



REQUEST FOR PROPOSALS

RFP # 2014-04

University Bookstore Management

ISSUE DATE: December 10, 2013

CLOSING DATE: January 31, 2014

CLOSING TIME: 1:00 p.m.

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**State of Oregon
Southern Oregon University
REQUEST FOR PROPOSALS
University Bookstore Management**

Section I - Information Regarding Proposal

INTRODUCTION

Southern Oregon University (“SOU”) is seeking proposals to select a contractor to furnish management, equipment, goods and supplies necessary to manage and operate a professional bookstore that will provide the highest caliber of services to the SOU community. The contractor will be entitled to occupy the current bookstore location in the Student Union on the Ashland campus, pursuant to a revocable license provided by SOU. The two SOU classified staff currently assigned to the Bookstore will remain employees of SOU assigned to the Bookstore.

IMPORTANT NOTICE

It will be the responsibility of potential proposers to refer daily to the OUS Procurement Gateway website (www.ous.edu/about/bo) to check for any available addenda, response to clarifying questions, cancellations or other information pertaining to this Request for Proposals (“RFP”).

Campus Visit

Proposers will be required to visit the SOU campus and tour the existing Bookstore space with campus representatives prior to submitting a proposal. Please contact Treasa Sprague via the below contact information to coordinate a mutually convenient day and time for a tour.

GENERAL INFORMATION

Issuing Office: The SOU Administrative Coordinator is the sole point of contact regarding the RFP process. All correspondence should be to the contact person below:

Treasa Sprague, Administrative Coordinator
Telephone (541) 552-6319

Street Address: 1250 Siskiyou Blvd
Ashland, OR 97520

Mailing Address: Administrative Coordinator
1250 Siskiyou Blvd
Ashland, OR 97520

Email: spraguet@sou.edu

SCHEDULE OF EVENTS

The timing and sequence of events resulting from this RFP will be ultimately determined by SOU. This Schedule is illustrative of optimal timing goals, but may be changed.

RFP Issue Date.....	December 10, 2013
Deadline for Protest of Specifications.....	December 20, 2013 (5:00 pm, PT)
Campus Visit	January 10, 2014 (11:00 am, PT)
All Clarifying Questions Due	January 17, 2014 (5:00 pm, PT)
Notice of Interest Deadline	January 17, 2014 (5:00 pm, PT)
Closing Date (Proposals Due).....	January 31, 2014 (1:00 pm, PT)
Finalist Presentations (if required)	Week of February 10th
Deadline for Protest of Award	7 calendar days after date on Notice of Award letter
Anticipated Contract Begin Date	June 1, 2014

GENERAL PROVISIONS

SOU reserves the right to reject any and all Proposals received as a result of this RFP. Oregon Administrative Rules Chapter 580, Divisions 61 and 62 govern the procurement process for SOU.

1. Modification or Withdrawal of Proposal: Any Proposal may be modified or withdrawn at any time prior to the closing deadline, provided that a written request is received by SOU Administrative Coordinator, prior to the Closing date. Withdrawal of a Proposal will not prejudice the right of a Proposer to submit a new Proposal.

2. Notice of Interest. The Notice of Interest (form attached below) must be submitted to the office of the SOU Administrative Coordinator by 5:00 p.m., on the date indicated in the Schedule of Events, via email, fax or hardcopy. In the notice, the Proposer must provide the name of the primary contact person, plus that person’s telephone number and email address for communication of information about the RFP, answers to questions submitted by Proposers, and other matters about the selection process. Proposers that complete and return the Notice will receive the same supplementary information. Submission of the Notice of Interest is not a mandatory requirement in order for Proposers to submit a Proposal.

3. Requests for Clarification and Requests for Change: Proposers may submit questions regarding the RFP. Questions must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule of Events, at the Purchasing and Contract Services address or email address as listed in the Contact Information section of the RFP. SOU will provide written response to questions to all Proposers that submit a Notice of Interest and on the OUS Procurement Gateway.

Proposers may submit requests for changes under the same conditions as noted above for submitting questions. Requests for changes must include the reason for the change, identify the proposed changes, and why the proposed changes are in the best interests of SOU. The purpose of this requirement is to permit SOU to correct, prior to the opening of Proposals, RFP terms or technical requirements that may be unlawful, improvident or which unjustifiably restrict competition.

SOU will consider requested changes and, if appropriate, amend the RFP. SOU will provide reasonable notice of its decision to all Proposers that submit a Notice of Interest and on the OUS Procurement Gateway.

All clarifications and changes to the RFP shall be by written addendum to the RFP. No other clarifications or changes shall be binding, including but not limited to oral or written instructions or information concerning this RFP from SOU managers, employees or agents to prospective Proposers.

4. Protests of the RFP/Specifications: Protests must be in accordance with OAR 580-061-0145. Protests of Specifications must be received in writing on or before 5:00 p.m. (Pacific Time), on the date indicated in the Schedule of Events, at the Purchasing and Contract Services address or email address as listed in the Contact Information section of the RFP. Protests may not be faxed. Protests of the RFP specifications must include the reason for the protest and any proposed changes to the requirements.

5. Addenda: If any part of this RFP is amended, an addendum will be provided on the OUS Procurement Gateway website (www.ous.edu/about/bo), along with a copy to all parties who submit the Notice of Interest.

6. Post-Selection Review and Protest of Award: SOU will name the apparent successful Proposer in a "Notice of Intent to Award" letter. Identification of the apparent successful Proposer is procedural only and creates no right whatsoever in the named Proposer to award of the contract or other benefit hereunder. Competing Proposers will be notified in writing of the selection of the apparent successful Proposer(s) and shall be given seven (7) calendar days from the date on the "Notice of Intent to Award" letter to review the file and evaluation report at the Purchasing and Contract Services office and file a written protest of award, pursuant to OAR 580-061-0145. Any award protest must be in writing and must be delivered by hand delivery, mail or email to the address for the Purchasing and Contract Services Office as listed in the Contact Information section of the RFP. Protests may not be faxed.

SOU will consider any protests received and either:

- (A) Reject all protests and proceed with final evaluation and permissible contract negotiation with the apparent successful Proposer. Pending the satisfactory outcome of this final evaluation and negotiation, SOU may subsequently enter into a contract with the named Proposer; OR
- (B) Sustain a meritorious protest(s) and reject the proposal of the apparent successful Proposer as nonresponsive, provided such Proposer is unable to demonstrate that its Proposal complied with all material requirements of the solicitation and Oregon public procurement law; thereafter, SOU may name a new apparent successful Proposer; OR
- (C) Reject all Proposals and postpone or cancel the RFP.

The SOU Vice President for Finance and Administration or designee will timely respond to the protest after receipt. This protest decision shall be final.

7. Acceptance of Contractual Requirements: Failure of the selected Proposer to execute a contract and deliver required insurance certificates within ten (10) calendar days after notification of an award may result in cancellation of the award. This time period may be extended at the option of SOU.

8. Public Records: Proposals are deemed confidential until the "Notice of Intent to Award" letter is issued. This RFP and one copy of each original submitted Proposal, together with copies of all documents pertaining to the award of a contract, will be kept and made a part of a file or record which will be open to public inspection. If a Proposal contains any information that is considered a **TRADE SECRET** under ORS 192.501(2), **SUCH INFORMATION MUST BE LISTED ON A SEPARATE SHEET CAPABLE OF SEPARATION FROM THE REMAINING PROPOSAL AND MUST BE CLEARLY MARKED WITH THE FOLLOWING LEGEND:**

"This information constitutes a trade secret under ORS 192.501(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192."

The Oregon Public Records Law exempts from disclosure only bona fide trade secrets, and the exemption from disclosure applies only "unless the public interest requires disclosure in the particular instance." ORS 192.500(1). Therefore, non-disclosure of documents or any portion of a document submitted as part of a Proposal may depend upon official or judicial determinations made pursuant to the Public Records Law.

9. Investigation of References: SOU reserves the right to investigate all references in addition to supplied references and investigate past performance of any Proposer with respect to its successful performance of similar services, compliance with specifications and contractual obligations, completion or delivery of a project on schedule, lawful payment of subcontractors and workers and any other factor SOU deems relevant to this RFP. SOU may postpone the award or the execution of the contract after the announcement of the apparent successful Proposer in order to complete its investigation.

10. RFP Proposal Preparation Costs and Other Costs: Proposer costs of developing the Proposal, cost of attendance at an interview (if requested by SOU) and any other costs of any kind or nature whatsoever are entirely the responsibility of the Proposer, and will not be reimbursed in any manner by SOU.

11. Clarification and Clarity: SOU reserves the right to seek clarification of each Proposal, or to make an award without further discussion of Proposals received. Therefore, it is important that each Proposal be submitted initially in the most complete, clear and favorable manner possible.

12. Right to Reject Proposals: SOU reserves the right to reject any or all Proposals, if such rejection would be in the public interest, as determined by SOU in its discretion.

13. Cancellation: SOU reserves the right to cancel or postpone this RFP at any time or to award no contract.

14. Proposal Terms: All Proposals, including any price quotations, will be valid and firm through a period of 60 calendar days following the Closing date. SOU may require an extension of this firm offer period. Proposers will be required to agree to the longer time frame in order to be further considered in the procurement process.

15. Oral Presentations: At SOU's sole option, Proposers may be required to give an oral presentation of their Proposals to SOU, a process which would provide an opportunity for the Proposer to clarify or elaborate on the Proposal but will in no material way change Proposer's original Proposal. If the evaluating committee requests presentations, the Issuing Office will schedule the time and location for said presentation. Any costs of participating in such presentations will be borne solely by Proposer and will not be reimbursed by SOU. **Note:** Oral presentations are at the discretion of the evaluating committee and may not be conducted; therefore, **written Proposals should be complete.**

16. Usage: It is the intention of SOU to utilize the services of the successful Proposer(s) to provide services as outlined in the below Scope of Work.

17. Sample Contract: Submission of a Proposal in response to this RFP indicates Proposer's willingness to enter into a contract containing substantially the same terms listed in Exhibit A – Southern Oregon University Terms and Conditions, attached hereto and made a part hereof. No action or response to the sample contract is required under this RFP. Any objections to the sample contract terms should be raised in accordance with Paragraphs 3 and 4 of the "General Provisions" of this RFP, pertaining to requests for clarification or change or protest of the RFP/specifications, and as otherwise provided for in this RFP.

18. Review for Responsiveness: Upon receipt of all Proposals, the Issuing Office or designee will determine the responsiveness of all Proposals before submitting them to the evaluation committee. If SOU determines that a Proposal is incomplete or non-responsive in significant part or in whole, it will be rejected and will not be submitted to the evaluation committee. SOU reserves the right to determine if an inadvertent error is solely clerical or is a minor informality which may be waived, and then to determine if an error is grounds for disqualifying a Proposal. The Proposer's contact person identified on the Proposal will be notified, identifying the reason(s) the Proposal is non-responsive. One copy of the Proposal will be archived and all others discarded.

19. Rejections and Withdrawals. SOU reserves the right to reject any or all Proposals or to withdraw any item from the award.

20. RFP Incorporated into Contract. This RFP will become part of the Contract between SOU and the selected contractor(s). The contractor(s) will be bound to perform according to the terms of this RFP, their Proposal(s), and the terms of Exhibit A.

21. Communication Blackout Period. Except as called for in this RFP, Proposers may not communicate with members of the Evaluation Committee about the RFP until the apparent successful Proposer is selected, and all protests, if any, have been resolved.

22. Prohibition on Commissions. SOU will contract directly with persons/entities capable of performing the requirements of this RFP. Contractors must be represented directly. Participation by brokers or commissioned agents will not be allowed during the proposal process.

23. Ownership of Proposals. All proposals in response to this RFP are the sole property of SOU, and subject to the provisions of Oregon Revised Statutes ORS 192.410-192.505 (Public Records Act).

24. Clerical Errors in Awards. SOU reserves the right to correct inaccurate awards resulting from its clerical errors.

25. Rejection of Qualified Proposals. Proposals may be rejected in whole or in part if they attempt to limit or modify any of the terms, conditions or specifications of the RFP or the SOU Sample Contract.

26. Collusion. By responding, the Proposer states that the proposal is not made in connection with any competing Proposer submitting a separate response to the RFP, and is in all aspects fair and without collusion or fraud. Proposer also certifies that no officer, agent, or employee of SOU has a pecuniary interest in this Proposal.

27. Evaluation Committee: Proposals will be evaluated by a committee consisting of representatives from SOU. SOU reserves the right to modify the Evaluation Committee make-up at its sole discretion. The committee's recommendations will be forwarded to the Vice President for Finance and Administration, or designee, for final approval.

28. Commencement of Work: The contractor shall commence no work until all insurance requirements have been met, the Protest of Awards deadline has been passed, any protest have been decided, a contract has been fully executed, and a Notice to Proceed has been issued by SOU.

TERM OF CONTRACT

The Contract is expected to begin on or about June 1, 2014, and extend to May 31, 2019, with an option by SOU of up to two two-year renewals thereafter, subject to the Contractor's continued successful performance as determined by SOU. Notwithstanding the foregoing, SOU reserves the right, upon 30 day notice to the Contractor, to terminate the Contract for its convenience.

DELIVERY OF PROPOSALS

Proposals may be submitted via two methods.

Method #1: An original copy of the Proposal, and an electronic copy (on compact disk), and **15 copies** of the complete Proposal must be received on or before **1:00 p.m. Pacific Time, January 31, 2014.** The envelope/package containing the response must be sealed and clearly marked **"Response to RFP #2014-04."**

Method #2: Complete proposals (including all attachments) may be emailed and must be electronically received by **1:00 p.m. Pacific Time, January 31, 2014.** **Email subject line must be "Response to RFP #2014-04."** Proposer ***must*** telephone and confirm electronic receipt of the complete emailed document(s) before the above time and date deadline. Proposals delayed or lost by email system filtering or failures may be considered at SOU's sole discretion. **In addition** to electronic submission, the original copy of the Proposal and **10 copies** must be postmarked no later than January 31, 2014. The envelope/package containing the Proposal must be clearly marked **"Response to RFP #2014-04."**

The original Proposal must be signed by an authorized representative of the Proposer empowered to bind the Proposer to a final contract with SOU. Alterations or erasures shall be initialed in ink by the person signing the Proposal. Proposals may not be submitted by telephone or fax.

It is the responsibility of the Proposer to ensure that Proposals arrive by the closing date and time. **NO LATE PROPOSALS WILL BE ACCEPTED, except as set out in Method #2 of "Delivery of Proposals"**. Proposals may be hand delivered, mailed, or e-mailed to:

Hand Delivery:

(Including UPS, FEDEX)

Southern Oregon University
Administrative Coordinator
Room 122 Churchill Hall
1250 Siskiyou Blvd
Ashland, OR 97520

Mailing Address:

Southern Oregon University
Administrative Coordinator
Room 122 Churchill Hall
1250 Siskiyou Blvd.
Ashland, OR 97520

E-Mail:

Treasa Sprague
spraguet@sou.edu

Proposals will be publicly opened by a designee in the Purchasing and Contract Services Office on the Closing Date.

GENERAL BACKGROUND

SOU is a four-year contemporary public liberal arts and sciences university with select graduate and professional programs devoted to providing access to opportunities for personal, intellectual, and professional growth through education and scholarship. It is one of the seven universities in the Oregon University System. Academic departments at SOU are both diverse and comprehensive, with over 30 majors and more than 100 academic programs in the schools of arts and letters, education, sciences, social sciences, and business. The varieties of study, as well as degree options within departments, give the University's more than 6,000 students an opportunity to individualize their education. Departments offer practicum credit, research, internship, and study abroad programs as ways for students to further round out a comprehensive academic education.

The University operates on an academic calendar comprised of four terms: fall, winter, spring, and summer. The bookstore operates year round, but most sales occur during the fall, winter, and spring terms.

BOOKSTORE BACKGROUND

Owned and operated by SOU, the SOU Bookstore ("Bookstore") offers a range of products from textbooks, school supplies, computer equipment, and campus merchandise. The Bookstore is located on the ground level of the Student Union, just inside the main entrance. To help proposers understand the current operation of the Bookstore, we are providing a range of information.

- Exhibit B: Bookstore Information
- Exhibit B-1: Student Union First Floor
- Exhibit B-2: Bookstore Sales Trends
- Exhibit B-3: Bookstore Vendor Agreements List
- Exhibit B-4: Payroll Detail – FY2013; FY2014-Current
- Exhibit B-5: Current Staffing

SCOPE OF WORK

The selected proposer (“Contractor”) shall operate the Bookstore, in accordance with the requirements, terms, specifications, conditions, and provisions contained in Model Contract (Exhibit A) and as negotiated between the parties. The Contractor shall provide SOU with the services usually expected of a top quality university bookstore.

In order to achieve the goals of the SOU Bookstore program, the Contractor shall adopt the following objectives in managing the Bookstore. The substantial achievement of the objectives will be a requirement of the resulting contract, upon timeframes agreed upon between the parties, and reduced to writing. Substantial achievement of the objectives will be among the factors SOU will consider, in its sole discretion, in determining whether the term of the contract will be extended. The objectives are:

1. To provide the SOU community with a full range of merchandise and services expected from a quality academic Bookstore.
2. To have sufficient quantities of textbooks and related supplies and materials, as required or recommended by the faculty for academic courses, available for purchase by students at the specific times the items are needed. This shall include at the outset of the operation, acquisition of SOU’s current inventory.
3. To be compliant with the Higher Education Opportunity Act (HEOA).
4. To ensure that the specific requested editions of texts are available for sale.
5. To minimize out-of-stock situations on textbooks.
6. To provide a wide selection of current academic and technical literature in support of required material for the academic disciplines of SOU.
7. To offer a significant selection of general merchandise such as office supplies, SOU emblematic apparel, memorabilia, computer equipment, and other miscellaneous items, purchasing locally when possible.
8. To provide timely response to customers requiring special order literature and other such materials.
9. To provide other quality merchandise to the SOU community under pricing policies that 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.
10. To keep apprised of new merchandise of interest to the SOU community.
11. To provide for efficient customer traffic flow during rush periods and minimize time spent by customers in waiting lines.

12. To meet the needs of disabled persons. ADA requirements shall be adhered to in all aspects of the management and operation of the Bookstore.
13. To provide employment opportunities for SOU students at wage rates consistent with SOU's student employment rates.
14. To become involved in the academic, cultural, and social environment of SOU, taking advantage of opportunities to offer special merchandise and other assistance based upon SOU's ongoing and unique activities.
15. Although not a part of the initial resulting contract of the RFP, SOU may negotiate with the selected contractor to add additional services including: management of the SOU Print and Copy Center (or portions thereof), course pack production, and copyright clearance for document production.

Section II – Information Required from Proposers

PROPOSAL FORM AND CONTENT

Proposals that do not contain all the information requested in this and other sections may be rejected as non-responsive.

Submission Format

1. The Proposal should be written on standard size (8½" x 11") paper, using generally accessible word processing and document formats conducive to cut-and-paste transfer of information to contracts or other summary documents. MSOffice Suite documents are preferred.
2. Proposers should structure responses as outlined in this RFP. Proposals should be prepared so that responses are specifically addressed in the same order as the requested information identified below and on the Questionnaire. Pages should be numbered consecutively and tabs inserted between sections.

REQUIRED PROPOSAL CONTENT

1. You must complete the **Bidder/Proposer Tax Laws and Non-discrimination Certification** sheet, signed by an authorized company official.
2. The Proposal must also include the following:
 - a. **Title Page or Cover Letter.** The title page or cover letter should indicate the date, subject, name of the Proposer, address, telephone number, e-mail address, name and title of the Proposer's contact person as well as a signature of an authorized official with the authority to negotiate and contractually bind the Proposer.

- b. **Offices and Representatives.** A description of the office(s) that will provide support, including its geographic location, staffing level, the background, experience, and qualifications of personnel. *This information must be listed in a specifically identified section of the Proposal.*
 - c. **Questionnaire.** Complete and specific answers to the Questionnaire for Proposers. Please respond by restating each question and thereafter providing your answer in order beginning with question 1.
3. **Summary Statement.** The Proposer may, but is not required, to provide a summary statement as to its qualifications, as well as briefly describe (no more than 500 words) any special considerations SOU should consider.

EVALUATION CRITERIA

Proposals will be evaluated for completeness and compliance with this RFP and other qualifications of the Proposers. Proposals considered complete will be evaluated to determine if they comply with the administrative, contractual, and technical requirements of the RFP. If the Proposal is unclear, Proposers may be asked to provide written clarification. **Proposals that do not specifically address the scope of work or do not include the complete Proposal Content may be rejected as non-responsive.**

Proposals will be evaluated based on the following criteria and questions outlined in the Questionnaire for Proposers:

Criteria	Max Points
1. Background Information	20 points
2. SOU Bookstore Plan	35 points
3. Course Book and Supplies Ordering Process and Pricing	25 points
4. Communications Plan	35 points
5. Transition Plan	25 points
6. Personnel, Policies and Training	20 points
7. Merchandise Policies, Pricing, Programs and Procedures	40 points
8. Internal Systems	15 points
9. Financial Proposal and Pro Forma Statements	35 points

Total possible: 250 points

Section III – Questionnaire for Proposers

Please submit your responses in order beginning with question #1 by restating the question, then providing your answer. Use additional sheets as necessary. Be specific with names and numbers.

1. BACKGROUND INFORMATION

- A. Provide a general description of your firm, how the firm was started, and plans for future development of the firm.
- B. If publicly held, provide an annual report and 10-K for the last full fiscal year. If privately held, audited financial statements (to include a detailed balance sheet) and/or income tax statements for the past two fiscal years.
- C. Provide a listing of and resumes for all principal officers and key executives. National companies must submit the same information for its principal operating officers as well as all regional/district executives and management personnel that shall be assigned to manage or support this account.
- D. Provide a listing of all 1) comparable or representative accounts within the western United States and 2), all other comparable or representative locations within the United States. Please include the length of time at each campus along with name(s), telephone number(s) and e-mail addresses for those persons most knowledgeable about your performance. Please feel free to include a brief explanation as to why you believe you were awarded the account.
- E. Provide a list of all college/university bookstores your firm has lost in the last three years along with a contact name, telephone number and e-mail address for those persons most knowledgeable about your performance. Please feel free to include a brief explanation of why you believe you lost the account (i.e., low bid process, change in administration, etc.). Also, please provide any written rationale for the loss provided by the applicable college/university. Provide a summary of how the transition was managed.
- F. Describe past similar examples where your company has operated a university bookstore where the assigned employees are university employees.

2. SOU BOOKSTORE PLAN

Provide a detailed description of your firm's plan to develop the SOU Bookstore. Provide specific plans for:

- A. Capital development
- B. Signage/image of the Bookstore
- C. Layout
- D. Type of merchandise that will be sold
- E. Types of student activities that will be provided
- F. Hours of operation (prefer extended hours)
- G. Service plans for SOU satellite locations (Stadium booth and Medford Campus)

3. COURSE BOOK AND SUPPLIES ORDERING PROCESS

Describe the following ordering process for course books and supplies:

- A. Describe the process that would be used for faculty to order course books or course related supplies.
- B. Describe computer/web applications used to submit orders.
- C. Provide a typical estimate from time of order to availability in Bookstore.
- D. Provide an academic calendar that shows all critical time requirements for providing course books or supplies.
- E. Describe the process for faculty to submit course packets for production and availability in the Bookstore.
- F. Describe the order processing and delivery of how emergency late textbook adoptions will be handled.
- G. Describe the process for handling books ordered for classes that are cancelled and the process for handling books ordered by faculty who change their mind after submitting a textbook requisition and want to use a different book.
- H. Describe the process for faculty and students to order graduation regalia and accessories.
- I. Provide pricing strategies and a typical five (5) year history of price increases at three (3) colleges/universities where you currently operate.

4. COMMUNICATIONS PLAN

Submit a communications plan that, at a minimum, details the following:

- A. District, regional and corporate visitation schedule by job title. Include the length of the visit, who will be called upon, and what follow-up SOU can expect from such a visit.
- B. Type of ongoing written communication that SOU will receive from the Proposer's site, district, regional, and corporate offices. Include frequency, topics, and other pertinent explanatory data.
- C. Type and level of operational and financial results and related analysis detail that SOU can expect to receive and utilize as a management tool, as well as ad hoc reports as requested by SOU. Proposers should be candid as to the level of detail that will be provided relative to full disclosure on all costs associated with the contract

D. Methods you will utilize to insure customer satisfaction with the Bookstore services provided.

E. Marketing strategies and promotions to both internal and external stakeholders.

5. TRANSITION PLAN

Provide a detailed transition plan. Specifically describe proposed start and completion dates. Describe the types and estimated amount of time from SOU staff that will be required.

6. PERSONNEL, POLICIES, AND TRAINING

A. Provide a staffing plan for the Bookstore. The plan must include at a minimum the two existing SOU classified staff assigned to the Bookstore. These persons will remain SOU employees, and as such remain subject to applicable OUS and SOU rules, and collective bargaining agreements, if any.

B. Provide a staffing plan for the existing unclassified employees. They must be hired by the Contractor, at current salary with materially comparable benefits, and retained for at least twelve (12) months from start of contract.

C. Provide a description of your firm's personnel policies including benefits and expectations.

D. Provide a description of educational or training programs for managers, supervisors, and employees.

7. MERCHANDISE POLICIES, PROGRAMS, AND PROCEDURES

Describe your firm's policies, pricing, programs, or procedures proposed for use in the operation of the Bookstore in the areas listed below. It is an SOU priority that students are able to purchase books in the most economic manner possible. Be specific with pricing policies for book buy-back, discounts, new and used book pricing, and general merchandise.

A. Buy-back of books.

B. Refunds.

C. Faculty/staff discounts or incentives.

D. Process/procedure for departments and student clubs purchasing merchandise.

E. Student discounts or incentives.

- F. Donations to support student organizations, department, and campus events and others interested in SOU.
- G. Special orders – e.g., customer requests, rings, etc.
- H. Process and procedure for Veterans and other students who have third parties paying for textbooks and supplies.
- I. Maintenance of all required course books in stock.
- J. Methods for collecting faculty requisitions (securing titles, publishers, and quantities from SOU faculty).
- K. New categories of merchandise, if any, to be added for sale.
- L. Pricing (including markup on cost and margins for all categories of merchandise sold).
- M. General book selections.
- N. Access and supply of wholesale used books.
- O. Purchase terms and conditions of SOU inventory.
- P. New technology – e.g., Computers, laptops, tablets, software, book rentals, course packs, print on demand. Also describe other technology changes that may occur over the term of the contract.
- Q. Existing inventory. As the contract will become effective before the end of the academic year, SOU has a strong interest that course book prices (including transferred inventory) not increase for the remainder of the academic year. Confirm that prices will not increase on course book prices.
- R. Policies regarding intellectual property ownership of faculty publications.

8. INTERNAL SYSTEMS

Provide a description of internal system of your firm for:

- A. Inventory controls for textbooks, trade books, and general merchandise.
- B. Recording, checking, and reporting sales.
- C. Control of cash and refunds.
- D. Process for allowing students to charge textbooks to their SOU student account, collections, and bad debt write off/reserve.

- E. Process for redemption of outstanding SOU Bookstore gift cards and gift certificates.
- F. Internal audit.

9. FINANCIAL PROPOSAL AND PRO FORMA STATEMENTS

- A. Financial Proposal: Provide a financial proposal with terms and conditions for an initial contract. The proposal should assume no significant investment in facilities from SOU. The proposal should include the reimbursement to SOU of all labor costs for the two classified SOU staff assigned to the Bookstore.
- B. Pro Forma: Submit five year pro forma budget for the campus operations. A second five year pro forma budget showing the incorporation of the proposed capital investment (assuming a new or refurbished facility) is to be included.
- C. Transition Incentive: During the transition, SOU will have a number of license and maintenance agreements for the Bookstore that will overlap with the new systems provided by the Contractor. Provide an amount for a transition incentive to offset these costs.
- D. Other Incentives: Describe any other incentives/considerations that will be provided to the university.

10. ADDITIONAL INFORMATION

Provide any additional information on your firm, vision for the Bookstore, or other pertinent information for consideration by SOU.

If your firm provides additional services as described in Paragraph 14 of the Scope of Work, please provide information on how the service would be performed and the associated cost of the service.

11. MODEL CONTRACT

Model Contract: Submit your firm's standard services agreement for this type of service. SOU may, in its sole determination, elect to use the selected firm's standard services agreement and substitute the required terms and conditions of Exhibit A, the Special Terms and Conditions, and any other appropriate clause from the terms of this RFP or other clause negotiated by the parties.

Section IV – Contract Terms and Required Documents

**University Bookstore Management
RFP #2014-04**

Notice of Interest

Name of Consultant/Firm: _____

Check One:

_____ Yes, this firm will submit a proposal in response to this RFP. Please forward any addenda to the RFP to my attention.

_____ No, this firm does not anticipate submitting a proposal in response to this request.

Comments:

Signature: _____ Date: _____

Print Name: _____

Title: _____ Phone: _____

Address: _____

Email address for contact: _____

Please return this form no later than January 17, 2014 to Treasa Sprague, Administrative Coordinator, 1250 Siskiyou Blvd , Ashland, OR 9720; fax (541) 552-6337; email: spraguet@sou.edu.

**BIDDER/PROPOSER
TAX LAWS AND NON-DISCRIMINATION CERTIFICATION
RFP #2014-04**

I, the undersigned, have read all of the terms and conditions of this Request for Proposals, and I understand that if awarded the contract, I and the firm represented herein shall be bound by its terms and conditions and representations made in this response. I certify that Proposer has not discriminated against minority, women or emerging small business enterprises in obtaining any required subcontracts.

Certified Minority, Women, and Emerging Small Business

For statistical purposes only, please indicate if your firm is an Oregon certified minority, women, or emerging small business: DBE MBE WBE ESB

Certificate of Compliance with Tax Laws

I, the undersigned, (Check one)

_____ hereby certify under penalty of perjury that I am not in violation of any Oregon Tax laws,

_____ hereby certify under penalty of perjury that I am authorized to act on behalf of Contractor and, to the best of my knowledge, Contractor is not in violation of any Oregon tax laws.

For purposes of this certification, "Oregon Tax Laws" means a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323; the elderly rental assistance program under ORS 310.630 to 310.706; and local taxes administered by the Oregon Department of Revenue under ORS 305.620

Business Designation (check one): ___ Corporation ___ Partnership ___ Sole Proprietorship

___ Governmental/Non-Profit ___ Limited Partnership ___ Limited Liability Partnership

___ Limited Liability Company

Signature: _____ Date: _____

Name: _____ Title: _____

Firm: _____

Address: _____

City/State/Zip: _____ Phone: () _____

e-mail: _____ Fax: _____

Exhibit A
Southern Oregon University
TERMS AND CONDITIONS

STANDARD CONTRACT PROVISIONS

1. ACCESS TO RECORDS. Contractor shall maintain books, records, documents, and other evidence and accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract. The Oregon State Board of Higher Education ("Board"), Oregon Secretary of State, Federal Government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Contractor which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. Such books and records shall be maintained by Contractor for a minimum of seven (7) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

2. AVAILABILITY OF FUNDS. SOU certifies that sufficient funds are available and authorized for expenditure to finance costs of this Contract within its current biennial appropriation or expenditure limitation, provided, however, that continuation of this contract, or any extension, after the end of the fiscal period in which it is written, is contingent on a new appropriation or limitation for each succeeding fiscal period sufficient in amount, in the exercise of the SOU's reasonable administrative discretion, to continue to make payments under this Contract.

3. CAPTIONS. The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.

4. COMPLIANCE WITH APPLICABLE LAW. Contractor shall comply with all federal, state, county, and local laws, ordinances, and regulations applicable to the work to be done under this Contract. Contractor specifically agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and -regulations. Contractor shall also comply with the Americans with Disabilities Act of 1990 (Pub. L. No. 101-336), title VI of the civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, ORS 659A.142, and all regulations and administrative rules established pursuant to those laws. Contractor further agrees to make payments promptly when due, to all persons supplying to such Contractor, labor or materials for the prosecution of the work provided in this Contract; pay all contributions or amounts due the Industrial Accident Funds from such Contractor responsibilities incurred in the performance of this Contract; not permit any lien or claim to be filed or prosecuted against the state on account of any labor or material furnished; pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. If Contractor fails or refuses to make any such payments required herein, the appropriate SOU official may pay such claim. Any payment of a claim in the manner authorized in this section shall not relieve the Contractor or Contractor's surety from obligation with respect to unpaid claims. Contractor shall promptly pay any person or entity that furnishes medical care to Contractor's employees those sums which Contractor agreed to pay for such services and all money Contractor collected or deducted from employee's wages to provide such services.

5. DISCLOSURE OF SOCIAL SECURITY NUMBER. Contractor must provide Contractor's Social Security number unless Contractor provides a federal tax ID number. The number is requested pursuant to ORS 305.385 and OAR 150-305-100. Social Security numbers provided pursuant to this authority will be used for the administration of state, federal and local tax laws.

6. EXECUTION AND COUNTERPARTS. This Contract may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

7. GOVERNING LAW. This Contract shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, or suit between SOU and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Jackson County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

8. HAZARD COMMUNICATION. Contractor shall notify SOU prior to using products containing hazardous chemicals to which SOU employees may be exposed. Products containing hazardous chemicals are those products defined by Oregon Administrative Rules, Chapter 437. Upon SOU's request, Contractor shall immediately provide Material Safety Data Sheets for the products subject to this provision.

9. INDEMNITY, RESPONSIBILITY FOR DAMAGES. Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from the conduct of work under this Contract, or from any act, omission, or neglect of Contractor, its subcontractors, or employees. Contractor shall save, defend, indemnify, and hold harmless the State of Oregon, the Board, SOU, their officers, agents, employees, and members from all claims, suits and actions of any nature resulting from or arising out of the activities or omissions of Contractor or its subcontractors, officers, agents, or employees acting under this Contract, and provided that SOU shall provide Contractor with prompt written notice of any such claim, suit, action or proceeding and reasonable assistance, at Contractor's expense, in the defense thereof. Contractor shall have control of the defense and settlement thereof, but neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending its interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.

10. INDEPENDENT CONTRACTOR STATUS. The service(s) to be rendered under this Contract are those of an independent contractor. Although the SOU reserves the right to determine (and modify) the delivery schedule for the Work to be performed and to evaluate the

quality of the completed performance, SOU cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the work. Contractor is not to be considered an agent or employee of SOU for any purpose, and neither Contractor nor any of Contractor's agents or employees are entitled to any of the benefits that SOU provides its employees. Contractor will be solely and entirely responsible for its acts and for the acts of its agents or employees during the performance of this Contract. If Contractor is providing personal services as an individual, Contractor: (1) Is engaged as an independent contractor and will be responsible for any Federal or State taxes applicable to this payment, (2) Will not be eligible for any Federal Social Security, State Worker's Compensation, unemployment insurance, or Public Employees Retirement System benefits from this Contract payment; (3) Is not an officer, employee, or agent of the State as these terms are used in ORS 30.265 and will not be under the direction and control of SOU; (4) Is not currently employed by the Federal Government and the amount charged does not exceed the normal charge for the type of service provided if payment is to be charged against Federal funds and; (5) Must furnish Form 8233 in duplicate with this Contract if Contractor is a non-resident alien and claims exemption from Federal Withholding tax. The SOU will report the total amount of all payments to Contractor, including any expenses, in accordance with Federal Internal Revenue Service and State of Oregon Department of Revenue regulations. (Also see Exhibit C.)

11. INSURANCE. Contractor shall provide insurance as identified below. Insurance policies, which cannot be excess to a self-insurance program, are to be issued by an insurance company authorized to do business in the State of Oregon. The State of Oregon, acting by and through SOU and their officers and employees shall be included as an additional insured in said insurance policy. If any of the liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this Contract for a duration of 24 months.

- A. **Workers' Compensation Insurance:** As required by ORS 656.027, Contractor, its subcontractors, if any, and any all employers providing work, labor, or materials under this Contract are subject to employers under the Oregon Workers' Compensation Law, and shall either comply with ORS 656.017, which requires said employers to provide workers' compensation coverage that satisfies Oregon law for all their subject workers, or shall comply with the exemption set out in ORS 656.126.
- B. **General Liability Insurance:** Contractor must maintain general liability insurance with a combined single limit, or the equivalent, of not less than \$5,000,000 for each occurrence for Bodily Injury and Property Damage. It shall include the contractual liability coverage for the indemnity provided under this Contract.
- C. **Automobile Liability Insurance:** Contractor must maintain automobile liability insurance with a combined single limit, or the equivalent, of not less than \$1,000,000 for each accident for Bodily Injury and Property Damage, including coverage for owned, hired, or non-owned vehicles, as applicable.
- D. **Certificates of Insurance:** As evidence of the General Liability and Automobile Liability insurance coverage required by this Contract, the Contractor shall furnish an endorsement from the insurance company naming the State of Oregon, acting by and through the State Board of Higher Education, on behalf of SOU, its officers and employees as additional

insureds with respect to the work of this Contract. Insuring companies or entities are subject to State acceptance. If requested, complete copies of insurance policies, trust agreements, etc. shall be provided to the State. The Contractor shall be financially responsible for all pertinent deductibles, self-insured retentions and/or self-insurance.

- E. **Notice of cancellation or change.** There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without thirty (30) days written notice from the Contractor or its insurer(s) to SOU at the following address: Administrative Coordinator, 1250 Siskiyou Blvd, Ashland, OR 97520.

12. LIMITATION OF LIABILITIES. Except for liability arising under or related to sections 15(A) or 23(B), neither party shall be liable for (i) any indirect, incidental, consequential or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms.

13. NOTICES. Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same, postage prepaid, to Contractor or SOU at the address or number set forth on the signature page of this Contract, or to such other addresses or numbers as either party may hereafter indicate. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any such communication or notice delivered by facsimile shall be deemed to be given when receipt of transmission is generated by the transmitting machine. To be effective against SOU, such facsimile transmission must be confirmed by telephone notice to SOU's supervising representative. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

14. OWNERSHIP OF WORK PRODUCT. All work product of Contractor that results from this Contract (the "Work Product") is the exclusive property of SOU. SOU and Contractor intend that such Work Product be deemed "work made for hire" of which SOU shall be deemed the author. If for any reason the Work Product is not deemed "work for hire", Contractor hereby irrevocably assigns to SOU all of its right, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark or trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall execute such further documents and instruments as SOU may reasonably request in order to fully vest such rights in SOU. Contractor forever waives any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC § 106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

15. REPRESENTATIONS AND WARRANTIES. (A) Contractor's Representations and Warranties. Contractor represents and warrants to SOU that (1) Contractor has the power and authority to enter into and perform this Contract, (2) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, (3) the Work under this Contract shall be performed in a good and workmanlike manner and in accordance with the highest professional standards, (4) Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work, (5) all computer hardware and software delivered under this Contract will, individually and in combination, correctly process, sequence, calculate all date and date-related data for all dates prior to, through and after January 1, 2000, and (6) any software products delivered under

this Contract that process date or date related data shall recognize, store and transmit date data in a format which explicitly and unambiguously specifies the correct century. (B) Contractor's Limitation of Liability. Contractor's liability with respect to items (5) and (6) above shall not exceed: (1) twice the total Contract amount (including any amendments) or (2) \$100,000, whichever is greater. (C) Warranties Cumulative. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

16. SURVIVAL. All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in the Section titled "Effective Date and Duration", and Sections 1, 7, 9, 12, 14, 15, 16, and 23.

17. SEVERABILITY. If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

18. SUBCONTRACTS AND ASSIGNMENTS. Contractor shall not enter into any subcontracts for any of the work required by this Contract, or assign or transfer any of its interest in this Contract, without obtaining prior written approval from the SOU. In addition to any provisions the SOU may require, Contractor shall include in any permitted subcontract under this Contract a requirement that the subcontractor be bound by this section and Sections 1, 9, 14, and 27 as if the subcontractor were the Contractor. SOU's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.

19. SUCCESSORS IN INTEREST. The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.

20. TAX COMPLIANCE CERTIFICATION. Contractor hereby affirms, under penalty of perjury, as provided in ORS 305.385(6) that to the best of Contractor's knowledge Contractor is not in violation of any of the tax laws described in ORS 305.380(4).

21. TERMINATIONS. (A) This Contract may be terminated at any time by mutual consent of the parties, or by SOU for convenience upon thirty (30) days' notice to the Contractor. (B) In addition, the SOU may terminate this Contract effective upon delivery of notice to Contractor, or at such later date as may be established by the SOU, if (i) Federal or state laws, rules, regulations or guidelines are modified, changed, or interpreted in such a way that either the work under this Contract is prohibited or SOU is prohibited from paying for such work from the planned funding source; or (ii) Any license or certificate required by law or regulation to be held by the Contractor to provide the services required by this Contract is for any reason denied, revoked, or not renewed. (C) This Contract may also be immediately terminated by SOU for default (including breach of Contract) if (i) Contractor fails to provide services or materials called for by this Contract within the time specified herein or any extension thereof; or (ii) Contractor fails to perform any of the other provisions of this Contract or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms, and after receipt of notice from SOU, fails to correct such failure within ten business days.

22. TERMINATION DUE TO NONAPPROPRIATION OF FUNDS. If sufficient funds are not provided in future legislatively approved budgets of SOU (or from applicable Federal, state, or other sources) to permit SOU in the exercise of its reasonable administrative discretion to continue this Contract, or if SOU or the program for which this Contract was executed is abolished, SOU may terminate this Contract without further liability by giving Contractor not less than thirty (30) days' notice. In determining the availability of funds from the Oregon Legislature for this Contract, SOU may use the budget adopted for it by the Joint Ways and Means Committee of the Oregon Legislative Assembly.

23. REMEDIES. (A) In the event of termination pursuant to Sections 21(A) and (B)(i) and 22, Contractor's sole remedy shall be a claim for the sum designated for accomplishing the work multiplied by the percentage of work completed and accepted by the SOU, less previous amounts paid and any claim(s) which the SOU has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this subsection, Contractor shall pay any excess to SOU on demand. (B) In the event of termination pursuant to Sections 21(B)(ii) or (C), SOU shall have any remedy available to it in law or equity. If it is determined for any reason that Contractor was not in default under these subsections, the rights and obligations of the parties shall be the same as if the Contract was terminated pursuant to Section 21(A). (C) Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless SOU expressly directs otherwise in such notice of termination. Upon termination of this Contract, Contractor shall deliver to SOU all documents, information, works-in-progress and other property that are or would be deliverables had the Contract work been completed. Upon SOU's request, Contractor shall surrender to anyone SOU designates, all documents, research or objects or other tangible things needed to complete the work.

24. NO THIRD PARTY BENEFICIARIES. SOU and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

25. TIME IS OF THE ESSENCE. Contractor agrees that time is of the essence under this Contract.

26. FOREIGN CONTRACTOR. If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Contract.

27. FORCE MAJEURE. Neither SOU nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, or war where such cause was beyond, respectively, SOU's or Contractor's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

28. WAIVER. The failure of SOU to enforce any provision of this Contract shall not constitute a waiver by SOU of that or any other provision.

29. RECYCLING. In the performance of this Contract the Contractor shall use, to the maximum extent economically feasible, recycled paper.

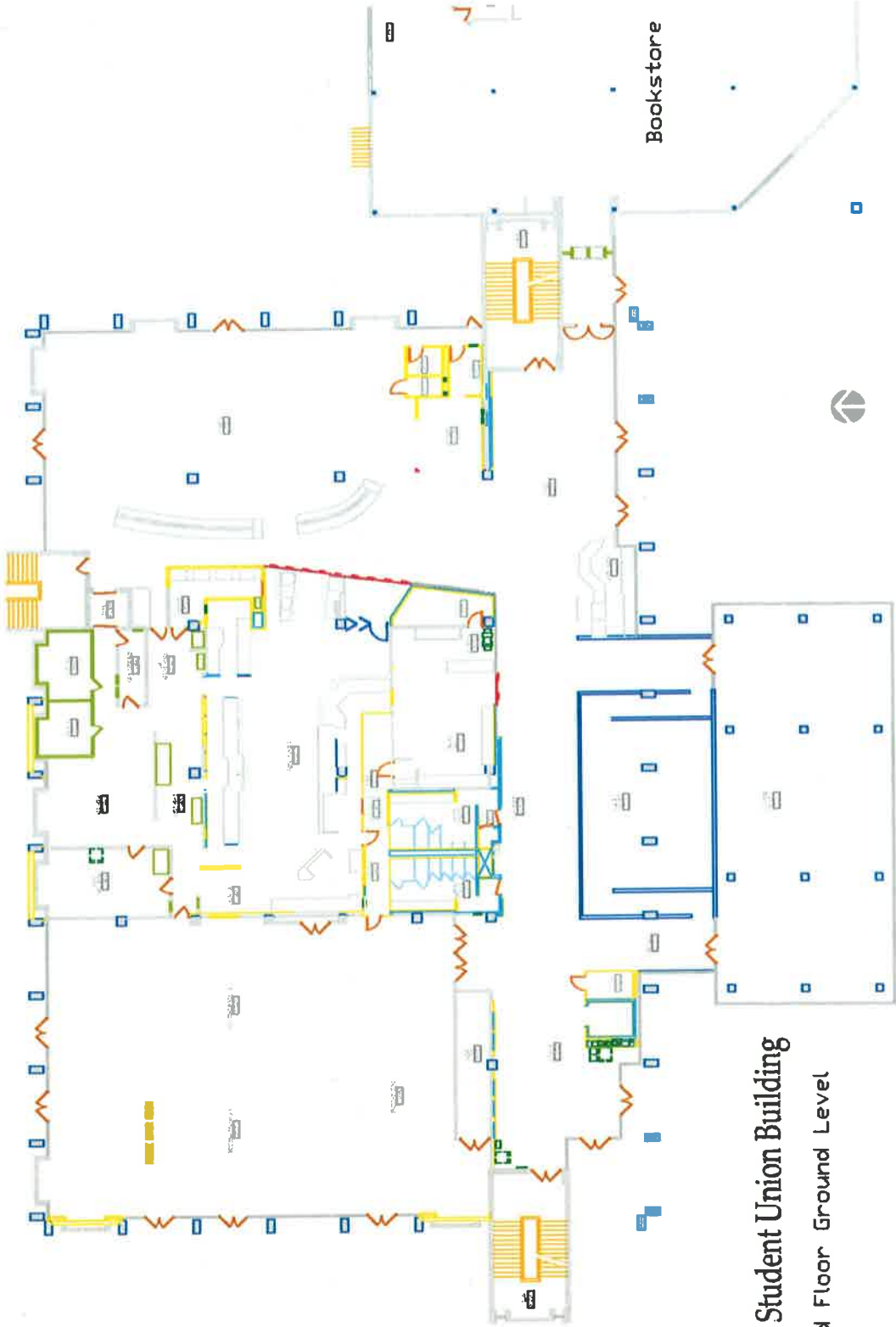
30. PAYMENTS. Payments for all work performed under this Contract shall be subject to the provisions of ORS 293.462.

SPECIAL CONTRACT PROVISIONS

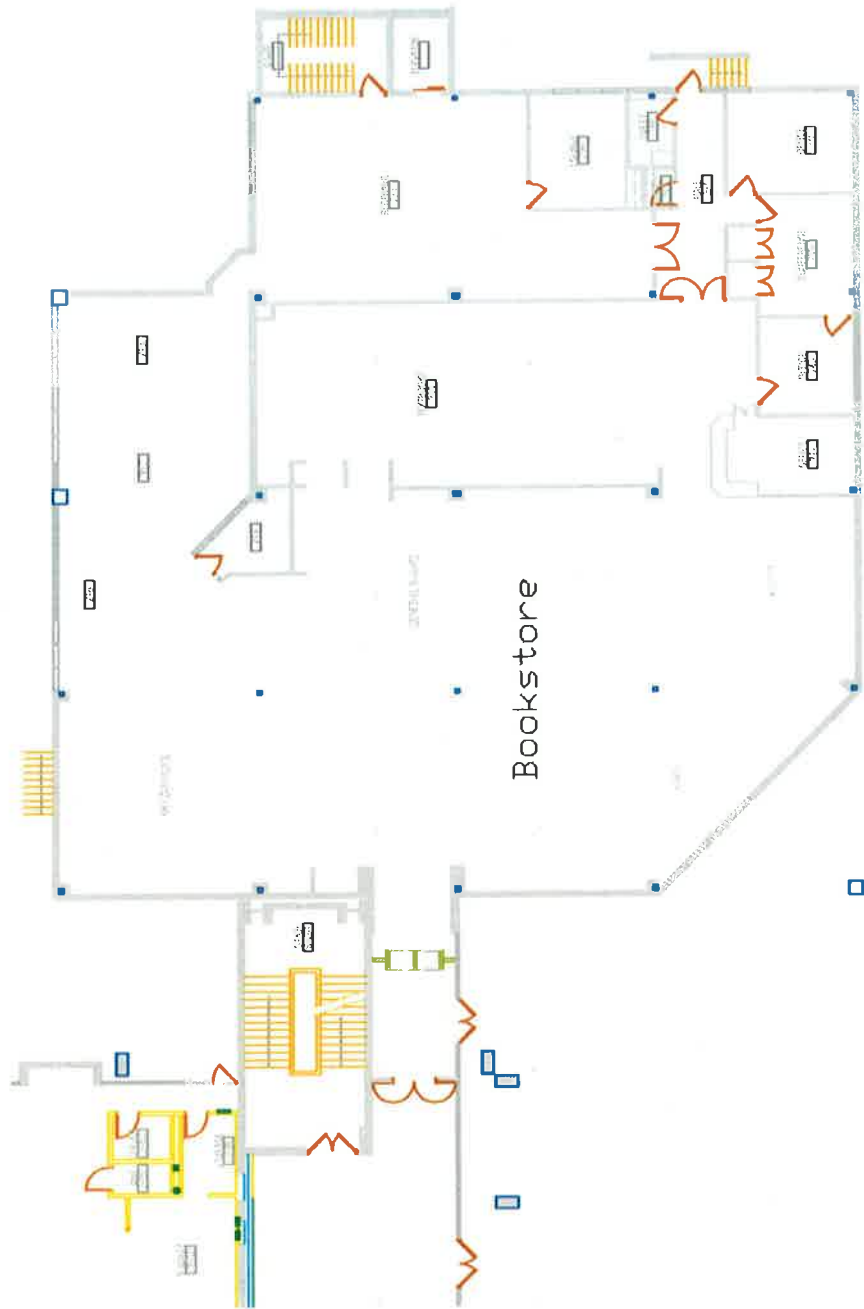
1. **PROFIT & LOSS CONTRACT.** This Contract is on a profit and loss basis only, where Contractor bears sole liability for loss but must share profit with SOU. Contractor shall have responsibility for the financial administration of the Bookstore. Such responsibilities include, but are not limited to, ordering books and merchandise, billings, and collections from third parties, processing payments for all goods, acceptance and deposits of all funds, reconciliation of accounts, preparation of annual financial reports and all other such activities that may apply. Contractor must also reimburse SOU for all bookstore employee costs including salary and other personnel expenses, including, but not limited to, health benefits, retirement, payroll taxes, and other employee benefits.
2. **LICENSE.** SOU grants Contractor a revocable limited license to occupy the premises of the Bookstore in the Student Union during the term of this Contract, provided that Contractor has not materially breached any provision of the Contract, and failed to cure same, as set forth in the Contract. The premises will be restored to the condition at the time this Contract becomes effective, less normal wear and tear, by Contractor upon termination or expiration of this Contract at Contractor's sole cost.
3. **TAXES.** In the event a sales tax were to be imposed in whole or part, the Contractor shall be responsible for collecting and remitting to the taxing authorities the appropriate amount of sales taxes it collects in accordance with applicable state and local laws and regulations. Contractor shall hold harmless and indemnify SOU from and against all claims or demands arising out of Contractor's failure or refusal to collect and remit taxes applicable to its activities as Contractor.
4. **CONTROL SYSTEMS.** The Contractor shall exercise maximum security control over all cash, charge, and sales transactions. SOU shall not be responsible for theft or loss of the Contractor's cash or property or criminal acts of third parties.
5. **CREDIT CARDS, DEBIT CARDS AND CHECKS.** Contractor is required to accept credit cards and debit cards at the point of sale. The Contractor may, at its sole discretion, accept checks. Contractor shall provide its own point of sale machines and pay all associated transaction fees.
6. **AUDITING AND ACCOUNTING.**
 - A. Contractor shall operate on its own credit, with no advance payments from SOU.
 - B. SOU reserves the right to audit the services under this Contract. Contractor shall keep full, timely, and accurate records in accordance with generally accepted accounting practices.
 - C. SOU shall be informed on demand by the Contractor of the schedule of independent audits of the Contractor's records and operations. SOU shall receive a report of any findings that materially affect SOU.
 - D. SOU is on a monthly business cycle with a fiscal year of July 1st – June 30th. SOU expects the Contractor to provide all financial reporting on the same monthly fiscal period.
 - E. The Contractor shall provide SOU with a complete set of monthly financial statements no later than the 20th day following the last day of each monthly accounting period.

- F. Monthly or accounting period financial statements shall be presented by point-of-sale in a format acceptable to SOU. The statements by point of sale shall show budgeted and actual sales and/or operating results for the current period, previous period and year-to-date. Cash register tapes by day and by register shall be provided to SOU upon request as part of the monthly financial statements. Causes and appropriate documentation of abnormal revenue and expense deviations shall be noted by the Contractor as part of these statements.
 - G. Each operating statement by type of service and location and on a composite basis shall present revenue and expense accounts for the period being reported and fiscal year-to-date, with percentage rates given for each item and period
 - H. In addition to the above, the Contractor shall provide such special reports and analysis covering its operations under the Contract as may be requested by SOU.
 - I. Monthly, the Contractor on-site manager shall meet with the Director of Business Services or designee and review each operating statement, explain deviations, discuss problems, and mutually agree on courses of action to improve the results of the required services included in this Contract. Operating statement adjustments required as a result of review and/or audit shall be identified and reflected in the next monthly statement.
 - J. Annual Report. By July 15th of each year, Contractor shall submit an operations and performance review of the services under the Contract for the prior fiscal year (July 1st through June 30th). The report shall include, but not limited to, the upcoming proforma for the operations.
7. **RENT AND UTILITIES.** Contractor shall pay SOU a flat \$10,000 per month for rent, power, lighting, heating, cooling, natural gas, water and sewer utilities. The flat \$10,000 per month charge shall increase 3% annually. In the event pricing for these services increases substantially, SOU and the Contractor shall negotiate a fair and proportionate new monthly charge. Contractor shall be responsible for reimbursing SOU for all other utilities provided by SOU or those that pass through SOU, including, but not limited to: telephone service, internet network access and television cable. Contractor shall be responsible for paying the normal SOU parking permit fees for its employees parking on campus.
8. **PAYMENTS TO SOU.** Contractor shall by the tenth day of the following month remit payment to SOU for its portion of monthly revenues generated by the operations specified in this Contract and for other payments due including but not limited to, employee cost reimbursement, utilities and other costs. Such payment to be made in full without any offset for other amounts owed or disputed by the contractor or SOU.
9. **REQUIRED LICENSES AND PERMITS.** The Contractor shall be responsible for maintaining and paying for all required licenses and permits to provide services under this Contract. The Contractor shall maintain such licenses and permits on-site at all times and shall provide copies to the Director of Business Services upon issuance or renewal of permits.
10. **OPERATING MATERIAL.** Contractor shall provide all office machines, equipment, and supplies required for the efficient conduct of business. Contractor may elect to utilize equipment already in place in the Bookstore, but shall accept the equipment in "as is" condition and be responsible for future maintenance of such equipment. Any equipment so utilized will remain the property of SOU upon termination of the Contract in the same condition as when accepted for use, normal wear and tear expected.

11. **PRICING.** All new paperbacks and trade books shall be sold at prices no higher than the publisher's suggested retail prices. All other merchandise shall be marked up to reflect a normal gross profit margin for the university bookstore industry or as pre-priced.
12. **PURCHASE OF EXISTING BOOKSTORE INVENTORY.** Upon commencement of the services by Contractor, an audit of all existing Bookstore inventory that will be transferred by SOU to Contractor shall be completed. Contractor shall pay the fair market value of the inventory, based on the latest invoice for the inventory. Contractor shall promptly pay SOU for the cost of the inventory.
13. **NON-DISCRIMINATION.** Contractor shall comply with SOU's Non-Discrimination policy for all services provided under this Contract which specifically prohibits discrimination on the basis of religion, race, color, creed, national origin, sex, sexual orientation, gender identity, disability, veteran status, marital status or age.
14. **SUBSTANTIAL CHANGES IN OPERATION.** Contractor shall obtain the prior approval of SOU prior to making any substantial changes in the business plan or operation, which includes, but is not limited to: hours of operation, construction, renovation, major equipment purchases, or hiring of key staff such as manager.
15. **PERMITTED SALES.** Contractor is permitted to sale books, supplies, and merchandise within the bookstore; however, at no time is Contractor permitted to sell any food or beverage items. SOU reserves the right to recommend merchandise to be sold in the Bookstore and to request the removal of merchandise for sale in the Bookstore which SOU considers offensive or inappropriate.
16. **USAGE OF SOU TRADEMARK.** SOU grants to Contractor a limited, non-exclusive, royalty free, worldwide, non-transferable and non-assignable right and license to use SOU's trademarks, including, but not limited to name, logo and seal for reproducing and imprinting stationary, soft goods, notebooks, pens, pencils, jewelry and similar items acceptable to SOU, provided that SOU's name is not used for product endorsement. The license shall be operative for the term of this Contract, provided that Contractor is not then in material breach of its terms. In the event of a material breach of this Contract, which has not been cured, the license shall expire upon written notice by SOU to Contractor.
17. **BOOKSTORE ADVISORY COMMITTEE.** SOU reserves the right to establish a Bookstore Advisory Committee. The Contractor's Bookstore manager shall meet regularly with the Bookstore Advisory Committee and with SOU officials to review Bookstore operations and pricing. Further, the Contractor's Bookstore Management shall work cooperatively with the Bookstore Advisory Committee, and with SOU officials in the development and improvement of the Bookstore's program, pricing, services and policies. The Contractor shall make every reasonable effort to comply with requests from the Bookstore Advisory Committee and from SOU officials for the improvement of the Bookstore's program, pricing, services and polices. The Bookstore Manager or his/her designee is also expected to meet periodically with SOU academic leadership and faculty members.
18. **CURRENT CONTRACTS.** Current maintenance contracts on SOU equipment or services agreements for the Bookstore are made available for use by the Contractor (if permitted by the agreement), and will remain in force until their normal expiration dates. Contractor shall reimburse SOU for the cost of all such maintenance contracts or service agreements. If the contract or service agreement permits early termination, and if it is in the benefit of SOU to terminate early, SOU will take reasonable efforts to effect the termination.



Stevenson Student Union Building
Second Floor Ground Level



Bookstore

Exhibit B-2
Southern Oregon University Bookstore
Comparative Statement of Income and Expenses
For the Five Years Ended June 30, 2013

DESCRIPTION	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Budget FY14
INCOME FROM SALES	%Net Sales	%Net Sales	%Net Sales	%Net Sales	%Net Sales	
Textbooks	\$ 1,988,524	\$ 1,986,595	\$ 1,887,558	\$ 1,820,593	\$ 1,830,744	\$ 1,830,000
Trade Books	70,160	55,579	40,155	34,937	27,794	26,500
Supplies	260,832	256,713	229,452	205,319	189,062	210,000
Computers	426,785	569,883	700,179	659,497	568,250	675,000
Emblematic	251,999	257,406	265,647	309,739	282,837	280,000
Gifts/Snacks	76,833	71,793	77,626	82,253	75,014	80,000
Graduation	47,708	47,280	62,678	64,257	67,665	62,500
Other Income	60,028	59,463	58,424	42,854	42,523	57,000
TOTAL INCOME	\$ 3,182,859	\$ 3,304,711	\$ 3,321,718	\$ 3,219,449	\$ 3,083,889	\$ 3,221,000
% change from prior year	0.6%	3.7%	0.5%	-2.6%	-7.2%	
COST OF GOODS SOLD						
Textbooks	\$ 1,358,912	\$ 1,380,182	\$ 1,313,244	\$ 1,264,485	\$ 1,251,635	\$ 1,302,045
Trade Books	51,439	39,356	28,681	24,841	21,906	18,553
Supplies	155,577	157,968	136,823	120,007	109,022	121,842
Computers	371,262	511,486	601,148	583,548	496,583	585,495
Emblematic	129,780	134,980	139,420	162,589	147,169	141,316
Gifts/Snacks	48,039	47,041	48,431	57,229	46,373	48,320
Graduation	29,365	29,115	37,876	38,186	40,200	34,456
Freight	75,120	63,197	77,776	62,907	59,230	66,383
TOTAL COST OF GOODS	\$ 2,219,493	\$ 2,363,325	\$ 2,383,401	\$ 2,313,792	\$ 2,172,118	\$ 2,318,410
% change from prior year	-0.1%	6.1%	0.8%	-2.1%	-8.8%	
OPERATING EXPENSES						
PAYROLL						
Salary	\$ 314,578	292,108	\$ 278,454	\$ 280,369	\$ 265,108	\$ 263,128
Temps	21,213	25,110	21,819	19,379	17,157	18,000
Students	54,256	50,167	47,906	47,220	65,124	67,180
Benefits	207,276	185,068	195,781	197,707	186,486	190,662
TOTAL PAYROLL	\$ 597,324	\$ 552,453	\$ 543,960	\$ 544,675	\$ 533,875	\$ 538,970
% change from prior year	9.7%	-8.1%	-1.6%	0.1%	-1.9%	
OTHER OPERATING EXP						
Credit Card Fees	\$ 37,701	\$ 38,111	\$ 41,723	\$ 35,469	\$ 27,449	\$ 24,046
OUS Administrative Fees	12,092	13,805	13,357	15,799	17,858	17,128
Advertising/Donations	17,593	16,170	5,478	5,096	3,016	4,500
Supplies	12,203	10,281	12,958	10,008	6,566	7,560
POS/Web Support	16,714	16,642	56,050	10,053	19,756	19,652
Utilities	32,598	30,532	30,281	30,349	28,774	30,881
Minor Equipment	2,628	922	1,463	3,303	2,373	1,800
Software	0	69	572	0	0	0
Telecommunications	7,720	8,015	8,897	8,171	8,270	8,268
Equipment Rental/Repair	5,686	5,479	3,944	2,905	3,243	2,820
Building Maintenance/Repair	277	4,447	8,711	3,729	3,658	3,048

Exhibit B-2
Southern Oregon University Bookstore
Comparative Statement of Income and Expenses
For the Five Years Ended June 30, 2013

Custodial	7,850	7,559	7,604	7,992	3,097	4,920
Dues And Memberships	1,350	2,850	2,150	2,150	2,645	2,150
Security	2,971	3,742	3,855	4,272	1,717	944
Postage	451	624	777	183	326	420
Bad Debt Expense	0	0	0	3,305	30,987	2,400
Education/Travel	3,812	0	5,247	324	4,295	0
Miscellaneous	1,542	528	1,136	547	740	585
Loss On Disposal Of Fixed Asset	0	0	608	0	0	0
TOTAL OTHER	\$ 163,187	\$ 159,777	\$ 204,811	\$ 143,655	\$ 164,772	\$ 131,122
% change from prior year	-26.6%	-2.0%	21.7%	-9.2%	3.0%	5.3%
NET OPERATING INCOME	\$ 202,865	\$ 229,157	\$ 189,546	\$ 217,327	\$ 213,125	\$ 232,498
OTHER INCOME (EXPENSE)						
Interest Income	\$ 4,954	\$ 1,613	\$ 1,216	\$ 1,612	\$ 2,130	\$ 1,642
SOU Assessments	(288,206)	(270,585)	(240,362)	(230,959)	(226,477)	(235,133)
GAIN (LOSS)	\$ (80,387)	\$ (39,815)	\$ (49,600)	\$ (12,020)	\$ (11,222)	\$ (993)
Equipment Depreciation	<u>\$ (7,708)</u>	<u>\$ (7,708)</u>	<u>\$ (9,184)</u>	<u>\$ (9,752)</u>	<u>\$ (9,378)</u>	<u>\$ (9,628)</u>
NET GAIN (LOSS)	\$ (88,095)	\$ (47,523)	\$ (58,784)	\$ (21,772)	\$ (20,600)	\$ (10,621)

** OUS Controller's Office requirement to increase bad debt allowance to almost 50%= \$29,844.00

Exhibit B-3 Bookstore Vendor Agreements List

- Apple Authorized Campus Store Contract
- Adobe Student Reseller Agreement
- HP Partner Agreement
- Dell Reseller Agreement
- Josten's Graduation Regalia Agreement
- MBS Systems Agreement
- Faculty Publication Agreement

Exhibit B-4 Payroll Detail FY14

Job Title	Fiscal Year	Fiscal Period	YTD Expense		Total Payroll Cost
			Compensation	OPE	
Director	2014	4	19,808.20	11,144.00	30,952.20
Assistant Director	2014	4	16,539.92	10,112.00	26,651.92
Book Dept Manager	2014	4	12,941.74	8,535.04	21,476.78
Accountant	2014	4	13,276.02	8,823.76	22,099.78
Book Dept Assistant	2014	4	8,648.00	7,462.38	16,110.38
Cashier	2014	4	5,831.35	5,493.02	11,324.37
Student	2014	4	2,490.00	228.21	2,718.21
Student	2014	4	60.86	0.94	61.80
Student	2014	4	97.56	8.96	106.52
Student	2014	4	97.56	1.50	99.06
Student	2014	4	3,869.99	318.12	4,188.11
Student	2014	4	4,115.22	298.72	4,413.94
Student	2014	4	114.56	1.76	116.32
Student	2014	4	58.18	5.35	63.53
Student	2014	4	3,174.57	291.56	3,466.13
Student	2014	4	1,577.00	144.82	1,721.82
Student	2014	4	1,883.08	28.89	1,911.97
Student	2014	4	1,149.18	35.85	1,185.03
Student	2014	4	1,836.55	28.17	1,864.72
Student	2014	4	58.18	0.90	59.08
Student	2014	4	61.76	5.66	67.42
Student	2014	4	181.69	13.60	195.29
Student	2014	4	3,519.38	241.06	3,760.44
Student	2014	4	59.97	5.51	65.48
Student	2014	4	4,369.26	332.15	4,701.41
Student	2014	4	58.18	5.33	63.51
Student	2014	4	2,319.85	142.07	2,461.92

Exhibit B-4 Payroll Detail FY14

Student	2014	Student Pay-Regular Pay	4	28.67	0.44	29.11
Student	2014	Student Pay-Regular Pay	4	600.55	9.21	609.76
Student	2014	Student Pay-Regular Pay	4	285.51	26.22	311.73
Student	2014	Student Pay-Regular Pay	4	58.18	5.35	63.53
Temporary	2014	Temporary Employees Pay	4	499.14	49.80	548.94
Temporary	2014	Temporary Employees Pay	4	520.89	52.01	572.90
Temporary	2014	Temporary Employees Pay	4	523.58	52.29	575.87
Temporary	2014	Temporary Employees Pay	4	58.18	5.82	64.00
Temporary	2014	Temporary Employees Pay	4	959.45	95.79	1,055.24
Temporary	2014	Temporary Employees Pay	4	278.35	27.80	306.15
Temporary	2014	Temporary Employees Pay	4	564.75	56.38	621.13
Temporary	2014	Temporary Employees Pay	4	328.47	32.79	361.26
Temporary	2014	Temporary Employees Pay	4	363.38	39.59	402.97
Temporary	2014	Temporary Employees Pay	4	80.55	8.03	88.58
Temporary	2014	Temporary Employees Pay	4	1,772.00	102.16	1,874.16
Temporary	2014	Temporary Employees Pay	4	53.70	5.36	59.06
Temporary	2014	Temporary Employees Pay	4	1,308.06	397.86	1,705.92

Total	116,481.22	54,676.23	171,157.45
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Exhibit B-5 Current Staffing
July thru October 2014

Job Title	FTE	Paid		Embumbered		Total Payroll Cost
		Salary	OPE	Salary	OPE	
Director	1	19,808.20	11,144.00	39,616.40	19,008.82	89,577.42
Assistant Director	1	16,539.92	10,112.00	33,079.84	17,512.59	77,244.35
Book Dept Manager	1	12,941.74	8,535.04	23,833.36	15,396.06	60,706.20
Accountant	1	13,276.02	8,823.76	26,776.00	16,415.91	65,291.69
Book Dept Assistant	1	8,648.00	7,462.38	17,616.00	14,207.42	47,933.80
Cashier	1	5,831.35	5,493.02	22,288.00	15,333.85	48,946.22
Total Staff		77,045.23	51,570.20	163,209.60	97,874.65	389,699.68
Student Employees (12 students, estimate of yearly cost)		76,000.00	6,840.00			82,840.00
Temporary Employees (Estimate) 9 Temporary		20,000.00	1,800.00			21,800.00
Total Bookstore Compensation		173,045.23	60,210.20			494,339.68