraints states are under. UPS will put its industry leading technology and business process solutions expertise to work to help the states overcome these challenges. UPS Account Managers have assisted states and their agencies in implementing industry best practices using UPS's technology solutions. These solutions enable managers to exercise varying degrees of control, oversight and efficiencies to reduce the added charges associated with the over usage of premium air services and surcharges. These value added solutions assist our customers in managing their overall transportation spend. For example, to assist agencies in realizing maximized cost savings, UPS Account Managers work with agencies to select the right service level for every package through the concept of mode optimization. This concept empower users to take advantage of the maximum cost savings by selecting the best and most cost effective service level, UPS ground or Next Day Air, for every package.

UPS has been at the forefront of transportation and logistics breakthroughs for over 100 years; and we are a great American success story. We look forward to continuing our mutually beneficial partnership which provides the best value to NASPO ValuePoint, its member agencies. We believe our proposal will demonstrate not only our capabilities, but also our eagerness to meet and exceed the requirements of NASPO Valuepoint through the service we provide. Throughout our response, you will find that UPS brings value and solutions unmatched within the industry. We welcome and seek opportunities to demonstrate this commitment to you.



3 - Confidential, Protected or Proprietary Information

The information included in this section is exempt from disclosure under the Federal Freedom of Information Act (“FOIA”), Utah’s Government Records Access and Management Act, and similar “open records” statutes, rules, and regulations. This information is not publicly known, and UPS derives significant commercial value from maintaining its confidential status. Public release would cause UPS substantial, competitive harm. UPS respectfully requests confidential treatment of the information included in this section. UPS also requests prompt notification of any third-party request for UPS information, including this proposal and any resulting contract, and advance notice of any intended disclosure.

6.1A - Qualification of Carriers

6. Offeror must provide its **Shipment Claims Ratio** for calendar or fiscal year 2014. The ratio shall be the ratio of claims for shipment loss or damage to total shipments for both express small package air and expedited ground service shipments.

For 2014 the Shipment Claims Ratio for paid claims was X per XXXXXX packages shipped.

6.1 H - PRIOR EXPERIENCE

3. Offeror shall provide documentation of on time delivery performance for express small package air and small parcel ground services for the past twelve (12) months.

UPS is providing the following on time delivery performance data for air and ground small parcel shipments, based on the Participating State that currently have a signed ValuePoint Participating Addendum visible on the ValuePoint website under WSCA Master Agreement, Contract Number UPS MA065. Each on time delivery performance percentage is calculated using the total amount of ground or air packages attempted to be delivered on the guaranteed delivery date. Exclusions from this calculation include but are not limited to any acts of God, Force Majeure, incorrect addresses, weekends (with the exception of Saturday Delivery packages), holidays, Delivery Intercept and shipper / consignee re-routed packages.

		Redacted Information	

The backup documentation in the chart below breaks down the data by each state and the service attached hereto this Technical Proposal.



	Redacted Information			
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Per Section 2.13 of the RFP, UPS submits its completed “Claim of Business Confidentiality” form together with a “Redacted Version” of the UPS Technical Proposal for consideration in conjunction with the submission of its Technical Proposal.

Redacted Version



4 - Potential Conflicts of Interest

None – UPS is not aware of any actual or potential conflicts of interest that would make the Company ineligible for contract award under this RFP.



5 - Exceptions and/or Additions to the Standard Terms and Conditions

None



6 - Mandatory Requirements

6.1 Mandatory Minimum Administrative Proposal

This section contains the minimum requirements that must be met in order to be considered for the evaluation phase. All of the items described in this section are non-negotiable. All Offerors must state willingness and demonstrate ability to satisfy these requirements in the proposal submitted for consideration. Offeror shall provide a point by point response or certification for each requirement.

A - QUALIFICATIONS OF CARRIERS

1. Offeror must attach a true, correct and complete copy of its operating permit to their Proposal. The Authorized User and Carrier agree that each and every shipment tendered to Carrier under the Contract is a tender to the Carrier.

UPS can comply with this requirement.

OPERATING PERMITS

UPS represents that it is duly authorized and licensed by the appropriate regulatory agencies to operate and provide services as set forth in the UPS Rate and Service Guide. Please see copies of our most relevant operating certificates.

Please see the information that follows.



SERVICE DAT

NOV 20 1987

INTERSTATE COMMERCE COMMISSION

CERTIFICATE

No. MC-115495 (Sub-No. 45)X*

UNITED PARCEL SERVICE, INC.
AN OHIO CORPORATION
DOWNERS GROVE, ILLINOIS

This Certificate is evidence of the carrier's authority to engage in transportation as a common carrier by motor vehicle.

This authority will be effective as long as the carrier maintains compliance with the requirements pertaining to insurance coverage for the protection of the public (49 CFR 1043); the designation of agents upon whom process may be served (49 CFR 1044); and tariffs or schedules (49 CFR 1300 through 1310, revised). The carrier shall also render reasonably continuous and adequate service to the public. Failure to meet these conditions will constitute sufficient grounds for the suspension, change, or revocation of this authority.

This authority is subject to any terms, conditions, and limitations as are now, or may later be, attached to this privilege.

For common carriers with irregular route authority: Any irregular route authority authorized in this Certificate may not be tacked or joined with your other irregular route authority unless joinder is specifically authorized.

The transportation service to be performed is described on the reverse side of this document.

By the Commission.

(SEAL)

Noreta R. McGee
Secretary

NOTE: If there are any discrepancies regarding this document, please notify the Commission within 30 days.

*Supersedes: Certificate No. MC-115495 (Sub-No. 43)X





To operate as a common carrier, by motor vehicle, in interstate or foreign commerce, over irregular routes, transporting general commodities (except those of unusual value, commodities in bulk, classes A and B explosives, household goods as defined by the Commission, and those requiring special equipment), between points in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wisconsin, Wyoming, Pennsylvania, West Virginia, and Virginia, restricted to the following condition: No service shall be rendered in the transportation of any package or article weighing more than 70 pounds or exceeding 130 inches in length and girth combined or exceeding 108 inches in length, and each package or article shall be considered as a separate and distinct shipment.



Air Carrier Operating Certificate

This certifies that

UNITED PARCEL SERVICE CO.,
1400 North Hurstbourne Parkway
Louisville, Kentucky 40223

has met the requirements of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and standards prescribed thereunder for the issuance of this certificate, and is hereby authorized to operate as an air carrier in accordance with said Act and the rules, regulations and standards prescribed thereunder, and the terms, conditions, and limitations contained in the operations specifications.

This certificate is not transferable and, unless sooner surrendered, suspended or revoked, shall continue in effect indefinitely.

By Direction of the Administrator

CHARLES E. WHITLOCK

(Signature)

MANAGER, SO FSDO-01

(Title)

Certificate number: IPXA097B

Effective date: October 10, 1986

Reissued: July 30, 2004

Issued at: Louisville, Kentucky

FAA Form 8430-10 (7-82)



Order 88-9-11

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation
on the 21st day of September, 1988

Issuance of an effective
certificate to

SERVED SEP 22 1988

UNITED PARCEL SERVICE CO.

Docket 44556

to engage in foreign charter
air transportation under
section 401 (d) (3) of the
Federal Aviation Act

ORDER ISSUING EFFECTIVE CERTIFICATE

By Order 88-1-20, issued December 24, 1987, the Department granted United Parcel Service Co. (UPS) a certificate of public convenience and necessity to engage in foreign charter air transportation of property and mail. ^{1/} The certificate was to become effective on the sixth day after we had received from the Federal Aviation Administration a copy of the carrier's Air Carrier Operating Certificate and Operations Specifications authorizing such service.

On September 6, 1988, we received the FAA documents which authorize the carrier to engage in foreign air transportation operations. We also received a request from UPS to waive the six day condition and make its authority effective immediately.

After review of these documents, we decided to grant UPS's request and make its authority effective as of September 6, 1988. We orally advised the carrier of this action on that date, which we confirm here.

ACCORDINGLY, acting under authority assigned by the Department in its Regulations, 14 CFR 385.14 (ee):

^{1/} UPS also holds a domestic all-cargo air service certificate (issued by Order 87-12-61) and conducts operations under that authority.



- 2 -

1. The certificate of United Parcel Service Co. is reissued in the attached form to reflect the actual effective date; and
2. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order, under 14 CFR 385.50, may file their petitions within 10 days of the date of service of this order. This order shall be effective immediately and the filing of a petition for review shall not alter its effectiveness.

By:

JOHN V. COLEMAN
Director
Office of Aviation Analysis

(SEAL)



**Certificate of Public Convenience and Necessity
for
Charter Air Transportation**

This certifies that

UNITED PARCEL SERVICE CO.

is authorized, subject to the provisions of Title IV of the Federal Aviation Act of 1958, as amended, the orders, rules, and regulations issued thereunder, and the attached terms, conditions, and limitations, to engage in foreign air transportation of persons, property and mail.

This certificate is not transferable without the approval of the Department of Transportation.

Issued by Order 88-9-4 4
On September 21, 1988
Effective on September 6, 1988

By Direction of the Secretary

Gregory S. Dole
Acting Assistant Secretary
for Policy and
International Affairs



Terms, Conditions & Limitations

UNITED PARCEL SERVICE CO.

Is authorized to engage in foreign charter air transportation of property and mail:

Between any point in any State of the United States or the District of Columbia or any territory or possession of the United States, and any point outside thereof.

This authority is subject to the following provisions:

(1) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for charter air transportation.

(2) The holder shall at all times conduct its operations in accordance with all treaties and agreements between the United States and other countries, and the exercise of the privileges granted by this certificate is subject to compliance with such treaties and agreements and with any orders of the Department of Transportation issued under them, or for the purpose of requiring compliance with them.

(3) The exercise of the authority granted here is subject to the holder's first obtaining from the appropriate foreign governments such operating rights as may be necessary.

(4) The exercise of the privileges granted by this certificate is subject to any other reasonable terms, conditions, and limitations that the Department of Transportation may prescribe in the public interest.

(5) The holder shall maintain in effect liability insurance coverage as required by Part 205 of the Department's Regulations. Failure to maintain such insurance coverage as required by Part 205 renders a certificate ineffective and this or other failure to comply with the Federal Aviation Act or the Department's regulations shall be sufficient grounds to revoke this certificate.



SERVICE LIST FOR UNITED PARCEL SERVICE, CO.

Mr. Henry Huff
President
United Parcel Service Co.
51 Weaver Street
Greenwich Office Park E
Greenwich, CT 06830

Mr. Lee Wallace
Flight Standards District Ofc
Federal Aviation Administration
Bowman Field
Louisville, KY 40205

Mr. John W. Simpson
Mr. David L. Vaughan
Kelley, Drye & Warren
1330 Connecticut Avenue, N.W.
Suite 600
Washington, D.C. 20036

Mr. William M. Berry, Jr.
Manager
Flight Standards Division
FAA Southern Region
Atlanta, GA 30320

Mr. Daniel C. Beaudette
Manager, Air Transportation
Division, AFS-200
Office of Flight Operations
Federal Aviation Administration
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Washington, D. C. 20591

Mr. Benjamin H. Tollison
Manager, Evaluation Staff, AFS-4
Federal Aviation Administration
800 Independence Avenue, S. W.
Washington, D. C. 20591

Mr. John H. Cassady
Assistant Chief Counsel, Regulations
and Enforcement Division, AGC-200
Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, D. C. 20591

American Association of
Airport Executives
4224 King Street
Alexandria, Virginia 22302

Mr. Richard A. Nelson
Official Airline Guides
2000 Clearwater Drive
Oak Brook, Illinois 60521

Mr. Ronald R. Magadone
Regional Counsel
FAA Southern Region
Box 20636
Atlanta, Georgia 30320



2. Offeror shall represent and warrant that it is authorized pursuant to permits issued to transport shipments, as described in this Master Agreement in interstate and foreign commerce from, to, or between all points and places in the United States and international points and to lawfully furnish to the Authorized User all related services provided for herein.

UPS can comply with this requirement.

3. Offeror shall certify that it agrees to immediately notify Authorized User of any threatened or actual suspension or revocation of any such permit or operating authority during the course of any awarded price agreement.

UPS can comply with this requirement.

4. Offeror shall represent and warrant that it has not, and during the term of this Master Agreement, will not request, pursuant to 49 U.S. C. Section 14501 (c) (B) (ii), to be subject to any law, regulation or provision that purports to create any right or obligation that is inconsistent with the provision of this Master Agreement.

UPS can comply with this requirement.

5. Offeror must provide its calendar or fiscal year 2014 Operating Ratio (operating expenses divided by operating revenues multiplied by 100 give the percentage of the operating revenues which are required to pay the operating expenses, this being the operating ratio).

UPS can comply with this requirement.

In 2014 the % of Operating Revenues required to pay Operating Expenses was 91.47%.

Total Operating Expense	\$53,264,000,000
Total Revenue	\$58,232,000,000
% of Operating Revenues required to pay Operating expenses	91.47 %

6. Offeror must provide its Shipment Claims Ratio for calendar or fiscal year 2014. The ratio shall be the ratio of claims for shipment loss or damage to total shipments for both express small package air and expedited ground service shipments.

UPS considers on Shipment Claims Ratio information confidential, protected or proprietary information. Please see section 3 of this technical proposal titled Confidential, Protected or Proprietary Information.



7. Provide the following information specific to your company:

a. Your company's full legal name

United Parcel Service, Inc.

b. Primary business address

55 Glenlake Parkway, Atlanta, GA, 30328



c. Describe your company ownership structure

UPS is a publicly held company with a rich history of employee ownership. We believe that the dedication of our employees results in large part from our distinctive “employee-owner” concept. Our employee stock ownership tradition dates from 1927, when our founders, who believed that employee stock ownership was a vital foundation for successful business, first offered stock to employees. To facilitate employee stock ownership, we maintain several stock-based compensation programs. We are the largest package delivery company in the world, in terms of both revenue and volume. We offer a broad array of services in the package and freight delivery industry and, therefore, compete with many different local, regional, national and international companies. UPS shares are traded on the NYSE as NYSE^UPS.

UPS is governed by our Management Committee and Board of Directors. In addition to our Management Committee and Board of Directors, our organization is supported by our greatest asset: our global workforce. Following are members of our Board of Directors, Management Committee.



David Abney, UPS Chairman and Chief Executive Officer



UPS has set a new business standard called synchronized commerce. With the widest portfolio of services in the industry, we move goods, information and funds precisely so our customers have the solutions they need to compete on the world stage.

Management Committee



David P. Abney
UPS Chairman and Chief Executive Officer



Jim Barber
President, UPS International



David Barnes
Chief Information and Global Business Services Officer



Norman M. Brothers, Jr.
Senior Vice President, General Counsel and Corporate Secretary



Teresa M. Finley
Senior Vice President, Global Marketing



Alan Gershenhorn
Executive Vice President and Chief Commercial Officer



Myron Gray
President, U.S. Operations



Kate Gutmann
Senior Vice President, Worldwide Sales and Solutions

Management Committee (Continued)



Teri Plummer McClure
Chief Human Resources
Officer and Senior Vice
President, Global Human
Resources and Labor



Richard Peretz
Chief Financial Officer



Mark Wallace
Senior Vice President,
Global Engineering and
Sustainability

Board of Directors



David P. Abney
UPS Chairman and Chief
Executive Officer



Rodney C. Adkins
Former Senior Vice-
President, IBM



Michael J. Burns
Former Chairman, Chief
Executive Officer &
President, Dana Corporation



D. Scott Davis
Director and Former UPS
Chairman and CEO



William R. Johnson
Former Chairman, President
& Chief Executive Officer,
H.J. Heinz Company



Dr. Candace Kendle
Co-founder and Former
Chairman & Chief Executive
Officer of Kendle
International, Inc.



Ann M. Livermore
Former Executive Vice
President, Hewlett-Packard
Company



Rudy H.P. Markham
Former Financial Director,
Unilever PLC and Unilever
NV



Clark T. Randt, Jr. (Sandy)
Former U.S. Ambassador to
the People's Republic of
China, President of Randt &
Co. LLC



John T. Stankey
CEO, AT&T Entertainment
Group



Carol B. Tome
Chief Financial Officer &
Executive Vice President,
The Home Depot, Inc.

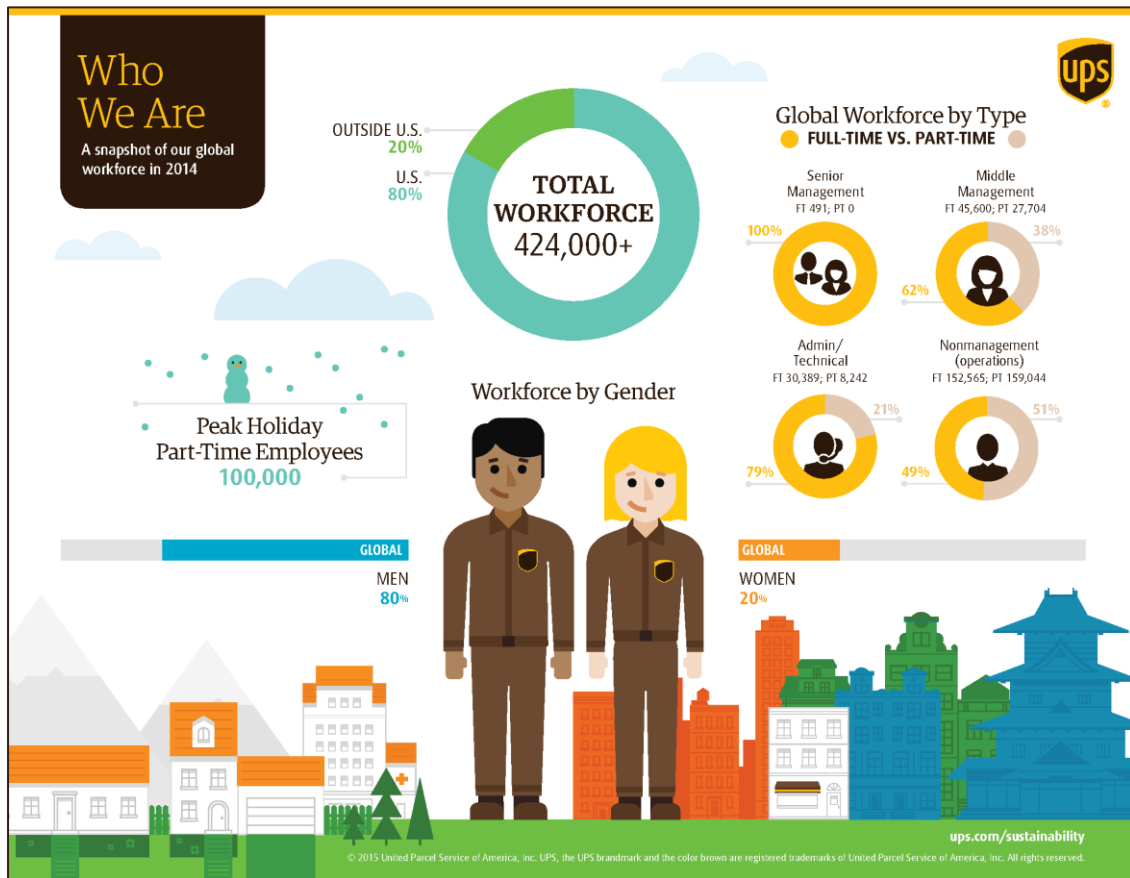


Kevin M. Warsh
Former Member of the
Federal Reserve Board of
Governors, Fellow, Hoover
Institution, Stanford



d. Employee size (number of employees)

UPS has approximately 444,000 employees (excluding temporary seasonal employees); of which 362,000 are in the U.S. and 82,000 are located internationally. Our global workforce includes approximately 76,000 management employees (38% of whom are part-time) and 368,000 hourly employees (48% of whom are part-time).



e. Website

<https://www.ups.com>

f. Sales contact information

Tom Dames
Director, Enterprise Account, State Government Sales
202-675-4228
Email: tdames@ups.com
316 Pennsylvania Ave, SE,
Suite 500
Washington, DC 20003



B - FIRM RATES

Offeror must certify that firm rates will remain the same for at least one (1) year from the execution of the contract.

UPS agrees that if accepted, our rate proposal will remain the same for at least one year (1) from the execution of the contract. Any future rate change submissions will occur on an annual basis and will be presented to the Lead State - The State of Utah.

Offeror must acknowledge that rate increase submissions may only occur on an annual basis. Offeror must request the increase to the Lead State. The Lead State will review each rate increase submission and the Lead State may, at its discretion, utilize the PPI and CPI to reject, approve, or negotiate rate increases.

UPS can comply with this requirement.

Awarded Offeror will be required to submit firm rate sheets before contracts are finalized.

UPS can comply with this requirement.

C - FUEL SURCHARGE

Offeror shall certify that if a fuel surcharge will be applied, an express (air) and ground cap cannot exceed 7% for the full term of the Master Agreement. Offeror's must further certify that a fuel surcharge, if any, will be published on its website so that all Authorized Users can confirm the accuracy of invoices. Offeror must further certify that its website shall also provide historical fuel surcharge information.

UPS can comply with a fuel surcharge for express and ground not to exceed 7%.

Offeror must list a fuel surcharge in its proposed cost sheet only. Offeror shall not list the fuel surcharge, if any, in this section. This section is only to be used to certify that the Offeror will not exceed the 7% cap for the full term of the Master Agreement that it will publish the fuel surcharge, if any, on its website, and will provide historical fuel surcharge information on its website. If a fuel surcharge is listed in this section of the response, the proposal may be rejected for not being responsive.

UPS can comply with this requirement. UPS agrees that our air and ground surcharges will be capped at 7% annually for the full term of the Master Agreement.). The table will be a fixed table for the life of the agreement. The ups.com website can be used to determine the index value. Fuel surcharge matrixes have been completed and included as part of the UPS pricing response to the NASPO ValuePoint RFP.

D - CARRIER SERVICE GUIDE

Offeror's must have a carrier service guide in effect at time of Master Agreement award will be in effect for the first year of the Master Agreement with no changes in rates or charges during that time without the prior written approval of the NASPO ValuePoint Contract Administrator. Offeror shall certify that it will have a carrier service guide



established and in effect at the time of Master Agreement award. The pricing in this Master Agreement is not tied to the Carrier's published list pricing in the Service Guide.

UPS certifies that it will have its carrier service guide ("UPS Rate and Service Guide") established and in effect at the time of the Master Agreement award. The most current UPS Rate and Service Guide can be located at: www.ups.com/terms . With the exception of pricing, the terms of such USP Rate and Service Guide will apply to the services provided under the Master Agreement and is incorporated herein by reference. In the event of conflict, the terms of the Master Agreement will supersede these terms to the extent of the conflict as set forth in Section 1.b of the Master Agreement.

Pricing in this Master Agreement is not tied to the pricing the UPS Rate and Service Guide; provided that, any rates and fees contained in the UPS Rate and Service Guide for services and offerings not specifically itemized in the UPS Cost Proposal shall apply to such services to the extent that such services are requested. UPS reserves the right to make any changes to its UPS Rate and Service Guide; however, the applicability of any such changes to the rates or charges in the UPS Rate and Service Guide by UPS to the Master Agreement after the execution of the Master Agreement will be subject to prior written approval of the NASPO ValuePoint Contract Administrator.

E - EXCLUSION OF LISTED CHARGES

Offeror must certify the following regarding the exclusion of listed charges:

1. Offeror shall not propose pick-up charges or weekly service charges for air or ground shipments tendered to the Carrier due to aggregate NASPO ValuePoint volume anticipated.

UPS can comply with this requirement. UPS agrees that it will not propose pick-up charges for small package air or ground shipments. UPS will also not assess pick-up fees for state government accounts utilizing a drop box or UPS facility for tender of packages. In order to support NASPO ValuePoint's and the participating States' Green Initiatives, UPS will encourage the use of Smart Pick-up Service were practicable. By utilizing Smart Pick-ups, a shipping location can request a pick-up automatically at point of shipment processing only on those dates when an actual shipment is being tendered. There is also no charge for Smart Pick-up Services.

We will work locally with all State agencies to schedule convenient pick-up times for their locations.



2. Offeror shall not require a minimum number of packages per trip, per day, per week or per month.

UPS can comply with this requirement. UPS will not require a minimum number of packages per trip, per day, per week or per month.

3. Offer shall not apply a pickup charge to be assessed in addition to the contracted rate for the shipment.

UPS can comply with this requirement. UPS will not apply a pickup charge to be assessed in addition to the contracted rate for the shipment. In order to mitigate unnecessary expenses, we encourage the use of UPS Smart Pick Up and UPS On-Call Pickup® service wherever daily pick up service is not the required option. UPS Smart Pick-Up Service will allow NASPO ValuePoint the convenient and efficient on line request for pick up(s) when needed, and avoid the necessary expending of resources to stop by to check for outbound shipments.

F - CARRIER PICK-UP

1. Offeror shall certify that it will pick-up packages directly from all requesting agencies and political subdivisions upon request. Offeror must bill each Authorized User for shipments the Authorized User tenders to the Carrier.

UPS can comply with this requirement. UPS will provide pickup delivery for all state government facilities, commercial addresses, and private residences. Our drivers make daily pickups and deliveries to government mailrooms, suites and loading docks. We consult with our customers at the local level to provide convenient pickup and delivery times that meet their needs. With UPS, a single driver can pick up Ground, Air and International packages at the same time, where practical, making it easier to prepare shipments and reduce congestion and greenhouse gas emissions.

UPS On-Call Pickup® is available to for all ground, and international shipments or services. This service will give you the convenience of having shipments picked up simply by scheduling pickup via ups.com® or by calling 1-800-Pick-UPS®. In most cases, UPS On-Call Pickup supports same-day or next-day pickup requests submitted online, or over the phone. In order to ensure accurate pick-up, we would ask NASPO sites to allow at least one hour between the request and pickup time.



Package Freight

Enter Pickup Information

Required fields are indicated with *.

1 Shipping Label Questions

Do you have pre-printed [UPS Shipping Labels](#) for your packages or letters? *

☒ Yes

☐ No

Optional: Enter tracking numbers separated by commas, to check if pickup charges are prepaid. (If you have return label tracking numbers, enter them here)

(Maximum 30 tracking Numbers)

UPS Smart Pickup® combines the predictability of an automatic Daily Pickup with the flexibility of requesting a pickup on demand. Having UPS come to your business only when you have a package to ship saves fuel and can reduce carbon emissions. The UPS Smart Pickup option uses innovative technology to automatically arrange a pickup only when you have packages to ship. When you process a shipment using WorldShip, UPS Internet Shipping or UPS CampusShip®, the system automatically notifies a UPS driver to make a UPS Smart Pickup that same day to pick up all prepared packages. If a package is processed too late in the day to notify the UPS driver to pick up your package the same day, you can schedule a UPS Smart Pickup for the following day, request a UPS On-Call Pickup®, or find a UPS location to drop off your shipment.

SCHEDULED PICKUP OPTIONS

UPS can offer NASPO several convenient automatic scheduled pickup options. We believe the ideal situation for NASPO would be to have one UPS driver will pick up all of your packages including ground, air and international helping to reduce NASPO Authorized User's and UPS's carbon footprint.



- Daily Pickup – Once a day at a scheduled time, Monday through Friday, to pick up ground, air or international shipments. This option is ideal for frequent shipments.
- Daily On-Route Pickup – This would occur once each business day while making deliveries in your area. We could stop and pick up for NASPO even if your location was not receiving deliveries.
- UPS Smart PickupSM – Using this option, all NASPO would do is simply process a shipment before the notify time using UPS WorldShip®, UPS Internet Shipping, or UPS CampusShip®, and a UPS driver would automatically be notified to make a UPS Smart Pickup the same day.
- Day-Specific Pickup – This option allows NASPO to arrange pickups on the days that you determine are the most effective for you (1-4 days)

G - MONEY BACK GUARANTEE

1. Offeror shall certify that it will provide a 100% Money Back Guarantee. Upon request of the Authorized User, the Carrier shall fully refund or credit the Authorized User account for the packages that are not delivered or picked up in accordance with the guaranteed delivery service. Authorized User shall decide between a refund or a credit to their account. Packages that are delivered over 60 seconds after the guaranteed delivery time are considered late. The Authorized User shall request the refund or credit within 30 days of the scheduled delivery time. Carriers are encouraged to offer automatic refunds. If the late package meets one or more of the Carrier's exception criteria, as stated in the Service Guide, the Carrier is not obligated to issue a refund to the Authorized User.



UPS can comply with this requirement. UPS small package delivery services are subject to a money-back guarantee. If UPS fails to attempt delivery within the guaranteed time, we will on request, refund or credit NASPO participating with the shipping charges (or the proportionate part of those where only some of the packages in a shipment fail to meet the applicable time), provided that the conditions identified in our service guide are met (UPS Rate and Service Guide at www.ups.com). The guarantee does not apply when late delivery results from the package not complying with the service restrictions and conditions set out in our terms and conditions of carriage, from events beyond our control (force majeure) or due to any suspension of carriage or the exercise of any lien in accordance with our terms and conditions. The authorized user must request a guaranteed service refund within 15 calendar days from the date of scheduled delivery if we fail to meet the delivery commitment. This is consistent with our standard commercial practice. All service refunds and claims are subject to the terms and conditions of the UPS Tariff in place at the time of shipment.

Please note that our standard commercial limit of liability is 15 days from the date of the scheduled delivery. This solicitation was amended to reflect the 15 days and replace the 30 days in Section 4.1 (G) on June 14, 2016.

2. Carrier must provide clearly marked money back guaranteed zone based price sheets (schedules of rates and charges) for each service showing rates and charges by weight and zone for all contiguous 48 state domestic shipping. Separate rates in pages may be provided and clearly marked for Hawaii and Alaska and Puerto Rico services. Carriers offering pricing for intrastate ground services only must provide separate clearly marked zone based pricing for the designated state. Rates will be in dollars and cents per pound.

UPS can comply with this requirement. As part of our response UPS has provided a complete set of rate charts for all services offered. The rate charts will be designated and marked as MBG (Money Back Guarantee eligible) UPS will only offer MBG rates.

H - PRIOR EXPERIENCE

1. Offeror must submit a list of states where they have done business in the last twelve (12) months along with point of contact information. The State reserves the right to reach out to any state and collect past performance information that can be used to evaluate past performance.

UPS can comply with this requirement. We have provided contact information for 11 customers UPS has done business with in the last 12 months.



Agency or Entity	POC	Email	Phone Number
State of Nebraska	Jennifer Crouse	jennifer.crouse@nebraska.gov	402-471-1428
State of Missouri	Laura Ortmeier	Laura.Ortmeier@oa.mo.gov	573-751-4579
State of California	JJ Espinoza	JJ.Espinoza@dgs.ca.gov	916-375-4393
State of Oregon	Kaliska King	Kaliska.KING@oregon.gov	503-378-5332
State of Utah	Brad Cummings	bcummings@utah.gov	801-538-3232
State of Maine	Terry Demerchant	Terry.L.Demerchant@maine.gov	207- 624-7334
State of Iowa	Kelly Green	Kelly.green@iowa.gov	515-710-9619
State of South Dakota	Steve Berg	Steven.berg@state.sd.us	605-773-3405
State of North Dakota	Chad Keech	Ckeech@nd.gov	701-328-2767
State of South Carolina	Stacy Adams	sadams@mmo.sc.gov	803-737-4375
State of Delaware	Theresa Newman	theresa.newman@state.de.us	302-857-4552

- Offeror shall demonstrate an established, successful track record of past performance in duties and responsibilities related to domestic and international transportation services specified herein. This can be established by providing a copy of reports such as a Carrier annual report, report to Surface Transportation Board, or balance sheets and income and expense statements.

UPS can comply with this requirement. Below are financial highlights from the past 3 years. You may review our complete Annual Report by accessing the following link:

<http://nasdaqomx.mobular.net/nasdaqomx/7/3491/4988/>



Financial Highlights

	2015	2014	2013
Revenue	\$58,363	\$58,232	\$55,438
Operating expenses	50,695	53,264	48,404
Net income	4,844	3,032	4,372
Adjusted net income ¹	4,923	4,389	4,336
Diluted earnings per share	5.35	3.28	4.61
Adjusted diluted earnings per share ¹	5.43	4.75	4.57
Dividends declared per share	2.92	2.68	2.48
Assets	38,311	35,440	35,553
Long-term debt	11,316	9,856	10,824
Shareowners' equity	2,491	2,158	6,488
Capital expenditures	2,379	2,328	2,065
Cash and marketable securities	4,726	3,283	5,245

(in millions except for per-share amounts)

Key Metrics

	2015	2014	2013
Return on assets (adj.) ¹	13.3%	12.3%	11.8%
Return on assets (GAAP)	13.1%	8.5%	11.8%
Return on equity (adj.) ¹	93.3%	73.6%	59.8%
Return on equity (GAAP)	208.4%	70.1%	77.9%
Return on invested capital (adj.) ¹	32.4%	28.2%	25.1%
Return on invested capital (GAAP)	39.2%	22.2%	27.8%
Dividend yield	3.0%	2.4%	2.4%

Free Cash Flow

	2015	2014	2013
Net cash from operations	\$7,430	\$5,726	\$7,304
Capital expenditures	(2,379)	(2,328)	(2,065)
Proceeds from disposals of PP&E	26	53	104
Net change in finance receivables	5	44	39
Other investing activities	(30)	(63)	(179)
Free cash flow	\$5,052	\$3,432	\$5,203

- Offeror shall provide documentation of on time delivery performance for express small package air and small parcel ground services for the past twelve (12) months.

UPS considers on time delivery performance information confidential, protected or proprietary information. Please see section 3 of this technical proposal titled Confidential, Protected or Proprietary Information.

I - CARRIER CAPABILITIES

- Offeror must have the capabilities of providing the services required under this Price Agreement. For Offerors providing interstate services under the resulting price agreement, Offeror shall serve every zip code in the United States.

UPS can comply with this requirement. Additional relevant carrier capability detail below in I-2

- Offerors providing intrastate services shall serve every zip code within the boundaries of the Participating State requesting intra-state services as identified in this RFP.

UPS can comply with this requirement. UPS is uniquely qualified to continue to meet the small package delivery service needs of NASPO ValuePoint participants. We offer an unmatched portfolio of domestic and international services with service to every address (100% of zip codes) in the 50 states and Puerto Rico.



Our comprehensive portfolio offers more guaranteed, time-definite delivery options than anyone else.

UPS has the capacity (and experience) to develop customized shipping and logistics solutions for those State Government Agencies and related users who may have specialized requirements, and we provide free technology solutions that assist our customers in managing overall transportation spend. Authorized Users can utilize UPS shipping systems that allow their administrators to limit usage of certain services to specific individuals, and we provide billing analysis tools that help shippers highlight problem areas (such as over usage of air services, accessorials, etc.) and reduce unnecessary expenses.

The UPS network is extremely flexible and convenient for our customers. Packages in our system range from individual letters up to packages weighing 150 lbs. All packages in the UPS system are bar-coded and tracked. The barcodes on the UPS address labels are scanned up to seven times as the packages travel through our system; all of the tracking information from these scans is available to shippers on our website at www.ups.com. Packages can be tracked via a number of methods, and UPS offers free tools that provide our customers with proactive visibility over all of their shipments. UPS also provides pickups to more than 1.2 million shippers per day, and we handle more than 14 million packages daily around the world.

J - DROP BOXES AND SHIPPING SUPPLIES

1. Carrier must agree to place receptacles in convenient locations within Participating States and describe other centralized collection procedures available. Containers must be of sufficient size to contain 8 ½" x 11" sheets of paper, without folding, up to the weight limit for various categories. The Carrier shall provide express pack boxes and express tubes to Participating States at no cost. Carrier shall provide requested materials and supplies within 48 hours of request, except for pre-printed shipping forms. Pre-printed shipping forms are Carrier's shipping forms pre-printed with users address and billing information. Note: Any pre-printed terms and conditions on any Carrier forms, which are inconsistent with the terms and conditions of the Master Agreement and any Participating Addendum are rejected and do not modify, change or replace the terms and conditions of this Master Agreement or subsequent Participating Addenda.

UPS can comply with this requirement.



In addition to our 91,000 drivers, UPS offers customers a wide range of access points through drop boxes, retail outlets, and customer centers. Customers can find local access points by calling 1-800-PICK-UPS or accessing the UPS Drop-Off Locator online at UPS.com®. UPS offers approximately 154,000 access points

http://www.ups.com/dropoff?loc=en_US



- 1,000 UPS Customer Centers
- 17,000 Authorized Shipping Outlets
- 38,000+ UPS Drop Boxes
- 5,000+ The UPS Store locations. The UPS Stores are retail outlets that offer Government consumers and small businesses a wide range of products and services in one convenient location. Other services include:
 - Convenient drop off site for customers on the go, with the ability to have shipments delivered to the store to be held for pick-up
 - Document and Mailbox Services
 - Packing Services & Packaging Supplies
 - Notary Service

UPS DROP BOXES

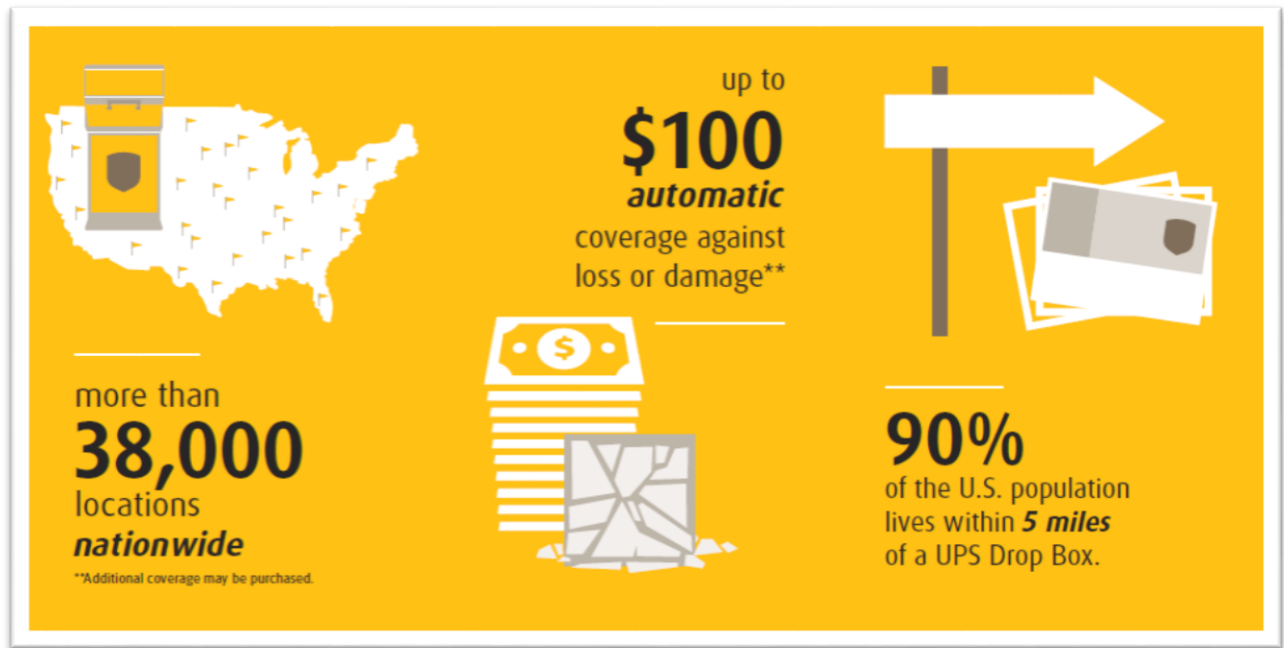
UPS® Drop Boxes accept all service levels, and many have late pickups to accommodate the busy schedules of NASPO ValuePoint customers. UPS® Drop Boxes puts adds our reliability within easy reach whenever its need it – 24 hours a day, seven days a week. Benefit to NASPO ValuePoint customers include:

- *Convenience* — Most locations allow for drop off at curbside or inside office buildings
- *Pick-up indicator* — A handy indicator tells you if the daily pickup has been made
- *Supplies* — Drop boxes are stocked with what you need to label and ship letters and packages.
- *Returns* — Return shipments, including ground packages, are accepted
- *Protection* — Shipments are automatically covered against loss or damage up to \$100; if needed, additional coverage may be purchased
- *Late pickups* — Specific times for the location nearest you can be found on www.ups.com

UPS Drop Box shipments are scanned at pickup, making true end to-end visibility possible when combined with these solutions:



- **Quantum View®** — A suite of visibility services with proactive email updates, available at no cost to U.S.-based UPS accounts.
- **UPS® Tracking** — Check shipment status at ups.com, via the UPS Mobile™ app or by calling 1-800-PICK-UPS®.



All UPS Drop Box locations accept all of the domestic and international services listed below:

DOMESTIC

- **UPS Next Day Air® Early A.M.®** - By 8:00, 8:30 or 9:00 a.m. the next business day to most U.S. cities, depending on destination
- **UPS Next Day Air®** - By 10:30 a.m., noon or end of next business day to all 50 states and Puerto Rico, depending on destination
- **UPS Next Day Air® Saver** - By 3:00 or 4:30 p.m. the next business day to commercial destinations, end of day to residential
- **UPS 2nd Day Air A.M.®** - By 10:30 a.m. or noon the second business day to metro commercial destinations
- **UPS 2nd Day Air®** - By end of the second business day to all 50 states and Puerto Rico
- **UPS 3 Day Select®** - By end of the third business day to the 48 contiguous states
- **UPS® Ground** - Day-definite delivery to all 50 states and Puerto Rico

INTERNATIONAL



- **UPS Worldwide Express Plus®** - By 9:00 a.m. to more than 25 countries and territories in 1-3 business days, depending on destination
- **UPS Worldwide Express®** - By 10:30 a.m. or noon to more than 65 countries and territories in 1-3 business days, depending on destination
- **UPS Worldwide Saver®** - By end of business day to more than 220 countries and territories in 1-3 business days, depending on destination
- **UPS Worldwide Expedited®** - Day-definite service to more than 220 countries and territories in 2-5 business days, depending on destination
- **UPS® Standard** - By end of day to Canada within 2-6 business days, and to Mexico within 4-8 business days

ACCESS POINTS

UPS Access Point™ locations are convenient places – such as The UPS Store® and other local businesses – that offer easy package drop-off or pick up. With longer operating hours, customers may stop by their local UPS Access Point location at a time that fits their busy schedules. UPS has approximately 8,200 locations in the US.

Locating a UPS Access point is quick and easy at: <https://www.ups.com/dropoff>

United States New User | Log-In | Changing Languages | Contact UPS | The UPS Store

My UPS Shipping Tracking Freight Locations Support UPS Solutions Search

Find Locations Looking for your package? Enter tracking or InfoNotice number Track »

Near: Use my current location

United States

Narrow your search

- ☐ Find a drop off location
- ☐ Pay for a UPS shipping label
- ☐ Help with packaging my shipment

See All Options Clear Filters Find

TIP: A UPS driver can accept your package if it already has a UPS label.

Find UPS Locations on the go with SMS. Learn More »



SUPPLIES

As part of our new account implementation process, individual sites are contacted to determine the supplies needed. UPS offers a variety of labels, boxes, paks and other supplies at no charge for Next Day, Second Day, Three Day and International Service shipments. Users can be order them directly through an authorized shipping solution, via www.ups.com or by calling 1-800-PICK-UPS. Delivery is available only within the United States, and will be sent from the nearest supply location, and takes one to three business days.

2. Offeror shall, at no additional charge, provide Authorized Users with label printers, labels, etc. or the ability to print labels that are required to prepare articles for shipment. Offeror shall describe its program for providing such printers, including its lease terms and conditions or the ability to print labels.

With a package commitment, UPS offers a unique program called the Customer Technology Program. The Customer Technology Program enables our customers to receive computer hardware, software and peripherals (Printers, scales, etc.) All supplied hardware is UPS WorldShip® compatible, and all PCs have UPS WorldShip preinstalled.

3. Carrier shall provide online services ordering capability as well as online printing of shipment documentation and labels. Online ordering and printing services shall be available to Authorized Users via access through the Internet and be capable of being accessed utilizing standard Internet Web Browsers. Offeror shall describe its online ordering and shipment documentation printing services, including a description of the security and privacy protection features that will be applicable to online services. The system shall accommodate a reference field for internal tracking numbers for invoice payment. The reference field shall accommodate up to 20 characters.

UPS can comply with this requirement.

UPS offers several core solutions for facilitating online shipping and label production. Our tools and technologies are built to make life easier for NASPO ValuePoint customers. Our solutions create efficiencies, centralize control, cut costs, and increase productivity. All UPS shipping solutions exceed the 20 character reference field requirement at 35 characters. They let customers ship faster, with more flexibility and better insight. And, most importantly, they give customers more time to spend on their core business. As a part of implementation, the UPS team will guide users to the appropriate UPS solution for shipping.



UPS Technology Solutions Comparison			
	UPS Internet Shipping »	UPS CampusShip® »	WorldShip® »
	Create a Shipment Now	Request More Information	Download WorldShip Now
Decision Points			
Shipper Profile			
Low-volume or occasional	✓		
High-volume/distribution warehouse			✓
Employees are spread across multiple campuses, office buildings, or locations worldwide		✓	
Need to ship packages and freight	✓	✓	✓
Key Features			
Send shipment notifications with UPS Quantum View Notify	✓	✓	✓
Assign shipping privileges at a user level		✓	
Share address books across multiple user IDs		✓	
Connect to internal business systems (ODBC/XML)			✓
Application Format			
Web-based	✓	✓	
Windows-based shipping software			✓
Common Features			
Batch import shipment and/or address detail	✓	✓	✓
Export shipping history	✓	✓	✓
Create distribution lists	✓	✓	✓

Following are highlights of UPS Internet Shipping and UPS CampusShip:

UPS INTERNET SHIPPING

With your My UPS login, UPS Internet Shipping lets you prepare air, ground and international shipments using a UPS account number or credit card. Not only can you ship individual packages, you can also create bill of lading and air waybills. Determine package and freight rates; schedule pickups; find drop-off locations; track shipments; store recipient contacts; store billing, notification and printing references; view shipping history; and receive email notifications - all online at ups.com®. Features include:

- Online shipping** — With no software to install, quickly process your small package, Less-Than-Truckload (LTL) and Air Freight shipments in one convenient location on ups.com®. Ship up to 20 packages at one time to a single receiver or create batch shipments through Distribution List processing or Import Batch Shipping. Minimal navigation between entry screens saves you valuable time so you can focus on other critical business tasks.



- **Address book convenience** — Speed shipment processing by selecting from the built-in Address Book each time you ship a package. Store up to 2,000 addresses, individually or batch imported in CSV format, and add residential or commercial classifications. Eliminating repeated key entry will reduce the chance for errors resulting in potential delivery problems or costly delays.
- **Flexible shipping options** — Take advantage of a variety of day- and time-definite UPS package and freight services and value-added solutions such as UPS Returns®, Declared Value and Quantum View Notify® e-mail notifications for up to five people. Visit ups.com to learn more about our domestic and international service portfolio serving over 220 countries and territories and tailor shipments to your specific business and customer needs.
- **Full visibility** — Keep you and your customers informed of package progress by tracking a shipment from pickup to delivery on ups.com. With UPS Tracking, you can get instant status on up to 25 package or freight shipments at once, free of charge. Use your UPS tracking number or a reference number of your choice to determine the status of your shipments in the UPS system.
- Fast online shipping at ups.com. Log in and take advantage of all of the shipping options UPS has to offer in a few easy steps.

Package | Freight

Begin Your Shipment [Help](#)

Please enter your shipping information below. Required fields are indicated with *.

Where is this shipment going?

Address Book:
Select One --- or enter a new address below
[External Address Book](#)

Enter a New Address

Company or Name: *
Contact: *
Country: United States *
Address Line 1: *
Address Line 2: *
Apartment, suite, unit, building, floor, etc.
Address Line 3: *
Department, c/o, etc.

City: *
State: Select One *
ZIP Code: *
Telephone: * **Ext.:** *
E-mail: *

☒ Validate this street address
☐ Residential address

Save Options for Address: Select One
Save this to my Address Book as:

UPS Access Point™ [What's This?](#) ☐
☐ Hold for Customer Pickup at UPS Access Point™



- The Address Book allows you to store up to 2,000 addresses so you will never need to re-key.

UPS CAMPUSSHIP®

UPS CampusShip® is a secure, web based shipping system that enables multiple users within an organization to ship UPS packages and letters and to perform other shipping-related tasks – all by using any computer with Internet access.



Perfect for distributed desktop users, CampusShip delivers both streamlined shipment management and increased shipment visibility.

Resources

The resource links below offer access to instructional content, business and shipping tools, and customer service.

General Resources

- [UPS Tracking](#)
- [UPS Locations](#)
- [Export Documentation](#)
- [Order Supplies](#)
- [Packaging Advisor](#)
- [UPS Customer Service](#)
- [Legal Agreement](#)
- [UPS CampusShip Support](#)
- [UPS CampusShip Help](#)
- [User Guides](#)

UPS TradeAbility™ International Tools

- :: [Screen for Denied Parties](#)
- :: [Find Harmonized Codes](#)
- :: [Estimate Landed Cost](#)
- :: [Detect Export Licenses](#)
- :: [Check Import Compliance](#)
- :: [Access International Forms](#)

Other Features

- :: [Create and manage a Product List](#)
- :: [View your Transaction History](#)

Freight Resources

- [Create a Freight Shipment](#)
- [View Freight History](#)
- [Manage Commodity List](#)
- [Schedule a Freight Pickup](#)
- [View Freight Pickup History](#)

Company Support: companysupport@email.com

[Administrator Lookup](#)

From any desktop, users within an organization can:

- Use corporate and personal address books to speed processing and reduce errors
- Select from multiple billing options
- Prepare shipping labels
- Download or view shipment history data online
- Allow users to create, manage and ship to a distribution list
- Allow users to import shipment data to process up to 250 shipments at once
- Ship domestic and international packages and freight using one system
- Administrative features allow management to:
 - Customize, require, validate and lock reference fields used for reference information such as client/matter codes, cost codes, purchase order numbers and department codes
- References can be used for tracking and billing as a solution for cost center allocation.



- Share and update common address information across the organization with a corporate address book, or utilize recipient info from Outlook®
- Restrict or grant access to the corporate address book, recipient addresses and address groups, ship-to countries, UPS service levels, optional UPS services, payment methods or other shipping and administrative features
- Allow users to see no rates, published rates or account-specific negotiated rates
- Use shipping history reporting capabilities or export data into a comma separated value file format to integrate data into your enterprise systems or analysis tools
- Notify up to five recipients of a shipment's status using email notifications
- Allow or grant access for users to charge shipments to credit cards
- Produce detailed reports on usage

UPS CampusShip® offers significant benefits for both employees and management. By putting this fast, easy-to-use shipping system at everyone's fingertips, organizations can:

- Reduce costly shipping errors
- Lower shipping costs by eliminating the need for a centralized mailroom
- Better allocate shipping charges
- Improve customer/client service

NOTE: UPS has provided NASPO ValuePoint \$262,852 in savings through the implementation of UPS CampusShip®.

SECURITY AND PRIVACY PROTECTION

UPS understands the importance of customer confidentiality. UPS manages and secures data, including personally identifiable information (PII), in a manner that complies with applicable laws and regulations.

UPS goes to great lengths to ensure your assets and data are secure throughout the entire transit process. Due to confidentiality, we cannot reveal too much regarding our extensive security practices. The following details briefly illustrate the different safeguards we take to protect our customers' information.

NETWORK SECURITY

As a security measure to prevent the compromise of data, UPS employs network firewalls and intrusion prevention systems. The firewalls block the transmission of certain classes of traffic. We block internal traffic going outbound except for authorized sites. UPS also maintains systems that move data through routine electronic data interchange (EDI) transmissions where the engagement requires this form of protection.



DATA CENTER SECURITY

The UPS datacenters are physically separate from other UPS operations. Security cameras, sprinklers designed for electrical fire retardants, badge identification, and a locked waiting room protect the data center. This area is restricted to authorized personnel.

INTERNET APPLICATION SECURITY

We use current commercial technology to protect customer data from unauthorized access via the Internet. We use Secure Sockets Layer (SSL) or Transport Layer Security (TLS) for encrypted communication and digital certificates for validation and authentication.

CLIENT DATA

Security associated with our customer information is important to UPS. Our Web-based applications available via the Internet require a unique ID and password.

APPLICATION SECURITY

Most UPS applications use a hierarchy of authorization levels to permit access to application programs and screens. We assign each user a security profile, which allows access to various functions and screens.

K - SOFTWARE

Carrier shall, at no additional charge, provide Authorized Users with any software that is required to prepare articles for shipment. Carrier shall provide Authorized Users the most current version of the software and provide upgrades and enhancements free of charge during the term of this Master Agreement. Software shall be compatible with PC operating systems and Macintosh systems. Carrier shall indicate if any such software is required or available.

UPS can comply with this requirement. UPS has many options for automated shipping, tracking, address book utilization, and label creation. As a part of implementation, the UPS team will guide users to the appropriate UPS solution for shipping.

UPS WorldShip Software – is UPS' full-featured, Windows-based shipping solution (either hardware/software or software only options) used primarily by customers with a mail room or warehouse shipping environment.

Key features include:

- Access to full portfolio of UPS shipping services (including link to freight shipping)
- Ability to print “smart” shipping labels with two printed reference numbers and one bar-coded reference number or a company logo.



- Import and export of shipping data to/from other business applications with Online Connect functionality including a “hands-off” shipping option.
- Shipping profiles to customize preferences and defaults.
- Full export documentation support.
- Street-level address validation.
- Reference field capability of over 20 characters
- Shipping history with tracking and signature proof of delivery through UPS.com.
- Ability to process shipments with a future pickup date.
- Configurable shipment detail report.
- Display of UPS published rates or custom rates.
- Ability to print shipment/package documentation labels.
- Ability to order supplies
- Distribution list processing.
- Local Area Network installation to support multiple workstations
- Users can easily track UPS packages through their UPS WorldShip shipping software or hardware.

NOTE: UPS has provided NASPO ValuePoint \$1,518,929 in labor savings and \$1,303,900 in equipment cost savings through the implementation of WorldShip.

While UPS’s core technology offerings are filled with features that meet most shipping needs, occasionally a more robust solution is needed. For more specialized needs the following solutions are available for a fee:

iShip®

When your organization spans a number of different locations, managing shipping activities across the enterprise can seem particularly challenging.

iShip can eliminate these challenges with shipping solutions that can be used at any location, yet have centralized data. iShip is a software as a service model with several different corporate shipping solutions that support UPS shipping. All rates, business rules, route data and fuel surcharges are updated automatically and coincide with carriers’ effective dates.

No matter where users are located, iShip provides managers and administrators complete control and visibility into their shipping activity and allows you to define shipping procedures, approve carriers and rates and set shipping rules. iShip becomes the centralized “mailroom” that serves everyone in your multi-location organization.



iShip's highly configurable solutions are an important advantage for any industry. It will help reduce shipping costs by:

- Limiting specific services and options available for selection
- Reducing delays and charges due to incorrect addresses
- Accurately determining shipping costs that can be later billed to customers
- Ensuring discounts and special rates are used

iShip provides you shipping insight. You see your shipping costs upfront before printing a shipping label. You can track shipments to delivery. Integrated reports and data extracts across the entire enterprise help you audit and manage shipping practices.

ConnectShip®

Businesses with locations across the country and around the globe find managing enterprise wide shipping activities increasingly complex and challenging.

ConnectShip, a UPS subsidiary, offers customers a way to integrate and centrally manage their organization's shipping decisions. Products within ConnectShip are designed to meet the specific needs of companies in a range of shipping environments.

ConnectShip® Toolkit is a set of Application Programming Interface (API)-based tools that delivers total order visibility for companies with complex, growing, multi-carrier shipping environments. This centrally administered and server-based global solution for international origin and destination support provides visibility from order entry to carrier pickup. ConnectShip Toolkit also generates and prints documents and labels required by users and integrated carriers.

ConnectShip® Warehouse is a client-server shipping management application that delivers reliable and efficient package and less-than-truckload (LTL) shipment manifesting for companies with mid- to high-volume multi-carrier shipping needs. This tool offers simple point and click configuration of application settings and straightforward integration of carrier compliance into existing systems.

ConnectShip® Chainlink is a suite of browser-based applications that automate functions to support shipping requests, customer service inquiries and shipment manifesting via package and LTL carriers. For companies with complex, multi-carrier shipping environments, Chainlink can be used throughout the enterprise to deliver seamless integration of all shipping activities with carriers including UPS, BAX Global, Canada Post, Canpar, DHL, LTL, Purolator, TNT and USPS.

ConnectShip® Advisor is a shipment rating application that simplifies carrier and service selection by providing a comprehensive view of rate, fee and time-in-transit information for UPS package, freight and LTL shipments.

ConnectShip® Merchant is an electronic routing guide for e-commerce order management systems. This application delivers customer-customizable rating solutions for front-end order entry applications in both stand-alone and



integrated enterprise systems. With ConnectShip Merchant, online retailers can generate carrier tracking numbers that allow shoppers to track orders, determine actual shipping charges for immediate and accurate billing and choose both carrier and speed of shipment based on associated costs.

The ConnectShip suite of applications gives customers the range of tools they need to manage a multi-carrier environment efficiently. ConnectShip makes it possible for companies to take full advantage of the shipping options available to them by making it easier for users to:

- Make informed choices about carriers
- Integrate individual carrier compliance into existing systems
- Improve shipping system functionality across an organization

Backed by the UPS global network, ConnectShip helps companies make sense of a complex, challenging shipping environment.

L – POINT OF CONTACT

1. General Point of Contact: Carrier must provide the name of the person who will work with the NASPO ValuePoint Contract Administrator during the term of the Master Agreement. This person must be authorized to coordinate with other Carrier representatives in each Participating State to ensure an efficient implementation of the Master Price Agreement. These representatives will be able to quickly assign agency account numbers and insure the NASPO ValuePoint contract rates are attached accordingly. Carrier must describe the process required to obtain agency account numbers and Carrier personnel assigned must have full knowledge of the NASPO ValuePoint Master Agreement. Carrier shall designate one person responsible for Carrier's work under this Master Agreement. Carrier shall provide to each Participating State the name, address and telephone number of such person and shall keep this information current at all times. Should contact with such person require long distance calls, Carrier will provide a toll free number to be used during normal business hours.

UPS can comply with this requirement.

UPS Director of Enterprise Accounts Tom Dames (202-675-4228, tdames@ups.com) will be the NASPO ValuePoint Contract Administrator. Tom has been with UPS for 29 years. He is authorized to coordinate with all the UPS Directors aligned to each Participating State to ensure an efficient implementation of the Master Price Agreement. These directors will assign new account numbers when required and ensure that these account numbers are attached to the correct contracted rates.

Tom will work in conjunction with a Managing Director and be supported by 7 Directors of Enterprise Accounts. The sales team is geographically aligned to each state. Each state will be provided the name, address and telephone of their aligned director and we will keep this information current at all times. In turn, these 7 Directors will coordinate activities with over 500 Field Account Managers



who will provide local support to NASPO ValuePoint participating sites and Authorized Users.

The account set up process will begin when the State Participating Addendum (PA) is executed and the states begin the identification of required shipping locations. The Directors of Enterprise Accounts will work directly with each state devise an implementation plan. Within this plan they will address the areas of: shipping processes, shipping solutions, pick-up and delivery needs, visibility tools, invoice validation processes. These implementation plans will include timelines and task lists and assignments, and usually include weekly conference calls and trackers to ensure timely completion of required activities.

<p>Tom Dames UPS - Director of Enterprise Accounts</p> <p>316 Pennsylvania Avenue , SE Suite 500 Washington, DC 20003-1185 202.675.4228</p> <p>TDames@ups.com</p>	 
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2. Problem Resolution Contact: Problem Resolution. Carrier shall be available for problem resolution on-site at the Authorized User's location. In addition, Carrier shall be available to Authorized Users via local or toll free phone number for normal problem resolution including but not limited to problems of shipment pickup, delivery, claims handling or incorrect billing. Requests for on-site problem resolution shall be on an as needed basis per request by the Authorized User. Carrier shall respond to the on-site problem resolution within 24 hours of Authorized User's request. Offeror shall provide their problem escalation process.

UPS can comply with this requirement.

UPS deploys over 500 sales and support representatives throughout the US that will support local issues. UPS has a dedicated toll free number where we will have a dedicated customer support team that will assist with any issues that may arise. This customer support team will provides full coverage so that NASPO ValuePoint users will not realize any gaps in coverage that may occur due to for vacations, illness, etc. This has proven to be a better option than having one dedicated person. We will have a dedicated email address that will also be routed to NASPO ValuePoint support team members.



3. Offeror shall have trained personnel that can research and maintain a quality assurance program through tracking and monitoring deliveries. Offeror must describe its ongoing quality control program. Carrier shall have uniformed personnel who will adhere to all security procedures required by Authorized Users.

To ensure the quality of our service, UPS has assigned an operational excellence manager to every UPS region and district throughout the U.S., as well as internationally. These individuals are responsible for monitoring performance indices such as time-in-transit, shipment integrity, tracking data accuracy, as well as damage and claim occurrences. Operational excellence managers are responsible for identifying problem areas and then working with our operational groups to resolve and eliminate problems. We hold them accountable for generating improvements in all of the indices that they track. Customer-focused service results have improved year-to-year in part due to the involvement of the Operational Excellence staff.

Total Quality Management

We have instilled the UPS approach to total quality management within all levels of management and non-management through a program called “Think like a Customer.” This philosophy applies to both internal and external customers. Every UPS employee is the customer of the preceding operation, so every employee’s goal is to “Think like a Customer” and to ensure that the quality of his or her work meets the expectations of the next operation. By generating this behavior throughout the distribution chain, we assure the satisfaction of the ultimate customer.

Balanced Scorecard

UPS uses a variety of internal indices that measure the quality of our work. The main internal control is the balanced scorecard. This is a comprehensive measurement system used to monitor overall company performance in four perspectives: customer, people, financial and internal business. We select specific, measured elements for all organizational levels and functions.

The following is a list of some of UPS’s measured indices on the scorecard:

- Delivery claim frequency
- Origin damages
- On-time delivery (index)
- Origin scan frequency (scans in UPS facility after we have made the pickup)
- Delivery scan frequency (service provider scan)
- Total time-in-transit
- Next Day Air time-in-transit



- End to end service
- International time-in-transit
- Part time employee turnover
- Volume plan versus actual
- Expense plan versus actual
- Profitability
- Operation productivity

Based on the results of these metrics and assessments, UPS operational excellence managers work with our operations group to isolate and correct any recognized issues in our system.

Consolidated Service Center Quality Control Group

The Consolidated Service Center Quality Control Group works with our phone center operations and is the control element for phone center service levels. Their responsibilities include:

Call Monitoring – This group has an active schedule of call monitoring to help evaluate the overall effectiveness of our customer service representatives.

Transaction Assessment – This procedure provides constant feedback about documented customer transactions. We return documentation with errors to the Consolidated Service Center sites to allow management an opportunity to follow up on inaccurate information.

Data Integrity Reports – These reports provide a monthly assessment on the quality of information captured and released in our operations.

Service Recovery Program

Our Service Recovery Program is a quarterly sampling that uses the UPS Customer Concerns Resolution Survey (CCRS). We use the results to provide a top-down comparison from corporate to region to individual district level. This is vital for making quality gains in customer satisfaction.

Customer Satisfaction Program



The UPS Customer Satisfaction Index (CSI) facilitates the continuous monitoring and measurement of customer satisfaction, relationship, loyalty, and value. The CSI measures customer satisfaction for UPS and two major domestic competitors – FedEx and the U.S. Postal Service (USPS).

We use CSI results to define specific actions to improve our service to our customers. More than 45 key elements are grouped into 13 major categories, all defined by the “voice of the customer.” Our customers decide which key attributes make up the elements that best determine customer satisfaction.

Each year, an independent service collects more than 2,000 customer interviews upon which we base our CSI results. We closely track and monitor these results and can further categorize the thirteen major categories into three key areas of customer perception. These areas are:

- *Core Services* – delivery and pick up reliability, visibility of shipments and technology solutions
- *Personnel* – account representatives, drivers and customer service representatives
- *Price and Value* – competitive rates, quality services at reasonable prices and flexibility

Measured Performance

Besides the traditional on-time performance measure of delivery by service level and customer, we measure customer satisfaction and our “Think like a Customer” effectiveness through the Customer Satisfaction Index (CSI). The CSI asks shippers to rate UPS and competitors on service attributes such as:

- Meeting their scheduled delivery day and time
- Consistently delivering packages in good condition
- Providing quality services at reasonable prices
- Accepting responsibility and ownership for issues or problems
- Providing real-time detailed visibility information from pickup through delivery

We track employee satisfaction using the UPS Employee Relations Index (ERI). The ERI contains the opinions of all workgroups. Each supervisory group can review their performance as related to their individual employees.

Production Quality Check Points



Quality checkpoints are determined through goals set forth by point of arrival (POA) metrics. POA metrics allow for strategic corporate-wide goals, which we align with overall vision and competitive position so individual employee actions are focused on attaining or exceeding those targets. We developed POA metrics so we can accomplish corporate goals by taking bite-sized challenges, realizing that we cannot reach our targets overnight.

M – SHIPMENT OF MATERIALS

1. **Dangerous, Hazardous or Otherwise Restricted Materials:** Carrier shall be capable of shipping a variety of hazardous, dangers or other restricted types of materials. Offeror shall provide its policy for dangerous, hazardous, and restricted materials.

UPS currently transports hazardous materials within and between the U.S. and Puerto Rico for Government Agencies. UPS provides many tools that can assist NASPO ValuePoint authorized users in determining if a package contains a hazardous material, and if it needs to be classified, labeled, marked, and packaged in accordance with government regulations. We also provide training workshops where Government employees can be properly trained, tested, and certified on hazardous materials procedures and regulations (as defined in 49 CFR).

UPS maintains a Hazardous Materials Support Center at 800-554-9964 that is available to answer any questions about shipping hazardous materials with UPS. The UPS Hazardous Materials Support Center is staffed and open continuously from 8am Monday until 6am Saturday.

UPS will handle all shipments containing hazardous material or dangerous goods in accordance with the requirements as outlined in the applicable governing regulations, including but not limited to Title 49 of the Code of Federal Regulations (49 CFR) and all applicable state and local regulations for the interstate and intrastate surface movement of shipments containing hazardous material or dangerous goods under this service. We are able to carry hazardous materials for our customers as a contract service under the provisions set forth in the UPS standard form Agreement for Transportation of Hazardous Materials (Agreement). To receive hazardous materials service, NASPO ValuePoint Authorized Users must either sign an Agreement or incorporate the provisions of the Agreement into a customized contract for shipping service with UPS.

In the event that some agencies hold exemptions and approvals from the U.S. Department of Transportation (DOT) or have a rider on existing exemptions and expect to receive other exemptions or approvals as needed to transport hazardous material evidence, UPS will provide pickup, special handling and timely delivery of exempted and approved hazardous material within the provisions of the stated exemption or approval as is consistent with our standard commercial practices.



Complete Hazardous Materials shipping guidance is available at:
<https://www.ups.com/content/us/en/resources/ship/hazardous/index.html>

2. **Evidentiary Materials:** Offeror must be able to provide services for shipments of evidentiary materials in compliance with any participating state laws, policies or procedures. A copy of these Participating State or Participating Entity policies and procedures is available upon request.

UPS is generally able to provide services for shipments of evidentiary materials pursuant to its “UPS Express Critical®” services as described in Section 6.1.I of this Technical Proposal. Such services will be subject to the terms established at: http://ups-scs.com/tools/terms/ups_expresscritical_tc.pdf, and such terms are incorporated herein by reference and in the event of conflict, the terms of the Master Agreement will supersede these terms to the extent of the conflict as set forth in Section 1.b of the Master Agreement. State laws, policies or procedures related to the handling of shipments of evidentiary materials have not been previously provided. Upon their presentation by any Participating State or Participating Entity, UPS will review relevant state laws, policies or procedures regarding the handling of shipments of evidentiary materials to ensure compliance. Such additional compliance requirements will be established in the Participating Addendum and/or Purchase Orders issued by the Participating State and/or Participating Entity and accepted by UPS.

N - DELIVER AS ADDRESSED

1. When requested, Offeror must return undeliverable package to sender, rather than performing an address correction and forwarding the package to an address. Offeror shall work with the Authorized User to adequately identify these items as “deliver as addressed” or in a mutually agreed language rather than forwarding them to a correct address. Authorized Users shall notify Offerors of such packages. Offerors shall not charge an additional fee for returned items that are appropriately identified as “deliver as addressed.”

UPS can comply with this requirement. Please note that this requirement will be met using a fee based service. With UPS, a single driver can deliver Ground, Air and International small package shipments at the same time. As is our standard commercial practice, UPS tenders packages for delivery to the mailroom, suite, loading dock, or residential address as labeled.

Deliveries to commercial locations occur during normal business hours. If an unforeseen event prevents our driver from making a delivery during normal business hours, packages will be returned to the local UPS facility and secured. An additional delivery attempt will be made the following business day. As more federal employees’ telework, we forecast an increase in agency residential pickup and delivery requirements. UPS offers shippers the option to request Signature Required or Adult Signature Required to prevent packages from being released at



residential locations. Residential consignees can sign up for UPS My Choice®, which will provide visibility into expected deliveries. This visibility offers consignees the ability to manage their deliveries with minimal disruptions.

O – MARKETING PLAN

Offeror shall provide a marketing plan explaining how it will market its relationship with NASPO ValuePoint, Lead State, and Participating Entities in future marketing material and campaigns. The NASPO ValuePoint Master Agreement Terms and Conditions include program provisions governing participation in the cooperative, reporting and payment of administrative fees, and marketing/education relating to the NASPO ValuePoint cooperative procurement program.

1. Briefly describe how you intend to promote the use of the Master Agreement.

UPS comprehends that effective services and value-rich solutions must be supported by a well thought out Marketing Plan which contains effective awareness and communications, dedicated individuals to support members, and competitive prices.

UPS SERVICES AND SOLUTIONS

UPS services and solutions can be tailored to meet the needs of each state and agency. UPS possesses a vast, highly trained network of local solution experts in each community, who offer flexible pick-up, delivery and logistic services tailored for each client. The large presence within each State or Commonwealth allows shipments to be picked up and delivered with short transit times. UPS has an integrated network; therefore, the same UPS driver can pick-up and deliver ground, air, and international shipments. The network is vast and enables connectivity within the same city and throughout the U.S. or the world.

UPS understands that government agencies are always looking for ways to improve efficiencies for its residents. Agencies and CPOs desire vendors who share best practices from both industry and government. UPS has developed solutions to support:

- Integration of technology to provide outbound and inbound visibility, ease of shipping, and simplified accounting reconciliation.
- Disaster relief and planning
 - Preposition inventory vs. vendor staging
- Responsiveness to the needs of the Department of Health
 - Newborn Screening
 - Water testing
 - Zika testing
 - Biologic testing
- Distribution of high-value and sensitive shipments
 - Evidence



- Electronic tapes
- Inbound optimization
- Warehouse planning and optimization
- Hazardous materials transportation
- International shipping
- Cost management

While States and Commonwealths have logistics challenges, UPS is there to offer support and expertise across all modes of the supply chain: international, truckload, security, brokerage, hazardous materials, mail, air freight, next flight out, and technology solutions. UPS has experts across all of these areas to augment the capabilities of the UPS Enterprise Account Director, CPOs, and their staff as logistic challenges arise.

AWARENESS AND COMMUNICATIONS

Awareness and communications, throughout any business facet, are essential in operating with a high level of efficiency and effectiveness. Good ideas often fall short due to ineffective communication. UPS's marketing plan focus both on internal and customer communications.

UPS Internal Communication

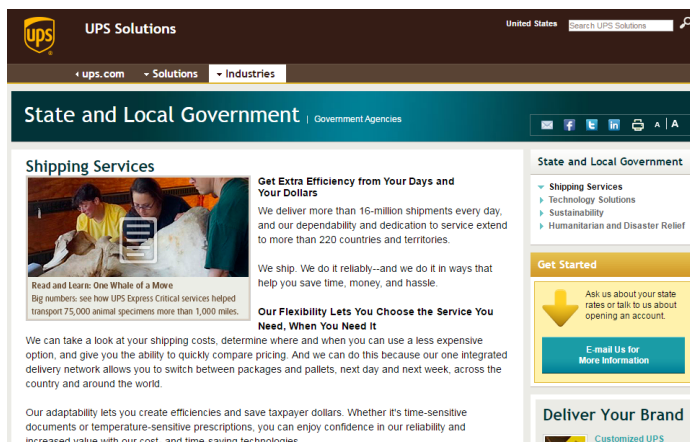
- Training of over 350 customer facing UPS solution experts on the value of the NASPO ValuePoint agreement.
- Upon announcement of an award, UPS will conduct a series of internal kick-off events and training sessions to fully explain the agreement and the value desired by NASPO ValuePoint. NASPO ValuePoint representatives are welcomed and encouraged to participate in these meetings.

UPS External Communication

- UPS Enterprise Account Directors will schedule reviews with CPOs or their designee within 15 days of the award.
- UPS will send written communication to member states detailing the award and desire to support their unique needs.



- UPS will promote the agreement on the State Government industry solutions page of www.ups.com. This site also contains links that enables a member to begin using UPS services. Link:



- Tradeshow and events are also another powerful communication vehicle to interact with members. UPS will attend the annual NASPO ValuePoint event “*How to Market to State Governments Meeting*” during the time frame of this agreement. UPS also plans to attend at least two other trade events that support NASPO ValuePoint members each year.
- UPS develops informative case studies of best practices that will be shared with CPO’s and agencies. These case studies support the desire for CPOs to be kept current on industry innovations and trends.

DEDICATED PEOPLE

UPS will ensure that NASPO ValuePoint members benefit from customer facing solution experts that are trained to support state government and dependent agencies; this is a strength of UPS. We value the opportunity to support NASPO ValuePoint members and recognize that training and equipping our solutions experts with industry specific knowledge and tools to support the agreement is essential in UPS’s success.

- Each State or Commonwealth will be assigned an Enterprise Account Director. Not only are they adept in optimizing logistics, each one is trained on essential government procurement and compliance guidelines.
- The Enterprise Account Directors are supported by an account team of over 350 Enterprise Account Managers trained to position the value of the NASPO ValuePoint agreement. UPS connects its sales representatives via a “Contract Implementation” technology tool that provides the appropriate UPS solution experts with information and direction regarding the implementation of the NASPO ValuePoint award or the specific instructions of the CPO.



- UPS Enterprise Account Directors and Enterprise Account Managers will evaluate participation in selected annual statewide leadership events or annual expositions of state procurement. This will contribute to the development of a professional relationship over the course of the agreement.
 - UPS will establish a toll free number that can respond to requests from NASPO ValuePoint members.
 - UPS will establish a dedicated NASPO ValuePoint email account for member inquiries. Members will have the option of utilizing this email address or emailing the UPS NASPO ValuePoint contract manager directly.
2. Knowing that state procurement officials (CPO) must permit use of the Master Agreement in their state, how will you integrate the CPO's permission into your plan for promoting the agreement?
- UPS assigns a transportation and logistics industry professional, UPS Enterprise Account Director to each state. The primary role of the UPS Enterprise Account Director is to support the CPOs in their aim to support the functional agencies. They do this by meeting with CPOs, CPO's direct reports, and function areas of the state in order to offer insight into new solutions and changes in the industry and government. Agreements will be reviewed with the CPO or their designee.
- The UPS Enterprise Account Director will review with the CPO the quantified value of the relationship, communicate activities regarding state agencies, and provide industry insight and best practices for the CPO to consider.
3. Public entities are sensitive to "scope" issues, that is, whether performance is within the intended scope of the solicitation as awarded. In the context of your method of promoting agreements of this nature, how would you clarify any questions regarding the scope the agreement with respect to any potential order?
- UPS Enterprise Account Directors are familiar with the scope of the agreement and can respond to questions. Additionally, UPS has a corporate manager that is responsible for the NASPO ValuePoint agreement and is a published contact for both internal and external questions. Additionally, the appropriate contract manager from NASPO ValuePoint would be contacted as needed.
4. How will your company manage due dates for administrative fee payments and usage reports?
- Tom Dames, UPS Director of Enterprise Accounts NASPO ValuePoint Contract Administrator, is the primary contact for the NASPO ValuePoint agreement and will ensure that payments and reporting as per the agreement are maintained and are on time. Tom will work with various functions within UPS to maintain this schedule.
5. Through its Cooperative Development Coordinators and Education & Outreach team, NASPO ValuePoint assists Lead States by engaging vendors in strategies



aimed at promoting master agreements. What opportunities and/or challenges do you see in working with NASPO ValuePoint staff in this way?

The NASPO ValuePoint staff are crucial to the success of providing services which benefit NASPO members. The NASPO ValuePoint staff ensures that members maximize the benefits of vendor agreements. UPS sees this as an opportunity to work with designated staff to gain insight to best support members. By fostering this relationship, NASPO staff will help to ensure that communications for CPOs, States, and agencies are appropriate and effective. Therefore, working with the NASPO staff on a regular basis is a priority and will in turn ensure the best services be offered to its members. UPS will formally meet with the appropriate NASPO staff members at least twice a year for a quantified business review.

NASPO ValuePoint staff will be able to provide insight as for the best way to communicate and implement solutions which benefit the states. NASPO ValuePoint staff will be able to provide introductions to key people responsible for solving particular problems at the state level.

P – GREEN TRANSPORTATION PLAN

Offeror shall outline its green transportation plan.



UPS maintains our leadership in sustainability initiatives and reporting and we have been consistently recognized for our global efforts. Notably, we earned a perfect score of 100 in the CDP Climate Disclosure Leadership Index's Global 500. This is the fourth consecutive year in which we have scored among the highest marks for voluntary carbon disclosure.

UPS was selected as a constituent of the Dow Jones Sustainability World Index for the second consecutive year and was included on the North America Index for the 10th consecutive year.

During 2014, we logged 154 million more miles in our alternative fuel and advanced technology vehicles, surpassing the 500 million mile mark in our journey to drive 1 billion miles in this fleet by the end of 2017. These efforts enabled us to avoid 25 million gallons, or 5.4 percent, of our total conventional gasoline and diesel use in 2014.

We have accelerated our investments in this alternative fuel and advanced technology fleet; we increased the total number of vehicles by 61 percent over 2013, including more than 1,100 natural gas vehicles. Although these vehicles require a greater initial capital outlay, they cost less to operate than conventional trucks and they give us more fuel flexibility overall. Through the end of 2014, we have invested in 23 LNG and CNG fueling operations across 10 states.

The use of telematics throughout our domestic small package, freight forwarding, and ground freight fleets enabled us to avoid 281 million minutes of idling time in 2014, equivalent to 2 million gallons of fuel and 19,000 metric tonnes of CO₂.

By the end of 2014, we deployed ORION to 23,000 U.S. drivers and expect to reach full deployment in the U.S. by the end of 2016. In 2014, drivers with ORION deployed



realized a reduction of six to eight miles per route, resulting in lower fuel use and related vehicle emissions. When fully deployed, ORION is expected to reduce the annual distance driven by our drivers by 100 million miles, saving 10 million gallons of fuel, which translates into 100,000 metric tonnes in CO₂ emission avoided each year.

We are providing additional details of our sustainability initiatives in Section F – Green Initiative of our RFP response. Our topics covered include:

- UPS Sustainable Global Transportation Network
- UPS Alternative Fuel/Technology Fleet
- UPS's Unmatched flexible Ground Network
- UPS Airline Sustainable Practices
- UPS Sustainable Services for Our Customers

UPS'S ALTERNATIVE FUEL/TECHNOLOGY FLEET

UPS has the nation's largest private fleet of alternative fuel/technology vehicles in the sector, gaining operational experience with every imaginable type of alternative fuel technology, including the novel hydraulic hybrid. UPS was the first in our industry to use:

- Electric vehicles (1935)
- Propane vehicles (1970s)
- Compressed Natural Gas (CNG) vehicles (1985)
- Hybrid Electric Vehicles (HEV) (2001)
- Liquefied Natural Gas (LNG) tractors (2002)
- Successfully tested hydrogen vehicle (2003)
- Hydraulic hybrid vehicle (2005); first in the industry to purchase and deploy (2008)

As fuel prices begin to reflect carbon emissions and new technology and economies of scale emerge, UPS will further expand its use of alternative fuel vehicles.

UPS'S UNMATCHED FLEXIBLE GROUND NETWORK

Our ability to shift to the most energy efficient mode of transport in segments of our expedited premium/air services (air is 6 to 8 times more energy intensive than truck) in US small package alone allows us to save the equivalent emissions of every UPS owned package car in the world (including the US domestic fleet) and is beyond what we already save with the use of the rail. Our extensive use of rail in the US and the extraordinary network & intermodal-shift capabilities are complemented by the most efficient & noise compliant airline in the sector; the only customized fleet; an operating model that gives us the ability to deliver and pickup all premium and ground packages with one vehicle and one driver; state of the art Package Flow Technology that gives us unprecedented sortation, loading, and routing capabilities



(no left hand turns); and precision in delivery through the use of seasoned teamster service providers to deliver our services throughout the US. It is hard to match UPS's flexible ground network necessary to effectively make such intermodal shifts while achieving timely delivery.

UPS FUEL-EFFICIENT AND NOISE COMPLIANT AIRLINE

UPS is one of the most fuel-efficient airline in the sector. Since becoming an airline in 1988, UPS has led the sector in the fundamentals that minimize CO₂ lbs. per available-ton-miles. UPS Airline currently operates at 1.42 lbs. of CO₂ per available ton mile (ATM – calculated in nautical miles). Our goal is to operate a global UPS air fleet with a 20% improvement in CO₂ lbs. per ATM from 2005 levels by 2020 (ATM calculated in nautical miles).

UPS's early actions started over 20 years ago. In 1987 we were the first in the sector to begin to upgrade from a 727 fleet to a 30+% more fuel efficient 757 fleet. As a result of this initiative we have saved over a billion gallons of fuel and 11 million tons of CO₂ between 1995 & 2008 alone. Additional significant airline improvements include:

- In 1995, UPS was the only airline in the sector that re-engined 727-100 aircraft (20% improvement in fuel efficiency / 50 million gallons of fuel savings). UPS retired the last 727-100 aircraft in 2008
- All 727-200 aircraft in the UPS fleet have been replaced by more fuel efficient aircraft, the last 727-200 was retired in 2004
- In 2008 we retired our last of the 747- 200's with upgraded 747- 400's which are 20% more efficient

UPS is committed to protecting our environment through sustainable business practices. We integrate sustainability across the board, with management leadership, comprehensive strategies, and practical action. We will continue to seek innovative ways UPS can make a positive impact on our environment through sustainability. We also hope to partner with our customers in achieving their sustainability goals for their operations.





UPS SUSTAINABLE SERVICES

Carbon Impact Analysis

We are part of our customers' supply chain. As they try to measure and manage the impact of that supply chain, it's useful for them to understand the greenhouse gas (GHG) emissions associated with it. Using our Carbon Impact Analysis, we calculate GHG emissions from shipping activities for our corporate customers. We then use the findings to offer supply chain optimization techniques that help reduce their GHG impact and improve logistics efficiency.

Validated Carbon Neutral Shipping

We provide customers with an easy, low-cost way to offset the GHG emissions associated with shipping a document, package, or freight. Customers can contract with us for automatic GHG neutral shipping, or select a carbon neutral option each time they set up a shipment. Our carbon calculation methodology and processes are certified by The CarbonNeutral Company and verified by SGS.

Sustainable Packaging Solutions

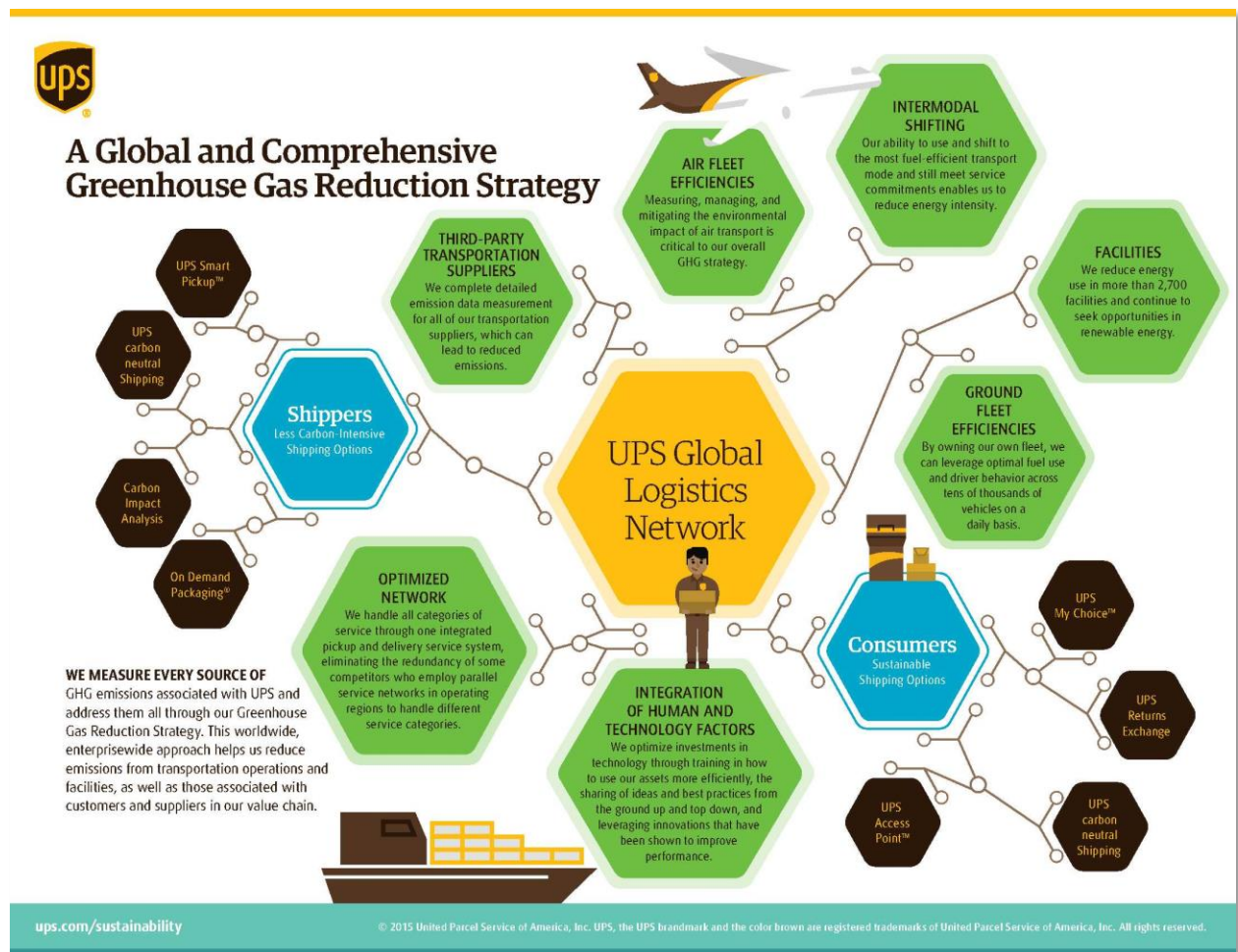
- **UPS Package Design and Test Lab** – The UPS Package Design and Test Lab offers UPS customers advice on minimizing the environmental impact of their own packaging. Because UPS works with all modes of transport and virtually all types of shipments, the lab has abundant experience to offer on everything from choosing environmentally friendly materials for packages, packing material and closures to shipping practices that minimize damage that lead to re-shipping.
- **Eco Responsible Packaging Program** – UPS established the Eco Responsible Packaging Program for our customers who are committed to sustainable packaging. If you're already effectively addressing packaging sustainability, you will benefit from having a venue for communicating those efforts to your customers. Companies participating in this program allow UPS to conduct an evaluation of packaging processes. These companies must meet criteria in three areas—damage prevention, right sizing, and materials content—to participate in our program. Once you qualify, you can be licensed to affix the UPS Eco Responsible Packaging Program logo on your packages. Customers will recognize your efforts at making your shipping more sustainable before they even open your package. The Eco Responsible Packaging Program has been verified by Société Générale de Surveillance (SGS), an inspection, testing and verification company, and our program is praised by the Sustainable Packaging Coalition and BSR, a global business network and consultancy focused on sustainability.
- **Reusable UPS Express Envelopes** – In 1998, we were the first in our industry to introduce a reusable express envelope. This came as we accepted a challenge from the Environmental Defense Fund to lead the industry by improving the environmental profile of our express packaging. As a result, we redesigned our express packaging to eliminate bleached paper and increase the use of post-consumer recycled content—changes that not only reduced



paper usage, but also reduced the amount of energy used in the manufacturing process by 12 percent. When customers use the envelope a second time, waste is reduced by half.



In addition to the infographic which describes UPS's Greenhouse Gas Reduction Strategy, we are also providing our 2014 Corporate Sustainability Highlights which can be shared with any NASPO participating members.





6.2 - NASPO ValuePoint Master Agreement Statement of Compliance

NASPO ValuePoint Master Agreement(s) resulting from this RFP will constitute the final agreement except for negotiated terms and conditions specific to a Participating Entity's Participating Addendum.

The Master Agreement will include, but not be limited to, the NASPO ValuePoint Standard Terms and Conditions in Attachment A and Lead State specific terms and conditions required to execute a master agreement, the scope of work and selected portions of the Offeror's Proposal.

This section highlights particular terms and conditions of NASPO ValuePoint Master Agreement Terms and Conditions, although Offerors will be bound to all the terms and conditions when executing a Master Agreement as shown in Attachment A. Offerors must include a statement in their Proposal that they have read and understand all of the terms and conditions as shown in the Master Agreement (Attachment A).

UPS has read and understands all of the terms and conditions as shown in the Master Agreement (Attachment A).

A. Insurance

To be eligible for award, the Offeror agrees to acquire insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state at the prescribed levels set forth in Section 21 of the NASPO ValuePoint Master Agreement Terms and Conditions. Describe your insurance or plans to obtain insurance satisfying the requirements in Section 21.

UPS can comply with is requirement. UPS can provide proof of insurance to NASPO for all drivers, employees, agents and vehicles. UPS does not bond our employees, but we have a strict crime policy that covers employee theft. Performance bonding is available under special circumstances. The following coverage detail has been provided for demonstration purposes only as a part of our proposal submission. Upon the execution of a contract, we would work with our Risk Management department to send copies of our insurance certificates as they pertain to the operation/services performed for NASPO.

Severability Liability Notice - The subscribing insurers' obligations under contracts of insurance, to which they subscribe, are several and not joint, and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who, for any reason, does not satisfy all or part of its obligation.



AUTO LIABILITY INSURANCE

Auto Liability Insurance for UPS			
Includes Coverage for: UPS Capital, Customer Solutions, and MBE			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Auto Liability (All owned, non-owned, and hired) (All other states)	\$1,000,000	01/01/2016-01/01/2017	Liberty Mutual Fire Insurance Company Policy # AS2-C21-004175-336 (All Other States) Policy # AS5-C21-004335-266 (US Virgin Islands) Policy # AS2-C21-092036-216 (AK, CA, CO, HI, IA, ID, KS, MN, MO, MT, ND, NE, NV, OR, SD, UT, WA, WY)



GENERAL LIABILITY INSURANCE

General Liability Insurance for UPS			
Includes Coverage for: UPS Capital, Customer Solutions, and MBE			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
General Liability Includes: Products/Completed Operations, Bodily Injury and Property Damage Liability, and Personal Injury	\$1,000,000	01/01/2016-01/01/2017 (Occurrence Basis)	Liberty Mutual Fire Insurance Company Policy # TB2-C21-004175-286 (All Other States) Policy # TB2-C21-092036-146 (AK, CA, CO, HI, IA, ID, KS, MN, MO, MT, ND, NE, NV, OR, SD, UT, WA, WY) Policy # TB5-C21-092036-866 (US Virgin Islands)

MISC. PROFESSIONAL LIABILITY INSURANCE

Misc. Professional Liability Insurance for UPS			
Includes Coverage for: UPS Consulting and Customer Solutions			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Misc. Professional Liability	\$5,000,000 (Each loss & aggregate)	07/20/2015-07/20/2016	Chubb Policy # 8210-4575



BANKER'S PROFESSIONAL LIABILITY FOR UPS CAPITAL

Banker's Professional Liability for UPS Capital			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Banker's Professional Liability	\$5,000,000 (Each loss & aggregate)	07/20/2015-07/20/2016	Chubb Policy # 8210-4558

PROPERTY INSURANCE

Property Insurance for UPS			
Includes Coverage for: UPS Cartage Services, UPS Capital, UPS Professional Services, MBE, UPS Supply Chain Solutions, Worldwide Dedicated Services, UPS Ground Freight, and any other UPS wholly owned entity			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Property Insurance Includes: All Risks of Physical Loss or Damage, on both Real and Personal Property, on a repair or replacement cost basis, owned or leased by the insured	Real property, property value/loss of rents	05/20/2015-05/20/2016	UPINSCO Policy # UPI-1002-15



WORKERS' COMPENSATION INSURANCE

Workers' Compensation Insurance for UPS			
Includes Coverage for: UPS Capital, Customer Solutions, and MBE			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Workers' Compensation and Employer's Liability	Statutory and \$1,000,000	01/01/2016-01/01/2017	<p>Liberty Mutual Fire Insurance Company</p> <p>Policy # WA5-C2D-092036-116 (AK, ID, MT, SD) (EL Coverage for ND, WA, WY)</p> <p>Policy # WA7-C2D-004335-056 EL coverage for PR</p> <p>Same limits apply.</p> <p>Policy # WC5-C25-004335-976 (CO, FL, IN, KY, MI, UT, WI)</p> <p>Policy # WC5-C25-092036-096 (IA, KS, MN, MO, NE, OR)</p> <p>Policy # WA5-C2D-092036-246 (AL, AR, AZ, CA, CT, DC, DE, GA, HI, IL, LA, MD, ME, MS, NC, NH, NJ, NM, NV, NY, OK, PA, RI, SC, TN, TX, VA, VT) (EL coverage for OH, VI, WV, MA)</p>



Excess Workers Compensation	Statutory	01/01/2015- 01/01/2016	Liberty Mutual Fire Insurance Company
			Policy # EW7-62N- 004271-626 (WA)
			Policy # EW5-62N- 092036-596 (OH,WV)
			Policy # EW7-62N- 004335-856 (MA)

CARGO INSURANCE

Cargo Insurance for UPS*			
Includes Coverage for: UPS Supply Chain Solutions, Worldwide Dedicated Services, UPS Cartage Services, and UPS Ground Freight (Subject to applied tariff)			
UPS	Limits of Liability	Policy Period	Insurance Companies and Policy Numbers
Cargo	Statutory and	01/01/2016 -	Liberty Mutual Fire Insurance Company
*Note: Subject to the UPS Service Guide requirements as to loss of package plus declared value amount	\$1,000,000	01/01/2017	YM2-621-092036-036



B. NASPO ValuePoint Administrative Fee and Reporting Requirements

To be eligible for award, the Offeror agrees to pay a NASPO ValuePoint administrative fee as specified in Section 6 of the NASPO ValuePoint Master Agreement Terms and Conditions. Moreover, specific summary and detailed usage reporting requirements are prescribed by Section 7 of NASPO ValuePoint Master Agreement Terms and Conditions.

Offerors shall identify the person responsible for providing the mandatory usage reports. This information must be kept current during the contract period. Contractor will be required to provide reporting contact within 15 days of Master Agreement execution.

UPS can comply with is requirement. UPS NASPO ValuePoint Contract Administrator Tom Dames (202-675-4228, tdames@ups.com) will be the UPS contact responsible for providing the mandatory usage reports.



6.3 - Intentionally Deleted per Section 4.3 of the RFP.

6.4 - Participating State Terms and Conditions

Participating State Terms and Conditions. As a courtesy to Offerors, some Participating State specific Terms and Conditions are provided in Attachments to this solicitation. These are for informational purposes only and will be negotiated with individual Participating States after award of the Master Agreement. Each State reserves the right to negotiate additional terms and conditions in its Participating Addendums. Offerors shall submit a statement that they understand they may be required to negotiate these additional terms and conditions when executing a Participating Addendum.

UPS understands that the Company may be required to negotiate additional terms and conditions when executing a Participating Addendum with individual Participating States.

7- TECHNICAL RESPONSE

7.1 Technical Requirements

This section contains technical requirements pertaining to solicitation BC16018 Small Package Delivery. Other sections of this RFP contain additional requirements that must be met in order to be considered responsive. Offerors must identify in their Proposal how their company meets (or exceeds) all requirements listed in Section 4 of this RFP solicitation. This section contains evaluation criteria for scoring proposals.

A. QUALIFICATIONS OF CARRIERS (100 points)

Offeror will be evaluated based on its response to Section 4.1(A). Offeror is not limited to its response to Section 4.1(A) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(A) OF THIS TECHNICAL PROPOSAL.

B. PRIOR EXPERIENCE (100 points)

Offeror will be evaluated based on its response to Section 4.1(H). Offeror is not limited to its response to Section 4.1(H) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(H) OF THIS TECHNICAL PROPOSAL.

C. DROP BOXES (50 points)

Offeror will be evaluated based on its response to Section 4.1(J). Offeror is not limited to its response to Section 4.1(J) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(J) OF THIS TECHNICAL PROPOSAL.

**D. POINT OF CONTACT (50 points)**

Offeror will be evaluated based on its response to Section 4.1(L). Offeror is not limited to its response to Section 4.1(L) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(L) OF THIS TECHNICAL PROPOSAL.

E. MARKETING PLAN (50 Points)

Offeror will be evaluated based on its response to Section 4.1(O). Offeror is not limited to its response to Section 4.2(O) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(O) OF THIS TECHNICAL PROPOSAL.

F. GREEN INITIATIVE (25 points)

Offeror will be evaluated based on its response to Section 4.1(P). Offeror is not limited to its response to Section 4.2(P) and may expand as needed.

PLEASE SEE UPS'S RESPONSE IN SECTION 6.1(P) OF THIS TECHNICAL PROPOSAL.

G - DATA SECURITY

Offeror shall describe in detail what measures are taken to protect sensitive customer

UPS understands the importance of customer confidentiality. UPS manages and secures data, including personally identifiable information (PII), in a manner that complies with applicable laws and regulations.

UPS goes to great lengths to ensure your assets and data are secure throughout the entire transit process. Due to confidentiality, we cannot reveal too much regarding our extensive security practices. The following details briefly illustrate the different safeguards we take to protect our customers' information.

NETWORK SECURITY

As a security measure to prevent the compromise of data, UPS employs network firewalls and intrusion prevention systems. The firewalls block the transmission of certain classes of traffic. We block internal traffic going outbound except for authorized sites. UPS also maintains systems that move data through routine electronic data interchange (EDI) transmissions where the engagement requires this form of protection.

DATA CENTER SECURITY

The UPS datacenters are physically separate from other UPS operations. Security cameras, sprinklers designed for electrical fire retardants, badge identification, and a locked waiting room protect the data center. This area is restricted to authorized personnel.

INTERNET APPLICATION SECURITY



We use current commercial technology to protect customer data from unauthorized access via the Internet. We use Secure Sockets Layer (SSL) or Transport Layer Security (TLS) for encrypted communication and digital certificates for validation and authentication.

CLIENT DATA

Security associated with our customer information is important to UPS. Our Web-based applications available via the Internet require a unique ID and password.

APPLICATION SECURITY

Most UPS applications use a hierarchy of authorization levels to permit access to application programs and screens. We assign each user a security profile, which allows access to various functions and screens.

ANTI-VIRUS SECURITY

We install commercial anti-virus protection software on workstations and file servers. This software is frequently updated.

ACCOUNT SECURITY

- **Administrator Approval** - UPS has procedures in place to ensure all new account requests for NASPO will be submitted to a designated contact for approval. The process requires new account requests for your organization to be routed automatically to the dedicated NASPO UPS enterprise account team. The team member will contact the NASPO program administrator immediately to confirm acceptance or denial of all new account requests, prior to the account being established.
- **Process To Ensure Accounts Are Not Used Fraudulently** - UPS employs proactive techniques to safeguard NASPO's customer shipping accounts at various stages of the shipping process and through a variety of technology tools and best practices. For example, at login and account creation, UPS uses 128-bit secure sockets layer (SSL) encryption and digital certificates to protect information provided to UPS. A unique account ID and password are required to access the UPS system. UPS also uses an account invoice authentication procedure to activate our shipping systems, such as WorldShip. UPS also employs various tools allowing NASPO customers to manage account information and limit access to shipping accounts, restricting access to shipping documents, and control who has account access.
- **Account Updates** - Account information can be updated by contacting your enterprise account team by email or phone. If by phone, NASPO can call their designated 1-800 number and provide their six-digit account number. This will ensure the call is routed to your dedicated account team for support. If by email, NASPO would send the request to your custom email address (i.e., naspo@ups.com) for support. All account information is updated in the UPS system within 48 hours of the request.
- **Account Procedures That Address An Employee Leaving** - When a person leaves a NASPO customer site, your UPS enterprise account team will



work with the contract administrator to cancel the account number to prevent any future activity on the account. UPS can update information in our technology solutions. For example, if CampusShip® is implemented, your CampusShip® corporate administrator can remove the individual from the system, preventing them from gaining access to the shipping account. UPS will work with the administrators to ensure NASPO customers have complete control of adding and removing users without any intervention from UPS. This process will be addressed/finalized during implementation.

- **Use Of GL Codes**

GL codes can be assigned in the NASPO user profile and passed in the reference field of the EDI billing feed. The GL codes can be locked down so the user does not have the ability to change it during the shipping process. You can also require the user to enter a GL code in reference field one during the shipping process. If needed, the GL code can be required and validated against a list provided by NASPO or your customers. The user can use reference fields two and three in the system to enter other information to help with the bill reconciliation. The reference fields have a maximum length of thirty-five characters and can be alpha-numeric.

H - Scope of Work

“UPS has the capacity and experience to provide US domestic and international door-to-door express small package air services covering interstate, intrastate and international service. We will develop and implement customized shipping (and logistics) solutions for each State Government, their departments, agencies, and subsidiary political subdivisions. Our approach also includes providing technology solutions that assist each customer in managing their overall transportation process and spend. UPS understands the performance expectations, deliverables, and outcomes of this RFP. We’re ready to meet and exceed these requirements with our comprehensive portfolio which offers more guaranteed, time-definite delivery options than any other service provider. Our account management approach leverages best practices to ensure the timely implementation and on-going support of our services. Our quality assurance practices ensures we will meet and exceed NASPO ValuePoint service requirements. Finally, our experience allows us to understand your needs and in turn be a formidable partner with NASPO ValuePoint.”



UPS Success Factors for NASPO ValuePoint

UPS Differentiators

- UPS Customer Solutions
- UPS Local Presence to Support NASPO ValuePoint
- Standardized Practices Across the Organization

UPS Value

- Account Management Team Experience
- UPS Technology & Visibility Solutions
- Sustainability Business Practices & Services
- Single Driver Advantage

UPS Strengths

- Global Transportation Network
- In-depth Portfolio of Services
- Experience in Government Industry & Cooperative
- NASPO Experience/Lessons Learned





UPS STRENGTHS

GEOGRAPHIC COVERAGE

UPS strives to be everywhere NASPO ValuePoint customers can ship. UPS has a global, diverse workforce of 440,000 employees, 362,000 of which are located in the U.S. UPS operates in over 220 countries and territories positioning us to meet your national and international requirements. Our delivery fleet is comprised of 104,926 package cars, vans, tractors, and motorcycles, including nearly 7,000 alternative fuel and advanced technology vehicles. UPS has over 1,800 facilities processing documents and packages every day. UPS has an unprecedented retail access network including: The UPS Store - 4,908 locations; UPS Customer Centers - 1,003 locations; 10,113 additional authorized outlets; 38,114 UPS Drop Boxes and more than 24,000 UPS Access Point™ locations. All of this comes together to provide a powerful network to support your shipping needs. As a result of, UPS's delivery volume is 4.7 billion packages and documents for 2015. We will put this infrastructure to work for NASPO ValuePoint.

UPS SERVICE PORTFOLIO

UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
Domestic Delivery Services	UPS serves 9.4 million customers a day in over 220 countries and territories using a fleet of almost 100,000 vehicles (of which 4,518 are alternative-fuel vehicles). We also conduct 940 daily domestic and 1,015 international flights servicing 650 airports worldwide. Our major US hubs are located in Louisville, KY (main global air hub); Philadelphia, PA; Dallas, TX; Ontario, CA; Rockford, IL; Columbia, SC.
UPS Express Critical® Next Flight Out	UPS Express Critical® Air Service offers next-flight out service throughout North America. Employing the most direct shipment routing by using our automated optimization route plan that bypasses hub and gateway locations, your shipments will reach their destinations quickly and efficiently. We access real-time shipment status updates via an electronic link to the Federal Aviation Administration (FAA's) global satellite system. UPS Express Critical® Air service includes pickup and delivery.



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<ul style="list-style-type: none"> • Fastest, most direct shipment options • 24/7/365 customer service to monitor shipments • Door-to-door service • Online tracking • Milestone updates
Next Day Delivery	<p>UPS NEXT DAY AIR® PORTFOLIO - UPS delivers time-definite, guaranteed next day services to NASPO ValuePoint. As with our same day services, UPS will provide shipment integrity and visibility while leveraging our global transportation network to get your packages and documents where they need to be.</p> <p>Following is a summary of our next day services.</p> <ul style="list-style-type: none"> • UPS Next Day Air® Early AM - guaranteed delivery by 8:00 a.m. to major metropolitan areas and by 8:30 a.m., 9:00 a.m., and 9:30 a.m. to most other U.S. cities, including Anchorage, Alaska. In some extended areas, 10:00 a.m. delivery is available. UPS will deliver urgent documents and critical packages with guaranteed early morning delivery times through our Next Day Air network. This service can be used to satisfy many of your needs: <ul style="list-style-type: none"> ○ Avoid court delays ○ Get critical shipments delivered in time for early morning appointments ○ Meet contractual obligations • UPS Next Day Air® - guaranteed next business day delivery to all 50 U.S. states and Puerto Rico by 10:30 a.m., 12:00 noon or end of day, depending on destination, to all 50 states and Puerto Rico. Saturday delivery is guaranteed by either 10:30 a.m. or noon under this option. UPS delivers by 10:30 a.m. to more businesses and ZIP Codes than anyone. • UPS Next Day Air® Saver - guaranteed delivery by 3:00 p.m. or 4:30 p.m. Next day delivery is available to commercial destinations where next day air delivery is committed to 10:30 a.m. or noon, respectively. Shipments to residential locations within



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	the UPS Next Day Air Saver area are delivered by end of day.
2 nd Day Delivery	<ul style="list-style-type: none"> • UPS 2nd Day Air[®] AM - This guarantees delivery to commercial addresses by 10:30 a.m. or noon on the second business day. Get critical shipments delivered in the morning when UPS Next Day Air[®] service is not required. • UPS 2nd Day Air[®] - This service guarantees delivery by the end of second business day to all 50 U.S. states and Puerto Rico. Saturday delivery is available.
3 rd Day Delivery	<ul style="list-style-type: none"> • UPS 3 Day Select[®] - This provides guaranteed delivery of packages within three business days to every address in the 48 contiguous states. Deliveries are guaranteed by end-of-day to both commercial and residential addresses. <ul style="list-style-type: none"> ○ This service can be a great alternative to shipments that are not as urgent as UPS Next Day Air[®] or UPS 2nd Day Air[®] but require an expedited delivery. ○ Shipments made by Tuesday can reach the opposite coast by the end of the week.
UPS Ground	UPS's core network offers ground service for shipments weighing up to 150 pounds. Ground offers a combination of speed, service features, and cost-effectiveness. This service guarantees day-definite delivery, based on distance and destination, for all commercial and residential shipments in all 50 states and Puerto Rico. Ground packages move through our network via package cars, trailers, rail, or a combination of both. UPS uses package level detail (PLD) such as service level, transit windows, and origin/destination addresses to determine package routing throughout the United States.



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<ul style="list-style-type: none"> • Full visibility and tracking of grounds packages are provided at no additional charge • Guaranteed delivery by the scheduled day for commercial and residential locations • UPS Ground, like UPS's entire portfolio of services offers automatic protection against loss or damage for values up to and including \$100 • UPS Ground shipments are typically delivered in one to five business days. UPS Ground offers next-day delivery up to 450 miles; 2nd Day delivery up to 1,000 miles; 3 Day delivery up to 1,600 miles
UPS Hundredweight Service®	<p>This service is a reliable, cost-effective delivery of non-palletized, multiple-package shipments shipped to a single address on the same day.</p> <p>UPS Hundredweight is guaranteed and is available with UPS Next Day Air®, UPS Next Day Air Saver®, UPS 2nd Day Air A.M.®, UPS 2nd Day Air®, UPS 3 Day Select® and UPS Ground. Qualifications include:</p> <ul style="list-style-type: none"> • Total shipment billable weight of 200 pounds or more for each UPS 3 Day Select® or UPS Ground shipment • Total shipment billable weight of 100 pounds or more for each UPS Next Day Air®, UPS Next Day Air Saver®, UPS 2nd Day Air A.M.® or UPS 2nd Day Air® shipment
UPS Freight Services	<ul style="list-style-type: none"> • UPS Freight® - UPS Freight provides regional, interregional and long-haul surface transportation for palletized shipments and packages over 150 pounds. UPS Freight's extensive transportation network, experienced employees, and efficient systems are the ingredients to our proven solution. As a leading provider in less-than-truckload (LTL) and truck load (TL) transportation services, all of UPS Freight equipment has dock high capabilities to deliver both LTL and TL shipments. UPS Freight is one of the largest LTL carriers in the U.S., with over 200 service



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<p>centers and a fleet of approximately 5,900 tractors and over 20,000 trailers.</p> <p>With a national network and partnerships with other carriers, UPS freight offers 100 percent coverage in all 50 states. In addition, UPS Freight can also serve customers throughout North America, with expansive networks in Canada and Mexico. UPS Freight has established more than 20,000 one and two day lanes and cross-continent three and four day service lanes including Alaska, Hawaii, Guam, Puerto Rico and the US Virgin Islands.</p> <ul style="list-style-type: none">• North American Air Freight - UPS North American Air Freight provides guaranteed delivery by 12:00 noon or 5:00 p.m. on the next business day, depending on destination to most metropolitan areas within and between the 48 contiguous states, Canada, and Puerto Rico (excluding intra-Canada).
International Delivery Services	<p>The benefit of UPS's international shipping portfolio for NASPO ValuePoint is our vast global network and our experience in dealing customs complexities and regulations. The UPS network contains a variety of services depending on your time-in-transit value, security and cost requirements. These services are available to over 220 countries and territories. As the largest customs broker in the world, we provide the guidance and clearance required for NASPO ValuePoint shipments.</p> <p>UPS will leverage its global fleet and access to international airports to ensure the timely delivery of your shipments. Our vast experience, allows us to conduct business across multiple cultures and languages to facilitate your business internationally.</p>
International Package Express Delivery	<ul style="list-style-type: none">• UPS Express Critical® International – This service offers NASPO ValuePoint access to a wide inventory of trucks, aircraft and flight schedules, with few size or weight limitations. Our specialists coordinate an immediate response to help you reach locations around the globe. We can quickly assess urgent situations and apply our international experience to help give NASPO ValuePoint the support it requires.



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<p>By working with other UPS business units, such as UPS Customs Brokerage, UPS Express Critical® will work to ensure a seamless delivery across the globe.</p> <ul style="list-style-type: none"> UPS Express Critical® Charter – This service provides air charter management services throughout the world, using our worldwide network of charter providers. We offer exclusive use charter aircraft of virtually any type or size, including the world's largest cargo plane. With no size or weight restrictions, even for shipments requiring specialized handling, our charter service provides quick, easy shipment processing. UPS Express Critical® Charter provides real-time shipment status updates via an electronic link with the Federal Aviation Administration's (FAA's) global satellite system. UPS Worldwide Express® Services – UPS Worldwide Express® Freight is a premium international air service for urgent, palletized shipments over 150 pounds. The service will allow NASPO ValuePoint to ship urgent air freight door-to-door, with similar time-in-transit as UPS Express® Saver package service. The service is guaranteed by end of business day usually in 1-3 days. UPS Worldwide Express® Freight addresses NASPO ValuePoint's urgent international heavy air freight (>70lbs) needs for inventory replenishment, high value shipments, product components and replacement parts with a fast, guaranteed, and palletized shipment solution. UPS Worldwide Express Plus® – Guaranteed delivery by 9:00 a.m. to major business centers in more than 30 countries and territories. UPS Worldwide Express® – Guaranteed delivery by 10:30 a.m./12:00 p.m. to more than 50 countries and territories. UPS Worldwide Express Freight® – Guaranteed delivery by end of business day for palletized shipments to and from more than 35 countries and territories.



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<ul style="list-style-type: none"> • UPS Worldwide Saver® – Guaranteed delivery by end of business day to more than 220 countries and territories from the U.S. and Puerto Rico.
International Economy Delivery	<ul style="list-style-type: none"> • UPS Worldwide Expedited® – UPS Worldwide Expedited® is available from 80 countries to more than 220 countries and territories (although not all origins are valid to all destinations). The majority of Expedited shipments move via air; however, where possible, UPS ground networks are utilized. UPS Worldwide Expedited® gives customers the same reliability of UPS Express services, but with a slightly longer time-in-transit (on average, 2 days longer) that translates into cost savings. UPS Worldwide Expedited® is a door-to-door service with in-house customs clearance. UPS Worldwide Expedited® allows NASPO ValuePoint the flexibility needed to meet less urgent deadlines while staying within budget constraints. • UPS® Standard – Guaranteed ground delivery within two to eight business days to and from the U.S. with coverage of every Canadian province. Coverage also includes all of Mexico, making UPS® Standard the only guaranteed ground package service between Mexico and the U.S. within the global transportation industry.
International Freight Delivery	<ul style="list-style-type: none"> • UPS Express Freight - UPS Express Freight provides guaranteed door-to-door delivery in 1-3 business days to major metropolitan areas worldwide; pickup, delivery and routine customs clearance included. This is backed by best-in-class tracking and visibility technologies with UPS Express Freight, allowing NASPO ValuePoint to significantly improve the effectiveness of your import-export operations by reducing time-in-transit as well as risk and uncertainties. • UPS Air Freight Direct - UPS Air Freight Direct provides day specific scheduling with airport-to-airport delivery in 1-3 business days worldwide; pickup, delivery and customs clearing optional. UPS will deliver a fast cost-effective airport-to airport delivery



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<p>from/to 200 countries worldwide backed with best-in-class tracking and visibility technologies with UPS Air Freight Direct, allowing NASPO ValuePoint to significantly improve the effectiveness of their import-export operations by reducing their time-in-transits as well as their inventories which will help them focus on their core businesses.</p> <ul style="list-style-type: none">• UPS Air Freight Consolidated - UPS Air Freight Consolidated provides specific scheduling with airport-to-airport delivery in 3-5 business days worldwide; pickup, delivery and customs clearance optional. UPS will deliver a cost-effective airport-to-airport delivery from/to 200 countries worldwide backed with best-in-class tracking and visibility technologies with UPS Air Freight Consolidated, allowing shippers to benefit from the air freight advantages with UPS high standards of reliability and technology at a competitive cost.
Domestic Critical Secure Shipments	<ul style="list-style-type: none">• UPS Express Critical® Hand Carry Service - For critically urgent deliveries, UPS Express Critical® Hand Carry service assigns a dedicated courier to maintain constant, in-transit contact with your shipment. In many cases, this is the fastest international service available because of minimal check-in and transfer times. This service is offered in the U.S., as well as most locations around the world.• UPS Express Critical® Secure - Our UPS Express Critical® Secure service is designed to reduce handles, leverage UPS technology, and proactively monitor shipments to reduce pilferages and losses. UPS Express Critical® transports your high value shipments directly to and from UPS aircraft via bonded couriers or armored vehicles. These shipments will move as high value freight, and are not placed on conveyors while in transit. Each touch point has a controlled chain of custody. UPS Express Critical® Secure service also offers surface transportation options via either armored vehicles or bonded couriers. Drivers are trained in moving secure shipments and follow a high value/high risk checklist



UPS SERVICE PORTFOLIO	
Service	Description/Feature(s)
	<p>which includes dual drivers, controlled checkpoints, check-in calls every two-hours, verification of seal numbers on vehicles, and satellite tracking.</p> <ul style="list-style-type: none">• UPS Express Critical® Surface - UPS Express Critical® Surface service offers exclusive-use, non-stop, door-to-door ground transportation to/from any point in North America, Canada and Mexico. With access to dedicated owner-operators and a national network of exclusive-use equipment, UPS has one of the largest vehicle selections in the industry from which to choose. Within 90 minutes of your initial call, our agents propose a solution to efficiently handle important shipments including most types of hazardous materials, and shipments requiring specialized equipment such as lift gates, air-rides, flatbeds and/or temperature-controlled vehicles.
UPS Value Add Services	
Service	Description/Feature(s)
Dangerous Goods	<p>UPS can bring two key benefits for NASPO ValuePoint when we transport HAZMAT, dangerous goods or firearms on your behalf. The first is safe and efficient transport. The second is compliance. We have highly trained staff that facilitate the shipping of this class of goods. As this is a matter of considerable importance, we invite you to visit our online guide for shipping HAZMAT ground and air at the following address: http://www.ups.com/content/us/en/resources/ship/hazardous/index.html?WT.svl=SubNav.</p>
Pickup, Special Handling, And Delivery Of Hazardous Material And Dangerous Goods	<p>UPS provides pickup, special handling, and delivery of hazardous material and dangerous goods. UPS currently transports hazardous materials within and between the U.S. and Puerto Rico for Government Agencies. UPS will handle all shipments containing hazardous material or dangerous goods in accordance with the requirements as outlined in the applicable governing regulations, including but not limited to Title 49 of the Code of Federal Regulations (49 CFR) and all applicable state and local regulations for the interstate and intrastate surface</p>



UPS Value Add Services	
Service	Description/Feature(s)
	movement of shipments containing hazardous material or dangerous goods under this service.
Missing or Invalid Account Numbers	Domestic packages that cannot be delivered will be returned to the shipper at the shipper's expense. Undeliverable packages shipped via UPS Air Services and UPS 3 Day Select® will be subject to a return charge based on the applicable UPS 3 Day Select® contract rate. Those originally shipped via UPS® Ground will be subject to a return charge based on the applicable UPS Ground® contract rate. The UPS Service Guarantee does not apply to undeliverable packages returned to the shipper.
Address Corrections	If UPS cannot deliver a shipment as addressed, we will research to secure the correct address and complete delivery of the package. If UPS cannot identify a correct address and we are unsuccessful in our attempts to reach the consignee, the package will be returned to the shipper. While UPS will charge an address correction fee when such research is required, a fee will not be assessed when our drivers are able to correct addresses while on their route.
Delivery Adjustments	If UPS is unable to deliver a package as addressed, we will make reasonable efforts to obtain a correct address. If we are successful, UPS will attempt delivery and the shipper will be provided the corrected address on their weekly invoice. An additional charge will be assessed for the address correction. If the delivery is not completed, the package will be held for a future date pending an update from the shipper or receiver. If a timely response is not provided, UPS will return the package to the shipper as undeliverable. The shipper will be responsible for the return transportation charge.
Refused Shipments	Domestic packages that cannot be delivered will be returned to the shipper at the shipper's expense. Undeliverable packages shipped via UPS Air Services and UPS 3 Day Select® will be subject to a return charge based on the applicable UPS 3 Day Select® contract rate. Those originally shipped via UPS® Ground will be subject to a return charge based on the applicable UPS Ground® contract rate. The UPS Service



UPS Value Add Services	
Service	Description/Feature(s)
	Guarantee does not apply to undeliverable packages returned to the shipper.
Special Pick-up/Delivery	UPS currently maintains mutual agreements with government agencies in regards to pick-up and/or delivery locations, establishing regular pickups, consolidation of delivery points, the installation of UPS Drop Boxes, and any other similar operational procedures in order to more efficiently and effectively service the agency accounts. Our UPS Account Managers will work with the COR to help ensure the optimal solution is provided.
Customized Delivery Solutions	UPS Account Managers work with NASPO ValuePoint components within a region or site to develop special operating plans, both long-and short-term, as needed, when threat-level security measures prevent access to facilities. Unique solutions such as these are built routinely in support federal agency customers. Currently, our Landover, MD facility consolidates NASPO ValuePoint shipments and delivers them to the screening facility. This service is provided at no additional charge to NASPO ValuePoint or the shippers of the packages. If an unforeseen event prevents our driver from making a delivery during normal business hours, packages will be returned to the local UPS facility and secured. An additional delivery attempt will be made the following business day.
Hold-for-Pickup	As an additional value-added solution, UPS can deliver your package to the UPS Customer Center of your choice. We will notify the recipient when the package is ready for pickup. Packages are generally available by 8:30 a.m. on the scheduled day of delivery. This feature offers technicians, agents and teleworkers earlier access to their packages. All eligible packages not picked up within five business days will be returned to consignor.



UPS Value Add Services	
Service	Description/Feature(s)
Dangerous Goods	<p>UPS can bring two key benefits for NASPO ValuePoint when we transport HAZMAT, dangerous goods or firearms on your behalf. The first is safe and efficient transport. The second is compliance. We have highly trained staff that facilitate the shipping of this class of goods. As this is a matter of considerable importance, we invite you to visit our online guide for shipping HAZMAT ground and air at the following address:</p> <p>http://www.ups.com/content/us/en/resources/ship/hazardous/index.html?WT.svl=SubNav.</p>
Pickup, Special Handling, And Delivery Of Hazardous Material And Dangerous Goods	<p>UPS provides pickup, special handling, and delivery of hazardous material and dangerous goods. UPS currently transports hazardous materials within and between the U.S. and Puerto Rico for Government Agencies. UPS will handle all shipments containing hazardous material or dangerous goods in accordance with the requirements as outlined in the applicable governing regulations, including but not limited to Title 49 of the Code of Federal Regulations (49 CFR) and all applicable state and local regulations for the interstate and intrastate surface movement of shipments containing hazardous material or dangerous goods under this service.</p>
Missing or Invalid Account Numbers	<p>Domestic packages that cannot be delivered will be returned to the shipper at the shipper's expense. Undeliverable packages shipped via UPS Air Services and UPS 3 Day Select® will be subject to a return charge based on the applicable UPS 3 Day Select® contract rate. Those originally shipped via UPS® Ground will be subject to a return charge based on the applicable UPS Ground® contract rate. The UPS Service Guarantee does not apply to undeliverable packages returned to the shipper.</p>
Address Corrections	<p>If UPS cannot deliver a shipment as addressed, we will research to secure the correct address and complete delivery of the package. If UPS cannot identify a correct address and we are unsuccessful in our attempts to reach the consignee, the package will be returned to the shipper. While UPS will charge an address correction fee when such research is required, a fee will not be</p>



UPS Value Add Services	
Service	Description/Feature(s)
	assessed when our drivers are able to correct addresses while on their route.
Delivery Adjustments	If UPS is unable to deliver a package as addressed, we will make reasonable efforts to obtain a correct address. If we are successful, UPS will attempt delivery and the shipper will be provided the corrected address on their weekly invoice. An additional charge will be assessed for the address correction. If the delivery is not completed, the package will be held for a future date pending an update from the shipper or receiver. If a timely response is not provided, UPS will return the package to the shipper as undeliverable. The shipper will be responsible for the return transportation charge.
Refused Shipments	Domestic packages that cannot be delivered will be returned to the shipper at the shipper's expense. Undeliverable packages shipped via UPS Air Services and UPS 3 Day Select® will be subject to a return charge based on the applicable UPS 3 Day Select® contract rate. Those originally shipped via UPS® Ground will be subject to a return charge based on the applicable UPS Ground® contract rate. The UPS Service Guarantee does not apply to undeliverable packages returned to the shipper.
Special Pick-up/Delivery	UPS currently maintains mutual agreements with government agencies in regards to pick-up and/or delivery locations, establishing regular pickups, consolidation of delivery points, the installation of UPS Drop Boxes, and any other similar operational procedures in order to more efficiently and effectively service the agency accounts. Our UPS Account Managers will work with the COR to help ensure the optimal solution is provided.
Customized Delivery Solutions	UPS Account Managers work with NASPO ValuePoint components within a region or site to develop special operating plans, both long-and short-term, as needed, when threat-level security measures prevent access to facilities. Unique solutions such as these are built routinely in support federal agency customers. Currently, our Landover, MD facility consolidates NASPO ValuePoint shipments and delivers them to the screening



UPS Value Add Services	
Service	Description/Feature(s)
	facility. This service is provided at no additional charge to NASPO ValuePoint or the shippers of the packages. If an unforeseen event prevents our driver from making a delivery during normal business hours, packages will be returned to the local UPS facility and secured. An additional delivery attempt will be made the following business day.
Hold-for-Pickup	As an additional value-added solution, UPS can deliver your package to the UPS Customer Center of your choice. We will notify the recipient when the package is ready for pickup. Packages are generally available by 8:30 a.m. on the scheduled day of delivery. This feature offers technicians, agents and teleworkers earlier access to their packages. All eligible packages not picked up within five business days will be returned to consignor.

NOTE: Some UPS value-add services may be priced outside of rate structure

EXPERIENCE

UPS is uniquely qualified to continue to meet the small package delivery service needs of the state governments and their entities. The UPS team that supports the NASPO ValuePoint Contract is experienced with serving government related entities and has successfully marketed the previous contract. This past performance and the over 250 combined years of delivering value to UPS customers by our team makes UPS the unrivaled source for shipping small packages.

Our experienced sales professionals have implemented the current NASPO ValuePoint contract for thousands of state agencies, political subdivisions and educational institutions across the country. Many of the same team members will be in place to successfully market and implement the new award. This continuity and experience sets UPS apart.

UPS has the capability and experience to develop customized shipping and logistics solutions for state government agencies and entities with specialized requirements, and we provide value added technology solutions that assist our customers in managing their overall transportation spend.

For example, UPS Customer Solutions has completed mode optimization studies that have provided roadmaps for saving 10-20% on small package shipping. Shippers tend to use premium level services unnecessarily when ground service can meet their delivery day requirements. UPS's One Driver Advantage makes it easy to ship ground or air with the same driver, making it possible to implement a mode optimization program.



Additionally, agencies can utilize UPS shipping systems that allow their administrators to limit usage of certain services to specific individuals, and we provide a billing analysis tool that helps shippers highlight problem areas (such as over usage of air services, accessorials, etc.) and reduce unnecessary expenses.

Select UPS provided services and solutions that have provided labor and cost savings.

Metric	Results
Rebate	\$107,768
UPS WorldShip	Current Labor Savings*: \$1,518,929 Current Equipment Cost Savings*: \$1,303,900
UPS CampusShip®	Current Savings*: \$262,852
ShipAPI	Current Savings: *\$35,052

**WorldShip savings: 1,981,212 pkgs. * 2 min / 60 min * \$23.00 = \$1,518,929*

**CampusShip savings: 228,576 pkgs * 2 min / 60 min * \$23.00 = \$262,852*

**ShipAPI Solutions savings: 18,288 pkgs * 5 min / 60 min * \$23.00 = \$35,052*

UPS has been at the forefront of transportation and logistics breakthroughs for over 100 years, and we are a great American success story. We look forward to continuing our mutually beneficial partnership which truly provides the best value to NASPO ValuePoint, its member agencies and to the taxpayers. Our experienced Enterprise Account Team is dedicated to marketing the NASPO ValuePoint contract and leveraging our supply chain expertise to maximize the value to participating members. Our mission will continue the legacy of ensuring that our services are easy and convenient for State Government affiliated shippers to use. UPS is ready to meet NASPO objectives and make certain your customers receive best-in-class service.

State agencies that have tapped into the UPS State Government team and their “can do” attitude have made progress in many areas that are vitally important. For example, state newborn screening programs throughout the US have been working to reduce the time it takes to get testing results completed. Newborn screening works best with an organized, consistent process. Many state labs received samples from hospitals, clinics and midwives through the mail, by internal courier systems and carriers. The inconsistent shipping proved a challenge.

The solution was to customize a new screening sample delivery process. Professionals submitting specimens can now rely on UPS Next Day Air® service, with labels printed quickly and easily through the UPS CampusShip® system. Tracking and visibility tools provide real-time status of every sample. The process improved shipment visibility and streamlined the user experience. Every package from every hospital and midwife can be located and if there’s a delay, response time can be accelerated.



Newborn babies in Minnesota benefit from a whole new kind of delivery

Minnesota Department of Health



Overview

The Minnesota Department of Health (MDH), working with UPS, reinvented its process for delivering newborn screening samples from all over the state to its St. Paul testing lab.

Challenge

Minnesota faced challenges with the delivery practices of hospitals, clinics and midwives independently sending screening samples. Improved consistency and visibility could help to reduce the risk of errors in a process important to the health of newborns.

Solution

UPS customized a new screening sample delivery process. Professionals submitting specimens now rely on UPS Next Day Air® service, with labels printed quickly and easily through the UPS CampusShip® system. Tracking and visibility tools provide real-time status of every sample.

Result

MDH reports improvements in key areas:

- Faster time in transit for specimen shipments
- Better visibility for specimen shipments through 24/7 tracking solutions
- Online integration and dedicated sample pickups for newborn screening affiliate accounts
- Supplies and materials quickly provided to newborn screening affiliates
- No cost to the shipper

A passion for processes that help keep babies safe

Every newborn baby deserves a great start.

That begins with the safety net that supports a baby's health and security.

When media reported in late 2013 on a flawed newborn screening process in a neighboring state, the Minnesota Department of Health (MDH) took a close look at its own ... and decided to raise the bar for newborns.

Minnesota requires testing in hospitals at birth to detect certain health conditions, like sickle cell anemia. Early diagnosis is extremely important, so newborns must be screened within 72 hours. This means sample specimens everywhere in Minnesota must be collected, shipped and tested in the MDH lab in St. Paul in less than three days.

Newborn screening works best with an organized, consistent process. The lab in St. Paul received samples from hospitals, clinics and midwives through the mail, by internal courier systems and carriers. The inconsistent shipping proved a challenge.

"Services weren't always reliable, and we had no way to track when specimens were received or if they even got to the lab," says Jill Simonetti, Newborn Screening Operations Supervisor, MDH. "Timeliness is always an issue. Our goal is to catch any conditions before they can affect a baby's health."

In March 2015, Simonetti and her team met with UPS. The discussion led to a consistent shipping process for newborn screening samples that saves time and costs ... and protects newborns better.

UPS CampusShip technology gives MDH shipping oversight for newborn screening professionals anywhere in Minnesota. A preconfigured online shipping platform allows users to create a shipping label and send samples in three clicks to the testing lab overnight via UPS Next Day Air service. MDH and the sender monitor shipments with tracking tools that give real-time updates.

"We wanted to eliminate any chance of error with the shipping label," says Brad Moser, UPS Solutions Engagement Manager. "Standardizing the process was important because of all the people touching it."

The process improved shipment visibility and streamlined the user experience. Every package from every hospital and midwife can be located. If there's a delay, response time can be accelerated.

"We have successfully implemented and integrated more than 60 hospital-based accounts in Minnesota and are adding more daily," says Simonetti. "This experience includes a successful implementation with out-of-hospital births for 22 midwives. We have reduced costly errors and avoided mistakes that led to service charges or undeliverable specimens."

"Newborns tug at the heart," says Cindy Chace, UPS Director of Sales for the State of Minnesota. "This shipping process is a tailored, end-to-end solution that addresses an important health need and helps save lives."



To learn more about UPS solutions for state and federal government agencies, please contact Myles Alfonso at malfonso@ups.com.



UPS support is not limited to state agencies. We are very active with colleges and universities as well. UPS understands the art and science of colleges and universities, from the big picture to the small details. We provide educational institutions with access to one of the world's largest integrated delivery networks, as well as our proven technology and best practices. Our objective is to help campus operations run smoothly.

CASE STUDY

UNIVERSITY OF CENTRAL FLORIDA
THE SECOND-LARGEST UNIVERSITY IN THE U.S.
ORLANDO, FLORIDA



SITUATION

University of Central Florida football season tickets were being lost in the mail or returned undeliverable. Fans were unhappy. Reprocessing costs soared. And school spirit was down.

LOGISTICS SOLUTIONS

UPS Express® services, along with Quantum View Notify® and UPS My Choice®, gave UCF total visibility into their shipping, improved communications with season ticket holders and virtually eliminated shipping hassles.

ADDED VALUE

UPS also collaborated with the UCF Athletic Department to offer co-branded UPS Next Day Air® envelopes and campus drop boxes that amplified the athletics brand for alumni and students alike.

AND MORE

UPS Freight® teamed up with UCF for Operation Blacktop, delivering the university's new basketball court to the CFE Arena in true Knights style, amidst a fanfare of local and national media.



UPS VALUE

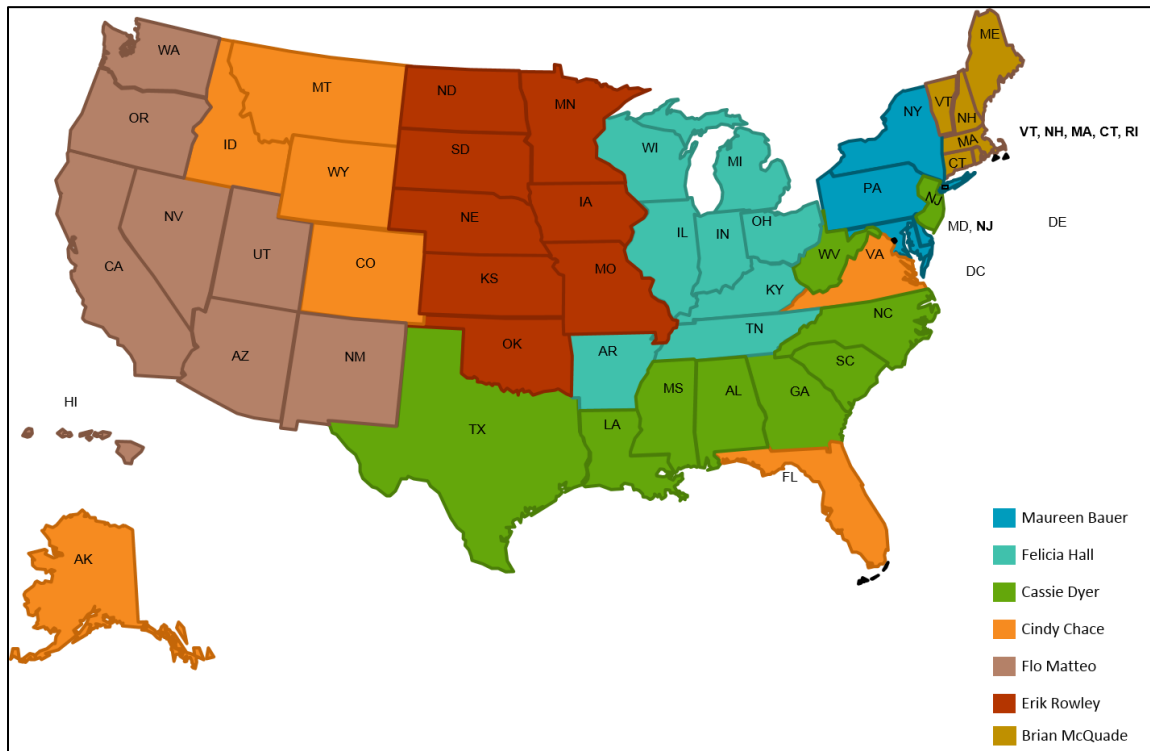
ACCOUNT MANAGEMENT TEAM

The strength of UPS's account management process remains the qualified UPS team that will be aligned to NASPO during the implementations and set-up processes. UPS's implementation process includes account set-up tools to manage implementation, strategic site visits to ensure consistency for the NASPO contract on from a national perspective, and customer training to ensure success when using UPS services and technology solutions. Together, the UPS Team represents over 250 combined years of transportation, logistics and supply chain experience.

UPS Account Management Team
Tammie Hinds – Managing Director, State Government Enterprise Accounts
Tom Dames – Director of Enterprise Accounts – NASPO ValuePoint Contract Administrator
Raymond Vasinko – Solutions Development Manager
Flo Matteo – Director of Enterprise Accounts
Maureen Baer – Director of Enterprise Accounts
Felicia Hall – Director of Enterprise Accounts
Brian McQuade – Director of Enterprise Accounts
Eric Rowley – Director of Enterprise Accounts
Cindy Chace – Director of Enterprise Accounts
Cassie Dyer – Director of Enterprise Accounts
Nancy Parmer – UPS Sustainability Manager – Government



UPS ACCOUNT MANAGEMENT TEAM ALIGNMENT



UPS TECHNOLOGY

UPS has many advanced technology offerings for automating shipping, tracking, web development tools and access point locating tools, to name a few. What is important to NASPO ValuePoint users is that as a part of implementation, the experienced UPS team has guided current users to the appropriate UPS solutions for the task at hand. New contract users will also be guided in the same professional manner.

Below is a select list of UPS Technology Solutions.

UPS TECHNOLOGY SOLUTIONS	
UPS Internet Shipping on ups.com	Our global, Internet-based shipping application enables customers to prepare and send international and domestic small package and freight shipments using a UPS account number or credit card. The ideal choice for occasional shipping needs, UPS Internet Shipping provides fast, efficient shipping and tracking from any computer with Internet access.



UPS TECHNOLOGY SOLUTIONS	
UPS CampusShip®	This Web-based shipping system enables multiple users within an organization to process international and domestic small package and freight shipments and perform other shipping- related tasks from any computer with Internet access. Employees in different locations can easily process and prepare shipping labels from their desktops, while administrators can keep tabs on the entire process with centralized control and visibility.
WorldShip®	Our powerful software is designed for centralized, high-volume shipping environments such as a shipping room or warehouse. Customers can quickly and accurately process international and domestic small package and freight shipments right from their desktop. WorldShip can process packages as a stand- alone system, or work with enterprise systems to exchange shipment and order-entry information.
UPS Quantum View®	<ul style="list-style-type: none">• UPS Quantum View® - is a web-based service that provides shipment content information, status updates and event alerts for inbound and outbound packages. To better meet the needs of customers, UPS has developed three applications under the Quantum View umbrella which can be mixed to tailor the needs of its users.• UPS Quantum View® Manage is a web-based application that allows customers to view shipment information for multiple accounts without a tracking number. Users can create customized views of shipment history for outbound and 3rd party billed shipments (inbound is available using LIDS-Locations ID's or UPS addressing matching solution) and can receive e-mail shipment status and/or download selected shipment data.• UPS Quantum View® Data delivers proactive critical package status updates via data files over the Internet for a customer's or a supplier's inbound and/or outbound packages. Data files are delivered via the web in .csv, .txt. or XML formats and are easy to integrate into internal software applications or databases. This service targets large customers who want to integrate this data into their own ERP, CRM or other systems.

UPS TECHNOLOGY SOLUTIONS

- **UPS Quantum View® Notify** delivers proactive critical package status updates via e-mail. This service targets our customers who want UPS to proactively notify interested parties about critical package status updates for some or all of their packages.

NOTE: Some Technology Solutions may be priced outside of rate structure

SUSTAINABILITY

UPS strives not only to be a leader in global logistics, but also a leader in sustainability. We constantly review our processes to make sure we are reducing our environmental impact, which includes examining how we drive, fly and conduct business worldwide. UPS does more every year to be sustainable and demonstrate leadership in ways that matter to our stakeholders and the world at large. Our complete **Sustainability Report** can be accessed via the following link:

<https://sustainability.ups.com/media/UPS-2014-Corporate-Sustainability-Report.pdf>



A key part of UPS sustainability is reducing the impact of our global transportation network. We strive to reduce the miles we travel to meet shipping requirements; reduce the fuel required for transport; and shifting shipments to vehicles that use low-emission alternative fuels. UPS has one of largest Alternative Fuel/Technology Package Car Fleet in the industry with over 2,700 vehicles.

- **Intermodal Shifting** – UPS focuses on the most fuel-efficient modes of transportation to meet service requirements. Our expertise in this area enabled UPS to eliminate tons of carbon emissions through mode optimization — switching delivery volume from air to ground services — and shifting ground to rail.
- **Optimized Network** – UPS's global network provides all categories of service (express, ground, domestic, international, commercial, and residential) through one single integrated pick-up and delivery service system that is enhanced by UPS's single driver advantage.
- **Air Fleet Efficiencies** – UPS realizes that air transport is more energy intensive than other transportation modes. UPS implements practices to measure, manage, and mitigate the environmental impact of our air freight services and operation.

- **Ground Fleet Efficiencies** – UPS invests in alternative fuel vehicles for our delivery services and by owning our fleet UPS is able to grow fuel efficiency throughout our global network.

Environmental Responsibility - Our optimized network is a single integrated system that handles all our services, creating powerful connections between our company, our partners and the planet. We pursue efficiency at every turn and invest in alternative fuel and advanced technology vehicles to pioneer more sustainable solutions with lower environmental impacts.





Fuels & Fleets - We test and deploy a variety of vehicle types, matched to the terrain and delivery conditions at each location. This approach helps UPS continuously integrate new technologies and operational efficiencies in our large, global delivery fleet. While monitoring each vehicle's performance, we work with manufacturers, government agencies and non-profit organizations to advance new technologies. Because the more we discover together, the more sustainable we become and the more we help others move forward, too.





Optimized Network - Our optimized global logistics network meets customer needs with a single, integrated pickup and delivery system. Through the network's use of innovative technologies and our intermodal shifting strategy, we are able to reduce inefficiencies and their associated environmental impacts, such as greenhouse gas emissions.

Sustainable Solutions - At UPS, our ability to help customers evaluate their supply chains and build solutions for efficiencies is a competitive advantage – for us and our customers. Our portfolio of sustainability solutions helps customers – big or small – measure, manage and mitigate the impact of their trade, whether it's around the world or just around the corner.

Goals & Progress G42

Beginning with our 2013 Report, we presented data for the 13 key performance indicators (KPIs) listed below that correspond to our material aspects. Read more on page 20 about how we established these KPIs and goals.

● Economic ● Environmental ● Workplace

Full-Time Employee Retention Rate

Global Operations

Percent of all full-time employees that stay with our company annually.



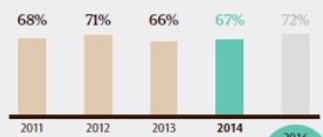
↑ Retention rates remain well above our goal, though we anticipate a possible decline due to a large base of employees approaching retirement age.



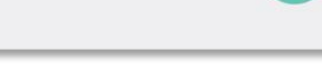
Employer of Choice Index

Global Operations

A subset of 20 items from the Employee Engagement Survey that assess employees' opinions of how UPS attracts, retains, and motivates employees.



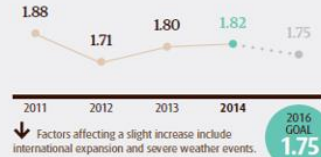
↑ We regained momentum in 2014 after a change in the index in 2013 led to below-goal results.



Lost Time Injury Frequency

Global Operations

Injury cases involving days away from work. This number represents the number of occurrences per 200,000 hours worked.

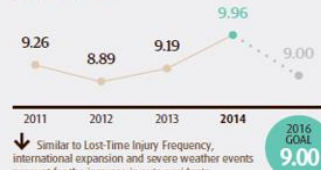


↓ Factors affecting a slight increase include international expansion and severe weather events.

Auto Accident Frequency

Global Operations

Total number of vehicular accidents (regardless of severity) per 100,000 driver hours.



↓ Similar to Lost-Time Injury Frequency, international expansion and severe weather events account for the increase in auto accidents.



Total Charitable Contributions

Global Operations

Includes charitable contributions and sponsorships, corporate grants, in-kind services, international scholarship programs, local grants, and employee (both active and retired) contributions to United Way.

(in millions of U.S. dollars)



↑ Our 2016 goal was surpassed thanks in part to increased United Way contributions from employees and corporate match, as well as increased grants by The UPS Foundation.

Transportation Intensity Index

All U.S. Operations & Global Airlines

The Transportation Intensity Index sums our transportation-related Scope 1 and 2 emissions from U.S. Domestic Package, the U.S. operations of Supply Chain & Freight, and global UPS Airlines.



↑ Progress toward a new goal established in 2013 was driven by emission intensity reductions across all of our business segments. Baseline year and value is 2007 at 0%.

Energy Consumption – Normalized

U.S. Domestic Package

Energy consumption includes stationary sources (electricity, natural gas, propane, and heating oil) and mobile sources (gasoline, diesel, Jet-A, natural gas, and propane.)

■ Cj/1,000 Packages
■ Cj/US \$100,000 of Revenue



↑ The deployment of technology innovations throughout our optimized network deployment is driving continued decreases in energy intensity.



Ground Packages per Gallon of Fuel

U.S. Domestic Package

Fuel consumption includes gasoline, diesel, natural gas, propane, fuel for rail transportation, and other third-party carriers. Packages are total of U.S. ground packages and air packages moved on ground.



↓ E-commerce growth that involves more delivery points is creating new challenges to reduce the amount of fuel used per package delivered.

CO2 Emissions – Normalized

U.S. Domestic Package

Scope 1 and 2 CO2e emissions include stationary sources (electricity, natural gas, propane, and heating oil) and mobile sources (gasoline, diesel, Jet-A, natural gas, and propane.)

■ mt/1,000 packages
■ mt/US \$100,000 of Revenue

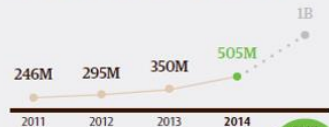


↑ Closely tracking energy intensity, reductions in carbon intensity reflect ongoing technology innovation throughout our optimized network.

Alternative Fuel & Advanced Technology Miles Driven

Global Operations

Alternative fuel and advanced technology vehicles include: compressed natural gas (CNG), propane, liquefied natural gas (LNG), hybrid electric, hybrid hydraulic, biomethane, ethanol, and full electric vehicles.



↑ The growing scale of our alternative fuel and advanced technology fleet is accelerating progress toward our 2017 goal. Baseline year and value are 2000 and zero miles, respectively.



Aircraft Emissions per Payload Capacity

UPS Airlines – Global Operations

Total emissions of HC, CO, and NOx in kg from aircraft takeoffs and landings below 3,000 feet of altitude divided by the sum of maximum structural payload capacity (in thousands of kg) weighted by annual aircraft cycles.



↑ Our aggressive approach to reduce the emissions generated by the miles we fly for our customers has enabled us to achieve this goal early.

Aviation Gallons Burned per 100 Available Ton Miles

UPS Airlines – Global Operations

Gallons of jet fuel consumed for every 100 tons of capacity transported one nautical mile.



↑ Continued reduction in fuel intensity is putting us on track to meet our 2020 goal.

CO2 Pounds per Available Ton Mile

UPS Airlines – Global Operations

Pounds of CO2 emitted for every ton of capacity transported one nautical mile.



↑ Reductions in fuel intensity are leading to a similar trend in emission intensity for UPS Airlines. Baseline year and value is 2005 and 1.54 pounds of CO2 per ATM.

SINGLE DRIVER ADVANTAGE

With UPS, a single driver can pick up Ground, Air and International packages at the same time, where practical, making it easier to prepare shipments and reduce congestion and greenhouse gas emissions.

Some of the benefits of partnering with UPS as the primary provider include:

- A single UPS driver handles all your package pickups and deliveries
- Easier for you to prepare pickups, creating efficiency
- Fewer trips reduce fuel consumption and is good for the environment. “UPS is leader among transportation companies in sustainable business practices and operations.”
- Pick up time flexibility based on shippers’ needs
- Increased safety and security due to less congestion from truck traffic
- Eliminates the need to maintain multiple carrier shipping systems
- Providing a single source for reporting and bill reconciliation simplifies the processes that can often lead to inefficiencies and added costs
- Less space needed for storage of shipping supplies

UPS One Driver Advantage

3 times the reduction of:

- *Truck traffic*
- *Dock interruptions*
- *Environmental impact*
- *Pickup coordination*





UPS DIFFERENTIATORS

CUSTOMER SOLUTIONS

UPS Customer Solutions is responsible for understanding NASPO ValuePoint participants supply chain strategies and leveraging UPS's strengths to help meet their goals in the areas of:

<i>Supply Chain Optimization</i>	<i>Technology</i>
<i>Warehouse Optimization</i>	<i>Engineering</i>
<i>Business Process Redesign</i>	<i>Sustainability</i>

UPS can assist in bringing quantified value & meeting strategic goals, objectives and initiatives.

UPS CUSTOMER SOLUTIONS	
Carbon Impact Analysis	As NASPO ValuePoint members try to measure and manage the carbon impact of their supply chain, it's useful for them to understand the greenhouse gas (GHG) emissions associated with it. Using our Carbon Impact Analysis, we calculate GHG emissions from shipping activities. We then use the findings to offer supply chain optimization techniques that help reduce their GHG impact and improve logistics efficiency.
Mode Optimization	Numerous states and universities have benefitted from a thorough analysis of shipping decisions being made by agencies and departments. Aside from reducing carbon impact, savings identified have consistently ranged from 10 – 20% and have been as high as \$1.2M for one university.
Warehouse Optimization	State Lottery operations have improved throughput by 33% by leveraging UPS strengths in analyzing processes and creating advanced warehouse layouts.
UPS Trackpad®	Monitor received packages from the dock to the desk. When NASPO Value Point members integrate a Trackpad solution into their central receiving operations they expand the UPS technology footprint all the way to employees' desks where final delivery takes place.
UPS ConnectShip®	ConnectShip, a UPS subsidiary, offers users a way to integrate and centrally manage their organization's shipping decisions. Products within ConnectShip are designed to meet the specific needs of organizations in a range of shipping environments.



UPS CUSTOMER SOLUTIONS

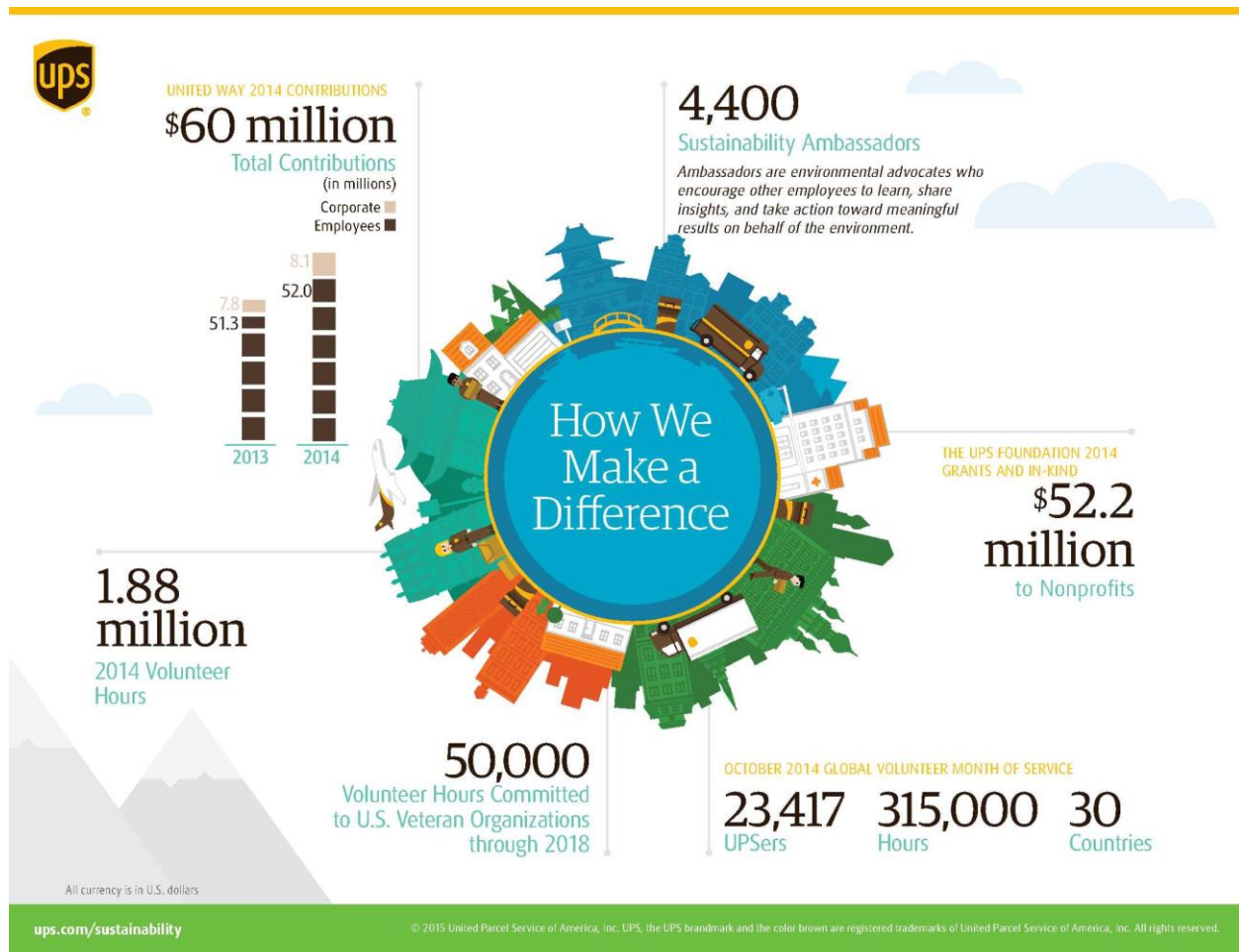
UPS i-Ship®

iShip is a software as a service model with several different shipping solutions that support UPS shipping. Universities leverage its capabilities of managing access through Single Sign On (SSO) and validating cost codes for department bill back. Customer solutions can assist NASPO ValuePoint members with determining if this shipping solution is a good fit.

NOTE: Some Customer Solutions Offerings may be priced outside of rate structure

UPS PRESENCE TO SUPPORT NASPO VALUEPOINT PARTICIPANTS

UPS supports NASPO ValuePoint participants in the geographies they operate in. We are proud of our support for key states within NASPO ValuePoint in the form of infrastructure, employment, charity, volunteerism and business & consumer spend— all of this contributing to the economies in which NASPO ValuePoint users operate.





UPS PRESENCE IN UTAH

State	NASPO Spend	UPS Presence
UT	\$1,775,257	<ul style="list-style-type: none">• Total UPS Facilities 70• Small Package 17• Supply Chain Solutions 3• UPS Freight 2• The UPS Store 47• UPS Healthcare Facilities 1• Total Employees 3,678• Total Retirees 448

UPS PRESENCE IN STATES THAT SPEND OVER \$1M WITH NASPO

State	NASPO Spend	UPS Presence
CA	\$18,290,516	<ul style="list-style-type: none">• Total UPS Facilities 858• Small Package 126• Supply Chain Solutions 28• UPS Freight 25• The UPS Store 676• UPS Healthcare Facilities 3• Total Employees 36,661• Total Retirees 2,317
OR	\$4,484,679	<ul style="list-style-type: none">• Total UPS Facilities 105• Small Package 37• Supply Chain Solutions 3• UPS Freight 6• The UPS Store 59• Total Employees 3,602• Total Retirees 449
MO	\$3,953,195	<ul style="list-style-type: none">• Total UPS Facilities 131• Small Package 31• Supply Chain Solutions 8• UPS Freight 7• The UPS Store 83• UPS Healthcare Facilities 2• Total Employees 6,275• Total Retirees 1,124
WA	\$3,676,750	<ul style="list-style-type: none">• Total UPS Facilities 168• Small Package 43• Supply Chain Solutions 6• UPS Freight 5• The UPS Store 113



State	NASPO Spend	UPS Presence
		<ul style="list-style-type: none"> • UPS Healthcare Facilities 1 • Total Employees 6,771 • Total Retirees 659
TN	\$3,559,588	<ul style="list-style-type: none"> • Total UPS Facilities 134 • Small Package 38 • Supply Chain Solutions 8 • UPS Freight 5 • The UPS Store 80 • UPS Healthcare Facilities 3 • Total Employees 8,685 • Total Retirees 1,716
CO	\$3,250,886	<ul style="list-style-type: none"> • Total UPS Facilities 138 • Small Package 28 • Supply Chain Solutions 3 • UPS Freight 2 • The UPS Store 104 • UPS Healthcare Facilities 1 • Total Employees 5,095 • Total Retirees 865
AZ	\$3,212,604	<ul style="list-style-type: none"> • Total UPS Facilities 189 • Small Package 26 • Supply Chain Solutions 5 • UPS Freight 2 • The UPS Store 155 • UPS Healthcare Facilities 1 • Total Employees 5,008 • Total Retirees 820
LA	\$2,612,704	<ul style="list-style-type: none"> • Total UPS Facilities 84 • Small Package 27 • Supply Chain Solutions 4 • UPS Freight 4 • The UPS Store 48 • UPS Healthcare Facilities 1 • Total Employees 2,931 • Total Retirees 571
KS	\$2,333,425	<ul style="list-style-type: none"> • Total UPS Facilities 58 • Small Package 21 • Supply Chain Solutions 2 • UPS Freight 3 • The UPS Store 32 • Total Employees 3,685



State	NASPO Spend	UPS Presence
SC	\$2,322,829	<ul style="list-style-type: none">• Total Retirees 612• Total UPS Facilities 117• Small Package 24• Supply Chain Solutions 5• UPS Freight 7• The UPS Store 80• UPS Healthcare Facilities 1• Total Employees 5,261• Total Retirees 1,483
IA	\$2,205,218	<ul style="list-style-type: none">• Total UPS Facilities 49• Small Package 25• Supply Chain Solutions 1• UPS Freight 1• The UPS Store 22• Total Employees 2,964• Total Retirees 739
NC	\$2,090,894	<ul style="list-style-type: none">• Total UPS Facilities 204• Small Package 42• Supply Chain Solutions 9• UPS Freight 8• The UPS Store 144• UPS Healthcare Facilities 1• Total Employees 9,193• Total Retirees 2,754
WI	\$1,823,515	<ul style="list-style-type: none">• Total UPS Facilities 77• Small Package 23• Supply Chain Solutions 4• UPS Freight 4• The UPS Store 46• Total Employees 5,068• Total Retirees 743
KY	\$1,814,408	<ul style="list-style-type: none">• Total UPS Facilities 134• Small Package 51• Supply Chain Solutions 28• UPS Freight 5• The UPS Store 46• UPS Healthcare Facilities 4• Total Employees 21,300• Total Retirees 2,121
NV	\$1,275,724	<ul style="list-style-type: none">• Total UPS Facilities 103• Small Package 16



State	NASPO Spend	UPS Presence
		<ul style="list-style-type: none">• Supply Chain Solutions 4• UPS Freight 2• The UPS Store 79• UPS Healthcare Facilities 2• Total Employees 3,032• Total Retirees 450
MT	\$1,136,846	<ul style="list-style-type: none">• Total UPS Facilities 37• Small Package 17• Supply Chain Solutions 1• The UPS Store 19• Total Employees 944• Total Retirees 90
IN	\$1,122,063	<ul style="list-style-type: none">• Total UPS Facilities 106• Small Package 29• Supply Chain Solutions 5• UPS Freight 5• The UPS Store 67• Total Employees 9,148• Total Retirees 1,006
AR	\$1,094,511	<ul style="list-style-type: none">• Total UPS Facilities 53• Small Package 26• Supply Chain Solutions 2• UPS Freight 2• The UPS Store 23• Total Employees 2,181• Total Retirees 536



UPS PRESENCE IN STATES THAT SPEND BETWEEN \$1M - \$100K

State	NASPO Spend	UPS Presence
NH	\$970,194	<ul style="list-style-type: none">• Total UPS Facilities 29• Small Package 8• Supply Chain Solutions 1• UPS Freight 1• The UPS Store 19• Total Employees 1,720• Total Retirees 211
CT	\$950,994	<ul style="list-style-type: none">• Total UPS Facilities 65• Small Package 13• Supply Chain Solutions 3• UPS Freight 1• The UPS Store 48• Total Employees 3,750• Total Retirees 397
DE	\$876,467	<ul style="list-style-type: none">• Total UPS Facilities 19• Small Package 4• Supply Chain Solutions 3• UPS Freight 1• The UPS Store 10• UPS Healthcare Facilities 1• Total Employees 1,027• Total Retirees 162
ID	\$769,444	<ul style="list-style-type: none">• Total UPS Facilities 51• Small Package 20• UPS Freight 3• The UPS Store 28• Total Employees 1,112• Total Retirees 109
OK	\$749,537	<ul style="list-style-type: none">• Total UPS Facilities 66• Small Package 22• Supply Chain Solutions 4• UPS Freight 2• The UPS Store 37• UPS Healthcare Facilities 1• Total Employees 2,823• Total Retirees 491
SD	\$591,274	<ul style="list-style-type: none">• Total UPS Facilities 27• Small Package 17• The UPS Store 10• Total Employees 777



State	NASPO Spend	UPS Presence
		<ul style="list-style-type: none"> • Total Retirees 243
MS	\$572,183	<ul style="list-style-type: none"> • Total UPS Facilities 46 • Small Package 18 • Supply Chain Solutions 1 • UPS Freight 2 • The UPS Store 25 • Total Employees 2,807 • Total Retirees 536
WY	\$457,031	<ul style="list-style-type: none"> • Total UPS Facilities 23 • Small Package 14 • The UPS Store 9 • Total Employees 531 • Total Retirees 129
ND	\$401,460	<ul style="list-style-type: none"> • Total UPS Facilities 21 • Small Package 10 • Supply Chain Solutions 1 • The UPS Store 10 • Total Employees 625 • Total Retirees 125
HI	\$287,923	<ul style="list-style-type: none"> • Total UPS Facilities 31 • Small Package 9 • Supply Chain Solutions 1 • The UPS Store 21 • Total Employees 577 • Total Retirees 89
NE	\$271,475	<ul style="list-style-type: none"> • Total UPS Facilities 42 • Small Package 20 • Supply Chain Solutions 2 • UPS Freight 1 • The UPS Store 18 • UPS Healthcare Facilities 1 • Total Employees 1,748 • Total Retirees 411
AK	\$227,266	<ul style="list-style-type: none"> • Total UPS Facilities 28 • Small Package 13 • Supply Chain Solutions 1 • The UPS Store 14 • Total Employees 821 • Total Retirees 31
RI	\$172,342	<ul style="list-style-type: none"> • Total UPS Facilities 13 • Small Package 3



State	NASPO Spend	UPS Presence
		<ul style="list-style-type: none"> • UPS Freight 1 • The UPS Store 9 • Total Employees 1,133 • Total Retirees 61

UPS PRESENCE FOR STATES THAT Spend Less Than \$100K

State	NASPO Spend	UPS Presence
MN	\$88,047	<ul style="list-style-type: none"> • Total UPS Facilities 97 • Small Package 33 • Supply Chain Solutions 3 • UPS Freight 1 • The UPS Store 59 • UPS Healthcare Facilities 1 • Total Employees 5,342 • Total Retirees 827
ME	\$44,146	<ul style="list-style-type: none"> • Total UPS Facilities 27 • Small Package 10 • UPS Freight 1 • The UPS Store 16 • Total Employees 993 • Total Retirees 101
VT	\$829	<ul style="list-style-type: none"> • Total UPS Facilities 18 • Small Package 6 • Supply Chain Solutions 1 • UPS Freight 1 • The UPS Store 10 • Total Employees 577 • Total Retirees 57
TX	\$597	<ul style="list-style-type: none"> • Total UPS Facilities 467 • Small Package 85 • Supply Chain Solutions 24 • UPS Freight 14 • The UPS Store 341 • UPS Healthcare Facilities 3 • Total Employees 25,230 • Total Retirees 2,760
GA	\$160	<ul style="list-style-type: none"> • Total UPS Facilities 258 • Small Package 47 • Supply Chain Solutions 11 • UPS Freight 8



State	NASPO Spend	UPS Presence
		<ul style="list-style-type: none">• The UPS Store 191• UPS Healthcare Facilities 1• Total Employees 14,237• Total Retirees 2,709
NJ	\$140	<ul style="list-style-type: none">• Total UPS Facilities 174• Small Package 24• Supply Chain Solutions 7• UPS Freight 3• The UPS Store 138• UPS Healthcare Facilities 2• Total Employees 14,950• Total Retirees 3,391

STANDARDIZED PRACTICES

Our companywide standards for operational efficiency and quality remain a benchmark in our industry. Our Corporate Quality Policy states: “We serve our customers through a total commitment to service excellence and customer satisfaction. With this commitment, we will ensure quality products and services to both our internal and external customers. Through the involvement of our people, we will continuously improve our products, processes, and systems with teamwork, innovation, and leadership.” We have consistently been a leader in process improvement.

The important message to NASPO ValuePoint is that UPS operates its single driver network in a consistent, standardized manner to serve millions of customers each day. Individualized service is supported by a standardized network to create a predictable and reliable customer experience.

