



REQUEST FOR PROPOSALS

Solicitation Number	USC-RFP-0672-BB
Date Issued	08/24/2005
Procurement Officer	Bruce W. Breedlove, CPPB
Phone	(803)777-1015
FAX	(803)777-2032
E-Mail Address	Bruce.Breedlove@sc.edu

DESCRIPTION: PROVIDE BOOKSTORE OPERATIONS FOR THE UNIVERSITY OF SOUTH CAROLINA

The Term "Offer" Means Your "Bid" or "Proposal".

SUBMIT OFFER BY (Opening Date/Time): September 26, 2005 2:30 PM

NUMBER OF COPIES TO BE SUBMITTED: One (1) Original and Three (3) copies - plus One (1) Electronic Copy

QUESTIONS MUST BE RECEIVED BY: September 14, 2005 4:30 PM

SUBMIT YOUR OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS:

University of South Carolina –Purchasing Department
1600 Hampton Street, Suite 606
Columbia, S.C. 29208

PHYSICAL ADDRESS:

University of South Carolina –Purchasing Department
1600 Hampton Street, Suite 606
Columbia, S.C. 29208

See provision entitled "Submitting Your Offer"

AWARD & AMENDMENTS	Award will be posted at the Physical Address stated above on 9/29/2005 . The award, this solicitation, and any amendments will be posted at the following web address: http://purchasing.sc.edu
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You must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of thirty (30) calendar days after the Opening Date.

NAME OF OFFEROR <small>(Full legal name of business submitting the offer)</small>	OFFEROR'S TYPE OF ENTITY: <small>(Check one)</small> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation (tax-exempt) <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Government entity (federal, state, or local) <input type="checkbox"/> Other _____ <small>(See provision entitled "Signing Your Offer".)</small>
AUTHORIZED SIGNATURE <small>(Person signing must be authorized to submit binding offer to enter contract on behalf of Offeror named above.)</small>	
TITLE <small>(Business title of person signing above)</small>	
PRINTED NAME <small>(Printed name of person signing above)</small>	
DATE	

Instructions regarding Offeror's name: Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror above. An offer may be submitted by only one legal entity. The entity named as the Offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, *i.e.*, a separate corporation, partnership, sole proprietorship, etc.

OFFEROR'S HOME OFFICE ADDRESS <small>(Address for the Offeror's principle place of business)</small>		
CITY	STATE	ZIP CODE
PHONE	FACSIMILE	E-MAIL
STATE OF INCORPORATION <small>(If Offeror is a corporation, identify the University of South Carolina of Incorporation.)</small>		
TAXPAYER IDENTIFICATION NO.		<small>(See provision entitled Taxpayer Identification Number)</small>

SCHEDULE OF KEY EVENTS

1. Issuance of Solicitation August 24, 2005
2. * Deadline for receipt of questions regarding this RFP. September 14, 2005
4:30 P.M.
3. Site Visit may be requested by contacting the USC Purchasing Office - Venis Manigo - (803)777-4115 – Venis.Manigo@sc.edu Issuance date through Sept. 12th
4. Public opening and deadline for receipt of responses September 26, 2005
2:30 P.M.

Your contact for supplemental information is:

*** MAIL QUESTIONS TO:** University of South Carolina
1600 Hampton Street, Suite 606
Columbia, South Carolina 29208
Attn.: Bruce Breedlove, CPPB

EMAIL QUESTIONS TO: Bruce.Breedlove@sc.edu

Email with the questions attached in MS Word is the preferred method of receiving questions. If you choose to mail your questions you must MARK YOUR ENVELOPE “QUESTIONS FOR USC-RFP-0672-BB” and include an electronic copy in MS Word.

MAIL or HAND CARRY PROPOSALS TO: University of South Carolina
1600 Hampton Street, Suite 606
Columbia, South Carolina 29208

MARK PROPOSAL: USC-RFP-0672-BB

NUMBER OF RESPONSES:

Hard Copy: One (1) Original and Three (3) Copies

Electronic Copy: One (1) Original MS Word 97 or greater

It is very important that the CD-R copy be exactly the same as the original hard copy

IMPORTANT NOTICE

This RFP is divided into two sections, Section 1 is for the Columbia Campus and Section 2 is for the Lancaster Campus. Offeror may respond to Section 1 of the RFP which is for the USC Columbia Campus only; or offeror may respond to Sections 1 and 2 of the RFP which is for a combined contract for both the Columbia and Lancaster campuses; or offeror may respond to Section 2 of the RFP which is for the Lancaster campus only. The University reserves the right to select the proposal or combination of proposals that best meets their need.

The University reserves the right to make an award in the following manner:

- * **One Award: For the Columbia Campus Only, or**
- * **Two Separate Awards to Different Vendors : One award for the Columbia Campus and a separate award for the Lancaster Campus; or**
- * **One Combined Award to One Vendor: For both Columbia and Lancaster Campuses**

PART I

GENERAL INFORMATION

NOTE: Part 1 General Information shall apply to SECTION 1 and SECTION 2 of this RFP.

- A. Proposals will be considered as specified herein or attached hereto under the terms and conditions of this proposal.
- B. Proposal must be made in the official name of the firm or individual under which business is conducted (showing official business address) and must be signed in ink by a person duly authorized to legally bind the person, partnership, company or corporation submitting the proposal.
- C. Offerors are to include all applicable requested information and are encouraged to include any additional information they wish to be considered.
- D. ONE (1) ORIGINAL AND THREE (3) COPIES OF YOUR PROPOSAL ARE REQUIRED, AS WELL AS ONE (1) ELECTRONIC COPY.**
- E. Due to the possibility of negotiation with any offeror submitting a proposal which appears to be eligible for contract award pursuant to the selection criteria set forth in this Request for Proposal (RFP), prices will not be divulged at time of opening.
- F. Sealed proposals will be received by the University Purchasing Office until 2:30 p.m. local time on the opening date shown.
- G. Notice of intended award of contract will be posted at the location listed below:

University of South Carolina Purchasing
1600 Hampton Street - Suite 606
Columbia, SC 29208

PROPOSALS SUBMITTED VIA THE UNIVERSITY'S FACSIMILE MACHINE ARE UNACCEPTABLE.

The submitting offeror is required to have printed on the envelope or wrapping containing his proposal, the Proposal Notice Number specified in this RFP and the proposal opening date.

SECTION 1

UNIVERSITY OF SOUTH CAROLINA COLUMBIA CAMPUS

PART TWO - SCOPE OF PROPOSAL

It is the intent of the University of South Carolina (hereinafter "USC") to solicit proposals for the exclusive management and operation of the University's bookstores for the Columbia Campus and related services in accordance with the requirements stated herein. The scope of operation will include, but will not be limited to: procurement and sale of new textbooks, used textbooks, reference and trade books, stationery, student supplies, computer software, fraternity and sorority items, and other merchandise items now sold in the University bookstore and additional consumable and non-consumable items normally sold in a university bookstore. Services shall include but not be limited to providing special book orders and correspondence course materials; cap and gown sales and rental; graduation announcements; used textbook purchase (buyback); copyright clearance and course packs; as well as providing other services ordinarily made available in university bookstores.

Proposals must be complete and carefully worded and must convey all of the information requested (See PART SEVEN - PROPOSAL CONTENTS) in order to be considered responsive. If the proposal fails to conform to the essential requirements of the RFP, the University and the University alone will be the judge as to whether that variance is significant enough to consider the RFP non-responsive and therefore not considered for award.

The basic and governing language of the contract resulting from this solicitation shall be comprised of the RFP documents, including any attachments and amendments, and the successful offeror's signed proposal. In the event of a conflict between the two documents, the RFP shall govern.

PART THREE - INTRODUCTION

Chartered in 1801 as South Carolina College, the University still remains on its original site in Columbia, the state capital. The campus has grown from its origins of one building on the historic Horseshoe to 155 facilities on 358 acres. USC Columbia offers more than 350 undergraduate and graduate courses of study. The Columbia campus offers fifteen (15) academic units which include: The Colleges of Arts and Sciences; Education; Engineering and Information Technology; Hospitality, Retail, and Sport Management; Mass Communications and Information Studies; Nursing; Pharmacy; and Social Work; the South Carolina Honors College; the Moore School of Business; the School of the Environment; the School of Law; the School of Medicine; the School of Music; and the Norman J. Arnold School of Public Health.

USC student, faculty, and staff data is provided below:

<u>Fall 2005 Enrollment (Headcount):</u>	<u>25,162</u>
Undergraduate Students	18,046
Law Students	737
Med. School: M.D.	331
D. Pharmacy	378
Other Graduates	5,670

<u>Fall 2005 Housing Occupancy</u>	<u>6,902</u>
Freshman Residence Hall Population	4,021
Sophomore Residence Hall Population	1,469
Junior Residence Hall Population	813
Senior Residence Hall Population	589
Graduate Student Residence Hall Population	10

<u>Employees</u>	
Faculty	1,821
Staff	2,669

The University's bookstores are seen as playing an integral role in supporting the teaching, research and service needs of the students, faculty, and staff throughout the University. In addition to providing textbooks and soft goods for customers, the University Bookstore should provide trade books and scholarly material befitting a first class institution of higher learning and exude an atmosphere of academic interest and intensity. The University's bookstores must support the educational mission of the University and its goals. The Bookstores are currently contractor operated.

Bookstore total sales for the last three (3) contract years (May 1 through April 30) are as follows:

Contract Year 02-03	\$4.639 million
Contract Year 03-04	\$5.621 million
Contract Year 04-05	\$6.956 million

PART FOUR - SCOPE OF WORK

The contractor will manage and operate the USC Bookstore locations in accordance with the following objectives, general specifications, and other requirements contained herein.

4.1 Objectives

The University is seeking the services of a qualified offeror to furnish all financial resources, management, labor, equipment, goods and supplies necessary to manage and professionally operate an academic bookstore and provide the highest caliber of services to USC. The University's overall goal in soliciting a contractor to provide bookstore management services is to ensure that the highest level of financial effectiveness, service, and satisfaction is being provided to the campus. It is essential that the Bookstores be managed with maximum sensitivity to the needs and concerns of the students, faculty, staff and other University supporters. Products, prices, and services must promote confidence that the University is obtaining the best possible combination of product quality, customer service, and value. A critical aspect in meeting the foregoing goal is the identification, selection, and retention of an absolutely first rate on-site Bookstore Manager. To achieve the goals of the University's bookstores, the contractor must adopt the following objectives in managing the Bookstores:

4.1.1 Provide the University with a full range of merchandise and services expected from a quality graduate level academic bookstore.

4.1.2 Maintain sufficient quantities of textbooks and related supplies and materials, on-site and available for purchase by students, at the specific times the items are needed, as required or recommended by the faculty for their academic courses.

- 4.1.3 Ensure the specified editions of textbooks are available for sale.
- 4.1.4 Provide a wide selection of current trade, academic, and technical literature in support of required material for the academic disciplines of the University.
- 4.1.5 Offer a significant selection of “non-book items” such as school and office supplies, incidental household goods for resident students, personal care items, University emblematic apparel, memorabilia, computer hardware and software, and other miscellaneous items.
- 4.1.6 Provide timely response to customers requiring special order literature and other such materials.
- 4.1.7 Provide textbooks in accordance with the current Textbook Pricing Policy contained in Item 4.4.12 Book Pricing.
- 4.1.8 Provide other quality merchandise to the University under pricing policies which are both fair and competitive for like or similar quality, as compared to other university bookstores and also with retail establishments in the surrounding area.
- 4.1.9 Keep apprised of new merchandise and services of interest to the University.
- 4.1.10 Minimize out-of-stock situations on textbooks and other products.
- 4.1.11 Provide the staff, store organization, and equipment needed for efficient customer traffic flows during rush periods to minimize the time customers spend waiting in lines.
- 4.1.12 Meet the needs of disabled persons. ADA requirements must be adhered to in all aspects of the management and operation of the Bookstores.
- 4.1.13 Provide employment opportunities for the University’s students.
- 4.1.14 Be a responsible campus retailer who is sensitive to the City of Columbia business community.
- 4.1.15 Participate in the academic, cultural, and social environment programs of the University, taking advantage of opportunities to offer special merchandising and other assistance based upon the University’s unique and ongoing on-campus activities.
- 4.1.16 Provide textbook and other product information to the campus community via frequent updates of the University’s bookstores website. Market new products, in-store sales specials, book signings by authors, faculty textbook adoption options, and student textbook reservation program, etc., via this website.
- 4.1.17 Provide a web site allowing students the option of purchasing textbooks on line, with either direct shipment to the student or for pick-up in the Bookstores.
- 4.1.18 Operate a top quality, full service literary café within the University Bookstore at the Russell House serving coffee, pastry and other items approved for sale by the University.

4.2 General Specifications

4.2.1 Independent Contractor

The contractor shall be an independent contractor and shall comply with all employment laws, including the provisions of the Fair Labor Standards Act of 1939, as amended, and all other applicable Federal, State, and Local laws, regulations, orders, ordinances, and codes.

4.2.2 Status of Employees

Neither the contractor, nor its subcontractors, nor their agents or employees shall be deemed to be employees or agents of the University.

4.2.3 Liability for Taxes

The contractor shall be solely liable for all applicable federal, state, and local taxes, including timely payment of sales taxes. The contractor shall be solely liable for withholding and payment of all federal, state, and local personal income taxes, social security, unemployment, and sickness disability insurance, and other payroll taxes with respect to the contractor's employees, including contributions from them when and as required by law.

4.2.4 Responsibility for Licenses, Permits and Taxes

The contractor shall obtain at its sole cost and expense all necessary approvals, licenses, permits, etc., required by law for the operation of the Bookstores. Without additional cost to the University, the contractor shall pay all required fees, taxes, insurance, and other applicable charges unless otherwise directed by the University with respect to and during the performance of the contract resulting from this solicitation.

4.2.5 Insurance Coverage

Without additional cost to the University, the contractor shall obtain and maintain during the term of the contract resulting from this solicitation and any extension thereof, the minimum insurance coverage specified in this RFP.

4.2.6 Additional Insured

The University will be named as an additional insured under insurance policies which shall cover against any and all liability, claims, costs, of whatever kind and nature, for injury to or death of any person or persons and for loss and/or damage to any property occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations, or performance of work in connection with the contract resulting from this solicitation, resulting in whole or in part from the negligent acts or omissions of the contractor, his or her employees, agents, or representatives.

4.2.7 Indemnification and Hold Harmless

Notwithstanding the above, the contractor hereby agrees to indemnify and hold harmless the University, its Board of Trustees, officers, agents, and employees, from any and all liability, claims, costs and expenses, of whatsoever kind and nature, for injury to or death of any person or persons and for loss and/or damage to any property occurring in connection with or in any way incident to or arising out of the acts or omissions of the contractor, its employees, agents, or representatives.

4.2.8 Loss or Damage to University Property

The contractor shall be responsible for any loss or damage to property owned by the University and in the contractor's possession or control. Contractor bears the responsibility of any financial, inventory, or losses of contents not owned by the University.

4.2.9 Notice of Reduction or Termination of Insurance

Each policy of insurance shall contain the following endorsement: “It is understood and agreed that the insurance company shall notify USC, in writing, thirty (30) days in advance of the effective date of any reduction in or termination or cancellation of this policy.”

4.2.10 Certificates of Insurance

Certificates of Insurance shall be delivered to the University within fifteen (15) days following the date of notice of contract award. Such certificates shall also indicate the requirement for advance notice of termination or cancellation of or change in coverage. The contractor must furnish a statement of Worker’s Compensation as required by law, or a statement that the contractor is self-insured and will not file a claim against USC.

Minimum requirements are as follows:

Worker’s compensation: in accordance with the statutory limits set by the Sate of South Carolina.

Commercial General Liability Insurance: \$1,000,000 per occurrence. Naming USC as an additional insured.

Comprehensive Automobile Liability/Bodily Injury/Property Damage Insurance: \$1,000,000 combined single limit per accident.

4.2.11 Subleasing, Assigning, or Transferring of Contract

The contractor shall not sublease, assign, transfer, or convey without the advance written approval from the University, any portion of the contract resulting from this solicitation.

4.2.12 Payment Schedule

On a monthly basis, Contractor shall pay the University the percentage of gross sales as offered in Attachment 5. Payments are due thirty (30) days after the close of each month and must be deposited by electronic fund transfer into an account specified by the University. Along with each monthly payment, a detailed statement of the computation and supporting documentation shall be email to the University’s Business Office in an Excel spreadsheet. In the event that commission revenues do not meet or exceed the guaranteed amount for any contract year, the balance due to the University will be remitted within 30 days of the final month of the contract.

4.2.13 Monthly Sales Statements

The contractor will provide the designated University official/officials with monthly sales statements. The University shall have the right to inspect the accounting records of the contractor related to sales and expenses of the University’s bookstores and may have said records audited by a competent auditor at its own expense. Such records shall be kept by the contractor for a period of three (3) years, and may be audited by the internal audit staff of the University.

4.2.14 Use of University Name

The contractor will not in any manner use the credit or the name of the University in connection with its business or affairs without the prior written consent of the University.

4.2.15 Bookstore Advisory Committee

The University may maintain a Bookstore Advisory Committee. The contractor’s bookstore management team shall meet with the Bookstore Advisory Committee and other designated University officials to review bookstore operations on an as needed basis. Further, the contractor’s bookstore management shall work cooperatively with the Bookstore Advisory Committee and with other designated University officials in the development and improvement of the Bookstore’s services and

policies. The contractor shall make every reasonable effort to comply with requests from the Bookstore Advisory Committee and the designated University officials for the improvement of the Bookstore's services and policies. The Bookstore Manager and/or his/her designee are also expected to meet with students, student groups, deans, directors, budget area heads/chiefs, and other faculty members on an as needed.

4.2.16 Expansion of Sales and Services

The contractor must work closely with the Director of Business for the University to expand bookstore sales and services. The contractor must also be willing to coordinate and/or assist with joint venture promotions of products and services of other Campus Service providers for the mutual benefit of USC and the vendors.

4.2.17 Listing as First Reference in Subsequent Proposals

The contractor agrees, in submitting a proposal, to list the University of South Carolina as its first reference in all subsequent proposals submitted for university bookstore contracts of any size. The Director of Business will be listed as the reference point for the University with the direct phone number of (803) 777-5432. Attachment 8 will be signed and submitted with the proposal.

4.3 Specific Requirements

4.3.1 Operating Schedule

The contractor will be required to operate the Bookstore on a 12-month basis, based on the University's academic calendar. An example of the University calendar is contained at <http://registrar.sc.edu/html/calendar5yr/5YrCalendar2.stm>. The University reserves the right, upon consultation with the contractor, to establish or change the days of service, hours of service, plans, or other methods of operation of the Bookstore. See also Item 4.4.24 Hours of Operation.

4.3.2 Merchandising

The University reserves the right to recommend and approve merchandise to be sold in the Bookstore and to request the removal of merchandise from sale in the Bookstore that the University considers offensive or inappropriate.

4.3.3 Operating Equipment and Supplies

The contractor must provide all office machines, equipment, and supplies required for the efficient conduct of business. The contractor may elect to utilize University equipment and fixtures already in place in the Bookstores, but must accept it in "as is" condition and must be responsible for future maintenance. Any equipment or fixtures so utilized will remain property of the University upon termination of the contract and be returned in the same condition as when accepted for use, normal wear and tear excepted.

4.3.4 Merchandising Rights

The contractor shall have exclusive rights to operate the full service Bookstores located at the University on its campus in Columbia, South Carolina, offering all goods and services, including campus textbook buyback services, normally found in university bookstores and any such additional services as may be required by the University during the term of the contract. The University shall grant the contractor the right to sell University licensed products; however, the right is not exclusive. The appropriate license fee is to be paid by the contractor to licensed vendors. Contractor's exclusive rights do not include merchandise and services currently sold elsewhere within the University by budgeted units of the University, student organizations, or through other contract arrangements.

The contractor recognizes that student organizations hold periodic T-shirt sales, book sales, art and crafts sales, and similar fund-raising events and the offeror recognizes the right of the University to approve such events in accordance with University Policy.

The University, subject to its own discretion, shall retain the right to provide other retail sales operations on campus, operated directly or through other contract arrangements. However, such other retail sales operations will not unreasonably compete with the primary bookstore merchandise categories (i.e., new and used textbooks, trade and reference books, supplies, and emblematic items).

4.4 Services, Procurement, and Delivery Requirements

4.4.1 Stocking Requirements

The contractor shall stock in sufficient quantity, display, and offer for sale:

4.4.1.1 All required, recommended, and suggested text and course books, whether new or used, in the editions specified by faculty or other designated academic representatives;

4.4.1.2 Other educational materials and supplies used by the University's students;

4.4.1.3 Speculative merchandise such as trade books, magazines, soft goods, stationery, greeting cards, desk and room accessories, and other items normally sold in the bookstore of a flagship public university, to the extent the sale of such items is compatible with the educational mission of the University and the Bookstore's purposes;

4.4.1.4 Food and snack items and other items currently sold in the University Bookstore and normally sold in other bookstores.

4.4.2 Quality of Merchandise

The contractor must limit the merchandise it offers for sale to those items of quality and character commensurate with the bookstore of a flagship public university.

4.4.3 Withdrawal from Sale

The contractor must withdraw promptly from display and sale any item the University requests not be sold in the Bookstore.

4.4.4 Methods of Payment

The contractor shall provide for charge sales of books, supplies, and all other merchandise to students, faculty, staff, and campus visitors through Master Card, Visa, American Express, Discover, ATM Cards, and CarolinaCard (the University Debit Account). The contractor shall also provide for charge sales to the University departments using departmental accounts. The contractor shall accept personal checks in reasonable amounts in payment for purchases, subject to appropriate identification. The contractor shall be solely responsible for the collection of any debts resulting from charge cards or otherwise.

4.4.5 Verification of Cardholder Identity

In accepting the CarolinaCard for payment, the Contractor will be responsible for authenticating cardholder identity by checking the users CarolinaCard ID photograph as well as any other means of identification deemed necessary by the contractor to establish proper identify. The Contractor will be solely responsible for reimbursing any CarolinaCard account that has been improperly debited through miss use of the card.

4.4.6 CarolinaCard Financial Requirements

The contractor will also be responsible for paying the University for use of the CarolinaCard system and will be responsible for the purchase, maintenance and repair of all equipment that will be needed in processing transactions utilizing the CarolinaCard at the contractor's location. See Attachment 2 for information concerning deposits placed on the CarolinaCard for details. The University shall not guarantee an uninterrupted debit card system, but shall be diligent in restoring service following any interruptions. The contractor must provide physical access for performance of work related to the CarolinaCard system by University employees or its system contractor. The current transaction charge for purchases utilizing the CarolinaCard is 2% of the transaction amount. The charges are subject to modification on an annual basis. At least 30 days notice will be given in advance of any change in the transaction fee.

4.4.7 Damaged Merchandise

The contractor shall be solely responsible for the disposition of any and all damaged or surplus books, supplies, tools, materials, and other damaged or surplus merchandise, regardless of the cause thereof, from the operation of the bookstore.

4.4.8 Special Orders

The contractor shall provide special order service for supplies, merchandise, gift items, etc., as well as, text and trade books for students, faculty, and staff in accordance with the following provisions:

4.4.8.1 Special orders shall be taken in person, by fax, telephone, or e-mail;

4.4.8.2 Persons placing a special order shall have the option of picking up the merchandise upon arrival, or having merchandise shipped to them by parcel postage or as agreed by the customer. Special orders shall not be limited to local territory; special orders shall be shipped anywhere in the United States, and in some instances abroad, at the request of the customer, with the customer paying all shipping charges;

4.4.8.3 The contractor shall make every reasonable effort to obtain special orders within a period of one (1) week, except in special cases, and the customer shall be notified in such cases;

4.4.8.4 These sales must be included as part of USC Bookstore gross sales.

4.4.9 Book Adoption Processes

In its provision of textbooks, supplies, and materials, the successful offeror will prepare (in a form acceptable to the University) and distribute to faculty members, request forms for such books, supplies, and materials needed for each semester. The contractor must provide a system that allows book adoptions to be made on an electronically provided form that is able to provide, on or through a link provided on that form, the book adoptions that were made by the same professor for the last two comparable semesters and for the same course when it was last taught by the professor being solicited for the adoption. Upon termination of the contract, this information must be provided to the University in a format prescribed by the University, if requested.

4.4.10 Electronic Book Adoption Requirements

When book adoptions are submitted electronically, the contractor must also provide an electronic notification of receipt of the book adoption and, further, must notify the professor submitting the adoption electronically of when the books are sourced based on their adoption.

4.4.11 Modifications in the University Calendar

The contractor must accommodate any modifications in schedule resulting from authorized changes in the University calendar and in the schedule of classes for each year of the contract and for use in the subsequent contract.

4.4.12 Reports to Faculty

The contractor will provide timely reports to faculty members of the status of their orders for books, supplies and other materials for their respective courses, including items discovered to be unavailable, delayed in delivery, new editions, etc.

4.4.13 Insufficient Inventory

The contractor shall not be responsible for books or other items not being ready for sale to students due to the failure of faculty members to submit timely order requests. However, the contractor shall make every effort to supply the items requested even if requests are not timely. The contractor shall also make every effort to meet the schedule requirements with additional orders when the quantities are insufficient and the insufficiency is a result of the contractor failing to order sufficient quantities pursuant to a duly placed book adoption. The contractor will immediately locate a source through which the additional books can be provided and will cover the expense of having the books shipped by overnight delivery.

4.4.14 Book Pricing

The contractor will operate according to the following pricing policies:

4.4.14.1 All new paperback books, trade books and magazines shall be sold at prices no higher than publisher's suggested retail prices;

4.4.14.2 Textbook pricing is as follows:

- (1) New textbooks ordered from publishers will be sold at prices no higher than a 25% margin, i.e., $\text{Cost} \div 0.75 = \text{Selling Price}$.
- (2) New textbooks ordered from wholesalers will be sold no higher than the current list price.
- (3) Used textbooks purchased from students and wholesalers are to be priced at 75% of new book prices.
- (4) Course Packs/Class Notes are to be sold at prices no higher than a 25% margin using the same pricing computation method as with new textbooks from publishers.

4.4.15 Graduation Merchandise Pricing

All graduation merchandise such as undergraduate caps and gowns, announcements, and other accessories will be sold at prices no higher than a 25% margin using the same pricing computation method as above.

4.4.16 Other Merchandise Pricing

All other merchandise shall be marked up to reflect a normal gross profit margin for the university bookstore industry, or as pre-priced.

4.4.17 Proof of Pricing

Designated University official/officials may request and shall receive, from the contractor in a timely manner, proof that the above pricing policies are being followed.

4.4.18 Low Price Guarantee

The offeror will develop, maintain, and market a textbook price guarantee that provides that University Bookstore textbook pricing will meet or be lower than that offered by local textbook vendor(s). If a customer notifies us that the USC Bookstore pricing for a similar textbook is higher than a local competitor, and if the University Bookstore management determines that this is the case, it will match the competitor's price.

4.4.19 Used Book Purchasing

The contractor shall purchase used books from students, faculty (excluding desk copies) and others at locations and schedules that are practical and convenient to both the Bookstore and the University according to the following policy:

4.4.19.1 If the contractor has a faculty order indicating a book will be a course adoption for a following semester, it will pay no less than fifty percent (50%) of the publisher's then current suggested retail price. A lesser amount may be paid only if copies required for faculty orders are filled, or if the book is in unusually poor condition.

4.4.19.2 If the contractor does not have information as to the future use of a book or if the book will not be used in a following semester, or will shortly be replaced by a revision announced by the publisher, the contractor shall pay the price listed for the book in a textbook wholesale buying guide which the University and the contractor agree to use for this purpose.

4.4.20 Retention of Used Books

The contractor shall make every possible effort to increase used book sales at the University by retaining used books purchased at the University, if required for the following semester, and by purchasing or acquiring used books from other bookstores and wholesalers, if necessary. Buyback from students should be given priority as the acquisition source of used textbooks.

4.4.21 Used Book Purchasing Systems

The contractor shall use an automated system, approved by the University, for the purchase of used books from students, faculty, and others at the University. The purchase of books for resale to other book companies or wholesalers will be accounted for separately. The contractor must identify and differentiate between books purchased for future resale to USC students and those books that will be resold to other bookstores or used book wholesalers. All sales to other bookstores and used textbook wholesalers must be recorded as contractor income and included in University bookstore gross sales.

4.4.22 Copyright Clearances

The contractor shall provide a copyright clearance service for University faculty. All Course Packs/Class Notes shall be printed by University Printing Services at competitive prices. Exceptions must be approved by the University. No Course Packs/Class Notes will be sold in the University Bookstore without copyright permissions, as applicable.

4.4.23 Posting of Policies

The contractor shall post in the Bookstore and on the University Bookstore web page, in a conspicuous manner, bookstore policies concerning refunds, buy-backs, exchanges, discounts, and price guarantees. New textbooks must be in new condition, and as a minimum, policies will provide that defective textbooks will be replaced at no cost. The contractor shall provide for a refund of purchases according

to the University Bookstore's current refund policy, or according to an alternative policy, approved by the University, which is at least as flexible as the current refund policy of the University Bookstore. Current refund policy for textbooks requires them to be returned in original condition, no later than 2 weeks after the first day of class (1 week for summer classes), with a sales receipt. General merchandise must be in re-saleable condition and accompanied by a sales receipt. All refunds will be issued in the same method of payment.

4.4.24 Reference Inventory

The contractor shall maintain a high quality reference inventory that is current, relevant, and supportive of the curriculum and interests of the faculty, students, and staff of the University. The contractor must be sensitive to advice relative to the stocking of reference books suggested by University faculty members and/or researchers.

4.4.25 Trade and General Book Inventory

The contractor must recognize the need for and maintain a scholarly, high quality, trade, and general book inventory to respond to the teaching, research, and educational needs of the University. The contractor must be sensitive to advice relative to the stocking of such books within the inventory suggested by the University. At a minimum, this should include:

4.4.25.1 A volume and high quality of scholarly and trade books is expected and anticipated to be maintained by the University Bookstore. Such inventory must reflect the active educational interests of not only the undergraduates, but also a large and active graduate student body and faculty engaged in the learning process.

4.4.25.2 The inventory must include a section highlighting USC authors.

4.4.25.3 A comfortable environment where visitors to be University can browse and peruse, including a comfortable reading area.

4.4.25.4 A quality magazine display section including a volume and quality of scholarly and technical magazines. Such inventory must reflect the active educational interest of not only the undergraduates, but also a large and active graduate student body and faculty engaged in the learning process.

4.4.26 Hours of Operation

The contractor shall operate the University Bookstore at the Russell House on a schedule that will be convenient to students, faculty, and the University. The minimum store hours that are listed below are to be maintained until the University requests or approves other hours:

Regular Hours

Monday-Thursday - 7:45 am-7:00 pm
Friday - 7:45 am-6:00 pm
Saturday - 10:00 am-5:00 pm
Sunday - 2:00 pm-5:00 pm

Summer Hours

Monday-Friday - 8:00 am-5:00 pm
Saturday - 10:00 am-5:00 pm
Sunday - 2:00 pm-5:00 pm

As directed by the University, extended operating hours will be required during the first three weeks of the Fall and Spring semesters and may be required by the University to accommodate special events. Changes in the operating hours described above must be approved by designated University official/officials.

4.4.27 Faculty and Staff Discount

The contractor shall provide a minimum ten percent (10%) discount on sales of items other than textbooks for items sold to University departments to faculty and staff.

4.4.28 Sales at Athletic Events

If the University should so request, the contractor shall cooperate with the University in conducting sales at athletic events with a percentage of such sales, as agreed upon by the contractor and the University, being paid to the University.

4.4.29 Approval of Advertising

The contractor shall submit to the University, for its prior approval, all advertising to be done in any media. The contractor shall withdraw any advertising from any location or media if designated University official/officials should request.

4.4.30 Prosecution of Criminal Activity

The contractor shall prosecute individuals for acts of property damage, theft of merchandise or money, or fraudulent acts against the Bookstore as the University should reasonably request. The contractor shall also cooperate in the University's prosecution of such individuals, if so requested.

4.4.31 Customer Survey

To determine and ensure that superior customer service is being provided to the University, methods to assess customer service such as surveys, suggestion boxes, secret shoppers, user focus group meetings, etc., shall be agreed upon by designated University official/officials and the contractor.

4.4.32 Book Signings

The contractor shall promote book signings and other academic and scholarly events in the Bookstore, or elsewhere on campus.

4.4.33 Payment of Bills

The contractor must pay its bills to its suppliers in a timely manner and take advantage of discounts when earned.

4.4.34 Risk of Merchandise Delivery

Delivery of merchandise to and from the Bookstore will be at the contractor's risk and expense.

4.4.35 Non-Compete Clause

The contractor agrees for itself and for its parent corporation or any other subsidiary of its parent corporation not to own, operate or participate in the ownership of a bookstore business involved in selling or buying University required textbooks, emblems, clothing or other items containing University logos or insignia and other items related to the University's needs in competition with the University Bookstore, within a five (5) mile radius of the University, as measured from the Russell House, without written University approval during the term of the contract and one year after its termination. Sales via e-commerce web sites either owned or contracted by the contractor are acceptable; however, there must be separate accountability of the sales to USC students and such sales will be included as part of USC Bookstore gross sales.

4.4.36 Pre-packing of Books

Books and required supplies for pre-registered freshmen, upperclassmen, and transfer students will be pre-packaged and available to the purchaser prior to the beginning of classes, at no additional cost, when requested by the student. The contractor agrees to fully participate in the University summer orientation

program to market this and other services offered. The contractor's marketing strategies and materials must be approved in advance of orientation by the University.

4.4.37 Book Adoption Information

The contractor will provide book adoption information to the current local off-campus bookstores in Columbia, South Carolina, at no cost.

4.4.38 Adoption of Information Requests

Requests for textbook adoption information made to the contractor or to the University by internet or other booksellers will be handled in accordance with the SC Freedom of Information Act. When the contractor is directed by the University to provide such information, appropriate costs such as paper, copying, etc., will be charged to, and received from, the requestor prior to the information being provided by the contractor.

4.5 **Facilities and Equipment Requirements**

4.5.1 Maintenance of Space

The primary location of the current University Bookstore is in the Russell House University Union. This location must remain the primary sales location for all undergraduate and graduate course textbooks, with the exception of Medical and Law Textbooks, unless the University approves a different location for the sale of textbooks. The space was completely renovated in the summer of 2003. The contractor will be required to maintain the space allocated for Bookstore operation in a first class state for the entire term of the contract. In addition to the requirement that the space be maintained throughout the contract in a first class state of repair and appearance, the contractor will replace the carpet and flooring at least every two years unless the University determines that replacement is not needed on this schedule. The University must approve the carpet that is selected for replacement and it must be of a quality level used in first class commercial space.

4.5.2 Satellite Facilities

There are currently two (2) locations that operate as satellite facilities to the main bookstore location in the Russell House. These are as follows:

1. University of South Carolina School of Medicine

This is a 756 sq.ft. facility located in the first floor of USC Bldg. #661 located at 6411 Garners Ferry Rd. selling textbooks for courses offered at the Medical School, related materials and sundries. This facility operates Monday through Thursday from 9:00 am – 5:00 pm, Friday 9:00 am – 4:00 pm and summer hours of 9:00 am – 4:00 pm Monday through Friday.

2. University of South Carolina School of Law

This satellite operation has only begun operating in 2005 and is still developing in terms of the days and hours of operation. For Fall 2005, it will be open for one week prior to classes beginning and for two weeks from the beginning day of classes. Hours of operation are from 9:00 am -6:00 pm, Monday through Friday, and 10:00 am-5:00 pm on Saturday and Sunday for the week prior to classes beginning, and for the weeks after classes begin from 8:00 am -6:00 pm Monday-Friday and on Saturday from 10:00 am -5:00 pm. Inventory will include a complete stock of all textbooks and related materials needed for students enrolled in classes offered at the Law School and other sundries. The current location at the School of Law is USC Bldg. #85 located at 1112 Greene St. (corner of South Main and Greene Streets) which contains 648 sq. ft.

The days and hours of operation currently provided at these locations must be the minimum provided under the new contract, unless different hours are approved by the University.

4.5.3 Depreciation Fund

In addition to carpet replacement, the contractor must deposit in an escrow account \$25,000 per year to be available for facility improvements and that will accumulate and carry forward with the next contract year if not fully expended in any year. USC must approve any expenditure that will be credited against this annual required investment amount prior to the expenditure. If the accumulated amount is not fully expended at the termination of the contract, the remaining balance will be included in the commission payment for the last month of the contract.

4.5.4 Storage Risks

Storage of merchandise will be in the areas allocated for the Bookstore, or such other premises as the contractor chooses to use at the contractor's sole expense and risk.

4.5.5 Cleaning of Space

The contractor shall provide cleaning of carpet, floors, walls, fixtures, windows and equipments, etc., on a frequency which ensures the appearance of the University Bookstore is in first class condition at all times. The contractor will provide cleaning services to the Bookstore space within 24 hours of such cleaning being requested by the University.

4.5.6 Use of University Equipment and Fixtures

University equipment and fixtures currently used for the operation of the Bookstore will be available for use by the successful offeror, but will remain the property of the University.

4.5.7 Signage

The contractor shall provide all necessary signs including: signs at the entrance of the bookstore to identify the bookstore hours of operation, exit signs, and internal signs, but only after the prior approval of the University.

4.5.8 Additional Equipment and Fixtures

The contractor shall be responsible for providing such additional equipment and fixtures as may be necessary for the successful operation of the bookstore. The Bookstore space and fixtures, including all renovations and additions thereto, made by the contractor, shall be owned by the University, and the contractor shall not be reimbursed any part of the cost or expense incurred by it in renovation or re-fixturing the space.

4.5.9 POS Terminals

The contractor must provide POS terminals able to conduct sales using cash, credit cards, debit cards and the CarolinaCard. Throughout the contract, POS equipment and operators must be provided in sufficient quantity to maintain a wait in line of 8 minutes or less during Fall and Spring Rush and less than 3 minutes during other times of the year.

4.5.10 Routine Renovations

The contractor will pay for routine renovations to space, such as movement of electrical outlets and telephone and data jacks, and movement of fixtures, signage, etc. within the store, for the convenience of the contractor.

4.5.11 Ownership of Fixtures

Any fixture purchased and installed in the Bookstore will become the property of the University at the conclusion of the contract.

4.5.12 Major Structural Repairs

The University will be responsible for any major structural repairs to the space used by the contractor, provided that such repairs are not required as a result of the actions of the contractor, its agents or employees. If such repairs are required as a result of the actions of the contractor, its agents or employees, the cost of repairs shall be paid by the contractor. Such repairs, either by the University, or by an independent contractor, will be made as determined by USC.

4.5.13 Preventative Maintenance and Equipment Repair

Preventive maintenance and repair of equipment and fixtures will be at the contractor's own cost and expense.

4.5.14 Utility Costs

The University will pay all utilities, including electricity, water, sewage, heat, and air conditioning. The contractor will keep energy consumption at a minimum and shall comply with energy conservation practices and policies of the University. The University shall not guarantee uninterrupted utility service, but shall be diligent in restoring service following any interruptions.

4.5.15 Contractor Support Responsibilities

The contractor will pay for all required computer services, pest control, trash removal, and janitorial service. The University shall not guarantee uninterrupted computer services, but shall be diligent in restoring service following any interruptions.

4.5.16 Telephone Service

The University will provide the contractor with access to its telephone service; but, the contractor shall be responsible for all costs associated with such service including installation, monthly equipment charges, and local and long distance charges. The contractor shall reimburse the University for any costs incurred by it on behalf of the contractor in the provision of access to telephone service. The University will not be liable to the contractor for its failure to provide the services described herein, if such failure is due to causes beyond the control of the University.

4.5.17 Parking Facilities

Agents and employees of the contractor working in the bookstore will be authorized to use parking facilities utilized by University employees under the policies and fees of University Parking Services and will be expected to comply with such fees and policies.

4.5.18 Insurance Requirement

The contractor will be responsible for property and casualty insurance covering the contractor's merchandise, equipment, and other personal property in the bookstore. The University will be responsible for property and casualty insurance, under the University's policies, covering bookstore space and fixtures and equipment owned by the University.

4.5.19 Store Security

The contractor shall provide security for the bookstore. The contractor shall cooperate with the University's Chief of Campus Police and with other designated University officials in the provision of security for the bookstore. The contractor shall be responsible for providing and maintaining intrusion alarms and other security systems deemed necessary by the contractor for the space used for the bookstore operation. The contractor shall control the distribution of keys and access to the bookstore space. One key to the bookstore space shall be provided to the Campus Police.

4.5.20 Vehicles

The contractor will provide such motor vehicles as necessary to support the normal functions of a Bookstore and will be responsible for fuel, oil, repairs, maintenance, parking permits, and insurance as required by South Carolina law. It is the responsibility of the contractor to ensure only licensed drivers operate motor vehicles.

4.5.21 Campus Mail Services

The University will provide on-campus interoffice mail service at no cost to the contractor. Bookstore marketing materials and other mailings using the US Postal Service will be at the contractor's expense.

4.6 Bookstore Café

4.6.1 Addition of Café

The contractor must design, install and operate a coffee shop serving Starbucks Coffee utilizing existing space within the Bookstore as well as incorporating space on the exterior north side of the Russell House as indicated on the attached drawing (Attachment 4). The contractor will work with the University on the design and upfitting of the space, all of which must be approved by the University prior to implementation.

4.6.2 Licenses, Permits, Sanitation Ratings

The contractor must obtain all necessary licenses and permits for operation of the café and must constantly maintain an "A" rating from the State DHEC. Contractor will allow the University and its employees full access to the café for purposes of conducting its own health and sanitation inspections and will immediately remedy any items or concerns noted by the University. Failure by the contractor to maintain adequate health and sanitation ratings as determined by the University in its sole discretion will result in the University taking control of the café space from the contractor and assigning its operation to another contractor. In this event, the contractor will be reimbursed for the unamortized investment in the construction of the café using a straight line amortization schedule of the number of years for which the contract is awarded beginning with Year 1 of the contract. Should the contractor lose control of the café space, it will allow full access to the café through the Bookstore space for all customers and employees of the successor contractor regardless of who is operating the café space. The contractor will work cooperatively with the University to provide adequate security measures to allow the café to maintain different hours of operation from the Bookstore if this is desired by the University.

4.6.3 Concept Changes

Although the initial branded concept desired to be offered in the café space is Starbucks, the University reserves the right to request that a different brand be offered during the contract period. The contractor agrees to work cooperatively with the University to change the brand concept if requested by the University.

4.6.4 Café Hours of Operation

The University desires the hours of operation of the café to be established to serve the needs of the students, faculty and staff on campus. For the first year of the café operation, during the Fall and Spring semesters, the hours of operation must be at least 7:00 a.m. through 1:00 a.m., Monday through Saturday and on Sunday from 10:00 am through 1:00 am. For Maymester, Summer I and Summer II, the opening time must remain at 7:00 a.m., but the café is not required to remain open past the closing of the Bookstore. During Year 1 of the contract, accurate records must be kept of daily café sales showing the number of customers served and volume of sales per hour of operation. Hours of operation for years subsequent to Year 1 can be adjusted based on the actual operating figures upon approval of the University.

4.6.5 Menu

The menu for all beverage and food items offered for sale in the café must be approved by the University. Pricing must be at or below pricing for similar items in the market in Columbia.

4.6.6 Maintenance of Cafe'

Contractor will maintain the equipment, fixtures, furniture, decor, carpet, flooring and smallwares used in the cafe in first rate condition. The flooring and carpeting will be replaced on the same schedule as provided for the remainder of the Bookstore as described in item 4.5. The contractor will respond promptly, and at its expense, to requests by the University to address any deficiencies determined by the University to exist in the cafe in any of these areas described herein. The café will be thoroughly updated and renovated in Years 6 and 11 of the contract as directed and approved by the University at a budget amount that is the then average rate for complete renovations of similar facilities as determined by the University.

4.6.7 Project Investment

The investment for the design, construction, equipping and upfitting must come from the contractor. For this purpose, the contractor must include an amount sufficient to cover this investment in its proposal. The University estimates that the cost of the café will be \$1,000,000. By submitting a proposal, the contractor agrees to invest at least this amount in the construction, equipping, fixturing and furnishing of the café. No amount of contractor overhead or charges for services provided by contractor's in-house personnel will be allowed to be charged to the project. In the event that the project costs do not reach \$1,000,000, the remaining funds will be remitted to the University for use in subsequent Russell House renovations.

4.7 Personnel Requirements

4.7.1 Adequacy

The contractor is to provide sufficient personnel to ensure efficient and courteous service to all patrons, and must have adequately trained relief personnel available to substitute in the absence of regular employees. All staff shall be employees of the contractor, who shall be solely responsible for the payment of their wages and benefits.

4.7.2 Student and Other Employees

The contractor is encouraged to employ University students, when possible. Existing student and other employees are to be given first consideration for continued employment with the contractor.

4.7.3 Employment Policies

The contractor shall comply with the requirements of the Fair Labor Standards Act and all other Federal and State laws and regulations. All material relating to personnel policies and procedures of the Bookstore must be available for review by the University.

4.7.4 Equal Opportunity and Affirmative Action

The University is committed to Equal Opportunity and Affirmative Action. The contractor must pledge to comply with Equal Opportunity Laws and that it will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, age, physical ability, or marital status.

4.7.5 Bookstore Management

The University must approve assignment of the contractor's Bookstore Manager and Textbook Manager. Subsequent changes in these assignments are to be made by the contractor only after prior consultation with and approval of the University. The University must approve the annual total compensation package offered to the Bookstore Manager. In requesting approval of this salary, the contractor must provide information by university name of the total compensation package offered to other university Bookstore Managers whose gross sales were at a level ranging within a million dollars under and over the sales of the University Bookstore for the previous contract year. The total compensation requested to be paid to the Bookstore Manager cannot be less than that provided to any other university Bookstore Manager for a bookstore of comparable sales. The person identified by the contractor to manage the Bookstore must have at least two years of experience with consistently increasing revenues in the management of university bookstores of the size and complexity as the one located at USC. This person must be outgoing, a proven merchandiser, a good communicator, a proven leader, and must have exhibited the ability to deal effectively with University students, faculty, and staff. A Bachelor's degree or equivalent is required and masters preferred.

4.7.6 Manager Replacement

The University reserves the right to request replacement of the Bookstore Manager and any department manager of the contractor for actions considered to be not in the best interests of the University. Such a request will be taken only after consultation between contractor and designated University officials.

4.7.7 Performance Evaluation

Designated University official/officials will participate in the annual performance evaluation of the Bookstore Manager.

4.7.8 Conduct

The contractor's employees must strictly adhere to campus regulations regarding personal behavior and all other rules and regulations of the University.

4.8 Marketing Requirements

The contractor's Marketing Plan must be developed in conjunction with and approved by the University. A copy of all ads, flyers, brochures or other materials to be distributed or posted outside of the Bookstore space, including Internet marketing concepts, will be provided to the University for approval prior to distribution. In addition, the University reserves the right to approve and request modifications to in-store signage. Marketing should include as a minimum, products available, services offered, pricing specials, Internet web site address, and information about key service personnel and store hours. The contractor will pay all costs associated with design, development, and printing of promotional brochures, banners, signs, and corporate web page development, etc. Designated employees of the contractor will be allowed access to update the University Bookstore web site, upon request.

4.9 Purchase of Merchandise and Inventory of Equipment at Contract Termination

By the contract termination date, the contractor will remove from the University premises any POS and office equipment owned by the contractor and all merchandise not purchased by the University or the succeeding contractor. If the contractor should fail to remove such property from the University's premises, the University may move such property into storage and charge the contractor for the costs of such move and storage. If the property is not removed from storage for which the University is responsible for a period of 60 days after the contract termination, title to the property will pass to the University. The University will have no liability to the contractor for any property lost or damaged as a result of such move or storage.

PART FIVE – QUALIFICATIONS

5.1 Qualifications of Offerors

The offeror must demonstrate that they possess the following qualifications:

5.1.1 Experience of at least five (5) years in successfully managing and operating at least 10 university bookstores under contract of similar in size and mission to USC.

5.1.2 Financial strength deemed acceptable by the University in its sole judgment.

PART SIX - CONTRACT TERM

6.1 Length of Contract

The term of the contract for providing Bookstore management services shall be for either ten (10) or fifteen (15) years beginning from the date specified in the award statement.

6.2 Default

In the event that either party shall fail to maintain or keep in force any of the terms and conditions of the contract, the aggrieved party may notify the defaulting party in writing via Certified mail of such failure and demand that the same be remedied within fifteen (15) days. Should the defaulting party fail to remedy the same within said period, the aggrieved party shall then have the right to terminate the contract by giving the defaulting party thirty (30) days written notice. In addition, if at any time a voluntary petition in bankruptcy shall be filed against either party and shall not be dismissed within thirty (30) days, or if either party shall take advantage of any insolvency law, or if a receiver or trustee of any of a party's property shall be appointed and such appointment shall not be vacated within thirty (30) days, the other party shall have the right, in addition to any other rights of whatsoever nature that it may have at law or in equity, to terminate the contract by giving thirty (30) days notice in writing of such termination.

6.3 Early Termination

Notwithstanding the foregoing, either party shall have the right to terminate the contract for any reason at the end of year five (5) or year ten (10) (if a fifteen (15) year term is awarded) upon giving a one hundred eighty (180) days notice in writing, sent certified mail, to the other party prior to the ending of the last month of the 5th or 10th year, whichever is applicable. If a fifteen (15) year contract term is awarded, either party can exercise this termination right after year ten (10) of the contract in any of the remaining contract years. If the contract is terminated by the University prior to the expiration of the term for which it is awarded, the University will reimburse the contractor for the unamortized investment made in the cafe based on a straight line amortization schedule for the number of years that the contract is awarded. If the contract is terminated by the contractor prior to the expiration of the term for which it is awarded, there will be no reimbursement for the unamortized investment made in the cafe.

PART SEVEN - PROPOSAL CONTENTS

To be considered for award, all proposals must include, as a minimum, the following information. **All information should be presented in the order listed. Offerors should restate each item below and provide their response to that item immediately thereafter.**

- A. Offeror shall provide a description of its general background, experience, and qualifications to operate the USC Columbia Bookstore. Information on relevant experience must be provided, including the total

number of contracted bookstore operations at all university campuses, total sales volume for the most recent academic year by university location, and other information believed to demonstrate qualifications. Also include a listing of all university accounts with annual sales of over \$6 million.

- B. Offeror shall provide an organizational chart showing the management structure of the offeror at the district/regional and corporate levels with a description of the qualifications and credentials of upper level management. Provide a plan for the management and staffing of the USC Columbia Bookstore. Describe the qualifications and credentials of the proposed contract management staff for the USC Columbia Bookstore. Provide a plan for the hiring of temporary employees.
- C. Offeror shall provide a list of ten (10) university references where the offeror is currently operating bookstores on campuses similar in size to the student population of the USC campus. References must include name and location of university, size of student body, dates of service, total annual sales for each of the last five years of operations, and the university contact person's name, telephone number and email address.
- D. Offeror shall provide a list of all university accounts that have experienced a decrease in total annual revenues for FY 04-05 over FY 03-04, along with the total sales amounts for each of these years.
- E. Offeror shall provide a list of all university bookstores in which it provides a coffee shop, café or food service other than pre-packaged convenience items. For each of these accounts, the annual sales volume for the last three years of operations must be included. The name, telephone number and email address for the university contact for each of these accounts must be listed.
- F. Offeror shall provide its most current, certified year-end balance sheet and income statement, and any other documentation necessary to demonstrate its capability to perform the agreement resulting from this solicitation, without assistance from any outside source(s). Offerors must also provide a copy of its latest Dun and Bradstreet Business Information Report.
- G. Offeror must provide a description of internal management systems proposed for use at USC in the following areas:
 - 1. Inventory controls for textbooks
 - 2. Inventory controls for trade books
 - 3. Inventory controls for general merchandise
 - 4. Control of cash and refunds
 - 5. Customer service and customer service training.
 - 6. Internal audit
- H. Offeror shall provide information about their automated point of sale (POS) system for recording, verifying, and reporting sales. Provide a brief description of automated system features. Also, indicate any back-up system or procedures that can be utilized in case the system is temporarily inoperative. Indicate compatibility of POS system with the University's CarolinaCard system.
- I. Offeror shall provide information about their access to, and sale of, used textbooks.
 - 1. Describe access to used textbooks.
 - 2. Provide the average of used textbook vs. new textbook sales of the ten (10) University references in PART SEVEN, C above.

3. The average of used books purchased through buyback from students as a percentage of total used books purchased for the ten (10) University references mentioned in PART SEVEN, C. above, if available.
 4. Identify the specific textbook wholesale buying guide recommended for use when determining buy back value of textbooks not being used at USC the following semester.
- J. Offeror must describe any undergraduate student educational employment assistance programs they might utilize at USC. Describe training programs the offeror intends to use for all employees of the Bookstore, including temporary employees.
- K. Offeror shall indicate the policies/programs/procedures proposed for use in the following Bookstore functions or areas:
1. Textbook Buy-back
 2. Refunds
 3. Special orders - Texts and Trade
 4. Special orders - Caps & Gowns, and Invitations
 5. Stocking of all required course books
 6. Process for securing textbook adoptions, i.e., titles, ISBNs, publishers, and required textbook quantities, from faculty members each semester. Capabilities of electronic book adoption processes must be described.
 7. Process for securing additional books when books are sold out during the semester rush period. Please see 4.4.10 for requirement of overnight delivery of additional books when the shortage has resulted from a failure of the Bookstore operator to accurately determine the appropriate number of books to be ordered.
 8. Handling late textbook requests and orders
 9. Charges, if any, and policies for accepting and cashing checks
 10. Charges, if any, and policies for returned checks
 11. Textbook pricing and price guarantee policy for USC
 12. General book selections
- L. The offeror shall include in its proposal an offer of at least \$1,000,000 to be used in renovating and adding space for the Bookstore Café. The offeror must use the form at Attachment 3 in making this part of the proposal.
- M. Offeror shall make separate financial proposals for ten (10) and fifteen (15) year contract terms as follows:

A guaranteed annual amount of \$750,000 in commission to the University for Year 1 must be offered. This guaranteed amount is the minimum commission that will be paid to the University annually under

the contract even if the calculation of commission based upon the percentage of gross sales offered does not reach that amount. This amount will be increased annually from the \$750,000 amount by the factor of the annual increase in the Producer Price Index for Book Publishers: Textbooks.

In addition to offering an annual guaranteed amount of commission to be paid to the University, the offeror must offer a single, constant (not graduated based upon gross revenues) percent of annual gross sales, less applicable sales tax. Multiple percentage rates for gross store sales are not acceptable and will be considered non-responsive. In addition to in-store sales including sales at the Bookstore Café, sales at the Medical School Bookstore, and sales at the Law School store, annual gross sales will include textbook and general merchandise sales made over the internet via the offeror's corporate web site, or a contracted site, less any applicable sales tax, which can be attributable to USC students, faculty, staff, or alumni. Also included are sales to other bookstores and used book wholesalers of textbooks purchased from USC students, and not used to satisfy USC course requirements. Gross sales are defined as all sales at all Bookstore locations with the only deductions from the total sales figure being transactions that are voided, transactions that are refunded, sales subject to standard discounts such as those to departments, faculty and staff that are provided by contract, uncollected sales due to purchaser not paying a bill, and sales tax. Uncollected sales do not include fees paid to financial institutions for credit card usage or fees paid to the CarolinaCard office.

The Financial Proposal will be made utilizing the form provided in Attachment 5.

- N. Offeror must describe their marketing approach. Proposal should include the scope of the annual marketing plan (due by May 30 each year), budget allocation for marketing, and how the offeror proposes to increase services and sales. Include as a minimum a description of marketing approach to Freshmen and Transfer Students at Summer orientation.
- O. Offeror shall provide a contract implementation and transition plan, with target and event dates for commencement of the offeror's Bookstore operation.

PART EIGHT - AWARD CRITERIA

Proposals will be evaluated by a review panel on the basis of the following criteria listed in order of importance:

- A. Financial Proposal - Commission rate offered to the University listed in Attachment 5. Financial proposals for both ten (10) and fifteen (15) year contract terms will be evaluated to determine the most advantageous for the University.
- B. Qualifications and experience of the offeror in the educational market, and reputation with current clients. Offeror's financial capability to perform bookstore operation as required herein.
- C. The completeness and suitability of the offeror's proposed solution to meet the needs of the Scope of Work.
- D. Proposed Management Team – Strength of proposed Bookstore Manager and Textbook Manager as well as Marketing Approach.

END OF SECTION 1 COLUMBIA CAMPUS

SECTION 2

UNIVERSITY OF SOUTH CAROLINA LANCASTER CAMPUS

PART TWO - SCOPE OF PROPOSAL

It is the intent of the University of South Carolina to solicit proposals that will include the operation of the **USC Lancaster Bookstore** and related services in accordance with the requirements stated herein. The scope of operation will include, but will not be limited to: procurement and sale of new textbooks, used textbooks, student supplies, stationery; special book orders and correspondence course materials; cap and gown sales and rental; used textbook purchase (buy back) as well as providing other merchandise and services ordinarily made available in finer college and university bookstores.

The scope of the Bookstore operation will not include sale of soft drinks and snacks in bookstores where there are existing vending services contracts.

PART THREE - INTRODUCTION

USC Lancaster bookstore is located on campus at 476 Hubbard Drive, Lancaster, South Carolina 29720. The current bookstore size is 32 feet x 64 feet with an annual sales volume of \$417,873.37. There were 1,059 students enrolled as of Fall 2004 and approximately 150 full-time and part-time faculty and staff.

The University of South Carolina Lancaster offers the following academic degrees:

Associate in Arts

Associate in Science

Associate in Science degree in the following concentrations: business, technical nursing, and criminal justice

PART FOUR - SCOPE OF WORK

Provide operation of the University of South Carolina Lancaster Bookstore in accordance with the following specifications, terms and conditions.

4.1 General Specifications

The contractor will be required to operate the Bookstore on a 12-month basis, based on the University's academic calendar. An example of the University calendar is contained in <http://registrar.sc.edu/html/calendar5yr/5YrCalendar2.stm>. The University reserves the right, upon consultation with the contractor, to establish or change the days of service, hours of service, plans, or other methods of operation of the Bookstore. Currently the hours of operation are Monday – Thursday 8:00 am – 5:30 pm and Friday 8:00 am – 12:00 noon.

The Contractor shall comply with all employment laws, including the provisions of the Fair Labor Standards Act of 1939 as amended, and all other applicable Federal, State, and Local Laws, regulations, orders, ordinances, and codes.

The Contractor must not discriminate against any employee or applicant for employment because of race, creed, color, age, sex, or national origin; and must make diligent and continuing efforts to employ handicapped persons whenever possible. These actions by the Contractor shall be taken with reference to, but not limited to, recruitment, employment, job assignment, promotion, upgrading, promotion, transfer, layoff or termination, rates of pay or other forms of compensation, and selection for training.

The Contractor must state, in all solicitations or advertisements for employees placed by or on its behalf, that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, age, sex, or national origin.

The Contractor must sign a statement certifying that it will comply with applicable federal and state equal employment opportunity laws.

Neither the Contractor nor its subcontractors or their agents or employees shall be deemed to be employees of the University.

The Contractor must pay all federal, state, and local taxes. The offeror shall be solely liable for all applicable federal, state, county, and city taxes, including timely payment of sales taxes. The Contractor shall be solely liable for withholding and payment of all federal, state, and local personal income taxes, social security, unemployment, and sickness disability insurance, and other payroll taxes with respect to the offeror's employees, including contributions, from them when and as required by law.

The Contractor shall obtain at its sole cost and expense all necessary approvals, licenses, permits, etc., required by law for the operation of the Bookstore. Without additional cost to the University, the Contractor shall pay all required fees, taxes, insurance, and other applicable charges unless otherwise directed by the University with respect to and during the performance of the contract resulting from this solicitation.

Without additional cost to the University, the Contractor shall obtain and maintain during the term of the contract resulting from this solicitation and any extension thereof, the minimum insurance coverages as specified herein.

The University will be named as an additional insured party under insurance policies which shall cover against any and all liability, claims, costs, of whatsoever kind and nature, for injury to or death of any person or persons and for loss and/or damage to any property occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations, or performance of work in connection with the contract resulting from this solicitation, resulting in whole or in part from the negligent acts or omissions of the offeror, his or her employees, agents or representatives.

Minimum requirements are as follows:

Worker's compensation: in accordance with the statutory limits set by the State of South Carolina.

Commercial General Liability Insurance: \$1,000,000 per occurrence. Naming USC as an additional insured.

Comprehensive Automobile Liability/Bodily Injury/Property Damage Insurance: \$1,000,000 combined single limit per accident.

The Contractor shall be responsible for any loss or damage to property owned by the University in the Contractor's possession or control.

Each policy of insurance shall contain the following endorsement: "It is understood and agreed that the insurance company shall notify the University of South Carolina in writing, thirty (30) days in advance of the effective date of any reduction in or termination or cancellation of this policy."

Certificates of Insurance shall be delivered to the University within thirty (30) days following the date of notice of contract award. Such certificates shall also indicate the requirement for advance notice of termination or cancellation of or change in coverage.

In case of default of the company, the University may procure the articles or services from other sources and hold the company responsible for any excess costs or loss of revenue occasioned thereby.

The Contractor shall not sublease, assign, transfer, or convey without the advance written approval from the University, any portion of the contract resulting from this solicitation.

The University shall have the right to inspect the accounting records of the Contractor pertinent or related to sales made and may have said records audited by a competent auditor at its own expense. Such records shall be kept by the Contractor for a period of two (2) years, which may be audited by the Internal Auditing Office of the University.

The Contractor will not in any manner use the credit or the name of the University in connection with his or her business or affairs without the prior written consent of the University.

4.2. Procurement, Delivery, and Storage Specifications

The Contractor shall, in sufficient quantity, stock, display and sell all required, recommended and suggested course materials and all other educational supplies and materials used by students or faculty in pursuing their courses. The offeror shall purchase books, supplies, and other merchandise for resale to the University community and general public, making all reasonable efforts to meet delivery schedules for textbooks and instructional supplies each semester, in accordance with the following terms, conditions, and specifications.

a. The Contractor shall purchase merchandise and sign contracts only in its own name, at its own expense and on its own sole credit and not in any way attempt to bind the University in its contractual agreements; and shall promptly make full payment thereon, in accordance with the terms of purchase.

b. The Contractor shall manage procurement of required books and required supply items for each semester in accordance with the following:

(1) The contractor shall prepare, in a form acceptable to the University, and distribute to faculty members and department designees, requisitions for required and recommended textbooks and other educational materials.

(2) The University will exert its best efforts to see that the faculty and authorized department designees meet the requisition submission schedule for each semester or summer session.

(3) Subject to the above requisition submission schedule being met, the Contractor shall be responsible for meeting the textbook availability schedule for books and other materials. Although the Contractor will not be held responsible for requisitioned books or other materials not being available for resale to students when the faculty member or department designee fails to meet the requisition submission schedule, the Contractor shall make every reasonable effort to meet the textbook availability schedule for such books or other materials. If quantities requisitioned are insufficient to meet the needs, the Contractor shall make every reasonable effort to meet the schedule requirements with additional orders.

(4) The Contractor shall provide timely reports to faculty members of the status of the orders of course materials.

(5) The Contractor must accommodate any modifications in schedule resulting from authorized changes in the University calendar and in the schedule of classes.

(6) The Contractor shall provide textbooks and course materials to students enrolled in correspondence and distance education courses, with special ordering and delivery provisions to meet the off-site requirements of these students.

c. The Contractor shall provide special order book service for students, faculty, and staff in accordance with the following provisions:

(1) Special orders shall be taken in person or by telephone;

(2) Persons placing a special order shall have the option of picking up the merchandise upon arrival, or having merchandise shipped to them by parcel postage. Special orders shall not be limited to local territory; special orders shall be shipped anywhere in the United States, and in some instances abroad at the request of the customer, with the customer paying all shipping charges;

(3) The Contractor shall make every reasonable effort to obtain special orders within a period of one (1) week except in special cases and the customer shall be notified in such cases;

d. The Contractor shall maintain a high quality reference inventory which is current, relevant, and supportive of the curriculum and interest of the faculty, students, and staff of the University. The Contractor must be sensitive to advice relative to the stocking of reference books suggested by the University Bookstore Oversight Committee. The Contractor must recognize the need for and adequately provide a quality reference inventory.

e. The Contractor must recognize the need for and maintain a high quality scholarly, trade and general book inventory to respond to the teaching, research and educational needs of the University community. The Contractor must agree to be sensitive to advice relative to the stocking of such books within the inventory suggested by the Oversight Committee(s) established by the University. At a minimum, this should include:

(1) A volume and quality of scholarly and trade books not less than what is currently maintained by the University Bookstore. Such inventory must reflect the active educational interests of all students and faculty engaged in the learning process.

(2) A section providing USC Press publications

(3) A section providing USC faculty publications

(4) A comfortable environment where members of the University community can browse and peruse, including a reading area.

(5) A quality magazine display section

f. The contractor shall be responsible for the disposition of any and all surplus books or other distressed merchandise acquired by the Bookstore prior to the contract or subsequently by the Contractor, regardless of the cause.

g. The Contractor may offer for sale such speculative merchandise as books, soft goods, stationery, greeting cards, university jewelry and gift items, imprinted sporting goods, desk and room accessories, and other items generally sold in college and university bookstore, in accordance with the following:

(1) The Contractor must limit the merchandise it offers for sale to those items of quality and character commensurate with a first class bookstore;

(2) The Contractor must withdraw promptly from display and sale any item which the University Administration requests in writing not be sold in the Bookstore. Such University request will not be made arbitrarily or capriciously and will be based on reasonable public relations, safety, health or security concerns; University legal counsel; or, with respect to items affecting the education program, the considered decision of appropriate faculty bodies. Contractor will be provided the opportunity to discuss with the appropriate University officials or counsel, reconsideration of such requests for withdrawal of items.

(3) Contractor should be able to take credit card orders or use student ID cards to pay when USC has the capability to do this.

h. The Contractor shall purchase used textbooks from students based on a schedule that is agreeable to the University, and in accordance with the following:

(1) If the book is to be used by the University course(s) the following academic term, the buy back amount paid for a book in saleable condition must be a least 50% of the retail price of a new book.

(2) The Contractor shall purchase used textbooks from students on a year-round basis, with the price paid for these textbooks based on adoption information, inventory status, item condition, and consistent with the wholesale market.

i. Delivery of merchandise to and from the bookstore locations will be at Contractor's risk and expense.

j. Storage of merchandise will be in the areas allocated for the Bookstore, or such other premises as Contractor chooses to use, and will be at Contractor's sole expense and risk.

k. The Contractor must continue to provide the floor space (square footage) and volume of inventory for trade books as are currently provided in the University Bookstore.

l. The Contractor shall post, conspicuously, Bookstore policies concerning refunds, buy-backs, exchanges, discounts, and check cashing, which shall be agreed upon by the Bookstore and the University. Said policies must be at least as liberal as the following:

(1) New textbooks must be in new condition. Textbooks of defective manufacture will be given full refund. New textbooks may be returned for full refund during the first two (2) weeks of each semester, with valid sales receipt.

(2) Refunds will be made for used textbooks under the same policy as new textbooks. The full refund will be based on the price paid for the used textbook.

(3) Reference books (non-required course books) may be returned within five (5) days of purchase (Saturday, Sunday, and holidays excluded) for a full refund with valid sales receipt.

(4) Supplies and merchandise purchased from the Bookstore may be returned in an unused condition within five (5) days of purchase (Saturday, Sunday, and holidays excluded) for a full refund only with a valid sales receipt.

(5) All merchandise must be returned in saleable conditions.

4.3. Pricing and Payment Specifications

The Contractor shall adhere to the following pricing specifications:

a. All new textbooks, paperback books and trade books shall be priced and sold at no higher than the publisher list price, or up to a twenty-five percent (25%) margin from net price.

b. Used textbooks in saleable conditions shall be priced and sold at no more than 75% of the current new list price.

c. All other merchandise shall be sold at no more than manufacturer's suggested retail price or at a price that will accommodate a customary gross profit margin if suggested retail price is not offered.

d. The Contractor must agree to readily accept checks from students, faculty, and staff of the University. The Contractor may require that the check have imprinted the name and current address of the party writing the check. The Contractor must agree to provide a check cashing service for University students, subject to availability of ready funds at the time of the request.

e. The Contractor shall provide Master Card and VISA charge or other privileges as deemed appropriate by the University. The Contractor may also provide personal customer accounts receivable, with payment terms of 0% net 30 days/2% net 10 days from date of invoice.

f. The Contractor shall provide charge sales for materials sold for official use by University departments and offices when purchased in accordance with the University standard purchasing procedures.

g. The Contractor shall offer to the University faculty and staff a discount of at least ten percent (10%) on any sale over \$1.00 except for candy, cigarettes, magazines and similar goods and merchandise.

h. The University may request and shall receive from the Contractor appropriate proof that the above pricing policies are being followed.

4.4 Employment Specifications

The Contractor shall staff the Bookstore with experienced and qualified managerial and clerical personnel, and student part-time employees, and will at all times maintain an adequate staff of employees on duty for effective operation of the Bookstore, and will provide adequate administrative, purchasing, equipment, consulting, and personnel supervision, in accordance with the following specifications:

a. The Contractor shall pay wages and benefits and accept all employer liabilities for all Bookstore employees. It shall be the sole responsibility of the Contractor to require all of its employees to abide by all health and safety requirements imposed by law, or by the University. A qualified supervisor shall be on duty throughout the time that the Bookstore operation is open.

b. Contractor must give first consideration for employment opportunities at the Bookstore to present Bookstore staff working for the University, who must be employed on a fair trial basis at levels of compensation and benefits as close as possible to their present statuses, within the contractor's wage salary and benefits systems for a minimum of six (6) months. Additional consideration will be given for longer periods, if so offered. If current personnel are not selected for employment, notice must be given to the University prior to the effective date of the contractual agreement resulting from this solicitation. In no event shall any present Bookstore employee be given less than sixty (60) days notice of termination.

c. The Contractor must use as much regular part-time University student help as possible. The Contractor shall list part-time job opportunities suitable for students with the University's student employment office and shall exert its best efforts to hire students. Student employees shall be paid at a rate not less than the Federal wage requirement. Student part-time employment is limited up to twenty (20) hours per week when classes are in session, with no limitations at other times.

d. The University reserves the right to review the credentials and qualifications of all personnel hired by the Contractor for managerial positions.

e. The employees of the Contractor shall strictly adhere to University regulations while on the University premises, including, but not limited to, laws and regulations governing access to buildings, personal conduct, possession of prescribed substances or articles, parking and traffic. Further, the University reserves the right to require the removal of Contractor's employees from assignment at its campus for good cause.

f. The Contractor's Bookstore management will meet regularly with the designated University officials and the Bookstore Oversight Committee and will work cooperatively with them and with the University management in the development and improvement of the Bookstore program, services, and policies. These meetings shall be used to air grievances, share views and determine corrective course of action.

4.5 Facilities and Equipment Specifications

a. University Responsibilities The University shall provide at its expense:

(1) All utilities including appropriate alarms, custodial services for the common areas outside and exteriors of the building. The University shall maintain these services and make every reasonable effort to avoid their disruptions. The University will try to provide advance notice in the event of an interruption or any disruption of services. The University will take steps as it reasonably can to promptly restore the services, but shall not be responsible for any loss sustained.

- (2) Office equipment currently on University inventory
- (3) Structural and basic repairs to and maintenance of the building and fixed equipment.
- (4) Use of the University campus mail system free of charge and to University bulletin boards. Postage will be charged for external mail, utilizing third parties.
- (5) Use of the University telephone system at the same monthly line and equipment charges that are billed to University departments.

b. Contractor Responsibilities

(1) The Contractor shall provide at his or her own expense all renovations, alterations, changes, or modifications to the existing facilities, subject to the following terms and conditions:

(a) Said changes must have the prior written approval of the University, and must be in compliance with all applicable university, state, federal, and local ordinances. The Contractor must receive preliminary written approval from the appropriate campus official before proceeding with detailed plans and specifications.

(b) If such preliminary written approval is given, the Contractor must then submit detailed plans and cost estimates for proposed changes, with the names of any construction companies and principal suppliers to be involved. If final written approval is given by the appropriate campus officials, the Contractor may then proceed with the proposed project.

(c) The Contractor shall bear the costs of all expenses for any renovations, alterations, changes, or modifications initiated by the Contractor and **shall not be reimbursed** by the University at the expiration of the contract period. Such renovations, alterations, changes, or modifications shall immediately become the property of the University.

(d) The Contractor shall provide copies of receipts for payment for each renovation, alteration, or similar change to the University within thirty (30) days of payment.

(2) The Contractor shall provide for maintenance and repair of all movable fixtures and equipment furnished by the Contractor.

(3) The Contractor shall maintain properly, and to the satisfaction of the University, the interiors of the Bookstore, including day-to-day cleaning of floors, stairways, walls, fixtures, furniture, and equipment.

(4) The Contractor shall conform to fire, safety, traffic, parking, and other University or statutory regulations as imposed on University units and other contractual services on its premises and their personnel.

(5) The Contractor shall reimburse the University within thirty (30) of invoicing at its regular internal charge rates for any services provided by the University upon Contractor's request, including but not limited to: telephone and toll charges; security surveillance or the like within any part of the Bookstore; maintenance; mailing, duplication, or transportation services.

(6) The Contractor may purchase any items of equipment or fixtures which in his or her opinion are needed to operate the bookstore and depreciate these items over either ten (10) or fifteen (15) years depending on the length of the contract. **The depreciation period must not exceed the contract term.** At termination, the Contractor shall offer any items so purchased to the University at book value or less. Any items so offered and not purchased by the University will remain the property of the Contractor and shall be removed by the Contractor upon expiration or termination of the contract resulting from this solicitation. **Under no circumstances will the University be obligated to purchase these items.**

(7) It shall be the responsibility of the successful offeror to purchase any remaining inventory at the USC Lancaster campus.

(8) The Contractor must provide a complete description of the proposed hardware and software to be used in the Bookstore(s) and advantages thereof.

(9) The contractor may operate satellite locations anywhere on campus approved by the University Administration for the purpose of buying books back from students or selling books and goods to the University community.

(10) The Contractor may use University resources, offices and human resources as approved by the University administration in the capacity of serving as the agent and exclusive contractor for the operation of the University Bookstores. When it is in the University's best interest to do so, the University reserves the right to grant the contractor use of University resources in carrying out the operation of the University's Bookstores.

(11) The contractor shall provide cleaning of floors, walls, fixtures, windows and equipments, etc., on a frequency which ensures the appearance of the University Bookstore is in first class condition at all times. The contractor will provide cleaning services to the Bookstore space within 24 hours of such cleaning being requested by the University

c. Store Security

(1) The Contractor shall control all keys to the Bookstore premises except authorized University personnel.

(2) The Contractor shall be accountable to the University for a list of personnel having keys to the Bookstore premises.

(3) The University will provide effective support to the Contractor in an effort to assure the security of the Bookstore; provided, however, it is understood and agreed that the internal security of the Bookstore shall remain the sole responsibility of the Contractor. If the measures taken by the University for the resolution of any external security problem are insufficient, Contractor shall have the right to discuss with the University administration

4.6 Provide Other Sales and Services

(1) Cap and Gown Sales and Rentals

The Contractor shall provide cap and gown sales and rental service, and on mutual agreement of the Contractor and the University, such other services as are needed and desired by students, faculty and staff.

- (2) **Computer and Software Sales**
The Contractor must present a proposal for the computer and related software sales of the University.
- (3) **Copyright Permission Services**
The Contractor shall provide faculty with a service to facilitate the obtaining of permission to use copyrighted materials for the purpose of compiling the specialized course materials.

4.7 Deliverables

- (1) The Contractor shall provide book order requisitions and status reports.
- (2) The Contractor shall provide a monthly report of gross Bookstore sales, The information shall be reported in six (6) categories: new textbooks; used textbooks; scholarly and general books; supplies; soft goods and sundries; and miscellaneous.
The contractor must make available to University auditors whatever records are necessary to verify gross sales including the South Carolina Sales Tax Record and other basis of compensation which may be agreed upon in the contract.

4.8 Financial Consideration

(1) On a monthly basis, Contractor shall pay the University the percentage of gross sales as offered in Attachment 5. Payments are due thirty (30) days after the close of each month. Each payment shall be accompanied by a detailed statement of its computation and supporting documentation. A copy of the Monthly South Carolina Sales Tax Report, Form ST-3, will be submitted with the monthly report and payment of the monthly commissions due the University. The Contractor shall also submit an annual statement covering all operations. The Contractor shall be responsible for all taxes imposed.

(2) The Contractor will have exclusive rights to sales associated with the Freshman Book Reserve Program, to the extent allowable by South Carolina law.

Prior to the contract anniversary date, the contractor will, at the request of the Bookstore Committee, meet with the Committee and review the previous years operations in detail, whereupon the Committee will report to the President its views and finding as appropriate. This is to maintain the University Bookstore's accountability to the University and to the Oversight bodies it has in place.

PART FIVE – QUALIFICATIONS

The offeror must demonstrate that the company possesses the following qualifications:

- 5.1 Offerors must have either experience in operating official University bookstores under contract to Universities of similar size to the University of South Carolina Lancaster campus, or other business experience deemed acceptable by the University in its sole judgment.
- 5.2 Offerors must be of sufficient financial strength to provide letters of credit or sufficient advance payment deemed acceptable by the University in its sole judgment.
- 5.3 Offerors must provide audited financial statements for the last three years.

PART SIX - CONTRACT TERM

The term of the contract for providing Bookstore management services shall be for either ten (10) or fifteen (15) years beginning from the date specified in the award statement.

In the event that either party shall fail to maintain or keep in force any of the terms and conditions of the contract, the aggrieved party may notify the defaulting party in writing via Certified mail of such failure and demand that the same be remedied within fifteen (15) days. Should the defaulting party fail to remedy the same within said period, the aggrieved party shall then have the right to terminate the contract by giving the defaulting party thirty (30) days written notice. In addition, if at any time a voluntary petition in bankruptcy shall be filed against either party and shall not be dismissed within thirty (30) days, or if either party shall take advantage of any insolvency law, or if a receiver or trustee of any of a party's property shall be appointed and such appointment shall not be vacated within thirty (30) days, the other party shall have the right, in addition to any other rights of whatsoever nature that it may have at law or in equity, to terminate the contract by giving thirty (30) days notice in writing of such termination.

PART SEVEN - PROPOSAL CONTENTS

To be considered for award, all proposals must include, as a minimum, the following information. **All information should be presented in the order listed. Offerors should restate each item below and provide their response to that item immediately thereafter.**

- A. Offeror shall provide a detailed description of its general background, experience, and qualifications to operate the USC Lancaster Bookstore. Information on relevant experience must be provided, including the total number of contracted bookstore operations at all university campuses, total sales volume for the most recent academic year by university location, and other information believed to demonstrate qualifications.
- B. Offeror shall provide a list of five (5) university references where the offeror is currently operating bookstores on campuses similar in size to the student population of the USC Lancaster Campus. References must include name and location of university, size of student body, dates of service, total annual sales for each of the last five years of operations, and the university contact person's name, telephone number and email address.
- C. Offeror shall provide a list of all university accounts that have experienced a decrease in total annual revenues for FY 04-05 over FY 03-04, along with the total sales amounts for each of these years.
- D. Offeror shall provide an organizational chart showing the management structure of the offeror at the district/regional and corporate levels with a description of the qualifications and credentials of upper level management. Provide a plan for the management and staffing of the USC Lancaster Bookstore. Describe the qualifications and credentials of the proposed contract management staff for the USC Lancaster Bookstore. Provide a plan for the hiring of temporary employees.
- E. Commission Rate USC Lancaster Campus
Offeror must respond based on the requirements listed in Section 2 for the Lancaster Campus, refer to Attachment 5.

- F. Offeror shall provide its most current, certified year-end balance sheet and income statement, and any other documentation necessary to demonstrate its capability to perform the agreement resulting from this solicitation, without assistance from any outside source(s)
- G. Offeror must provide a description of internal management systems proposed for use at USC in the following areas:
1. Inventory controls for textbooks
 2. Inventory controls for trade books
 3. Inventory controls for general merchandise
 4. Control of cash and refunds
 5. Customer service and customer service training.
 6. Internal audit
- H. Offeror shall provide information about their automated point of sale (POS) system for recording, verifying, and reporting sales. Provide a brief description of automated system features. Also, indicate any back-up system or procedures that can be utilized in case the system is temporarily inoperative.
- I. Offeror shall provide information about their access to, and sale of, used textbooks.
5. Describe access to used textbooks.
 6. Provide the average of used textbook vs. new textbook sales of the five (5) University references in PART SEVEN, B above.
 7. The average of used books purchased through buyback from students as a percentage of total used books purchased for the five (5) University references mentioned in PART SEVEN, B above, if available.
 8. Identify the specific textbook wholesale buying guide recommended for use when determining buy back value of textbooks not being used at USC the following semester.
- J. Offeror must describe any undergraduate student educational employment assistance programs they might utilize at USC. Describe training programs the offeror intends to use for all employees of the Bookstore, including temporary employees.
- K. Offeror shall indicate the policies/programs/procedures proposed for use in the following Bookstore functions or areas:
1. Textbook Buy-back
 2. Refunds
 3. Faculty, staff, or student discounts, if any
 4. Special orders - Texts and Trade
 5. Special orders - Caps & Gowns, and Invitations
 6. Stocking of all required course books
 7. Process for securing textbook adoptions, i.e., titles, ISBNs, publishers, and required textbook quantities, from faculty members each semester. Capabilities of electronic book adoption processes must be described.

8. Handling late textbook requests and orders
 9. New categories of merchandise, if any, to be added for sale
 10. Charges, if any, and policies for accepting and cashing checks
 11. Charges, if any, and policies for returned checks
 12. Textbook pricing and price guarantee policy for USC
 13. General book selections
- L. Offeror must describe their marketing approach. Proposal should include the scope of the annual marketing plan (due by May 30 each year), budget allocation for marketing, and how the offeror proposes to increase services and sales. Include as a minimum a description of marketing approach to Freshmen and Transfer Students at Summer orientation.
- M. Offeror shall provide a contract implementation and transition plan, with target and event dates for commencement of the offeror's Bookstore operation.

PART EIGHT - AWARD CRITERIA

Proposals will be evaluated by a review panel on the basis of the following criteria listed in order of importance:

- A. Financial Proposal - Commission rate offered to the University listed in Attachment 5. Financial proposals for both ten (10) and fifteen (15) year contract terms will be evaluated to determine the most advantageous for the University.
- B. Qualifications and experience of the offeror in the educational market, and reputation with current clients. Offeror's financial capability to perform bookstore operation as required herein.
- C. The completeness and suitability of the offeror's proposed solution to meet the needs of the Scope of Work.
- D. Proposed Management Team – Strength of proposed Bookstore Manager and Textbook Manager as well as Marketing Approach.

END OF SECTION 2 LANCASTER CAMPUS

PART NINE - CONTRACTUAL REQUIREMENTS

NOTE: Part Nine – Contractual Requirements shall apply to SECTION 1 and SECTION 2 of this RFP.

- 1.0 FORCE MAJURE: The Offeror shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the offeror. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Governments in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the offeror. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the offeror and subcontractor, and without the fault or negligence of either of them, the offeror shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the offeror to meet the required delivery schedule.
- 2.0 SOUTH CAROLINA GOVERNING LAW CLAUSE: The Agreement and any dispute, claim, or controversy relating to the Agreement shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Offeror agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United State's Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation.
- 3.0 OFFEROR'S QUALIFICATION: Offeror must, upon request of the University of South Carolina, furnish satisfactory evidence of its ability to furnish products or services in accordance with the terms and conditions of this proposal. The University of South Carolina's Purchasing Department reserves the right to make the final determination as to the offeror's ability to provide the services requested herein.
- 4.0 OFFEROR RESPONSIBILITY: Each offeror shall fully acquaint himself with conditions relating to the scope and restrictions attending the execution of the work under the conditions of this proposal. It is expected that this will sometimes require on-site observation. The failure or omission of an offeror to acquaint himself with existing conditions shall in no way relieve him of any obligation with respect to this proposal or to the contract.
- 5.0 AFFIRMATIVE ACTION: The offeror will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees, without regard or discrimination by reason of race, color, religion, sex, national origin or physical handicap. The following are incorporated herein by reference: 41 C.F.R. 60-1.4, 60-250.4 and 60-741-4.
- 6.0 TERMINATION: Subject to the Provisions below, any contract resulting from this proposal may be terminated by the University of South Carolina's Purchasing Department provided a thirty (30) days advance notice in writing is given to the offeror.

- 6.1. Non-Appropriations: Funds for this contract are payable from State and/or Federal appropriations. In the event sufficient appropriations are not made to pay the charges under the contract it shall terminate without any obligation to the State of South Carolina.
- 6.2. Convenience: In the event that this contract is terminated or canceled upon request and for the convenience of the University of South Carolina without the required thirty (30) days advance written notice, then the University of South Carolina shall negotiate reasonable termination costs, if applicable.
- 6.3. Cause: Termination by the University of South Carolina for cause, default or negligence on the part of the offeror shall be excluded from the foregoing provisions; termination costs, if any shall not apply. The thirty (30) days advance notice requirement is waived and the default provision listed herein shall apply.
- a. Default: In case of default on offeror, the University of South Carolina reserves the right to purchase any or all items/services in default in open market, charging offeror with any excessive costs. SHOULD SUCH CHARGE BE ASSESSED, NO SUBSEQUENT PROPOSALS OF THE DEFAULTING OFFEROR WILL BE CONSIDERED UNTIL THE ASSESSED CHARGE HAS BEEN SATISFIED.
- 7.0 PRIME OFFEROR RESPONSIBILITIES: The offeror will be required to assume sole responsibility for the complete effort as required by this RFP. The University of South Carolina will consider the offeror to be the sole point of contact with regard to contractual matters.
- 8.0 SUBCONTRACTING: If any part of the work covered by this RFP is to be subcontracted, the offeror shall identify the subcontracting organization and the contractual arrangements made therewith. All subcontractors must be approved by the University of South Carolina. The offeror will also furnish the corporate or company name and the names of the officers of any subcontractors engaged by the offeror.
- 9.0 OWNERSHIP OF MATERIAL: Ownership of all data, material and documentation originated and prepared for the University of South Carolina pursuant to this contract shall belong exclusively to the University of South Carolina.
- 10.0 LEGAL OR CONSULTANT SERVICES: If this contract is for legal or consultant services, it is subject to the provisions of Section 11-9-105 of the 1976 Code of Laws of South Carolina as amended. "Any contract for legal or consultant services entered into by a state agency or institution shall include a provision which requires completion of all services. The Provisions shall further require that in the event all services are not fully rendered as provided for in the contract, any Monies which have been paid by the agency under the contract must be refunded to the agency along with a twelve (12) percent penalty".
- 11.0 INDEMNIFICATION: The University of South Carolina of South Carolina, its officers, agents, and employees, shall be held harmless from liability from any claims, damages and actions of any nature arising from a resultant contract, provided that such liability is not attributable to negligence on the part of the using agency or failure of the using agency to comply with the offer as outlined in the offeror's proposal.
- 12.0 COMPLIANCE WITH FEDERAL REQUIREMENTS: State or Federal requirements that are more restrictive shall be followed.

- 13.0 DRUG-FREE WORKPLACE: (Note: This clause applies to any resultant contract of \$50,000 or more). The State of South Carolina has amended Title 44, code of Laws of South Carolina, 1976, relating to health, by adding Chapter 107, so as to enact the Drug-Free Workplace Act. (See Act No. 593, 1990 Acts and Joint Resolutions). By submission of a signed proposal, you are certifying that you will comply with this Act. (See Section 44-107-30). This will certify to the using agency your compliance.
- 14.0 CONTRACT AMENDMENTS: Amendments to any contract between the agency and the contractor must be reviewed and approved by the University of South Carolina's Purchasing Department.
- 16.0 ASSIGNMENT: No contract or its provisions may be assigned, sublet, or transferred without the written consent of the University of South Carolina's Purchasing Department.
- 17.0 RECORDS RETENTION & RIGHT TO AUDIT: The University of South Carolina shall have the right to audit the books and records of the offeror as they pertain to this contract, both independent of, and pursuant to, S.C. Code Section 11-35-2220. Such books and records shall be maintained for a period of three (3) years from the date of final payment under the contract.

The University of South Carolina may conduct, or have conducted, performance audits of the offeror. The University of South Carolina may conduct, or have conducted, audits of specific requirements of this bid as determined necessary by the State.

Pertaining to all audits, offeror shall make available to the University of South Carolina access to its computer files containing the history of contract performance and all other documents related to the audit. Additionally, any software used by the offeror shall be made available for auditing purposes at no cost to the University of South Carolina.

- 18.0 HIPAA LAW: The Contractor agrees that to the extent that some or all of the activities within the scope of the contract are subject to the Health Insurance Portability Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the University of South Carolina may require to ensure compliance. Additional information may be viewed at: <http://www.sc.edu/hipaa/>

PART TEN - SPECIAL INSTRUCTIONS

NOTE: Part Ten – Special Instructions shall apply to SECTION 1 and SECTION 2 of this RFP.

- 1.0 INTENT TO PERFORM: It is the intent and purpose of the State of South Carolina that this request permits competition. It shall be the offeror's responsibility to advise the University of South Carolina's Purchasing Department if any language, requirements, etc., or any combinations thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be submitted in writing, and must be received by the University of South Carolina's Purchasing Department within fifteen (15) days of the date of issue. A review of such notifications will be made.
- 2.0 RECEIPT OF PROPOSAL: State law requires that a copy of the proposal be submitted no later than the date and time specified in the Request for Proposal. Offerors mailing proposals should allow a sufficient mail delivery period to insure timely receipt of their proposals by the issuing office. Any proposals received after the scheduled opening date and time will be immediately disqualified in accordance with the SC Consolidated Procurement Code and Regulations.
- 3.0 PREPARATION OF PROPOSAL:
 - 3.1 All proposals should be complete and carefully worded and must convey all of the information requested by the University of South Carolina. If significant errors are found in the offeror's proposal, or if the proposal fails to conform to the essential requirements of the RFP, the University of South Carolina and the University of South Carolina alone, will be the judge as to whether that variance is significant enough to reject the proposal.
 - 3.2 Proposals should be prepared simply and economically, providing a straightforward, concise description of offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
 - 3.3 Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume.
 - 3.4 If your proposal includes any comment over and above the specific information requested in our Request for Proposal, you are to include this information as a separate appendix to your proposal.
- 4.0 DISCUSSION/NEGOTIATION: By submission of a proposal, offeror agrees that during the period following issuance of a proposal and prior to final award of contract, offeror shall not discuss this Procurement with any party except members of the University of South Carolina's Purchasing Department or other parties specifically designated in this solicitation. Offeror shall not attempt to discuss with or attempt to negotiate with the using Agency any aspect of the procurement without prior approval of the USC Purchasing Department.
- 5.0 AMENDMENTS:
 - 5.1 VERBAL COMMENTS OR DISCUSSIONS BY THE UNIVERSITY OF SOUTH CAROLINA RELATIVE TO THIS SOLICITATION CANNOT ADD, DELETE OR MODIFY ANY WRITTEN PROVISION. ANY ALTERATION MUST BE IN THE FORM OF A WRITTEN AMENDMENT TO ALL OFFEROR'S.

- 5.2 If it becomes necessary to revise any part of the RFP, an amendment will be provided to all eligible offerors.
- 6.0 **ORAL PRESENTATIONS:** Offerors may be requested to make oral presentations of their proposals to the University of South Carolina. Such presentations provide an opportunity for the offerors to clarify their proposals and to ensure a thorough understanding.
- 7.0 **FUNDING:** The offeror shall agree that funds expended for the purposes of the contract must be appropriated by the General Assembly of the State of South Carolina for each fiscal year included within the contract period. Therefore, the contract shall automatically terminate without penalty or termination costs if such funds are not appropriated. In the event that funds are not appropriated for the contract, the offeror shall not prohibit or otherwise limit the State Agency's right to pursue and contract for alternate solutions and remedies as deemed necessary by the State Agency for the conduct of its affairs. The requirements stated in this paragraph shall apply to any amendment or the execution of any option to extend the contract.
- 8.0 **AWARD:** An award resulting from this request shall be awarded to the responsive and responsible offeror(s) whose proposal is determined to be most advantageous to the University of South Carolina, taking into consideration price, when required, and the evaluation factors set forth herein; however, the right is reserved to reject any and all proposals received and in all cases, the University of South Carolina will be the sole judge as to whether an offeror's proposal has or has not satisfactorily met the requirements of this RFP.
- 9.0 **SUBMITTING CONFIDENTIAL INFORMATION:**
- a. **OVERVIEW / APPLICABLE STATUTES:** Under the South Carolina Freedom of Information Act ("FOIA"), certain documents an Offeror submits to the State may be subject to public disclosure. All references are to the South Carolina Code of Laws, which is available on the internet at: <http://www.lpitr.state.sc.us/code/statmast.htm>. Offerors are urged to become familiar with FOIA (Title 30, Chapter 4 of the Code), the Trade Secrets Act (Title 39, Chapter 8), and the Consolidated Procurement Code (Title 11, Chapter 35). Section 11-35-410 of the Procurement Code exempts certain procurement information from release under FOIA: "[C]ommercial or financial information obtained in response to a 'Request for Proposals' or any type of bid solicitation which is privileged and confidential need not be disclosed. Privileged and confidential information is information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information. Examples of this type of information would include: (1) customer lists; (2) design recommendations and identifications of prospective problem areas under an RFP; (3) design concepts, including methods and procedures; (4) biographical data on key employees of the bidder."
- b. **INSTRUCTIONS:** In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "CONFIDENTIAL" or "TRADE SECRET". For every document Offeror submits in response to or with regard to this solicitation, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by the Trade Secrets Act. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. If a portion of a bid or proposal is improperly marked as confidential or trade secret, the University of South Carolina may, in its sole discretion, determine it nonresponsive. If only portions of a page are protected, do not mark the entire page.

c. CONSENT TO RELEASE: By submitting a bid or proposal, Offeror (1) consents to the release of documents governed by section 11-35-1810 unless Offeror conspicuously states otherwise on the cover of its bid or proposal, (2) agrees to the public disclosure of any documents regarding this solicitation submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a bid or proposal, documents submitted to clarify either a bid or proposal, and documents submitted during negotiations), unless the document is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL", (3) agrees that any information not marked, as required by these bidding instructions, as a "TRADE SECRET" is not a trade secret as defined by the Trade Secrets Act, and (4) that, notwithstanding any claims or markings otherwise, any prices used to determine the award are subject to public disclosure. By submitting a bid or proposal, Offeror agrees to defend, indemnify and hold harmless the University of South Carolina of South Carolina, its officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from the University of South Carolina withholding information that Offeror marked as "CONFIDENTIAL" or "TRADE SECRET".

- 10.0 RIGHT OF NON/COMMITMENT OR REJECTION: This solicitation does not commit the State of South Carolina to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods or services. The State reserves the right to accept or reject any or all proposals received as a result of this request, or to cancel in part or in its entirety this proposal if it is in the best interest of the State to do so.
- 11.0 RIGHT TO PROTEST: Any offeror desiring to exercise rights under Section 11-35-4210 (Right to Protest) of the South Carolina Consolidated Procurement code should direct all correspondence to Chief Procurement Officer, Office of Materials Management, 1201 Main St., Suite 600, Columbia, SC 29201.
- 12.0 COST: Cost submitted with proposal shall be firm for a period of at least 60 days from the closing date.
- 13.0 UNSUCCESSFUL OFFERORS: Offerors not awarded a contract under this solicitation, may request return of their proposals within thirty (30) days after notification of award is mailed. All cost of returns will be paid by the offeror. If Federal Express, UPS, or other shipping number is not received with request, all materials will be destroyed.
- 14.0 DISCUSSION WITH RESPONSIVE OFFERORS: Discussions may be conducted with responsive offerors who submit proposals for the purpose of clarification to assure full understanding of the requirements of the request for proposals. All offerors, whose proposals, in the procuring agency's sole judgment, needing clarification shall be accorded such an opportunity.
- 15.0 PAYMENT FOR GOODS & SERVICES: Payment for goods & services received by the University of South Carolina shall be processed in accordance with Section 11-35-45 of the South Carolina Procurement Code.
- 16.0 TAXES: Do not include any taxes in the proposed price shown that the University of South Carolina may be required to pay. Upon submission of a proposal by a state agency, the procurement officer will compute a 5% sales/use tax to the non-state agency proposals when applicable (service/labor excluded) in determining the low offeror. This procedure is necessary in accordance with the SC Department of Revenue regulation 117-174-95.

IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

NOTE: Important Tax Notice – Nonresidents Only shall apply to SECTION 1 and SECTION 2 of this RFP.

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

The withholding requirement applies to every governmental entity that uses a contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at www.sctax.org.

This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-898-5383.



STATE OF SOUTH CAROLINA
 DEPARTMENT OF REVENUE
**NONRESIDENT TAXPAYER
 REGISTRATION AFFIDAVIT
 INCOME TAX WITHHOLDING**

I-312
 (Rev. 6/26/01)
 3323

The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:

1. Name of Nonresident Taxpayer: _____
2. Trade Name, if applicable (Doing Business As):

3. Mailing Address: _____
4. Federal Identification Number: _____
5. _____ Hiring or Contracting with:
 Name: _____
 Address: _____
- _____ Receiving Rentals or Royalties From:
 Name: _____
 Address: _____
- _____ Beneficiary of Trusts and Estates:
 Name: _____
 Address: _____

6. I hereby certify that the above named nonresident taxpayer is currently registered with (check the appropriate box):
 The South Carolina Secretary of State or
 The South Carolina Department of Revenue
 Date of Registration: _____

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Sections 12-8-540 (rentals), 12-8-550 (temporarily doing business or professional services in South Carolina), and 12-8-570 (distributions to nonresident beneficiary by trusts or estates) at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-44 (B) (6) (a) (i), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

 Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant) (Seal) _____ Date

If Corporate officer state title: _____

 (Name - Please Print)

INCOME TAX CREDIT

NOTE: Income Tax Credit shall apply to SECTION 1 and SECTION 2 of this RFP.

References: SC §12-6-3350 – Income Tax Credit for State Contractors Having Subcontracts with MINORITY Firms

Taxpayers, who utilize certified minority subcontractors, may take a tax credit equal to 4% of the payments they make to said subcontractors. The payments claimed must be based on work performed directly for a South Carolina state contract. The credit is capped at \$25,000 per year or the total tax liability; whichever is lesser. The taxpayer is eligible to claim the credit for 6 consecutive taxable years beginning with the taxable year in which the credit is first claimed. There is no carry forward of unused credits.

The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return. Taxpayers must maintain evidence of work performed for a State contract by the minority subcontractor.

Questions regarding the tax credit and how to file are to be referred to:

SC Department of Revenue

Research and Review
Phone: (803) 898-5786
FAX: (803) 898-5888

Reference: SC §11-35-5010-Definition for Minority Subcontractor
SC §11-35-5230 (B)–Regulations for Negotiating with State Minority Firms

The subcontractor must be certified as to the criteria of a "Minority Firm" by the Governor's Office of Small and Minority Business Assistance (OSMBA). Certificates are issued to subcontractors upon successful completion of the certification process. Questions regarding subcontractor certification are to be referred to:

Governor's Office of Small and
Minority Business Assistance
Phone: (803) 734-0657
FAX: (803) 734-2498

ATTACHMENT 1

(For Section 1 Columbia Campus)

APPROXIMATE SALES BY DEPARTMENT
FOR THE
USC BOOKSTORE AT THE RUSSELL HOUSE
MAY 2004 THRU APRIL 2005

<u>Department</u>	<u>Sales</u>
Course Pack	\$ 19,500
New Textbooks	\$ 3,723,500
Used Textbooks	\$ 975,600
Trade Books	\$ 262,400
School Supplies	\$ 211,000
Computer Software	\$ 9,400
Computer Peripherals and Accessories	\$ 95,400
School Spirit Clothing	\$ 850,000
Non-Emblematic Clothing	\$ 45,500
Miscellaneous	\$ 117,500
Convenience	\$ 177,700
Dorm Furnishings	\$ 43,000
Greeting Cards	\$ 33,200
Backpacks	\$ 34,700
School Spirit, Gifts, Accessories	\$ 186,300
Prints, Frames, Museum Shop	\$ 50,800
Total	\$ 6,835,500

APPROXIMATE SALES BY DEPARTMENT
FOR THE
USC BOOKSTORE AT THE SCHOOL OF MEDICINE
May 2004 thru April 2005

<u>Department</u>	<u>Sales</u>
New Textbooks	\$ 66,300
Used Textbooks	\$ 500
Trade Books	\$ 112,100
School Supplies	\$ 54,300
School Spirit Clothing	\$ 10,000
Miscellaneous	\$ 10,000
Convenience	\$ 10,900
School Spirit, Gifts, Accessories	\$ 1,400
Prints, Frames, Museum Shop	\$ 2,000
Total	\$ 267,500

ATTACHMENT 2

(For Section 1 Columbia Campus)

CarolinaCard Growth

Total CarolinaCash Deposits

FY02-03: \$270,880.99

FY03-04: \$2,942,343.15

FY04-05: \$4,516,778.68

Bookstore Sales using CarolinaCash

FY02-03: \$113,931.47

FY03-04: \$1,420,318.02

FY04-05: \$2,097,675.34

ATTACHMENT 3

**(For Section 1 Columbia Campus)
Sign & Return Attachment with Offeror's Response**

As described in Section 1 Item 4.6.6. of the RFP, the University has estimated that it will cost at least \$1,000,000 to provide a top quality café through renovation of and additions to the space currently assigned to the Bookstore in the Russell House University Union. Offeror must sign this form agreeing to make the investment of \$1,000,000 in this project under the terms described in Section 4.6.6 of the RFP.

Name of Offeror: _____

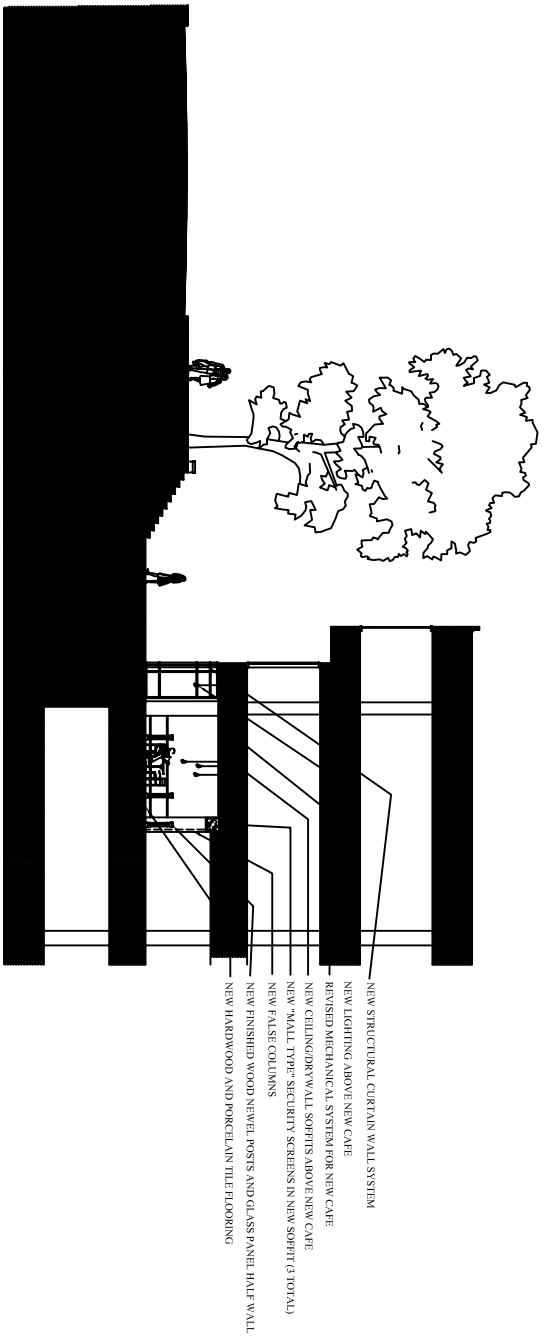
Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

UNIVERSITY OF SOUTH CAROLINA BOOKSTORE

BUILDING SECTION - LOOKING EAST

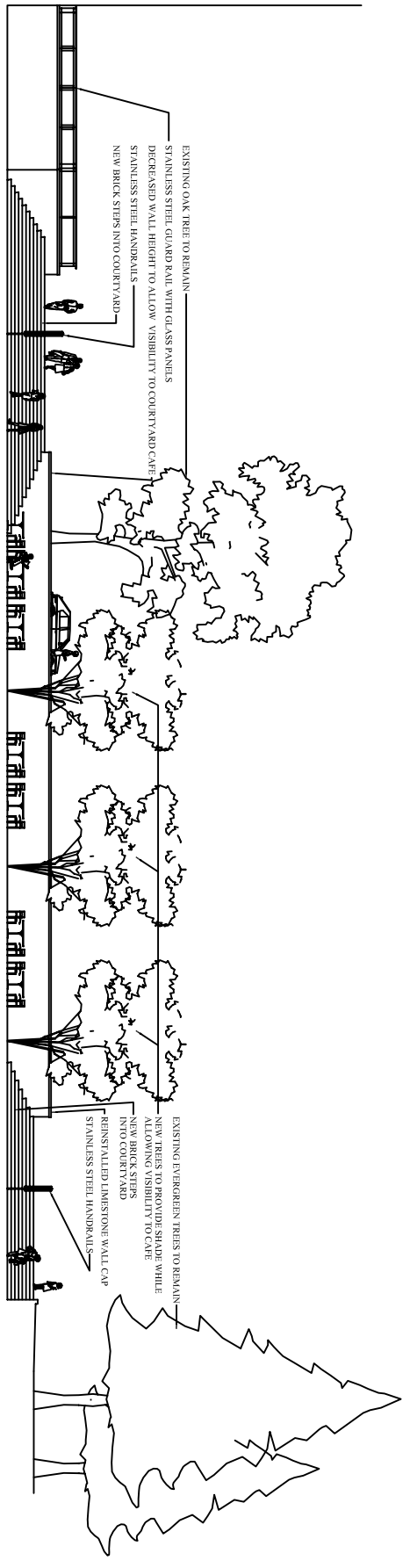
SCALE: 1/8" = 1'-0"



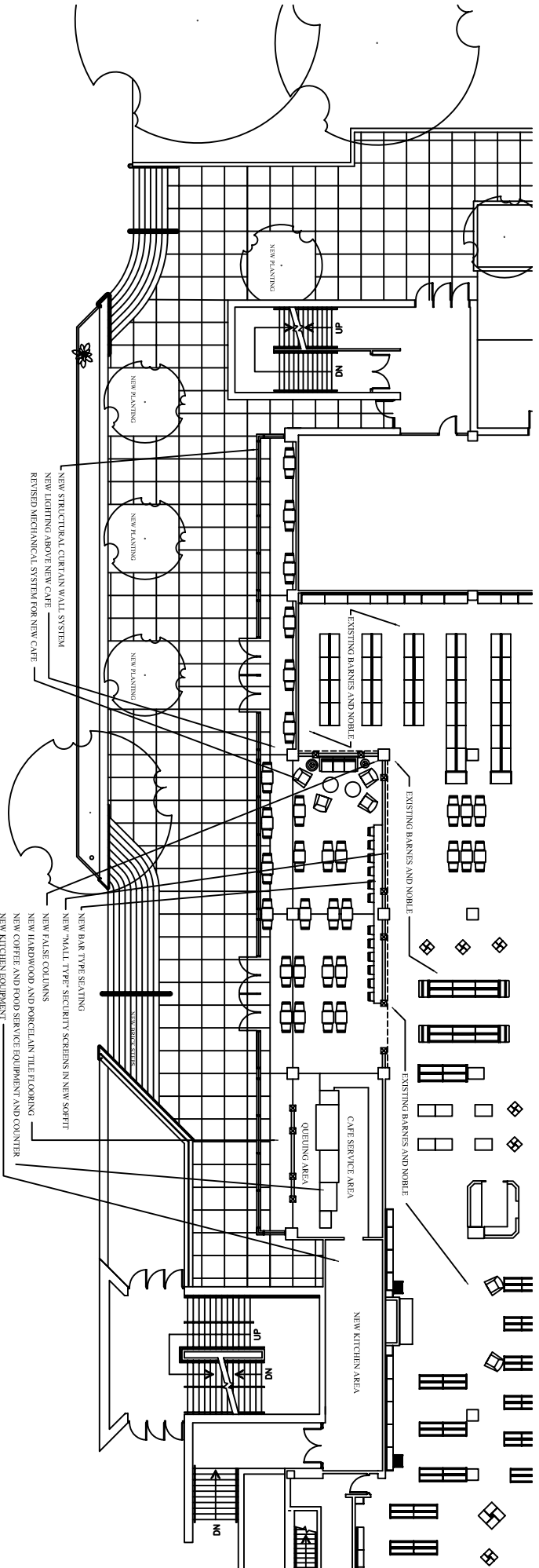
- NEW STRUCTURAL CURTAIN WALL SYSTEM
- NEW LIGHTING ABOVE NEW CAFE
- REVISED MECHANICAL SYSTEM FOR NEW CAFE
- NEW CEILING/ROOF WALL SOFFITS ABOVE NEW CAFE
- NEW "MALL TYPE" SECURITY SCREENS IN NEW SOFFIT (3 TOTAL)
- NEW FALSE COLUMNS
- NEW FINISHED WOOD NEWEL POSTS AND GLASS PANEL HALF WALL
- NEW HARDWOOD AND PORCELAIN TILE FLOORING

COURTYARD WALL ELEVATION - LOOKING NORTH TOWARD GREENE STREET

SCALE: 1/8" = 1'-0"

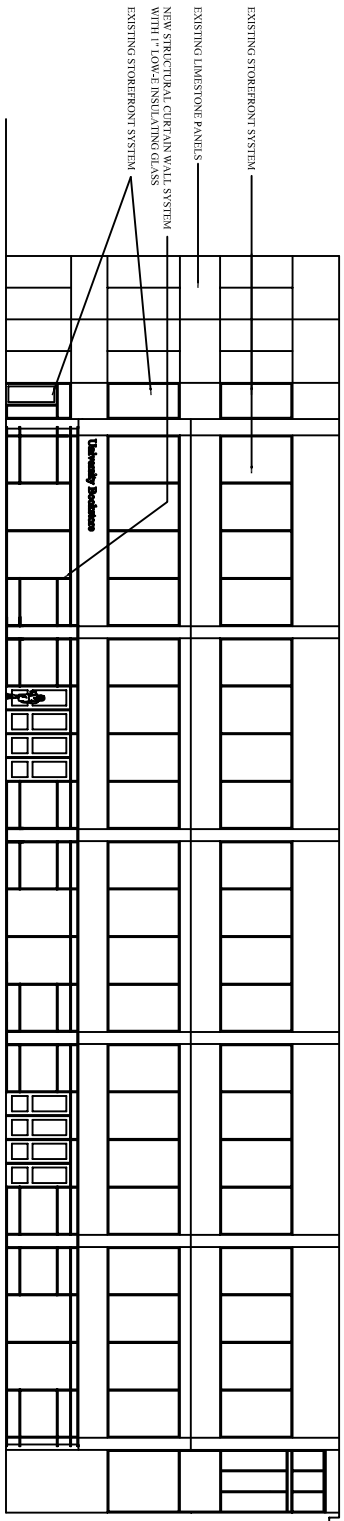


- EXISTING OAK TREE TO REMAIN
- STAINLESS STEEL GUARD RAIL WITH GLASS PANELS
- DECREASED WALL HEIGHT TO ALLOW VISIBILITY TO COURTYARD CAFE
- STAINLESS STEEL HANDRAILS
- NEW BRICK STEPS INTO COURTYARD
- EXISTING EVERGREEN TREES TO REMAIN
- NEW TREES TO MATCH SHAPES WHILE ALLOWING VISIBILITY TO CAFE
- NEW BRICK STEPS INTO COURTYARD
- REINSTALLED LIMESTONE WALL CAP
- STAINLESS STEEL HANDRAILS



PLAN

SCALE: 1/8" = 1'-0"



NORTH ELEVATION

SCALE: 1/8" = 1'-0"



ATTACHMENT 4

UNIVERSITY OF SOUTH CAROLINA BOOKSTORE

CAFE

ATTACHMENT 5

Sign & Return Attachment with Offeror's Response

IMPORTANT NOTICE TO OFFEROR

Offeror may respond to Section 1 of the RFP in Proposal A below which is for the USC Columbia Campus only; or offeror may respond to Sections 1 and 2 of the RFP in Proposal B which is for a combined contract for both the Columbia and Lancaster campuses; or offeror may respond to Section 2 of the RFP in Proposal C below which is for the Lancaster campus only. The University reserves the right to select the proposal or combination of proposals that best meets their need.

Proposal A - USC Columbia Campus Only

Offeror must respond based on the requirements listed in Section 1 for the Columbia Campus as a stand alone operation

10 Year Term

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 1 of the RFP _____%

Commission Rate

(Must be at least 13%)

15 Year Term

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 1 of the RFP _____%

Commission Rate

(Must be at least 13.5%)

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

Proposal B -USC Columbia Campus & USC Lancaster Campus (as a combined award)

Offeror must respond based on the requirements listed for both Columbia and Lancaster Campuses

10 Year Term

**COLUMBIA CAMPUS
COMMISSION RATE**

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 1 of the RFP _____%
Commission Rate
(Must be at least 13%)

**LANCASTER CAMPUS
COMMISSION RATE**

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 2 of the RFP _____%
Commission Rate

15 Year Term

**COLUMBIA CAMPUS
COMMISSION RATE**

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 1 of the RFP _____%
Commission Rate
(Must be at least 13.5%)

**LANCASTER CAMPUS
COMMISSION RATE**

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 2 of the RFP _____%
Commission Rate

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

Proposal C - USC Lancaster Campus Only

10 Year Term

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 2 of the RFP _____%

Commission Rate

15 Year Term

Commission rate on which the University will be compensated for sales at the Bookstore as fully described in Section 2 of the RFP _____%

Commission Rate

Name of Offeror:

Authorized Person and Title:

(Print Name and Title)

Authorized Signature:

ATTACHMENT 6

(Minimum Guarantee for Columbia Campus) Sign & Return Attachment with Offeror's Response

BY SUBMITTING A PROPOSAL THE OFFEROR AGREES THAT IF THE ANNUAL REVENUES DERIVED FROM THE CONTRACTED COMMISSION RATE DO NOT MEET OR EXCEED \$750,000 FOR CONTRACT YEAR ONE, AND AS INCREASED FOR EACH SUBSEQUENT YEAR OF THE CONTRACT BY THE PRODUCER PRICE INDEX FOR BOOK PUBLISHERS: COLLEGE TEXTBOOKS, THE OFFEROR WILL REMIT TO THE UNIVERSITY BY ELECTRONIC FUND TRANSFER WITHIN THIRTY DAYS OF THE LAST MONTH OF THE CONTRACT YEAR THE DIFFERENCE BETWEEN THE COMMISSION REVENUES AND THE APPLICABLE GUARANTEE AMOUNT FOR THAT CONTRACT YEAR.

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

ATTACHMENT 7

**(For Section 1 Columbia Campus)
Sign & Return Attachment with Offeror's Response**

BY SUBMITTING A PROPOSAL, THE OFFEROR AGREES TO MAKE \$25,000 AVAILABLE FOR RENOVATIONS TO THE UPFITTING AND DÉCOR OF THE BOOKSTORE, AS APPROVED AND DIRECTED BY THE UNIVERSITY AND AS FULLY DESCRIBED IN SECTION 1 - ITEM #4.5.3 OF THE RFP. THIS INVESTMENT IS IN ADDITION TO THE REQUIREMENT FOR CARPET AND FLOORING REPLACEMENT EVERY TWO (2) YEARS.

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

ATTACHMENT 8
Sign & Return Attachment with Offeror's Response

FOR THE TERM OF THIS CONTRACT, THE UNIVERSITY OF SOUTH CAROLINA WILL BE LISTED AS THE FIRST EXISTING CUSTOMER ACCOUNT WITH THE CONTACT PERSON SHOWN AS THE THEN CURRENT DIRECTOR OF BUSINESS AND WITH THE TELEPHONE NUMBER OF (803) 777-5432. THE UNIVERSITY WILL NOTIFY THE CONTRACTOR OF ANY CHANGE IN THE NAME, TITLE OR PHONE NUMBER OF THE CONTACT PERSON.

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____

ATTACHMENT 9
Sign & Return Attachment with Offeror's Response

By submitting a proposal, offeror agrees to sign a contract incorporating each item verbatim as contained in the RFP.

Name of Offeror: _____

Authorized Person and Title: _____
(Print Name and Title)

Authorized Signature: _____