

**Board of Trustees**

**Finance and  
Human Resources  
Committee Meeting**

**September 11, 2014  
5:30 p.m.**

**Ann Richards Administration Building,  
Board Room-Pecan Campus-McAllen, TX**



**South Texas College**  
**Board of Trustees**  
**Finance and Human Resources Committee**  
**Ann Richards Administration Building Board Room**  
**Pecan Campus**  
**Thursday, September 11, 2014**  
**@ 6:30 p.m.**  
McAllen, Texas

“At anytime during the course of this meeting, the Board of Trustees may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at anytime during the course of this meeting, the Board of Trustees may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code.”

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**Approval of August 14, 2014 Finance and Human Resources Committee Minutes**

The Minutes for the Finance and Human Resources Committee Meeting of August 14, 2014 are presented for Committee approval.

**South Texas College  
Board of Trustees  
Finance and Human Resources Committee  
Ann Richards Administration Building Board Room  
Pecan Campus  
Thursday, August 14, 2014  
@ 5:30 p.m.  
McAllen, Texas**

**Minutes**

The Finance and Human Resources Committee Meeting was held on Thursday, August 14, 2014 in the Ann Richards Administration Building Board Room at the Pecan Campus in McAllen, Texas. The meeting commenced at 5:37 p.m. with Dr. Alejo Salinas, Jr. presiding.

Members present: Dr. Alejo Salinas, Jr., Mr. Roy de León, Mr. Paul R. Rodriguez, and Ms. Rose Benavidez

Other Trustees Present: None

Members absent: None

Also present: Dr. Shirley A. Reed, Mrs. Mary Elizondo, Dr. David Plummer, Mrs. Becky Cavazos, Ms. Myriam Lopez, Ms. Alicia Gomez, Mr. George McCaleb, Mrs. Brenda Balderaz, Mr. Aaron Thalman, Mr. Daniel Ramirez, Mr. Michael Cano, Mr. Raul Cabaza, and Mr. Andrew Fish

**Approval of July 10, 2014 Finance and Human Resources Committee Minutes**

Upon a motion by Ms. Rose Benavidez and a second by Mr. Roy de León, the Minutes for the Finance and Human Resources Committee Meeting of July 10, 2014 were approved as written. The motion carried.

**Discussion and Action as Necessary on Hidalgo County Tax Resale Property  
and Resolution Authorizing Tax Resale**

Approval of the Hidalgo County Tax Resale Property Bids and Resolution Authorizing Tax Resale would be requested at the August 26, 2014, Board meeting.

The law offices of Linebarger Goggan Blair & Sampson, LLP requested consideration and possible action on the tax resale of forty-seven (47) properties.



On June 3, 2014 Linebarger Goggan Blair & Sampson, LLP held a Tax Resale Auction at the Hidalgo County Courthouse. Out of the fifty-five (55) properties, eight (8) properties were denied by other taxing authorities. They requested Board approval on forty-seven (47) properties.

The total amount the College would receive was \$41,666.09.

Linebarger Goggan Blair & Sampson, LLP submitted the analysis of the bids received for the Board of Trustees' consideration.

The Resolution Authorizing the Tax Resale was provided in the packet for the Committee's review. A listing of the bids, the legal description for each property, as well as the amount of the bid, the STC amount, and the Analysis of Bids Received were included under separate cover for the Committee's information and review.

Michael Cano from Linebarger Goggan Blair & Sampson, LLP presented this information at the meeting. Mr. Cano affirmed that for each of the properties, excluding those within the Donna Independent School District, all local taxing authorities had already approved the bids as presented. In the case of those properties in Donna ISD, Linebarger Goggan Blair & Sampson, LLP was waiting for a meeting by that district's Board and expected approval from them at their next meeting.

Upon a motion by Mr. Paul R. Rodriguez and a second by Mr. Roy de León, the Finance and Human Resources Committee recommend for Board approval at the August 26, 2014 Board meeting, the Hidalgo County Tax Resale Property Bids and Resolution Authorizing the Tax Resale to Linebarger Goggan Blair & Sampson, LLP as presented. The motion carried.

### **Review and Recommend Action on Property, Casualty, Flood, & Workers Compensation Insurance**

Approval would be requested at the August 26, 2014 Board meeting, to award the proposal for Property Insurance, Crime Insurance, School Board Legal Liability, General Liability, Auto Liability-Physical Damage, and Workers Compensation for a period beginning September 1, 2014 through August 31, 2015, and for the Flood Insurance for permanent structures for a period beginning January 3, 2015 through January 2, 2016 and for portable buildings for a period beginning November 1, 2014 through October 31, 2015 at a total cost of **\$662,724**.

Mr. Raul Cabaza, III with Shepard Walton King presented his recommendations for the College's insurance policies. The recommendation for Crime Insurance was revised, with a new recommendation provided at the Finance and Human Resources Committee meeting, to reflect an increased coverage from \$250,000 to \$1,000,000. The recommendations from Mr. Cabaza were as follows:

- **Property Insurance / Flood Insurance**

⇒ Property Insurance to Hartford Fire Insurance Company (Montalvo Insurance Agency) at a total cost of **\$387,039**. The policy includes flood insurance with a deductible of \$100K for zones X and C and \$500K for zone B. The earthquake limit is \$1M.

- **Crime Insurance**

⇒ Crime Insurance to Hartford Fire Insurance Company (Montalvo Insurance Agency) at a cost of **\$8,446**

- **School Board Legal Liability Insurance, General Liability, and Auto Liability-Physical Damage**

⇒ School Board Legal Liability Insurance to Texas Association of School Boards (TASB) at a total cost of **\$78,899**; includes General Liability Insurance at no additional cost

⇒ Automobile Insurance to Texas Association of School Boards (TASB) at a cost of **\$13,986**

- **Workers Compensation**

⇒ Workers Compensation to Texas Political Subdivisions (Montalvo Insurance Agency) at a total cost of **\$174,354**; includes Volunteers.

The total recommended award to Montalvo Insurance Agency was **\$569,839**. The total recommended award to Texas Association of School Boards was **\$92,885**. These amounts equaled to **\$662,724**.

The request for proposals was advertised and issued to seven (7) vendors. Three (3) responses were received and reviewed by Mr. Raul Cabaza, III, Risk Management Consultant, Mrs. Mary Elizondo, the Vice President for Finance and Administrative Services, and the Purchasing Department.

The recommendation letters and spreadsheets provided by Mr. Raul Cabaza, III, were provided in the packet for the Committee's information and review.

Funds for this expenditure were budgeted in the Insurance and Benefits budgets for FY 2014-2015, pending Board approval of the budget.

Mr. Raul Cabaza was present at the July 10, 2014 Finance Committee meeting to discuss the potential insurance options and obtain feedback from the Committee members.

Upon a motion by Mr. Roy de León and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommend for Board approval at the August 26, 2014

Board meeting, awarding the proposals for Property Insurance, Crime Insurance, School Board Legal Liability, General Liability, Auto Liability-Physical Damage, and Workers Compensation for a period beginning September 1, 2014 through August 31, 2015, and for the Flood Insurance for permanent structures for a period beginning January 3, 2015 through January 2, 2016 and for portables for a period beginning November 1, 2014 through October 31, 2015 at a total cost of **\$662,724** as recommended by Mr. Raul Cabaza, III. The motion carried.

**Review and Recommend Action on Award of Proposals,  
 Purchases, and Renewals**

Approval of the following proposal awards, purchases, and renewals would be requested at the August 26, 2014 Board meeting as follows:

- 1) **Machine Shop Equipment (Award):** award the proposal for machine shop equipment to Rex Supply (Pharr, TX), at a total cost of \$63,411.00;
- 2) **Office Supplies (Award):** award the proposal for office supplies for the period beginning October 1, 2014 through September 30, 2015 with two one-year options to renew, at an estimated amount of \$450,000.00 as follows:
  - **Primary:** Gateway Printing & Office Supplies, Inc. (Edinburg, TX).
  - **Secondary:** Quill Corporation (Lincolnshire, IL)  
Office Depot, Inc. (Boca Raton, FL/McAllen, TX)
- 3) **Printing Projects (Award):** award the proposal for printing projects and general purpose printing at an estimated amount of \$328,163.44 for the period beginning September 1, 2014 through August 31, 2015 as follows:
  - A) Printing Projects – At an estimated amount of \$228,163.44 to the following vendors in the amounts listed below:

<b>Publications</b>	<b>Vendor</b>	<b>Amount</b>
Division Brochures	Safeguard Universal, LLC. (Corpus Christi, TX)	\$2,090.00
Imprint Tabloids	The Monitor – AIM Media TX (McAllen, TX)	\$20,762.00
Program of Study Brochures	Grunwald Printing Company (Corpus Christi, TX)	\$2,985.12
Staying Connected Special Edition Tabloids	The Monitor – AIM Media TX (McAllen, TX)	\$14,400.00
Class Schedules (Summer/Fall)	Valley Newspaper Holdings (McAllen, TX)	\$59,305.53
Class Schedules (Spring)	Valley Newspaper Holdings (McAllen, TX)	\$23,119.19
Official Stationery	San Antonio Printing (McAllen, TX)	\$40,000.00
Student Catalog	Mignone Communications, Inc./A Division of EP Graphics, Inc. (Berne, IN)	\$25,706.16

<b>Publications</b>	<b>Vendor</b>	<b>Amount</b>
Viewbook	Grunwald Printing Company (Corpus Christi, TX)	\$5,943.44
Graduation Announcements (Fall and Spring)	Gateway Printing & Office Supplies, Inc. (Edinburg, TX)	\$902.00
Graduation Programs (Fall and Spring)	San Antonio Printing (McAllen, TX)	\$32,950.00

**B) General Purpose Printing** – At an estimated amount of \$100,000.00 will be awarded to the following eight (8) vendors:

1. Copy Zone, Ltd. (McAllen, TX)
2. Expressway Printing, Copying and More, LLC. (Mercedes, TX)
3. Fed Ex Office (McAllen, TX)
4. Gateway Printing & Office Supplies, Inc. (Edinburg, TX)
5. Grunwald Printing Company (Corpus Christi, TX)
6. Pro-Data Printing (McAllen, TX)
7. Safeguard Universal, LLC. (Corpus Christi, TX)
8. San Antonio Printing, (McAllen, TX)

- 4) **Consulting Services (Purchase):** purchase consulting services with Evergreen Solutions, LLC. (Tallahassee, FL), a sole source vendor, for the period beginning September 1, 2014 through December 31, 2014, at a cost of \$150.00 per hour not to exceed \$15,000.00;
- 5) **Custodial Equipment (Purchase):** purchase custodial equipment from Gulf Coast Paper Company (Corpus Christi, TX/Brownsville, TX), a Texas Association of School Boards – Buyboard approved vendor, at a total cost of \$24,636.90;
- 6) **Database Administrator Services (Purchase):** purchase database administrator services from Strata Information Group, Inc. (San Diego, CA), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$300,000.00;
- 7) **Incident Response Services (Purchase):** purchase incident response services from Dell Marketing, LP. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$11,000.00;
- 8) **Long Distance Service (Purchase):** purchase long distance service from AT&T Corporation (Dallas, TX) through the State of Texas Department of Information Resources (DIR) TEXAN service contract for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$12,360.00;
- 9) **Online Training Services (Purchase):** purchase online training services from Lynda.com, Inc. (Carpinteria, CA), a sole source vendor, for the period beginning August 27, 2014 through August 26, 2015, at an estimated cost of \$20,943.70;
- 10) **Software Maintenance Agreement (Purchase):** purchase a software maintenance agreement from Dell Marketing, LP. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning August 30, 2014 through August 29, 2015, at a total cost of \$25,397.95;

- 11) Ventilator (Purchase):** purchase a ventilator from CareFusion Corporation (Yorba Linda, CA), a sole source vendor, at a total cost of \$17,367.45;
- 12) Web Content Management System (Purchase):** purchase a web content management system from Hannon Hill (Atlanta, GA), a sole source vendor, for the period beginning August 27, 2014 through August 26, 2015, at a total cost of \$58,300.00;
- 13) Accreditation and Compliance Management License (Renewal):** renew the accreditation and compliance management license with Concord USA, Inc. (Atlanta, GA), a sole source vendor, for the period beginning August 14, 2014 through August 13, 2015, at a total cost of \$13,720.00.
- 14) Appliance Maintenance Agreement (Renewal):** renew the appliance maintenance agreement with Dell Marketing, LP. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$16,295.20;
- 15) Banner Application Maintenance Agreement (Renewal):** renew the Banner application maintenance agreement with Ellucian, Inc. through Texas A & M University – Corpus Christi (Corpus Christi, TX) acting by and through the State of Texas Department of Information Resources (DIR) for Texas Connection Consortium (TCC), for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$390,127.30;
- 16) Book Detection System Maintenance Agreement (Renewal):** renew the book detection system maintenance agreement with 3M Library Systems (St. Paul, MN), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$21,295.00;
- 17) Data Hosting Services Agreement (Renewal):** renew the data hosting services agreement with TouchNet Information Systems, Inc. (Lenexa, KS), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$177,169.46;
- 18) Desktop Security Software Maintenance (Renewal):** renew the desktop security software maintenance with Software House International (SHI) (Austin, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$39,517.30;
- 19) Email Security Software Licenses Service Agreement (Renewal):** renew the email security software licenses service agreement with Software House International (SHI) (Austin, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$38,894.00;
- 20) Enterprise Antivirus, Web and Network Security Protection Software, Maintenance and Support (Renewal):** renew the enterprise antivirus web and network security protection software, maintenance and support from Dell Marketing, LP. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2017, at an annual cost of \$142,236.98. Significant savings will be realized by the college by accepting this multi-year agreement;

- 21) Food Service – Nursing and Allied Health Campus (Renewal):** renew the food service – Nursing and Allied Health Campus contract with Domine Catering, LLC. (McAllen, TX) for the period beginning October 19, 2014 through October 18, 2015, at a commission of 4% of total sales;
- 22) Hardware Maintenance and Support Agreement (Renewal):** renew the hardware maintenance and support agreement with Dell Marketing, LP. (Dallas, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$65,997.19;
- 23) HP Hardware and Software Maintenance Agreement (Renewal):** renew the HP hardware and software maintenance agreement with Hewlett Packard Company (Roseville, CA), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$23,935.90;
- 24) In-Store Purchases of Materials, Supplies and Miscellaneous Items (Renewal):** renew the in-store purchases of materials, supplies and miscellaneous items contracts for the period beginning October 17, 2014 through October 16, 2015, at an estimated amount of \$112,000.00, with the following vendors:
- HEB Grocery, Co. (McAllen, TX)
  - Hobby Lobby Store’s, Inc. (McAllen, TX)
  - Sam’s Club (McAllen, TX)
  - Wal-Mart (Mission, TX)
- 25) Library Materials (Renewal):** renew the library materials contracts for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$227,912 with the following vendors:

a	ABDO Publishing (Minneapolis, MN)	q	Ingram Library Services, Inc. (La Vergne, TN)
b	Baker & Taylor, Inc. (Charlotte, NC)	r	Insight Media (New York, NY)
c	Bearport Publishing (New York, NY)	s	Latin American Book Source, Inc. (Chula Vista, CA)
d	Books A Million, Inc. (Birmingham, AL)	t	Midwest Tape, LLC. (Holland, OH)
e	Bound to Stay Bound Books, Inc. (Jacksonville, IL)	u	National Education Systems, Inc. (San Antonio, TX)
f	Crabtree Publishing, Co. (New York, NY)	v	PBS Distribution (Arlington, VA)
g	The Creative Company (N. Mankato, MN)	w	Perma Bound Books Hertzberg New Method, Inc. (Jacksonville, IL)
h	Dawn Sign Press (San Diego, CA)	x	Plunkett Research, Ltd. (Houston, TX)
i	Delaney Educational Enterprises (San Diego, CA)	y	Quality Books, Inc. (Oregon, IL)
j	EBSCO Industries, Inc. (Ipswich, MA)	z	Rittenhouse Book Distributors, Inc. (King of Prussia, PA)
k	Follett Library Resource, Inc. (McHenry, IL)	aa	EBSCO Publishing, Inc./dba Salem Press (Hackensack, NJ)
l	The Gale Group/Cengage Learning, Inc. (Farmington Hills, MI)	bb	Scholastic Library Publishing, Inc. (Danbury, CT)
m	Gareth Stevens Publishing (New York, NY)	cc	Show Me Books, Inc. (Bethany, MO)

n	Grey House Publishing (Amenia, NY)	dd	Unique Books, Inc. (St. Louis, MO)
o	Central Programs, Inc./dba Gumdrop Books (Bethany, MO)	ee	World Book, Inc. (Chicago, IL)
p	Infobase Publishing (Brookshire, TX)		

- 26) Mass Notification System Agreement (Renewal):** renew the mass notification system agreement with Rave Wireless/dba Rave Mobile Safety (Pittsburg, TX), a TIPS/TAPS Purchasing Cooperative approved vendor, for the period beginning September 1, 2014 through August 31, 2017, at a total cost of \$44,840.00 and a total cost of \$134,520.00. Significant savings will be realized by the college by accepting this multi-year agreement;
- 27) Network Equipment and Software Maintenance Agreement (Renewal):** renew the network equipment and software maintenance agreement with Insight Public Sector (Bloomington, IL/McAllen, TX), a State of Texas Department of Information Resources (DIR) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$138,710.21;
- 28) Online Real Estate Courses (Renewal):** renew the online real estate courses contract with OnCourse Learning Corporation (Atlanta, GA) for the period beginning September 1, 2014 through August 31, 2015, at an estimated amount of \$2.50 to \$257.50 per class;
- 29) Online Tutoring Services Agreement (Renewal):** renew the online tutoring services agreement with Smarthinking/NCS Pearson, Inc. (Chicago, IL), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated amount of \$80,500.00 which provides 3,500 service hours;
- 30) Professional Development and Consultant Services for the Puente Project (Renewal):** renew the professional development and consultant services for the Puente Project with Catch the Next, Inc. (New York, NY), a sole source vendor, for the period beginning June 1, 2014 through May 31, 2015, at a total cost of \$17,500.00;
- 31) Projector Lamps (Renewal):** renew the projector lamps contracts for the period beginning September 26, 2014 through September 25, 2015, at an estimated cost of \$30,500.00 with the following vendors:
- Audio Visual Aids Corp (San Antonio, TX)
  - Howard Technology Solutions (Ellisville, MS)
- 32) Public Website Hosting Maintenance and Support Agreement (Renewal):** renew the public website hosting maintenance and support agreement with Rackspace Managed Hosting (San Antonio, TX), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at a monthly cost of \$1,763.00 and annual cost of \$21,156.00;
- 33) Science Laboratory Supplies (Renewal):** renew the science laboratory supplies contracts for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$250,000.00 based on prior year expenditures. The vendors are as follows:
- a. Bio Corporation (Alexandria, MN)
  - b. Carolina Biological Supply, Co. (Burlington, NC)
  - c. Cynmar Corporation (Carlinville, IL)
  - d. Flinn Scientific, Inc. (Batavia, IL)

- e. Delta Education, LLC./dba Frey Scientific (Nashua, NH)
- f. NASCO (Fort Atkinson, WI)
- g. Nebraska Scientific (Omaha, NE)
- h. PASCO Scientific (Roseville, CA)
- i. Sargent-Welch/VWR (Arlington Heights, IL)
- j. Thomas Scientific (Swedesboro, NJ)
- k. VWR Education, LLC. /dba Ward's Natural Science (Rochester, NY)

**34)Truck Driver/Bus Driver Training (Renewal):** renew the truck driver/bus driver training contract with International Schools (El Paso, TX), for the period beginning September 1, 2014 through August 31, 2015, at an 18% commission to the College retained from each student's tuition;

**35)Virtual Environment Maintenance Agreement (Renewal):** renew the virtual environment maintenance agreement with VMWare, Inc. (Palo Alto, CA), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at a total cost of \$19,448.49.

**SUMMARY TOTAL:**

The total for all proposal awards, purchases, and renewals was \$3,288,015.47

Upon a motion by Mr. Roy de León and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommended Board approval of the proposal awards, purchases, and renewals as listed. The motion carried.

**Review and Recommend Action on Proposed Employee Salary Pay Plans for FY 2014-2015**

Approval of the Proposed Employee Salary Pay Plans for FY 2014-2015 would be requested at the August 26, 2014 Board meeting.

The Proposed Employee Salary Pay Plans for FY 2014-2015 for all employee groups was presented for the Committee's review and consideration. The Employee Salary Pay Plans include Classified, Professional Technical (exempt and non-exempt), Administrative, Executive, and Faculty.

The Employee Salary Pay Plan information was prepared by the Office of Human Resources and included the recommendation made by the compensation study firm, Evergreen Solutions. The President and all the Vice Presidents reviewed the Plan and approved the proposed revisions.

A copy of the Proposed Employee Salary Pay Plan was provided under separate cover. Staff was still in the process of proofing the document at the time of distribution, and a revised copy was provided at the Committee meeting. There could be minor changes prior to final presentation to the Board.

Upon a motion by Mr. Paul R. Rodriguez and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommend for Board approval at the August 26, 2014

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Committee Minutes 08-14-2014*



Board meeting, the Proposed Employee Salary Pay Plans for FY 2014-2015 as presented. The motion carried.

### **Review and Recommend Action on Proposed Staffing Plan for FY 2014-2015**

Approval of the Proposed Staffing Plan for FY 2014-2015 would be requested at the August 26, 2014 Board meeting.

The Proposed Staffing Plan for FY 2014-2015 included all positions, titles, classifications, salaries, and salary pools.

Salary expenditures budget was proposed to increase \$4,080,207 in FY 2014-2015 mainly due to the following approximate amounts:

- Salary increases for Faculty, Administrative, Executive, Classified, and Professional/Technical Support staff totaling \$1,739,377.
- New staffing requests totaling \$1,451,255.
- Compensation Study proposed adjustments totaling \$743,703

A copy of the Proposed Staffing Plan was provided under separate cover. The Plan was developed with all segments of the College having the opportunity to provide input and assist in establishing staffing priorities for FY 2014-2015. The staffing plan also included the recommendations made by the compensation study firm, Evergreen Solutions. Staff was still in the process of proofing the document. There could be minor changes prior to final presentation to the Board.

Dr. Shirley Reed and Mrs. Mary Elizondo provided an overview for the Committee and responded to questions.

The Committee asked about vacant positions. Dr. Reed responded that there are several reasons for the number of vacant positions:

- Some positions are very difficult to fill, sometimes due to the inability to recruit qualified candidate(s) and sometimes due to the inability to offer a competitive salary for certain highly-skilled positions.
- Some positions are listed as vacant and budgeted for one dollar or two dollars. This is done to retain the Board approved position on record for possible future use, but the positions may not be funded or require full funding for FY 2014-2015.
- Several positions are newly created, and cannot be filled until the start of the new fiscal year. Among these are positions that are prorated for a portion of the annual salary, based on the anticipated date for filling the vacancy.
- Some vacancies reflect ongoing openings that are part of the normal operations of the College that reflect normal procedures as employees join, leave, and switch positions within the College.

- Dr. Reed stated that she works very closely with her Cabinet and their administrators to ensure the staffing plan accurately reflects the anticipated needs for FY 2014-2015 while being mindful of fiscal restraints.

Upon a motion by Mr. Paul R. Rodriguez and a second by Mr. Roy de León, the Finance and Human Resources Committee recommended Board approval of the Proposed Staffing Plan for FY 2014- 2015 as presented. The motion carried.

### **Review and Discussion of Proposed Budget for FY 2014-2015**

The Proposed Budget for FY 2014-2015 was provided under separate cover for the Committee's information and review.

Dr. Shirley A. Reed and Mrs. Mary Elizondo discussed the proposed budget for FY 2014-2015 with the Committee.

The revenues and expenditures for FY 2014-2015 were based on the following:

#### **Revenues:**

- State contact hour revenue of \$35,896,669 would remain constant from FY 2013-2014 since FY 2014-2015 was the second year of the 2014-2015 biennium. There was an overall estimated increase in other state revenues consisting of TRS, ORP, and group health insurance for FY 2014-2015, in the amount of \$495,111. The contact hour funding amounts were based on the allocations in HB1 and the other state revenue was based on state allocation schedules. The employee benefits costs, both the employee group health insurance and the employer portion of employee retirement, TRS and ORP, were covered on a 50/50 cost-sharing basis with the state.
- Tuition for FY 2014-2015 was based on projected enrollment of 18,423 traditional students and on a projected enrollment of 13,500 dual enrollment tuition free students for Fall 2014. Traditional enrollment stabilized over the last two years. The projections indicated a decrease in tuition revenue of approximately \$312,167 in FY 2014-2015.
- Fees for FY 2014-2015 were based on the same enrollment projections as tuition. The projections included the Board approved increase of \$2 per semester credit hour for the Information Technology Fee, the decrease of \$11 per semester credit hour for the Electronic Distance Learning Fee, the removal of the THEA/Accuplacer Reservation and Preparation Fee, and the removal of the Accuplacer Exam Fee. The projections indicated an increase in fees of approximately \$31,286 in FY 2014-2015.

- Other revenue was expected to increase \$457,686 in FY 2014-2015. The projected increase was due to increased dual enrollment cost reimbursements, administrative costs allocations, testing commission for GED exams, and shuttle system contribution.
- Tax revenue for FY 2014-2015 was expected to increase \$10,309,042.
  - ⇒ An increase of \$1,554,944 was expected due to an increase in tax appraised property values.
  - ⇒ An increase of \$8,754,098 was expected due to the issuance of the Limited Tax Bonds, Series 2014 in the amount of \$60,000,000 and the associated tax rate increase.
- Carryover Allocations were projected to decrease \$3,670,634 in FY 2014-2015. The decrease mainly resulted from the increase of \$500,000 in the transfer to the unexpended plant fund, a \$200,000 reduction in the contingency fund and a \$4,000,000 reduction in the transfer to the renewals and replacements plant fund.

**Expenditures:**

- Salary expenditures budget was proposed to increase \$4,080,207 in FY 2014-2015 mainly due to the following approximate amounts:
  - ⇒ Salary increases for Faculty, Administrative, Executive, Classified, and Professional/Technical Support staff totaling \$1,739,377.
  - ⇒ New staffing requests totaling \$1,451,255.
  - ⇒ Compensation Study proposed adjustments totaling \$743,703
- Benefits expenditures budget for FY 2014-2015 was proposed to increase by \$1,457,068.
- Operating expenditures budget for FY 2014-2015 was proposed to decrease by \$538,814.
- Travel expenditures budget for FY 2014-2015 was proposed to increase by \$136,820.
- Capital Outlay expenditures budget for FY 2014-2015 was proposed to decrease by \$167,274.
- The Transfers and Contingencies budget for FY 2014-2015 was proposed to increase by \$2,342,317 as follows:
  - ⇒ Addition of reserve for the maintenance and operations taxes associated with the new Limited Tax, Bond Series 2014 in the amount of \$8,754,098.
  - ⇒ Reduction in the transfer to the Plant Funds in the amount of \$6,000,000 for future construction and deferred maintenance.
  - ⇒ Increase of the MTR Bond Series 2007 debt service paid from maintenance and operations taxes in the amount of \$2,600.
  - ⇒ Reduction of \$200,000, from \$2,200,000 to \$2,000,000 in the contingency fund.

⇒ Reduction of \$214,381, from \$840,233 to \$625,852 in the Transfer to NAAMREI/IAM.

Financial managers submitted their anticipated expenditure budgets through the budget database for operating, travel, and capital. These expenditures were included in the Proposed Budget for FY 2014-2015.

Copies of the Proposed Draft Budget for FY 2014-2015 were provided under separate cover. There could be additional changes prior to final presentation to the Board.

The Proposed Budget for Fiscal Year 2014-2015 was presented for the Committee's information and review. No action was required from the Committee.

### **Review and Discussion of South Texas College Proposed 2014 Tax Rate**

Chapter 26 of the Property Tax code requires taxing units to comply with truth-in-taxation laws in adopting the tax rate. The laws have two purposes: to make taxpayers aware of tax rate proposals and to allow taxpayers, in certain cases, to roll back or limit a tax increase. The truth-in-taxation laws require a taxing unit to calculate two (2) tax rates, the effective tax rate and the rollback tax rate, after receiving its certified appraisal roll from the chief appraiser.

Comparing a proposed tax rate to these two (2) rates determines which truth-in-taxation steps apply. A taxing unit must publish special notices and hold public hearings before adopting a tax rate that exceeds the lower of the effective tax rate or the rollback tax rate. The College proposed adopting a tax rate that exceeded the lower of the effective tax rate or the rollback tax rate and therefore, was required to hold two public hearings. It was proposed to have the first public hearing on September 11, 2014 and the second public hearing on September 18, 2014, each at 5:30 p.m. on their respective dates.

The notice of effective tax rate concerning the 2014 Property Tax Rate was published in accordance with the Truth-In-Taxation requirements in the Monitor and Town Crier. A copy was included in the packet for the Committee's information and review. In addition, the College would publish the Notice of Public Hearings on Tax Increase in a newspaper or mail it to each property owner at least seven (7) days before the public hearings. Furthermore, Tax Code Section 26.065 required supplemental notice for the hearing on a tax rate increase. If the taxing unit owns, operates, or controls an Internet Web site, the unit must post on its Web site this additional notice of the public hearings at least seven (7) days immediately before the first hearing on the proposed tax rate increase and remain until the second hearing concluded. This notice would be posted to the College's website as appropriate to the Truth-in-Taxation requirements.

The Hidalgo County Tax Assessor/Collector compiled the data for both counties and prepared the Truth-in-Taxation calculation to determine the tax rates as reflected below:

	M&O RATE	DEBT RATE	RATE	REVENUE
Effective Tax Rate	---	---	\$0.1472	\$44,722,572
Rollback Tax Rate	\$0.1166	\$0.0450	\$0.1616	\$48,716,502
<b>Proposed Tax Rate</b>	<b>\$0.1400</b>	<b>\$0.0450</b>	<b>\$0.1850</b>	<b>\$55,206,638</b>

The proposed maintenance and operations (M&O) tax rate of \$0.1400 was the maximum rate that the College could adopt as approved by the voters on November 5, 2013.

The proposed debt rate of \$0.0450 was the amount necessary to fully fund all the debt service payments, including the LT Bond, Series 2014. The College would maintain the increase from the FY 2013-2014 debt rate to \$0.005. The FY 2013-2014 debt rate was \$0.04.

STC was required to hold two public hearings and publish special notices before adopting the proposed tax rate of \$0.1850 since this total tax rate exceeded the lower of the effective tax rate or the rollback tax rate. That rate would raise \$55,206,638, which was \$11,273,060 more than taxes imposed last year.

The Notice of Effective Tax Rate for 2014 and a Presentation were provided in the packet for the Committee's information and review.

**Review and Recommend Action to Take Record Vote and Schedule Two Public Hearings Regarding Adoption of the Proposed Tax Rate that Exceeds the Lower of the Effective Tax Rate or the Rollback Tax Rate**

Approval to take a record vote to schedule and hold two Public Hearings regarding adoption of the proposed tax rate that exceeds the lower of the effective tax rate or the rollback tax rate would be requested at the August 26, 2014 Board meeting.

A taxing unit is required to schedule and hold two public hearing and publish newspaper ads before adopting a tax rate if that tax rate exceeds the lower of the effective tax rate or the rollback rate. The Tax Assessors for Hidalgo County and Starr County determined South Texas College's rates to be the following:

	M&O RATE	DEBT RATE	RATE	REVENUE
Effective Tax Rate	---	---	\$0.1472	\$44,722,572
Rollback Tax Rate	\$0.1166	\$0.0450	\$0.1616	\$48,716,502
<b>Proposed Tax Rate</b>	<b>\$0.1400</b>	<b>\$0.0450</b>	<b>\$0.1850</b>	<b>\$55,206,638</b>

The proposed calculated tax rate exceeded the lower of the effective tax rate or the rollback tax rate and, therefore, the Board was required to take a record vote to schedule and hold two public hearings.

The Notice of Public Hearing on Tax Increase and the Notice of Tax Revenue Increase follow in the packet for the Committee's information and review.

Upon a motion by Mr. Roy de León and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommended Board approval to take a record vote to schedule and hold two public hearings, one on September 11, 2014 at 5:30 PM and the second hearing on September 18, 2014 at 5:30 PM before adopting the proposed tax rate of \$0.1850 which exceeds the lower of the effective tax rate or the rollback tax rate.

**Review and Action as Necessary on Disposal/Recycle of Technology Items with an Original Value of \$1,000 and Over**

Approval to dispose/recycle technology items with an original value of \$1,000 or over through the Texas Department of Criminal Justice (TDCJ), a state of Texas agency approved to properly recycle technology items would be requested at the August 26, 2014 Board meeting.

All disposal/recycling of technology items must be in compliance with the Environmental Protection Agency (EPA) regulations. TDCJ provided an environmentally sound way to dispose of surplus technology equipment.

The technology items were located at the South Texas College Receiving Department, 3700 West Military Hwy, McAllen, Texas.

A listing of the technology items to be disposed/recycled was included in the packet for the Committee's information. These items were inspected by the Technology Resources (TR) department and approved by the Vice President for Information Services & Planning.

Upon a motion by Mr. Paul R. Rodriguez and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommended Board approval to dispose/recycle technology items with an original value of \$1,000 or over through the Texas Department of Criminal Justice (TDCJ), a state of Texas agency approved to properly recycle technology items as presented. The motion carried.

**Review and Recommend Action on Agreement Extension for BBVA Compass-  
Visa Commercial Card Services (Accounts Payable Card)**

Approval of a twelve month agreement extension for Visa Commercial Card Services with BBVA Compass from September 1, 2014 through August 31, 2015 would be requested at the August 26, 2014 Board meeting.

Mr. Roy de León abstained from the deliberation and action on this agenda item.

The Board of Trustees awarded the agreement for commercial card services to BBVA Compass at the March 26, 2013 Board of Trustees meeting for the period of April 1, 2013 through August 31, 2014.

The College implemented the Accounts Payable card to serve as an accounts payable department payment solution. This was a new initiative by the Business Office to expedite payments to vendors and reduce payment processing and statement reconciliation costs and time. In addition, the program offered the College the potential to earn revenue share on payments made using the card. The revenue share was based on the charge volume and ranged from 1.00% for total charges between \$1,500,000 and \$1,999,999 to 1.35% for total charges of \$15,000,000 and greater. The Accounts Payable card solution was provided by BBVA Compass as a service to the College. There was no cost to the College for this service.

The implementation of the A/P card was delayed in part because a solution needed to be identified to properly interface the BBVA Compass Center Suite System to the College's software system, Banner. A solution was implemented and vendors were being enrolled.

As of July 29, 2014, the A/P card had been utilized as follows:

<b>Date</b>	<b>Visa Card Transactions</b>	<b>Amount</b>
April 2014	126	\$ 74,050.11
May 2014	327	\$197,066.15
June 2014	250	\$218,520.72
July 2014	362	\$226,057.22
<b>Total</b>	<b>1,065</b>	<b>\$715,694.20</b>

Upon a motion by Mr. Paul R. Rodriguez, and a second by Ms. Rose Benavidez, the Finance and Human Resources Committee recommended Board approval of a twelve month agreement extension for Visa Commercial Card Services with BBVA Compass from September 1, 2014 through August 31, 2015 as presented, with Mr. de León abstaining. The motion carried.

## **Adjournment**

There being no further business to discuss, the Finance and Human Resources Committee Meeting of the South Texas College Board of Trustees adjourned at 6:55 p.m.

I certify that the foregoing are the true and correct minutes of the August 14, 2014 Finance and Human Resources Committee Meeting of the South Texas College Board of Trustees.

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Dr. Alejo Salinas, Jr.  
Chair



### **Review and Recommend Action on FY 2014-2015 Committee Meeting Schedule**

The Finance and Human Resources Committee is asked to review the following schedule and recommend amendment or approval as appropriate. The Board will be asked to review and take action on a calendar of Committee and Board Meetings for FY 2014-2015 at the September 23, 2014 Board Meeting.

The proposed meeting schedule for the Finance and Human Resources Committee is as follows:

<b><u>Weekday</u></b>	<b><u>Date</u></b>	<b><u>Meeting Time</u></b>
Thursday	September 11, 2014	5:30 p.m.
Tuesday	October 14, 2014	5:30 p.m.
Thursday	November 13, 2014	5:30 p.m.
Thursday	December 11, 2014	5:30 p.m.
Tuesday	January 13, 2015	5:30 p.m.
Thursday	February 12, 2015	5:30 p.m.
Thursday	March 19, 2015	5:30 p.m.
Thursday	April 16, 2015	5:30 p.m.
Thursday	May 14, 2015	5:30 p.m.
Thursday	June 11, 2015	5:30 p.m.
Thursday	July 09, 2015	5:30 p.m.
Thursday	August 13, 2015	5:30 p.m.
Thursday	September 10, 2015	5:30 p.m.

The Finance and Human Resources Committee Meetings are generally scheduled for the second Thursday of each month at 5:30 p.m. unless scheduling conflicts require a schedule adjustment.

A full calendar view of the proposed Committee and Board meeting schedule follows in the packet for the Committee's information.

The Finance and Human Resources Committee is asked to recommend action as necessary regarding the proposed Committee meeting schedule so that all Board members may enter the dates on their planning calendars.



# Board Meeting Committee Meeting Calendar

FY 2014-2015

September 2014						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October 2014						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November 2014						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December 2014						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

January 2015						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2015						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March 2015						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2015						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2015						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2015						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2015						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2015						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2015						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Regular Board Meeting						
Graduation Ceremonies						
Holiday/Professional Dev. Day, College Closed						

Committee Meetings -						
Education & Workforce Development						
Facilities						
Finance & Human Resources						

Education & Workforce Development Committee: 2nd Thursday of the month, 3:30 p.m.						
Facilities Committee: 2nd Thursday of the month, 4:30 p.m.						
Finance & Human Resources Committee: 2nd Thursday of the month, 5:30 p.m.						
Board Meetings: 4th Tuesday of the month, 5:30 p.m.						

Scheduled for  
Board Approval: 9/23/2014

Revised: 9/4/2014

## **Review and Recommend Action on Award of Proposals, Purchases, and Renewals**

Approval of the following proposal awards, purchases, and renewals will be requested at the September 23, 2014 Board meeting as follows:

### **1) Beverage Products (Award)**

Award the proposal for beverage products to PepsiCo (Hidalgo, TX), for the period beginning October 13, 2014 through October 12, 2015 with two one-year options to renew, at an estimated cost of \$50,000.00 based on prior year expenditures. PepsiCo has also included a \$15,000.00 annual discretionary payment to the College.

The beverage products will be purchased for the STC Cafeterias at the Pecan, Technology, Starr County and Mid Valley campuses to provide fountain drinks for students, faculty and staff. This will also include the selling of 20 oz. carbonated drinks, 20 oz. water, 20 oz. Gatorade, 20 oz. tea, 16 oz. energy drinks and 15.2 oz. juices.

Proposal documents were advertised and issued to two (2) vendors. Two (2) responses were received and reviewed by the Director for Food Services and Purchasing Department.

Funds for this expenditure are budgeted in the Food Service budget for FY 2014-2015.

### **2) Management and Leadership Training Services (Award)**

Award the proposal for management and leadership training services to PD Partners (East Lansing, MI) for the period beginning October 1, 2014 through September 30, 2015 with two one-year options to renew, at an estimated cost of \$20,000.00.

The management and leadership training services will include general management and leadership training to the College staff. They are necessary to cultivate and develop high-level leadership skills among the faculty, staff and administrators of South Texas College. These services will assist with succession planning and capacity-building for our dynamic and innovative institution. They will also be available to provide customized coaching and training as needed on a variety of topics including communication, building strong teams, creating a shared vision, conflict resolution, change management and great teaching techniques.

Proposal documents were advertised and issued to twelve (12) vendors. Two (2) responses were received and reviewed by Professional and Organizational Development and Purchasing Department.

Funds for this expenditure are budgeted in the Office of Professional and Organizational Development budget for FY 2014-2015.

### **3) On-Line Auction Services (Award)**

Award the proposal for on-line auction services to The Public Group (Provo, UT) for the period beginning October 1, 2014 through September 30, 2015 with two one-year options to renew, at no charge to the College.

The on-line auction services will be used for the disposal of Board approved surplus property. This option will provide a larger audience, a longer auction period, and higher percentage of sales. No commission is paid by the College and the buyer pays the premium. The property will include all items not regulated by the EPA (ex. electronics/technology equipment).

Proposal documents were advertised and issued to three (3) vendors. One (1) response was received and reviewed by the Distributional Services Supervisor and Purchasing Department.

**4) Projector Lamps III (Award)**

Award the proposal for projector lamps III to Howard Technology Solutions (Ellisville, MS) for the period beginning September 24, 2014 through September 23, 2015 with two one-year options to renew, at an estimated cost of \$12,021.00.

The projector lamps will be used by the Instructional Technologies Department to replace spent projector lamps as needed throughout the district.

Proposal documents were advertised and issued to three (3) vendors. Two (2) responses were received and reviewed by Instructional Technologies and the Purchasing Department.

Funds for this expenditure are budgeted in the Instructional Technologies budget for FY 2014-2015.

**5) Advertisement – Classified Ads (Purchase)**

Purchase advertisement – classified ads from AIM Media Texas/The Monitor (McAllen, TX), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$80,000.00.

The advertisement will be used by the Purchasing Department for classified ads, soliciting request for proposals, Business Office for budget and tax legal ads, and Human Resources for advertising of vacant positions.

Funds for this expenditure are budgeted in the Purchasing Department, Business Office, Human Resources and Construction budgets for FY 2014-2015.

**6) Crime Records Services (Purchase)**

Purchase crime record services from the Texas Department of Public Safety (DPS) (Austin, TX), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$12,000.00 which is based on prior year expenditures.

The crime records services provide a Texas background check, FBI background check and motor vehicle record for all new STC employees and current employees in sensitive positions.

Funds for this expenditure are budgeted in the Human Resources budget for FY 2014-2015.

**7) Electrical Parts and Supplies (Purchase)**

Purchase electrical parts and supplies from Dealers Electric Supply, Co. (McAllen, TX), a Texas Cooperative Purchasing Network (TCPN) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated amount of \$25,000.00 based on prior year expenditures.

The electrical parts and supplies will be purchases by the Maintenance Department for day to day operations of the College. These items will be used throughout the district for electrical repairs.

Funds for this expenditure are budgeted in the Facilities Maintenance budget for FY 2014-2015.

**8) Professional Market Research Services (Purchase)**

Purchase additional professional market research services from Richards Carlberg, Inc./dba Richards/Carlberg, a sole source vendor, for the period beginning October 1, 2014 through August 31, 2015, at an estimated cost of \$261,000.00.

The Board awarded a contract for the Professional Market Research Services which included the rebranding of South Texas College at the March 26, 2013 Board of Trustees meeting to Richards/Carlberg.

The contract included three (3) Phases. Phase I and II were completed in FY 2013-2014 and Phase III is proposed to be completed in FY 2014-2015.

The specific tasks include: creative development, design and production of marketing materials to be used in the College's upcoming branding and enrollment campaigns. These materials include, but are not limited to, campaign theme, digital illustrations, online ads, radio and television scripts, print ads, and billboard designs. Richards/Carlberg and the Office of Public Relations and Marketing will enter into a contractual agreement whereas Public Relations and Marketing will be responsible for design and production of certain materials such as television commercials, radio ads, online ads and Richards/Carlberg will be responsible for material such as billboard panels, digital illustrations, photography, and commercial scripts.

Funds for this expenditure are budgeted in the Public Relations and Marketing budget for FY 2014-2015.

**9) Registration Advertisement Agreement (Purchase)**

Purchase a registration advertisement agreement from National CineMedia, LLC. (Centennial, CO), a sole source vendor, for the period beginning October 1, 2014 through July 31, 2015, at an estimated amount of \$44,180.00.

The registration advertisement agreement will provide STC two scheduled flights (commercial campaigns) at movie theaters in Hidalgo and Starr counties. The commercials will play at all showings during the scheduled flights and will also be in continual rotation within the lobby areas. Each flight will be aligned with enrollment periods for Spring,

Summer and Fall. A district cinema commercial will be created specifically for this audience and will focus on college branding. Commercials will be placed in the regional premium section of advertisements. Our commercial will air closer to the start of the movie and allow us to reach roughly 70% of the projected audience.

Funds for this expenditure are budgeted in the Public Information budget for FY 2014-2015.

**10) Sponsorship Advertisement Agreement (Purchase)**

Purchase a sponsorship advertisement agreement from RGV Basketball, LLC. (McAllen, TX), a sole source vendor, for the period beginning September 26, 2014 through April 30, 2015, at a total cost of \$42,000.00.

The sponsorship advertisement agreement includes student of the week promotion to season ticket holders and other community leaders, 0:30 second video board spot during twelve (12) games, banner placement within the arena, sponsorship of the “Slam Dunk for Education” section, STC link and logo on the RGV Vipers website, digital rotation signage during all twenty four (24) Vipers home games, mascot and dancer appearances at College events, Jerry the Jaguar appearances at twelve (12) home games, STEM Viper/STC time-out contest videos, one full-page program ad, and other promotional and marketing opportunities for the Spring, Summer and Fall semesters.

Funds for this expenditure are budgeted in the Public Information budget for FY 2014-2015.

**11) Web Conferencing Software (Purchase)**

Purchase web conferencing software from Blackboard, Inc. (Pittsburgh, PA), a sole source vendor, for the period beginning October 1, 2014 through September 30, 2015, at a total cost of \$63,361.70.

The eSTC Distance Education Virtual Campus wishes to provide a tool that would allow instructors and students to meet, share, and learn in real time. The web conferencing software will allow instructors the ability to engage students through online classrooms in several new ways. A list of capabilities is as follows:

- Live, multi point video feeds of instructors and presenters will create a more personal environment that distance courses may lack.
- Real time chat feature which allows students to collaborate and ask questions without interrupting the lecture.
- Built in polling tools allow instructors to question the class and participate.
- Live desktop sharing that allows participants to follow the presenter’s actions on the computer in everything from common PowerPoint slide shows to custom academic software.
- Other features, including interactive white boards, breakout rooms, and session recording/playback also help to enhance learning in the virtual classroom.

Funds for this expenditure are budgeted in the Distance Education budget for FY 2014-2015.

**12)Computer Based Coursework Agreement (Renewal)**

Renew the computer based coursework agreement with Edgenuity, Inc. (Scottsdale, AZ), a sole source vendor, for the period beginning October 1, 2014 through September 30, 2015, at a total cost of \$27,880.00.

The computer based coursework provides the Gateway to College student's core and elective instruction in virtual and blended learning environments for students in grades 6-12. It helps students recover and accrue credits for graduation, participate in Advanced Placement courses and prepare for state, end-of-course and standardized assessments along with tutoring and support for College.

Funds for this expenditure are budgeted in the Gateway to College National Network grant budget for FY 2014-2015.

**13)Information and Research Databases (Renewal)**

Renew the information and research databases with ProQuest, LLC. (Chicago, IL.), a sole source vendor, for the period beginning November 1, 2014 through October 31, 2015, at a total cost of \$29,040.00.

The information and research database fee will provide access for all faculty, staff and student to the following databases:

- PRISMA Hispanic Studies Journal (PRISMA) supports Humanities and Social Sciences
- Nursing & Allied Health Source (PQNAH) supports the Nursing and Allied Health programs
- eLibrary Curriculum Edition (ELBCURR) supports History, English Literature and Social Sciences

Funds for this expenditure are budgeted in the Library Services budget for FY 2014-2015.

**14)Library Database Subscription (Renewal)**

Renew the library database subscription with EBSCO Publishing/dba EBSCO Information Services Group (Ipswich, MA), a sole source vendor, for the period beginning November 1, 2014 through October 31, 2015, at an estimated cost of \$14,213.00.

The library database subscription fee will provide access to the following collections: Auto Repair Reference Center, Library Information Science & Technology Abstracts with Full Text, Points of View Reference Center, and CINAHL with Full Text for all students, faculty and staff.

Funds for this expenditure are budgeted in the Library Acquisitions budget for FY 2014-2015.

**15)Library Digital Video Subscription (Renewal)**

Renew the library digital video subscription with Film Media Group/Infobase Learning (New York, NY), a sole source vendor, for the period beginning July 1, 2014 through November 30, 2015, at a total cost of \$19,948.70.

The library digital video subscription supports the eSTC virtual campus with equal resources on-campus and online. This master academic collection includes the following films on demand: Business & Economics Video Collection, Health Video Collection, Humanities & Social Sciences Video Collection, Science & Mathematics Video Collection, Career & Technical Education Collection and Nursing Video Collection.

Funds for this expenditure are budgeted in the Library Acquisition budget for FY 2014-2015.

**16)Lumber and Building Materials (Renewal)**

Renew the contracts for lumber and building materials for the period beginning October 1, 2014 through September 30, 2015, at an estimated cost of \$40,000.00 with the following vendors:

- Diaz Floors & Interiors (Pharr, TX)
- Lowe's #1702 (Pharr, TX)
- McCoys Building Supply (Pharr, TX)
- Pro Build (McAllen, TX)

The lumber and building materials will be used for repairs and replacement parts as needed throughout the district by the Maintenance Department.

The Board awarded the contracts for lumber and building materials at the September 27, 2012 Board of Trustees meeting for one year with two one-year annual renewals. The last renewal period begins on October 1, 2014 through September 30, 2015.

The vendors have complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the Facilities Maintenance budget for FY 2014-2015.

**17)Online Books and Videos Database Subscription (Renewal)**

Renew the online books and videos database subscription with ProQuest, LLC. (Chicago, IL), a sole source vendor, for the period beginning November 1, 2014 through October 31, 2015, at a total cost of \$13,925.00.

The online books and videos database subscription will support the Bachelors in Computer Information Technology and the Computer Science discipline. It is a full-text database containing a collection of over 21,000 digital books and videos in information technology including programming, professional certification, IT networking, project management, home computing and more.



Funds for this expenditure are budgeted in the Library Acquisition and BAT Support Materials budgets for FY 2014-2015.

**18) TexShare Library Database Program Participation (Renewal)**

Renew the TexShare library database program participation with Texas State Library and Archives Commission (Austin, TX), a sole source vendor, for the period beginning September 1, 2015 through August 31, 2016, at a total cost of \$17,051.00. This fee is paid in advance and the vendor requires payment by October 31, 2014.

The TexShare library database program participation fee provided access to the information sharing program for all faculty, staff and students from participating Texas colleges and universities. The program provides access to 49 research databases with thousands of full text journal articles that broadly support all the major disciplines taught at STC including literature, nursing and allied health, history, science/technology, business and Spanish. Among the major databases included in the TexShare package are Academic Source Complete, Business Source Complete, Computer Source, EBSCO eBook collection, (formerly NetLibrary), ERIC (Education Resources Information Center), Health Source Psychology & Behavioral Sciences Collection, Religion & Philosophy, Science & Technology Collection, Texas History Collection, TOPIC Search, Vocational and Career Collection and World History Collection from EBSCO; Health Reference Center Academic, Newstand and Literature Resource Center from Gale; WorldCat from OCLC; and Heritage Quest, 20<sup>th</sup> Century American Poetry and 20<sup>th</sup> Century English Poetry from ProQuest.

Funds for this expenditure are budgeted in the Library Acquisition budget for FY 2014-2015.

**19) Time Clock Maintenance Agreement (Renewal)**

Renew the time clock maintenance agreement with Troncoso's Time & Attendance (Pharr, TX), a sole source vendor, for the period beginning December 1, 2014 through November 30, 2015, at a total cost of \$21,738.00.

The maintenance will cover forty one (41) biometric clocks located throughout the district for all STC non-exempt staff.

Funds for this expenditure are budgeted in the Business Office budget for FY 2014-2015.

**20) Welding Supplies (Renewal)**

Renew the contracts for welding supplies for the period beginning October 1, 2014 through September 30, 2015, at an estimated cost of \$100,000.00 with the following vendors:

- Airgas USA, LLC. (McAllen, TX)
- Alamo Iron Works (Brownsville, TX)
- Matheson Gas Products (San Benito, TX)
- Weldinghouse, Inc. (Pharr, TX)

The welding supplies will be used for student instruction by the Welding Program in the Division of Technology and Continuing Education. It will include gases and classroom/lab supplies used by students for hands on instruction in welding classes throughout the district. The Maintenance Department purchases as needed for the day to day operation throughout the district.

The Board awarded the contracts for welding supplies at the September 18, 2013 Board of Trustees meeting for one year with two one-year annual renewals. The first renewal period begins on October 1, 2014 through September 30, 2015.

The vendors have complied with all the terms and conditions of the contract and services have been satisfactory.

Funds for this expenditure are budgeted in the Welding Program, Continuing Education and Facilities Maintenance budgets for FY 2014-2015.

**21) Facility Usage Interlocal Agreements (Lease/Rental)**

Lease/Rental facility usage interlocal agreements with the City of McAllen – McAllen Convention Center (McAllen, TX) for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$27,912.00.

The facility usage interlocal agreements are for STC’s Professional Development events held throughout the year for faculty and staff and Fall 2014 Graduation. The events are as follows:

College Wide Professional Development for Faculty and Staff	September 18, 2014	\$5,670.00
Fall 2014 Graduation	December 14, 2014	\$9,989.00
South Texas Leadership Academy for Staff	June 19, 2015	\$4,783.00
Adjunct/Dual Enrollment Professional Development Day	August 15, 2015	\$1,800.00
Academic Affairs Professional Development Day	August 17, 2015	\$5,670.00

Funds for this expenditure are budgeted in the Professional Development and Graduation budgets for FY 2014-2015.

**Recommendation:**

It is requested that the Finance and Human Resources Committee recommend for Board approval at the September 23, 2014 Board meeting the proposal awards, purchases, and renewals as listed below:

- 1) **Beverage Products (Award):** award the proposal for beverage products to PepsiCo (Hidalgo, TX), for the period beginning October 13, 2014 through October 12, 2015 with two one-year options to renew, at an estimated cost of \$50,000.00 based on prior year expenditures. PepsiCo has also included \$15,000.00 annual discretionary payment to the College;

- 2) **Management and Leadership Training Services (Award):** award the proposal for management and leadership training services to PD Partners (East Lansing, MI) for the period beginning October 1, 2014 through September 30, 2015 with two one-year options to renew, at an estimated cost of \$20,000.00;
- 3) **On-Line Auction Services (Award):** award the proposal for on-line auction services to The Public Group (Provo, UT) for the period beginning October 1, 2014 through September 30, 2015 with two one-year options to renew, at no charge to the College;
- 4) **Projector Lamps III (Award):** award the proposal for projector lamps III to Howard Technology Solutions (Ellisville, MS) for the period beginning September 24, 2014 through September 23, 2015 with two one-year options to renew, at an estimated cost of \$12,021.00;
- 5) **Advertisement – Classified Ads (Purchase):** purchase advertisement – classified ads from AIM Media Texas/The Monitor (McAllen, TX), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$80,000.00;
- 6) **Crime Records Services (Purchase):** purchase crime records services from the Texas Department of Public Safety (DPS) (Austin, TX), a sole source vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$12,000.00 which is based on prior year expenditures;
- 7) **Electrical Parts and Supplies (Purchase):** purchase electrical parts and supplies from Dealers Electric Supply, Co. (McAllen, TX), a Texas Cooperative Purchasing Network (TCPN) approved vendor, for the period beginning September 1, 2014 through August 31, 2015, at an estimated amount of \$25,000.00 based on prior year expenditures;
- 8) **Professional Market Research Services (Purchase):** purchase professional market research services from Richards Carlberg, Inc./dba Richards/Carlberg, a sole source vendor, for the period beginning October 1, 2014 through August 31, 2015, at an estimated cost of \$261,000.00;
- 9) **Registration Advertisement Agreement (Purchase):** purchase a registration advertisement agreement from National CineMedia, LLC. (Centennial, CO), a sole source vendor, for the period beginning October 1, 2014 through July 31, 2015, at an estimated amount of \$44,180.00
- 10) **Sponsorship Advertisement Agreement (Purchase):** purchase a sponsorship advertisement agreement from RGV Basketball, LLC. (McAllen, TX), a sole source vendor, for the period beginning September 26, 2014 through April 30, 2015, at a total cost of \$42,000.00;
- 11) **Web Conferencing Software (Purchase):** purchase web conferencing software from Blackboard, Inc. (Pittsburgh, PA), a sole source vendor, for the period beginning October 1, 2014 through September 30, 2015, at a total cost of \$63,361.70;
- 12) **Computer Based Coursework Agreement (Renewal):** renew the computer based coursework agreement with Edgenuity, Inc. (Scottsdale, AZ), a sole source vendor, for the period beginning October 1, 2014 through September 30, 2015, at a total cost of \$27,880.00;
- 13) **Information and Research Databases (Renewal):** renew the information and research databases with ProQuest, LLC. (Chicago, IL), a sole source vendor, for the

period beginning November 1, 2014 through October 31, 2015, at a total cost of \$29,040.00;

- 14)Library Database Subscription (Renewal):** renew the library database subscription with EBSCO Publishing/dba EBSCO Information Services Group (Ipswich, MA), a sole source vendor, for the period beginning November 1, 2014 through October 31, 2015, at an estimated cost of \$14,213.00;
- 15)Library Digital Video Subscription (Renewal):** renew the library digital video subscription with Film Media Group/Infobase Learning (New York, NY), a sole source vendor, for the period beginning July 1, 2014 through November 30, 2015, at a total cost of \$19,948.70;
- 16)Lumber and Building Materials (Renewal):** renew the contracts for lumber and building materials for the period beginning October 1, 2014 through September 30, 2015, at an estimated cost of \$40,000.00 with the following vendors:
- Diaz Floors & Interiors (Pharr, TX)
  - Lowe's #1702 (Pharr, TX)
  - McCoys Building Supply (Pharr, TX)
  - Pro Build (McAllen, TX)
- 17)Online Books and Videos Database Subscription (Renewal):** renew the online books and videos database subscription with ProQuest, LLC. (Chicago, IL), a sole source vendor, for the period beginning November 1, 2014 through October 31, 2015, at a total cost of \$13,925.00;
- 18)TexShare Library Database Program Participation (Renewal):** renew the TexShare library database program participation with Texas State Library and Achieves Commission (Austin, TX), a sole source vendor, for the period beginning September 1, 2015 through August 31, 2016, at a total cost of \$17,051.00. This fee is paid in advance and the vendor requires payment by October 31, 2014;
- 19)Time Clock Maintenance Agreement (Renewal):** renew the time clock maintenance agreement with Troncoso's Time & Attendance (Pharr, TX), a sole source vendor, for the period beginning December 1, 2014 through November 30, 2015, at a total cost of \$21,738.00;
- 20)Welding Supplies (Renewal):** renew the contracts for welding supplies for the period beginning October 1, 2014 through September 30, 2015, at an estimated cost of \$100,000.00 with the following vendors:
- Airgas USA, LLC. (McAllen, TX)
  - Alamo Iron Works (Brownsville, TX)
  - Matheson Gas Products (San Benito, TX)
  - Weldinghouse, Inc. (Pharr, TX)
- 21)Facility Usage Interlocal Agreements (Lease/Rental):** lease/rental facility usage interlocal agreements with the City of McAllen – McAllen Convention Center (McAllen, TX) for the period beginning September 1, 2014 through August 31, 2015, at an estimated cost of \$27,912.00.

**SUMMARY TOTAL:**

The total for all proposal awards, purchases, and renewals is \$921,270.40

**SOUTH TEXAS COLLEGE  
1. BEVERAGE PRODUCTS  
PROJECT NO. 14-15-1016**

<b>VENDOR</b>		Coca-Cola Refreshments	PepsiCo	
<b>ADDRESS</b>		2400 Expway 83	1601 N International Blvd	
<b>CITY/STATE</b>		McAllen, TX 78501	Hidalgo, TX 78557	
<b>PHONE</b>		956-686-8827	956-994-6112	
<b>FAX</b>		214-904-5410	956-994-0868	
<b>CONTACT</b>		Jane Grout	Christopher Martinez	
#	Qty	Description	Proposed	Proposed
1	1	12 oz. Sugar-Sweetened Drink (Cans)	\$9.08/cs (24 per case)	
2	1	20 oz. Carbonated Soft Drink		\$19.24/cs (24 per case)
3	1	20 oz. Sugar-Sweetened Drink (Bottle)	\$19.36/cs (24 per case)	
4	1	20 oz. Aquafina (Water)		\$11.76/cs (24 per case)
5	1	20 oz. Power Ade/Gatorade	\$18.88/cs (24 per case)	\$17.54/cs (24 per case)
6	1	1 Liter Dasani Water	\$11.68/cs (12 per case)	
7	1	15.2oz Minute Maid Juices/Ocean Spray	\$22.00/cs (24 per case)	\$15.49/cs (12 per case)
8	1	20 oz. Lipton Tea		\$19.24/cs (24 per case)
9	1	16 oz. Energy Drink	\$32.00/cs (24 per case)	\$18.95/cs (12 per case)
10	1	16 oz. Rock Star Energy		\$29.73/cs (24 per case)
11	1	15 oz. Starbucks Energy Coffee		\$22.52/cs (12 per case)
12	1	14 oz. Muscle Milk		\$26.00/cs (12 per case)
13	1	20 oz. Sobe Life Water		\$14.07/cs (12 per case)
14	1	20 oz. Gatorade 2 (G2)		\$17.54/cs (24 per case)
<b>Fountain Drinks</b>				
15	1	2.5 Gal Beverage In Box (BIB)	\$34.38/gal	
16	1	5 Gal Beverage In Box (BIB)	\$66.00/gal	
17	1	Fountain Carbonated Drinks (Sodas)		\$12.98/gal \$64.90/box
18	1	Non-Carbonated Drinks (Tea/Lemonade)		\$12.98/gal \$64.90/box
19	1	Non-Carbonated Drinks (Fruit Punch)		\$12.98/gal \$64.90/box
20	1	Dr. Pepper/Diet Dr. Pepper		\$12.95/gal \$64.75/box
21	1	Lipton Concentrate (Sweet)		\$16.60/gal \$49.80/box
22	1	Lipton Concentrate (Unsweet)		\$15.04/gal \$45.12/box
23	1	Co2 20 lb.	\$22.00	\$18.49
24	1	Co2 20 lb. Tank Deposit		\$100.00
25	1	16 oz. Cups		\$50.99
26	1	24 oz. Cups		\$62.54

**SOUTH TEXAS COLLEGE  
1. BEVERAGE PRODUCTS  
PROJECT NO. 14-15-1016**

<b>VENDOR</b>			Coca-Cola Refreshments	PepsiCo
#	Qty	Description	Proposed	Proposed
27	1	Lids 16/24 oz.		\$38.27
28	1	Annual Sponsorship		\$15,000.00
29	1	Annual Projected Fountain Rebates (Based on Projected Volumes) (\$0.25 per gallon on 1,144 gallons)		\$286.00
30	1	Annual Projected Bottle & Can Rebate (Based on Projected Volumes) (\$0.75 per case on 2,349 cases)		\$1,761.00
31	1	Annual Donated Product (12 oz. cans & 16.9 Aquafina Water)		50 cases
Escalation 2nd Year			5%	3%
Escalation 3rd Year			5%	3%
<b>TOTAL EVALUATION POINTS</b>			81.65	93.98
<b>RANKING</b>			2	1

**SOUTH TEXAS COLLEGE  
1. BEVERAGE PRODUCTS  
PROJECT NO. 14-15-1016  
EVALUATION FORM**

<b>VENDOR</b>		Coca-Cola Refreshments		PepsiCo	
<b>ADDRESS</b>		2400 Expway 83		1601 N International Blvd	
<b>CITY/STATE</b>		McAllen, TX 78501		Hidalgo, TX 78557	
<b>PHONE</b>		956-686-8827		956-994-6112	
<b>FAX</b>		214-904-5410		956-994-0868	
<b>CONTACT</b>		Jane Grout		Christopher Martinez	
1	The purchase price. (up to 40 points)	32	32	40	40
		32		40	
		32		40	
2	The reputation of the vendor and of the vendor's goods and/or services. (up to 15 points)	13	13.33	13	13.33
		14		14	
		13		13	
3	The quality of the vendor's goods and/or services. (up to 16 points)	15	14.33	15	14.33
		14		14	
		14		14	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 20 points)	17	17	18	18.66
		17		18	
		17		20	
5	The vendor's past relationship with the College. (up to 3 points)	2	2.33	2	2.66
		3		3	
		2		3	
6	The impact on the ability of the College to comply with laws and rules relating to Historically Underutilized Businesses. (up to 1 points)	0	0	0	0
		0		0	
		0		0	
7	The total long-term cost to the College to acquire the vendor's goods or services. (up to 5 points)	3	2.66	5	5
		3		5	
		2		5	
<b>TOTAL EVALUATION POINTS</b>		81.65		93.98	
<b>RANKING</b>		2		1	

**SOUTH TEXAS COLLEGE**  
**2. MANAGEMENT AND LEADERSHIP TRAINING SERVICES**  
**PROJECT NO. 14-15-1019**

<b>VENDOR</b>		PD Partners	Pro Biz Assoc.com**
<b>ADDRESS</b>		1875 Cricket Ln	124 Manor Ave SW
<b>CITY/STATE</b>		East Lansing, MI 48823	Canton, OH 44710
<b>PHONE</b>		517-230-4968	330-705-0938
<b>FAX</b>		517-272-0887	216-706-4542
<b>CONTACT</b>		Pamela D. Bergeron	Beth F. Philley
<b>#</b>	<b>Description</b>	<b>Proposed</b>	<b>Proposed</b>
<b>Workshop Presentations</b>			
1	Up to 4 Hours (Up to 20 Participants)		\$1,200.00
	Per Additional Person, up to 40		\$20.00
	Per Additional Person, over 40		\$40.00
2	4 - 8 Hours	\$2,500.00	\$1,800.00 (Up to 20 Participants)
	Per Additional Person, up to 40		\$30.00
	Per Additional Person, over 40		\$60.00
3	Each Additional Consecutive Partial Day (Up to 20 Participants)		\$500.00
	Per Additional Person, up to 40		\$20.00
	Per Additional Person, over 40		\$40.00
4	Each Additional Consecutive Full Day (Up to 20 Participants)		\$750.00
	Per Additional Person, up to 40		\$30.00
	Per Additional Person, over 40		\$60.00
<b>Follow-up Coaching/Consulting Fees</b>			
5	Telephone (per hour)	\$80.00	\$60.00
6	In Person	\$80.00 SKYPE	\$40.00 (per hour + \$1,000 per trip)
<b>Production of Course Materials and Handouts</b>			
7	For Workshops up to 4 Hours Long (Per person, per workshop)		\$20.00
8	For Workshops up to 4 - 8 Hours Long (Per person, per workshop)		\$40.00

\*\*Total hours for any combination of individual workshops presented on consecutive days within a 50 mile radius.



**SOUTH TEXAS COLLEGE**  
**2. MANAGEMENT AND LEADERSHIP TRAINING SERVICES**  
**PROJECT NO. 14-15-1019**

<b>VENDOR</b>		<b>PD Partners</b>	<b>Pro Biz Assoc.com**</b>
<b>#</b>	<b>Description</b>	<b>Proposed</b>	<b>Proposed</b>
9	2-Day Workshops (Per person, per workshop)		\$75.00
10	Train-the-Trainer (Instructor Manual) (Per person, per workshop)		\$80.00
<b>Options</b>			
11	Off-site Meeting Room up to 4 hours Includes A/V Equipment		\$350.00
12	Off-site Meeting Room up to 4 - 8 hours Includes A/V Equipment		\$500.00
13	Participants Lunch / Off-Site (per plate)		\$12.00
14	Participants Lunch / On-Site (per plate)		\$7.00
<b>Escalation</b>			
15	2nd Year	0%	0%
16	3rd Year	0%	0%
<b>TOTAL EVALUATION POINTS</b>		98	73.25
<b>RANKING</b>		1	2

\*\*Total hours for any combination of individual workshops presented on consecutive days within a 50 mile radius.

**SOUTH TEXAS COLLEGE**  
**2. MANAGEMENT AND LEADERSHIP TRAINING SERVICES**  
**PROJECT NO. 14-15-1019**  
**EVALUATION FORM**

<b>VENDOR</b>		PD Partners		Pro Biz Assoc.com	
<b>ADDRESS</b>		1875 Cricket Ln		124 Manor Ave SW	
<b>CITY/STATE</b>		East Lansing, MI 48823		Canton, OH 44710	
<b>PHONE</b>		517-230-4968		330-705-0938	
<b>FAX</b>		517-272-0887		216-706-4542	
<b>CONTACT</b>		Pamela D. Bergeron		Beth F. Philley	
1	The purchase price (up to 40 points)	40	40	32	32
		40		32	
		40		32	
		40		32	
2	The reputation of the vendor and of the vendor's goods and/or services. (up to 18 points)	17	17.5	15	12.25
		18		9	
		17		16	
		18		9	
3	The quality of the vendor's goods and/or services. (up to 18 points)	17	17.5	15	13.75
		18		15	
		17		15	
		18		10	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 15 points)	15	15	7	8.25
		15		6	
		15		11	
		15		9	
5	The vendor's past relationship with the College. (up to 3 points)	3	3	2	2
		3		2	
		3		2	
		3		2	
6	The impact on the ability of the College to comply with laws and rules relating to Historically Underutilized Businesses. (up to 2 points)	0	0	0	0
		0		0	
		0		0	
		0		0	
7	The total long-term cost to the College to acquire the vendor's goods or services. (up to 5 points)	5	5	5	5
		5		5	
		5		5	
		5		5	
<b>TOTAL EVALUATION POINTS</b>		98		73.25	
<b>RANKING</b>		1		2	

**SOUTH TEXAS COLLEGE  
3. ON-LINE AUCTION SERVICES  
PROJECT NO. 14-15-1012**

<b>VENDOR</b>		The Public Group
<b>ADDRESS</b>		1503 S 40 East #350
<b>CITY/STATE</b>		Provo, UT 84605
<b>PHONE</b>		800-591-5546
<b>FAX</b>		801-932-7001
<b>CONTACT</b>		Eric Heaps
<b>#</b>	<b>Description</b>	<b>Proposed</b>
<b>Sales Commission on Sold Assets</b>		
1	Buyer's Premium Charged to Buyers	7%
2	Commission Charged to STC	0%
<b>Payment Collection Fee</b>		
3	Expedited Payment to STC	2%
4	Payment Collection Fee Charged to STC	3%
<b>Additional Services</b>		
5	Auction Tech Services	4-8%
<b>TOTAL EVALUATION POINTS</b>		76.66
<b>RANKING</b>		1

**SOUTH TEXAS COLLEGE  
3. ON-LINE AUCTION SERVICES  
PROJECT NO. 14-15-1012  
EVALUATION FORM**

<b>VENDOR</b>		The Public Group	
<b>ADDRESS</b>		PO Box 50676	
<b>CITY/STATE</b>		Provo, UT 84605	
<b>PHONE</b>		800-591-5546	
<b>FAX</b>		801-932-7001	
<b>CONTACT</b>		Eric Heaps	
1	The purchase price. (up to 50 points)	40	40
		40	
		40	
2	The reputation of the vendor and of the vendor's goods and/or services. (up to 18 points)	10	10.33
		11	
		10	
3	The quality of the vendor's goods and/or services. (up to 18 points)	10	10
		10	
		10	
4	The extent to which the vendor's goods and/or services meet the College's needs. (up to 15 points)	9	9.33
		10	
		9	
5	The vendor's past relationship with the College. (up to 3 points)	2	2
		2	
		2	
6	The impact on the ability of the College to comply with laws and rules relating to Historically Underutilized Businesses. (up to 2 points)	0	0
		0	
		0	
7	The total long-term cost to the College to acquire the vendor's goods or services. (up to 5 points)	5	5
		5	
		5	
<b>TOTAL EVALUATION POINTS</b>		76.66	
<b>RANKING</b>		1	

**4. SOUTH TEXAS COLLEGE  
PROJECTOR LAMPS III  
PROJECT NO. 14-15-1021**

<b>NAME</b>		Audio Visual Aids Corp	Howard Technology Solutions			
<b>ADDRESS</b>		2903 N Flores St	36 Howard Dr			
<b>CITY/STATE/ZIP</b>		San Antonio, TX 78212	Ellisville, MS 39437			
<b>PHONE</b>		800-422-1282	888-912-3151			
<b>FAX</b>		800-854-8140	601-399-5077			
<b>CONTACT</b>		Diane Blalock	Jessica Hayes			
#	Qty	Description	Unit Price	Extension	Unit Price	Extension
1	5	Eiki POA-LMP131	\$ 189.00	\$ 945.00	\$ 195.00	\$ 975.00
2	10	Sharp AN-C430LP	\$ 429.00	\$ 4,290.00	\$ 412.00	\$ 4,120.00
3	4	Panasonic ET-LAD60W	\$ 878.00	\$ 3,512.00	\$ 734.00	\$ 2,936.00
4	4	Panasonic ET-LAD60A W	\$ 779.00	\$ 3,116.00	\$ 734.00	\$ 2,936.00
5	1	Panasonic ET-LAE200	\$ 529.00	\$ 529.00	\$ 498.00	\$ 498.00
6	2	Panasonic ET-LAV300	\$ 289.00	\$ 578.00	\$ 278.00	\$ 556.00
<b>TOTAL AMOUNT PROPOSED</b>			\$ 12,970.00		\$ 12,021.00	
<b>TOTAL EVALUATION POINTS</b>			92.99		94.99	
<b>RANKING</b>			2		1	

**SOUTH TEXAS COLLEGE  
4. PROJECTOR LAMPS III  
PROJECT NO. 14-15-1021  
EVALUATION FORM**

<b>NAME</b>		Audio Visual Aids Corp		Howard Technology Solutions	
<b>ADDRESS</b>		2903 N Flores St		36 Howard Dr	
<b>CITY/STATE/ZIP</b>		San Antonio, TX 78212		Ellisville, MS 39437	
<b>PHONE</b>		800-422-1282		888-912-3151	
<b>FAX</b>		800-854-8140		601-399-5077	
<b>CONTACT</b>		Diane Blalock		Jessica Hayes	
1	The purchase price. (up to 45 points)	41	41	45	45
		41		45	
		41		45	
2	The reputation of the vendor and the vendor's goods and/or services. (up to 10 points)	9	8.33	9	8.33
		8		8	
		8		8	
3	The quality of the vendor's goods and/or services. (up to 18 points)	18	17.33	17	16.33
		17		16	
		17		16	
4	The extent to which the vendor's goods and/or services meet the district's needs. (up to 18 points)	18	17.33	18	17.33
		17		17	
		17		17	
5	The vendor's past relationship with the College. (up to 3 points)	3	3	3	3
		3		3	
		3		3	
6	The impact on the ability of the College to comply with the laws and rules relating to Historically Underutilized Businesses. (up to 1 point)	1	1	0	0
		1		0	
		1		0	
7	The total long-term cost to the College to acquire the vendor's goods or services. (up to 3 points)	5	5	5	5
		5		5	
		5		5	
<b>Total Evaluation Points</b>		92.99		94.99	
<b>Ranking</b>		2		1	

**SOUTH TEXAS COLLEGE**  
**5. ADVERTISEMENT - CLASSIFIED ADS**

<b>NAME</b>			AIM Media Texas/ The Monitor	
<b>ADDRESS</b>			P O Box 3267	
<b>CITY/STATE/ZIP</b>			McAllen, TX 78502	
<b>PHONE</b>			956-683-4000	
<b>FAX</b>			<a href="mailto:eflores@themonitor.com">eflores@themonitor.com</a>	
<b>CONTACT</b>			Elizabeth Flores	
#	Qty	Description	Unit Price	Extension
1	1	Advertisement - Classified Ads - Proposals Period: 9/1/14 - 8/31/15	\$ 40,000.00	\$ 40,000.00
2	1	Advertisement - Classified Ads - Vacancies Period: 9/1/14 - 8/31/15	\$ 40,000.00	\$ 40,000.00
<b>TOTAL AMOUNT</b>			\$	80,000.00

**SOUTH TEXAS COLLEGE**  
**6. CRIME RECORDS SERVICES**

<b>NAME</b>			Texas Department of Public Safety (DPS)	
<b>ADDRESS</b>			5805 N Lamar Blvd	
<b>CITY/STATE/ZIP</b>			Austin, TX 78752	
<b>PHONE</b>			512-424-2000	
#	Qty	Description	Unit Price	Extension
1	1	Crime Record Services Period: 9/1/14 - 8/31/15	\$ 12,000.00	\$ 12,000.00
<b>TOTAL AMOUNT</b>			\$	12,000.00



**SOUTH TEXAS COLLEGE**  
**7. ELECTRICAL PARTS AND SUPPLIES**

<b>NAME</b>			Dealers Electric Supply, Co. TCPN Contract No. R5062	
<b>ADDRESS</b>			1401 E Upas	
<b>CITY/STATE/ZIP</b>			McAllen, TX 78501	
<b>PHONE</b>			956-630-2233	
<b>FAX</b>			956-630-3840	
<b>CONTACT</b>			Miguel Pequeno	
#	Qty	Description	Unit Price	Extension
1	1	Electrical Parts and Supplies Period: 9/1/14 - 8/31/15	\$ 25,000.00	\$ 25,000.00
<b>TOTAL AMOUNT</b>			\$	25,000.00

**SOUTH TEXAS COLLEGE**  
**8. PROFESSIONAL MARKET RESERCH SERVICES**

<b>NAME</b>			Richards Carlberg, Inc./ dba Richards/Carlberg	
<b>ADDRESS</b>			1900 W Lop S Ste 1100	
<b>CITY/STATE/ZIP</b>			Houston, TX 77027	
<b>PHONE</b>			713-965-0764	
<b>FAX</b>			713-965-0135	
<b>CONTACT</b>			Chuck Carlberg	
#	Qty	Description	Unit Price	Extension
1	1	Professional Market Research Services Period: 10/1/14 - 8/31/15	\$ 261,000.00	\$ 261,000.00
<b>TOTAL AMOUNT</b>			\$	261,000.00

**SOUTH TEXAS COLLEGE**  
**9. REGISTRATION ADVERTISEMENT AGREEMENT**

<b>NAME</b>		National CineMedia, LLC.		
<b>ADDRESS</b>		9110 E Nichols Ave Ste 200		
<b>CITY/STATE/ZIP</b>		Centennial, CO 80112		
<b>PHONE</b>		956-318-0810		
<b>FAX</b>		956-380-0885		
<b>CONTACT</b>		Connie Franco		
#	Qty	Description	Unit Price	Extension
1	1	Registration Advertisement Agreement Period: 10/1/14 - 7/31/15	\$ 44,180.00	\$ 44,180.00
<b>TOTAL AMOUNT</b>			\$	44,180.00

**SOUTH TEXAS COLLEGE**  
**10. SPONSORSHIP ADVERTISEMENT AGREEMENT**

<b>NAME</b>			RGV Basketball, LLC.	
<b>ADDRESS</b>			4500 N 10th St	
<b>CITY/STATE/ZIP</b>			McAllen, TX 78504	
<b>PHONE</b>			956-802-2835	
<b>EMAIL</b>			<a href="mailto:laura@rgvipers.com">laura@rgvipers.com</a>	
<b>CONTACT</b>			Laura Cisneros	
<b>#</b>	<b>Qty</b>	<b>Description</b>	<b>Unit Price</b>	<b>Extension</b>
1	1	Sponsorship with the RGV Vipers Basketball Team Period: 9/26/14 - 4/30/15	\$ 42,000.00	\$ 42,000.00
<b>TOTAL AMOUNT</b>			\$	42,000.00

**SOUTH TEXAS COLLEGE**  
**11. WEB CONFERENCING SOFTWARE**

<b>NAME</b>		Blackboard, Inc.		
<b>ADDRESS</b>		P O Box 200154		
<b>CITY/STATE/ZIP</b>		Pittsburg, PA 15251		
<b>PHONE</b>		202-463-4860		
<b>FAX</b>		202-318-2619		
<b>CONTACT</b>		John Floyd		
#	Qty	Description	Unit Price	Extension
1	1	Bb Collaborate Platform Large School Package Learn Period: 10/1/14 - 9/30/15	\$ 59,611.70	\$ 59,611.70
2	1	Blackboard Collaborate 500 GB Standard and MP4 Storage	\$ 3,750.00	\$ 3,750.00
<b>TOTAL AMOUNT</b>			\$	63,361.70

**SOUTH TEXAS COLLEGE**  
**12. COMPUTER BASED COURSEWORK AGREEMENT**

<b>NAME</b>			Edgenuity, Inc.	
<b>ADDRESS</b>			8860 E Chaparral Rd	
<b>CITY/STATE/ZIP</b>			Scottsdale, AZ 85250	
<b>PHONE</b>			512-809-9984	
<b>FAX</b>			480-423-0213	
<b>CONTACT</b>			Chris Cole	
#	Qty	Description	Unit Price	Extension
1	41	Concurrent User Licenses Virtual Classroom and Web Administrator for 54 courses, including all Virtual Tutor Courses for STARR/EOC, ACT, SAT, GED Period: 10/1/14 - 9/30/15	\$ 680.00	\$ 27,880.00
<b>TOTAL AMOUNT</b>			\$	27,880.00

**SOUTH TEXAS COLLEGE**  
**13. INFORMATION AND RESEARCH DATABASES**

<b>NAME</b>			ProQuest, LLC.	
<b>ADDRESS</b>			6216 Paysphere Circle	
<b>CITY/STATE/ZIP</b>			Chicago, IL 60674	
<b>PHONE</b>			800-521-0600	
<b>FAX</b>			888-241-5612	
<b>CONTACT</b>			Thomas Hyatt	
#	Qty	Description	Unit Price	Extension
1	1	Prisma Hispanic Studies Journal - PRISMA Period: 11/1/14 - 10/31/15	\$ 4,240.00	\$ 4,240.00
2	1	Nursing & Allied Health Source - PQNAH Period: 11/1/14 - 10/31/15	\$ 14,165.00	\$ 14,165.00
3	1	eLibrary Curriculum - ELIBCURR Period: 11/1/14 - 10/31/15	\$ 10,635.00	\$ 10,635.00
<b>TOTAL AMOUNT</b>			<b>\$</b>	<b>29,040.00</b>

**SOUTH TEXAS COLLEGE**  
**14. LIBRARY DATABASE SUBSCRIPTION**

		<b>NAME</b>	EBSCO Publishing/dba EBSCO Information Services Group	
		<b>ADDRESS</b>	P O Box 682	
		<b>CITY/STATE/ZIP</b>	Ipswich, MA 01938	
		<b>PHONE</b>	800-653-2726	
		<b>FAX</b>	978-356-5640	
		<b>CONTACT</b>	Jessica Wolkiewicz	
#	Qty	Description	Unit Price	Extension
1	1	Auto Repair Reference Center Period: 11/1/14 - 10/31/15	\$ 3,045.00	\$ 3,045.00
2	1	Library Information Science & Technology Abstracts with Full Text Period: 11/1/14 - 10/31/15	\$ 3,276.00	\$ 3,276.00
3	1	Points of View Reference Center Period: 11/1/14 - 10/31/15	\$ 3,677.00	\$ 3,677.00
4	1	CINAHL with Full Text Period: 11/1/14 - 10/31/15	\$ 4,215.00	\$ 4,215.00
<b>TOTAL AMOUNT</b>			\$	14,213.00



**SOUTH TEXAS COLLEGE**  
**15. LIBRARY DIGITAL VIDEO SUBSCRIPTION**

<b>NAME</b>			Film Media Group/ Infobase Learning	
<b>ADDRESS</b>			132 W 31st St 17th Fl	
<b>CITY/STATE/ZIP</b>			New York, NY 10001	
<b>PHONE</b>			800-322-8788	
<b>FAX</b>			646-349-9687	
<b>CONTACT</b>			Chris Dedrick	
#	Qty	Description	Unit Price	Extension
1	1	Films on Demand: Business & Economics Video Collection Period: 12/1/14 - 11/30/15	\$ 1,155.85	\$ 1,155.85
2	1	Films on Demand: Health Video Collection Period: 12/1/14 - 11/30/15	\$ 2,021.98	\$ 2,021.98
3	1	Films on Demand: Humanities & Social Sciences Video Collection Period: 12/1/14 - 11/30/15	\$ 11,547.31	\$ 11,547.31
4	1	Films on Demand: Science & Mathematics Video Collection Period: 12/1/14 - 11/30/15	\$ 1,596.17	\$ 1,596.17
5	1	Films on Demand: Career & Technical Education Collection Period: 7/1/14 - 11/30/15	\$ 1,275.30	\$ 1,275.30
6	1	Films on Demand: Nursing Video Collection Period: 11/1/14 - 11/30/15	\$ 2,352.09	\$ 2,352.09
<b>TOTAL AMOUNT</b>			\$	19,948.70



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872-4681  
Fax (956) 872-4688

July 14, 2014

Diaz Floors & Interiors  
Attn: Mr. Andres Diaz  
1205 W Polk  
Pharr, TX 78577

Dear Mr. Diaz:

On September 27, 2012, South Texas College awarded a contract to Diaz Floors & Interiors for Lumber and Building Materials. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the second year of the contract and would like to renew for an additional one-year period. The last renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

A handwritten signature in cursive script that reads 'Becky Cavazos'.

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: Andres Diaz

Name Printed: ANDRES DIAZ

Date: July 16, 2014



South Texas College

P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3201 W. Pecan Blvd • McAllen, TX 78501

(956) 872-4688  
Fax (956) 872-4688

July 14, 2014

Lowe's #1702  
Attn: Mr. Richard Demille  
707 S Jackson Rd  
Pharr, TX 78577

Dear Mr. Demille:

On September 27, 2012, South Texas College awarded a contract to Lowe's #1702 for Lumber and Building Materials. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the second year of the contract and would like to renew for an additional one-year period. The last renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: \_\_\_\_\_

Name Printed: Richard DeMille

Date: 7-22-14



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872-4681  
Fax (956) 872-4688

July 14, 2014

McCoys Building Supply  
Attn: Mr. Manuel Gonzalez  
1120 W Hwy 83  
Pharr, TX 78577

Dear Mr. Gonzalez:

On September 27, 2012, South Texas College awarded a contract to McCoys Building Supply for Lumber and Building Materials. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the second year of the contract and would like to renew for an additional one-year period. The last renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature:

Name Printed: Manuel Gonzalez

Date: 7/22/14



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872 4681  
Fax (956) 872 4688

July 14, 2014

Pro Build  
Attn: Mr. Carlos Rodriguez  
5020 W Business Hwy 83  
McAllen, TX 78501

Dear Mr. Rodriguez:

On September 27, 2012, South Texas College awarded a contract to Pro Build for Lumber and Building Materials. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the second year of the contract and would like to renew for an additional one-year period. The last renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

A handwritten signature in cursive script that reads 'Becky Cavazos'.

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Date: \_\_\_\_\_

**SOUTH TEXAS COLLEGE**  
**17. ONLINE BOOKS AND VIDEOS DATABASE SUBSCRIPTION**

<b>NAME</b>			ProQuest, LLC.	
<b>ADDRESS</b>			6216 Paysphere Circle	
<b>CITY/STATE/ZIP</b>			Chicago, IL 60674	
<b>PHONE</b>			800-521-0600	
<b>FAX</b>			888-241-5612	
<b>CONTACT</b>			Thomas Hyatt	
#	Qty	Description	Unit Price	Extension
1	1	Safari Tech Books Online Period: 11/1/14 - 10/31/15	\$ 13,925.00	\$ 13,925.00
<b>TOTAL AMOUNT</b>			\$	13,925.00

**SOUTH TEXAS COLLEGE**

**18. TEXSHARE LIBRARY DATABASE PROGRAM PARTICIPATION**

<b>NAME</b>			Texas State Library and Archives Commission	
<b>ADDRESS</b>			P O Box 12927	
<b>CITY/STATE/ZIP</b>			Austin, TX 78711-2927	
<b>PHONE</b>			800-252-9386	
<b>FAX</b>			512-936-2306	
<b>#</b>	<b>Qty</b>	<b>Description</b>	<b>Unit Price</b>	<b>Extension</b>
1	1	TexShare Database Membership Fee for Fiscal Year 2015 Period: 9/1/15 - 8/31/16	\$ 17,051.00	\$ 17,051.00
<b>TOTAL AMOUNT</b>			\$	17,051.00

**SOUTH TEXAS COLLEGE**  
**19. TIME CLOCK MAINTENANCE AGREEMENT**

<b>NAME</b>			Troncoso's Time & Attendance	
<b>ADDRESS</b>			716 W Green Jay Ave	
<b>CITY/STATE/ZIP</b>			Pharr, TX 78577	
<b>PHONE</b>			956-533-6163	
<b>CONTACT</b>			Joe Troncoso	
#	Qty	Description	Unit Price	Extension
1	16	Bio-Metric Yearly (IQ 1000) Model Clocks Period: 12/1/14 - 11/30/15	\$ 450.00	\$ 7,200.00
2	22	Bio-Metric Yearly (IQ 1000) Model Clocks Period: 12/1/14 - 11/30/15	\$ 450.00	\$ 9,900.00
3	1	Insurance Service Period: 12/1/14 - 11/30/15	\$ 3,288.00	\$ 3,288.00
4	3	Bio-Metric Yearly (IQ 1000) Model Clocks Period: 12/1/14 - 11/30/15	\$ 450.00	\$ 1,350.00
<b>TOTAL AMOUNT</b>			\$	21,738.00



9568724688

STC Purchasing

09:35:57 a.m. 06-11-2014

2/2



Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

P.O. Box 9701  
McAllen, TX 78502-9701

(956) 872-4681  
Fax (956) 872-4688

June 10, 2014

Airgas USA, LLC.  
Attn: Mr. Luis Canchola  
201 N 23<sup>rd</sup> St  
McAllen, TX 78501

Dear Mr. Canchola:

On September 18, 2013, South Texas College awarded a contract to Airgas USA, LLC. for Welding Supplies. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the first year of the contract and would like to renew for an additional one-year period. The first renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature:

Name Printed: Luis Canchola

Date: 6-17-14



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872-4681  
Fax (956) 872-4688

June 10, 2014

Alamo Iron Works  
Attn: Robert N. Garcia  
2771 Robindale Rd  
Brownsville, TX 78526

Dear Mr. Garcia:

On September 18, 2013, South Texas College awarded a contract to Alamo Iron Works for Welding Supplies. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the first year of the contract and would like to renew for an additional one-year period. The first renewal period will be from October 1, 2014 through September 30, 2015.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: 

Name Printed: ROBERT N. GARCIA

Date: 08-08-14



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872-4681  
Fax (956) 872-4688

June 10, 2014

Matheson Gas Products  
Attn: Reynaldo Rivera  
1801 W Hwy 77  
San Benito, TX 78586

Dear Mr. Rivera:

On September 18, 2013, South Texas College awarded a contract to Matheson Gas Products for Welding Supplies. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the first year of the contract and would like to renew for an additional one-year period. The first renewal period will be from October 1, 2014 through September 30, 2015 with a 10% price escalation.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

A handwritten signature in cursive script that reads "Becky Cavazos".

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: \_\_\_\_\_

A handwritten signature in cursive script that reads "Reynaldo Rivera".

Name Printed: \_\_\_\_\_

Reynaldo Rivera

Date: \_\_\_\_\_

6-11-14



P.O. Box 9701  
McAllen, TX 78502-9701

Purchasing Department  
3200 W. Pecan Blvd. • McAllen, TX 78501

(956) 872-4681  
Fax (956) 872-4688

June 10, 2014

Weldinghouse, Inc.  
Attn: Mr. Alex Martinez  
2901 N Sugar Rd  
Pharr, TX 78577

Dear Mr. Martinez:

On September 18, 2013, South Texas College awarded a contract to Weldinghouse, Inc. for Welding Supplies. The award allowed for two one-year renewal options on the contract if the terms and conditions remain the same. We are currently in the last few months of the first year of the contract and would like to renew for an additional one-year period. The first renewal period will be from October 1, 2014 through September 30, 2015 with a 10% price escalation.

We are requesting that you respond to us in writing if this would be acceptable to your company. For your convenience, we are providing a place for your signature approval at the bottom of the letter. If in acceptance of this extension, you may sign where indicated. The letter may be return via fax at (956) 872-4688 or email to Becky Cavazos at [beckyc@southtexascollege.edu](mailto:beckyc@southtexascollege.edu).

Sincerely,

Rebecca R. Cavazos  
Director of Purchasing

Renewal of contract accepted through September 30, 2015 with no change in terms and conditions as per the South Texas College bid previously submitted.

Authorized Signature: Alex Martinez

Name Printed: Alex Martinez

Date: 06/11/14

**SOUTH TEXAS COLLEGE**  
**21. FACILITY USAGE INTERLOCAL AGREEMENTS**

<b>NAME</b>		City of McAllen - McAllen Convention Center		
<b>ADDRESS</b>		700 Convention Ctr Blvd		
<b>CITY/STATE/ZIP</b>		McAllen, TX 78505		
<b>PHONE</b>		956-681-3800		
<b>FAX</b>		956-681-3840		
<b>CONTACT</b>		Cristina Monroy		
#	Qty	Description	Unit Price	Extension
1	1	College Wide Professional Development for Faculty and Staff - 9/18/14	\$ 5,670.00	\$ 5,670.00
2	1	Fall 2014 Graduation - 12/14/14	\$ 9,989.00	\$ 9,989.00
3	1	South Texas Leadership Academy for Staff	\$ 4,783.00	\$ 4,783.00
4	1	Adjunct/Dual Enrollment Professional Development Day - 8/15/15	\$ 1,800.00	\$ 1,800.00
5	1	Academic Affairs Professional Development Day - 8/17/15	\$ 5,670.00	\$ 5,670.00
<b>TOTAL AMOUNT</b>			\$	27,912.00

### **Review and Recommend Action on Disposal of Surplus Property**

Approval to dispose of surplus property valued at \$1,000 and over through The Public Group, a board approved vendor, will be requested at the September 23, 2014 Board meeting.

On September 19, 2011, the Board of Trustees awarded the contract for online auction services for a period beginning October 1, 2011 through September 30, 2012 with two one-year options to renew.

The surplus property goes through an evaluation process by the departments to determine if the items are damaged beyond repair and unable to utilized district wide.

The auction items are located at the South Texas College Receiving Department, 3700 W. Military Hwy., McAllen, TX. The online auction will begin on October 1, 2014 and continue until all items are sold.

A listing of the items to be auctioned follows in the packet for your information.

The items valued under \$1,000 are not included in the College's inventory but are recorded in a database. The items valued at \$1,000 and over are recorded and maintained in the College's inventory system.

It is requested that the Finance and Human Resources Committee recommend for Board approval at the September 23, 2014 Board meeting, to dispose of surplus property valued at \$1,000 and over through The Public Group, a board approved vendor, as presented.

**SOUTH TEXAS COLLEGE  
SURPLUS PROPERTY OVER \$1,000  
SEPTEMBER 23, 2014**

Pallet	Qty	Description	Silver Tag	Ptag	Serial Number	Green Tag	Purchase Amount	Net Value	Condition
1	1 ea	Precor Treadmill	8344	000009060	GRC30P0005		\$3,895.00		Damage
2	1 ea	Precor Treadmill	8342	000009062	GRF25P0010		\$3,895.00		Damage
3	1 ea	75 Gallon Hydrotherapy Equipment	1909	000002445	12627		\$1,500.00		Damage
4	1 ea	Presidio Bench	23814	000006124			\$1,500.00		Damage
5	1 ea	Presidio Bench	23815	000006125			\$2,000.00		Damage
5	1 ea	Presidio Bench	23816	000006126			\$2,000.00		Damage
8	1 ea	Presidio Bench	23817	000006127			\$2,000.00		Damage
8	1 ea	Presidio Bench	23818	000006128			\$2,000.00		Damage
9	1 ea	Snap On Valve Grinder	0052	000001041			\$2,445.38		Damage
10	1 ea	Squaring Sheer Machines	2634	000003506	106199		\$2,686.12		Damage
11	1 ea	Hampden Industrial Cabinet w/Casters	818	000000818	67411		\$8,805.00	\$0.00	Damage
12	1 ea	Booth Seat Falcon	1359	000001205			\$2,403.84		Damage
13	1 ea	The Cink Filtration SY	13457	N00015749	CINK-2115		\$1,618.00		Damage
14	1 ea	Diagonal Whiteboard 72" Interact SB580	6088	000007403			\$1,843.32		Obsolete
15	1 ea	Diagonal Whiteboard 72" Interact SB580	6089	000007404			\$1,494.36		Obsolete
16	1 ea	Expression Cabinet Multimedia SE1-503	6720	000007398	SE11877		\$3,644.56		Obsolete
17	1 ea	Expression Cabinet Multimedia SE1-503	5102	000006367	SE11537R		\$6,247.00	\$0.00	Obsolete
18	1 ea	Expression Cabinet Multimedia SE1-503	6718	000007396	SE11874		\$3,644.56		Obsolete
19	1 ea	Expression Cabinet Multimedia SE1-503	6722	000007400	SE11882		\$3,644.56		Obsolete
21	1 ea	Expression Cabinet Multimedia SE1-503	6723	000007401	SE11875		\$3,644.56		Obsolete
22	1 ea	Expression Cabinet Multimedia SE1-503	6724	000007402	SE11873		\$3,644.56		Obsolete
23	1 ea	Expression Cabinet Multimedia SE1-503	6719	000007397	SE11872		\$3,644.56		Obsolete
24	1 ea	Expression Cabinet Multimedia SE1-503	6721	000007399	SE11876		\$3,644.56		Obsolete
25	1 ea	Diagonal Whiteboard 72" Interact SB580	4572	000006669			\$1,989.00		Obsolete
26	1 ea	Expression Multimedia Cabinet SE1-503	6916	000007535			\$7,441.32	\$0.00	Obsolete
27	1 ea	Wood Library Shelf	1356	000001198			\$1,219.18		Damage
27	1 ea	Diagonal Whiteboard 72" Interact	10958	000012726	139117		\$5,207.14	\$1,010.30	Obsolete
27	1 ea	Diagonal Whiteboard 72" Interact	4571	000006668			\$1,989.00		Obsolete
27	1 ea	Diagonal Whiteboard 72" Interact	11070	000012047	200408		\$3,775.66		Obsolete
27	1 ea	Diagonal Whiteboard 72" Interact	6267	000012648	44580		\$2,742.32		Obsolete
27	1 ea	Diagonal Whiteboard 72" Interact	11046	000012045	200930		\$3,775.66		Obsolete
27	1 ea	Diagonal Whiteboard 72" Interact	11084	000012048	200410		\$3,775.66		Obsolete
27	1 ea	Student Spectrometer Case Kit	2629	000003268			\$1,776.00		Obsolete
27	1 ea	Pasco H/E Apparatus Testing Batteries	2617	000003256			\$1,310.40		Obsolete
27	1 ea	Pharmaceutical Pill Packaging Machine	10708	000011227			\$15,449.00	\$643.84	Obsolete
38	1 ea	Hampden BPS-103A AC-DC Power Supply	4265	4604	76820		\$2,594.00		Obsolete
38	1 ea	Hampden BPS-103A AC-DC Power Supply	826	000000826	67258		\$2,207.00		Obsolete
38	1 ea	Hampden DCC-100 Trainer	4267	000004606	77110		\$4,428.00		Obsolete
38	1 ea	Hampden DCC-100 Trainer	821	000000821			\$3,471.00		Obsolete
38	1 ea	Hampden DCC-100 Trainer	828	000000828			\$1,784.00		Obsolete
38	1 ea	Hampden DYN-100-DM Dynamometer	4279	000004618	76648		\$2,187.33		Obsolete
38	1 ea	Hampden DYN-100-DM Dynamometer	4278	000004617	76165		\$2,187.33		Obsolete
38	1 ea	Hampden DYN-100-DM Dynamometer	4277	000004616	76649		\$2,187.34		Obsolete
50	1 ea	Sony Wireless/Networkable Cabinet	8514	000009334			\$13,564.80	\$0.00	Damage
69	1 ea	Lincoln 250 Welding Machine	13136	N00014192	U1060119050		\$1,246.25		Damage
78	1 ea	Lincoln 250 Welding Machine	18725	N00017917	U1100203923		\$1,652.16		Damage
78	1 ea	Lincoln 250 Welding Machine	18567	N00017919	U1100203957		\$1,652.16		Damage
83	1 pallet	Books							Obsolete
84	1 pallet	Books							Obsolete
85	1 pallet	Books							Obsolete
86	1 pallet	Books							Obsolete
87	1 pallet	Books							Obsolete
88	1 pallet	Books							Obsolete

Capital Asset (\$5,000 and over)  
 Grant Asset

**SOUTH TEXAS COLLEGE  
SURPLUS PROPERTY OVER \$1,000  
SEPTEMBER 23, 2014**

Pallet	Qty	Description	Silver Tag	Ptag	Serial Number	Green Tag	Purchase Amount	Net Value	Condition
89	1 pallet	Books							Obsolete
90	1 pallet	Books							Obsolete
91	1 pallet	Books							Obsolete
92	1 pallet	Books							Obsolete
93	1 pallet	Books							Obsolete
94	1 pallet	Books							Obsolete
95	1 pallet	Books							Obsolete
96	1 pallet	Books							Obsolete
97	1 pallet	Books							Obsolete
98	1 pallet	Books							Obsolete
99	1 pallet	Books							Obsolete
100	1 pallet	Books							Obsolete
101	1 pallet	Books							Obsolete
102	1 pallet	Books							Obsolete
103	1 pallet	Books							Obsolete
104	1 pallet	Books							Obsolete
105	1 pallet	Books							Obsolete
106	1 pallet	Books							Obsolete
107	1 pallet	Books							Obsolete
108	1 pallet	Books							Obsolete
109	1 pallet	Books							Obsolete
110	1 pallet	Books							Obsolete
111	1 pallet	Books							Obsolete
112	1 pallet	Books							Obsolete
113	1 pallet	Books							Obsolete
114	1 pallet	Books							Obsolete
115	1 pallet	Books							Obsolete
116	1 pallet	Books							Obsolete
117	1 pallet	Books							Obsolete
118	1 ea	Floor Drill Press	8405	000009190		500004600	\$1,745.11		Damage
118	1 ea	Floor Drill Press	8406	000009189		500004552	\$1,745.11		Damage
119	1 ea	Snap On Recover Recycle Machine	4754	000006033	0027A0831		\$4,646.25		Damage

Capital Asset (\$5,000 and over)  
 Grant Asset



**Review and Recommend Action on Vendor for Operation of College Bookstore**

Approval of a vendor for the operation of the College Bookstores will be requested at the September 23, 2014.

Bid proposals were solicited/advertised on June 23, 2014 and June 30, 2014 for the Operation of the College Bookstores. The proposals were opened on July 30, 2014. The new contract period for the operation of the college bookstores begins November 1, 2014.

Bid proposals were sent to six (6) vendors. Four (4) responses were received. A pre-bid conference was held on Tuesday, July 8, 2014 with representatives of four (4) different companies attending.

A bookstore consultant, Tom Byrne from Campus Bookstore Consulting (CBC), was contracted to review and analyze the proposals. Mr. Byrne will be present to discuss the proposals and answer questions.

The bookstore proposal analysis was provided to the STC evaluation committee. The evaluations were completed by the STC's evaluation committee.

After review and evaluation of the proposals by the STC evaluation committee, the vendors are ranked as follows:

1. Barnes & Noble College Booksellers, LLC. (Basking Ridge, NJ)
2. Nebraska Book Company, Inc./dba Neebo (Lincoln, NE)
3. Follett Higher Education Group, Inc. (Westchester, IL)
4. BBA Solutions (Little Rock, AR)

The current contract had the following conditions:

5 Year Term Percentage Rent	12% of all gross sales up to \$5,000,000 13% of all gross sales up to \$5,000,000
Minimum Annual Guarantee	\$450,000
One-Time Unrestricted Donation	\$325,000
Facility Investment	\$30,000-Invested \$380,000 in renovations in 2004
Technology Investment	Already invested in excess of \$50,000
Annual Textbook Scholarship	\$5,000

The new proposals from the two top ranked companies are summarized below:

	<b>Barnes &amp; Noble College Booksellers, LLC.</b>	<b>Nebraska Book Company, Inc./dba Neebo</b>
5 Year Term Percentage Rent	12.5% up to \$2.0M 13.5% from \$2.0M to \$3.0M 15% over \$3.0M	15.1% up to \$3.5M 16.1% from \$3.5M to \$4.5M 17.1% over \$4.5M
Minimum Annual Guarantee (5 Year Agreement)	Year 1 - \$550,000 Years 2-5 – 90% of calculated commission on gross sales of the immediately preceding year	Year 1 - \$550,000 Years 2-5 – 90% of calculated commission on gross sales of the immediately preceding year
Signing Bonus/One-Time Payment (5 Year Agreement)	\$470,000	\$300,000
Facility Investment (RFP Requirement 5 Year Depreciation)	\$30,000	\$250,000; Pecan - \$200,000, Mid Valley - \$40,000 and Starr - \$10,000
Technology Investment	Has already outfitted the STC Bookstores with their state-of-the-art operating systems so no capital investment for technology is needed as part of their financial offer	\$135,000
Textbook Scholarship/Textbook Rental Scholarships/General Merchandise Donations	\$5,000 annually for Textbook scholarships	\$25,000 annually for Textbook Rental Scholarships
Comply to the STC Pricing Policy	Yes	Yes

Summary of Financial Proposals for Year 1:

	<b>Barnes &amp; Noble College Booksellers, LLC.</b>	<b>Nebraska Book Company, Inc./dba Neebo</b>
Minimum Annual Guarantee	\$550,000	\$550,000
Signing Bonus/ One-Time Payment	\$470,000	\$300,000
Scholarships- annually	\$5,000	\$25,000
<b>Sub-Total</b>	<b>\$1,025,000</b>	<b>\$875,000</b>
Facilities Investment	\$30,000 *	\$250,000; Pecan - \$200,000, Mid Valley - \$40,000 and Starr - \$10,000
Technology Investment	Has already outfitted the STC Bookstores with their state-of-the-art operating systems so no capital investment for technology is needed as part of their financial offer **	\$135,000
<b>Total</b>	<b>\$30,000</b>	<b>\$385,000</b>
<b>Grand Total</b>	<b>\$1,055,000</b>	<b>\$1,260,000</b>

\* Invested \$380,000 in renovations in 2004

\*\* Invested in excess of \$50,000

The vendor must adhere to the following textbook/course material pricing policy as stated in the request for proposal:

- “List-Priced” new textbooks shall be sold at no higher than list price.
- “Pre-Priced” new textbooks shall be sold at no higher than the pre-price.
- “Net-Priced” new textbooks shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
- “Net-Priced” bundled packages of course materials (e.g. textbooks, workbook, CD, passcode, etc., bundled together) shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
- Digital course materials sold by publishers to the contractor at net-price shall be sold by the Bookstore at no higher than a twenty-five percent (25%) gross profit margin.
- Digital course materials sold by publishers to the contractor via the agency fee pricing model shall be sold by the Bookstore at no higher than the retail price established by the publisher.
- Used textbooks shall be sold at no higher than seventy-five percent (75%) of the current new textbook retail price.

- Coursepacks and custom published materials (i.e., materials requiring copyright permissions) shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
- New rental textbooks shall be rented at no higher than fifty percent (50%) of the current new textbooks retail price.
- Used rental textbooks shall be rented at no higher than fifty percent (50%) of the current used textbooks retail price.
- There shall be no add-ons or surcharges to cover freight, handling, publisher re-stocking fees, etc.

The Request for Proposals (RFP) includes provisions which allow the College to explore e-Texts and other textbook resources from other entities.

The following are included for the committee's review:

- Summary of Financial Proposals and Staff Evaluation
- Consultant's Analysis of Bookstore Proposals
- Evaluation Form

It is requested that the Finance and Human Resources Committee recommend for Board approval at the September 23, 2014 Board meeting, a vendor for the operation of the College Bookstores as presented.

**SOUTH TEXAS COLLEGE  
OPERATION OF COLLEGE BOOKSTORE  
PROJECT NO. 14-15-1010**

NAME	Barnes & Noble College Booksellers, LLC.	BBA Solutions	Follett Higher Education Group, Inc.	Nebraska Book Company, Inc./dba Neebo
ADDRESS	120 Mountain View Blvd	12123 Kanis Rd	3 Westbrook Corp Ctr Ste 200	4700 S 19th St
CITY/STATE/ZIP	Basking Ridge, NJ 07920	Little Rock, AR 72211	Westchester, IL 60154	Lincoln, NE 68512
PHONE	972-899-3410	501-217-4960	708-884-0000	402-421-7300
FAX	972-899-3143	501-217-4905	708-884-0751	402-479-8598
CONTACT	Kim Otte	James Barnes	Donald J. Germano	Brian S. Wier
#	Description	Proposal	Proposal	Proposal
<b>1 Financial Proposal</b>				
<b>a. Percentage Rent</b>				
Option 1	5 Year Term 12.5% up to \$2.0M 13.5% from \$2.0M to \$3.0M 15% over \$3.0M	5 Year Term 12.0% up to \$4.0M 13.0% from \$4.0M to \$5.0M 14.0% over \$5.0M	5 Year Term with Café 13.1% up to \$5.0M 14.1% from \$5.0M to \$7.0M 15.1% over \$7.0M	5 Year Term 15.1% up to \$3.5M 16.1% from \$3.5M to \$4.5M 17.1% over \$4.5M
Option 2	5 Year Term 13.5% up to \$2.0M 14.5% from \$2.0M to \$3.0M 15.5% over \$3.0M		10 Year Term with Café 15.1% up to \$5.0M 16.1% from \$5.0M to \$7.0M 17.1% over \$7.0M	
Option 3			10 Year Term w/o Café 15.25% up to \$5.0M 16.25% from \$5.0M to \$7.0M 17.25% over \$7.0M	
<b>b. Minimum Annual Guarantee</b>				
Option 1	Year 1 - \$550,000 Years 2-5 - 90% of the calculated commission on gross sales of the immediately preceding year	Year 1 - \$450,000 Years 2-5 - 90% of the calculated commission on gross revenue of the previous year	5 Year Term with Café Year 1 - \$465,000 Years 2-5 - 90% of the calculated commission on gross revenue of the immediately preceding year	Year 1 - \$550,000 Years 2-5 - 90% of the calculated commission on gross revenue of the immediately preceding year
Option 2	Year 1 - \$550,000 Years 2-5 - 90% of the calculated commission on gross sales of the immediately preceding year		10 Year Term with Café Year 1 - \$550,000 Years 2-10 - 90% of the calculated commission on gross revenue of the immediately preceding year	
Option 3			10 Year Term w/o Café Year 1 - \$550,000 Years 2-10 - 90% of the calculated commission on gross revenue of the immediately preceding year	
<b>c. Signing Bonus/One-Time Payment</b>				
Option 1	5 Year Term \$470,000 Signing Bonus	5 Year Term \$500,000 Signing Bonus paid as follows: \$200,000 at the time the contract is executed and \$150,000 on the anniversary date for the proceeding 2 years	5 Year Term with Café - \$0	5 Year Term \$300,000 One-Time Signing Bonus
Option 2	5 Year Term \$270,000 Signing Bonus		10 Year Term with Café \$50,000 One-Time payment within 90 days of the successful implementation of the ConnectOnce integration	
Option 3			10 Year Term w/o Café \$100,000 One-Time payment within 90 days of the successful implementation of the ConnectOnce integration	

**SOUTH TEXAS COLLEGE  
OPERATION OF COLLEGE BOOKSTORE  
PROJECT NO. 14-15-1010**

NAME		Barnes & Noble College Booksellers, LLC.	BBA Solutions	Follett Higher Education Group, Inc.	Nebraska Book Company, Inc./dba Neebo
#	Description	Proposal	Proposal	Proposal	Proposal
<b>d. Facility Investment (RFP Requirement: 5-Year Depreciation)</b>					
	<b>Option 1</b>	\$30,000 depreciated over a 5 year period	\$100,000 depreciated over a 5 year period	5 Year Term with Café \$375,000 depreciated over a 5 year period	<b>Option 1</b> -\$250,000 Depreciated over a 5 year period Pecan Campus Bookstore -\$200,000 depreciated over a 5 year period Mid Valley Campus Bookstore -\$40,000 depreciated over a 5 year period Starr County Campus Bookstore -\$10,000 depreciated over a 5 year period
	<b>Option 2</b>	\$30,000 depreciated over a 5 year period		10 Year Term with Café \$375,000 depreciated over a 5 year period	
	<b>Option 3</b>			10 Year Term w/o Café \$285,000 depreciated over a 10 year period	
<b>e. Technology Investment</b>					
		Has already outfitted the STC Bookstores with their state-of-the-art operating systems so no capital investment for technology is needed as part of their financial offer	\$101,200	\$54,000	\$135,000
<b>e. Textbook Scholarships/Textbook Rental Scholarships/General Merchandise Donations</b>					
	<b>Option 1</b>	5 Year Term \$5,000 Annually for Textbook Scholarships	5 Year Term \$7,500 Annual Textbook Scholarship \$5,000 General Merchandise Donations	5 Year Term \$5,000 Annual Textbook Scholarship	5 Year Term \$25,000 Annually for Textbook Rental Scholarships
	<b>Option 2</b>	5 Year Term \$5,000 Annually for Textbook Scholarships		10 Year Term \$5,000 Annual Textbook Scholarships	
	<b>Option 3</b>			10 Year Term \$5,000 Annual Textbook Scholarships	
	<b>Total Points for #1</b>	<b>30.4</b>	<b>28.9</b>	<b>28.4</b>	<b>35</b>
<b>2 Ability and Experience in Providing Services</b>					
	<b>Total Points for #2</b>	<b>22.75</b>	<b>18.375</b>	<b>20.125</b>	<b>19.125</b>
<b>3 Management plan and its responsiveness to the needs of the STC community</b>					
	<b>Total Points for #3</b>	<b>22.125</b>	<b>18.5</b>	<b>19.625</b>	<b>18.375</b>
<b>4 Quality and reputation of the respondent's goods and services</b>					
	<b>Total Points for #4</b>	<b>8.75</b>	<b>6.75</b>	<b>7.25</b>	<b>7.625</b>
<b>5 Transition plan</b>					
	<b>Total Points for #5</b>	<b>4.625</b>	<b>3.375</b>	<b>3.625</b>	<b>3.625</b>
<b>Total Evaluation Points</b>		<b>88.65</b>	<b>75.9</b>	<b>79.025</b>	<b>83.75</b>
<b>Ranking</b>		<b>1</b>	<b>4</b>	<b>3</b>	<b>2</b>

**SOUTH TEXAS COLLEGE  
OPERATION OF COLLEGE BOOKSTORE  
PROJECT NO. 14-15-1010  
EVALUATION FORM**

VENDOR		Barnes & Noble College Booksellers, LLC.	BBA Solutions	Follett Higher Education Group, Inc.	Nebraska Book Company, Inc./dba Neebo				
ADDRESS		120 Mountain View Blvd	12123 Kanis Rd	3 Westbrook Corp Ctr Ste 200	4700 S 19th St				
CITY/STATE		Basking Ridge, NJ 07920	Little Rock, AR 72211	Westchester, IL 60154	Lincoln, NE 68512				
PHONE/FAX		972-899-3410	501-217-4960	708-884-0000	402-421-7300				
FAX		972-899-3143	501-217-4905	708-884-0751	402-479-8598				
CONTACT		Kim Otte	James Barnes	Donald J. Germano	Brian S. Wier				
1	The Respondent's financial proposal. (up to 35 points) -Minimum Annual Financial Guarantee -Percentage Commission on Commissionable sales -Capital Investment Plan for Bookstore Facilities -Additional Financial Incentives	30.4	30.4	28.9	28.9	28.4	28.4	35	35
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
		30.4		28.9		28.4		35	
2	The Respondent's demonstrated ability and experience in providing the services requested. (up to 25 points) -Experience of Staff -Experience in providing similar services to other institutions of higher education -Financial standing and resources of organization	23	22.75	20	18.375	20	20.125	20	19.125
		25		25		25		25	
		20		19		17		22	
		25		15		20		13	
		20		10		15		10	
		23		19		22		21	
		23		19		24		22	
		23		20		18		20	
3	The Respondent's management plan and its responsiveness to the needs of the STC community. (up to 25 points) -Organization of Bookstore; Overall textbook/course materials affordability; Used textbook/textbook rental/buyback program; Textbook/course materials pricing policy; payment methods and refund policy; customer service program; special order policy; textbook/course materials program; technology and accounting systems; acquisition of inventory; general merchandise (clothing, gifts, etc.); emergency contingency plan and other management factors	20	22.125	20	18.5	18	19.625	15	18.375
		20		20		20		25	
		21		22		20		23	
		25		16		21		15	
		20		8		15		10	
		24		21		21		20	
		24		21		23		20	
		23		20		19		19	

**SOUTH TEXAS COLLEGE  
OPERATION OF COLLEGE BOOKSTORE  
PROJECT NO. 14-15-1010  
EVALUATION FORM**

VENDOR		Barnes & Noble College Booksellers, LLC.	BBA Solutions		Follett Higher Education Group, Inc.		Nebraska Book Company, Inc./dba Neebo		
4	The quality and reputation of the respondent's goods and services. (up to 10 points) -Quality of references -Quality of proposed services -Conformance to RFP specifications	8	8.75	7	6.75	6	7.25	5	7.625
		10		10		10			
		8		7		7			
		9		5		7			
		8		4		7			
		9		7		7			
		9		7		7			
		9		7		7			
		9		7		7			
5	The Respondent's transition plan. (up to 5 points)	4	4.625	4	3.375	3	3.625	3	3.625
		5		5		5			
		4		4		4			
		5		3		4			
		4		1		3			
		5		3		3			
		5		3		3			
		5		3		3			
		5		4		4			
<b>TOTAL EVALUATION POINTS</b>		88.65		75.9		79.025		83.75	
<b>RANKING</b>		1		4		3		2	





**SOUTH TEXAS COLLEGE  
ANALYSIS  
OF  
BOOKSTORE PROPOSALS  
2014**

**PREPARED FOR:**

Mr. George McCaleb  
Director of Operations  
South Texas College

Bookstore Evaluation Team  
South Texas College

**PREPARED BY:**

Campus Bookstore Consulting Corp.

**DATE:**

August 7, 2014

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## EXECUTIVE SUMMARY

1. The South Texas College (STC) Bookstore is currently contracted (i.e., managed and operated by a bookstore contract management firm).
2. The Bookstore is a significant business, generating approximately \$4.0 million in sales during Fiscal 2014.
3. The Bookstore includes the following operations:
  - The Pecan Campus Bookstore, located in the Student Services Building, on the Pecan Campus in McAllen, TX
  - The Mid-Valley Campus Bookstore, located on the Mid-Valley Campus in Weslaco, TX
  - The Starr County Campus Bookstore (Part-Time Bookstore), located on the Starr Valley Campus in Rio Grande City, TX
  - Seasonal Bookstore locations in the Allied Health Campus Library and Technology Center Library in McAllen, TX
  - The Bookstore Web site

(Note: Throughout this Analysis, the multiple Bookstore locations and programs are referred to collectively as the “Bookstore.”)

4. The STC Administration issued the “South Texas College Request For Proposals For Operation Of The College Bookstore” and is evaluating Proposals for Contract Management of the Bookstore.
5. The STC Administration retained Campus Bookstore Consulting Corporation (CBC) to assist the STC Administration and Bookstore Evaluation Team with the following objectives:
  - To review and edit the College’s Request For Proposals (RFP) document;
  - To review the Proposals received from bookstore contract management firms; and
  - To analyze Proposals received from bookstore contract management firms.

*It is important to note that CBC’s role is to serve as a resource for the STC Administration and Bookstore Evaluation Team when assessing Proposals, reviewing industry information, and analyzing financial options. CBC will not make a recommendation regarding vendor selection.*

6. The RFP was issued on June 23, 2014, with a Proposal due date of July 30, 2014.



7. The following bookstore contract management firms (listed alphabetically) submitted Proposals in response to the RFP:
  - Barnes & Noble College (B&N)
  - BBA Solutions
  - Follett Higher Education Group (Follett)
  - Neebo (a division of Nebraska Book Company)
8. In order to simplify the STC Administration and Bookstore Evaluation Team's review of Proposals, CBC developed Proposals Criteria Matrixes for the responses that were submitted by the bookstore contract management firms in response to Section 7 of the RFP. The responses to RFP Section 7, with the exception of the Financial Proposal, Section 7.12 and Financial Projections, Section 7.11, have been summarized in Attachment B of this Analysis.

In addition, the proposed financial returns (e.g., percentage rent, minimum annual guarantee, signing bonus, one-time payment, facility investment, technology investment, textbook scholarships, textbook rental scholarship, and general merchandise donations) have been summarized in the "STC Bookstore Financial Proposal Matrix," Attachment A of this Analysis.

9. CBC compared the financial aspects of the four Proposals received. The financial return that will be received by STC under each Proposal is dependent upon the actual sales level attained. To compare the financial aspects of the Proposals, CBC examined the financial return based on the average of the sales projections submitted by the Contractors for the upcoming five-year period.
10. Barnes & Noble submitted Proposals for two Options for the Bookstore. CBC examined both Options in this Analysis, because they are both based upon a five-year contract term.
11. Follett submitted Proposals for three Options for the Bookstore. CBC examined Option 1- Five-Year Term With Café in this Analysis, because Option 1 is based upon a five-year contract term. (Note: Follett's Options 2 and 3 are based on a 10-year contract term.)

12. The following chart is a summary of the projected five-year financial return to STC based on the Proposals received.

**FIVE-YEAR FINANCIAL RETURN**

	<b>FIVE-YEAR COMMISSION / RENT TO STC (commission/rent)</b>	<b>FIVE-YEAR TOTAL FINANCIAL RETURN TO STC (commission/rent, facility investment, signing bonus, general merchandise donation, textbook scholarships, textbook rental scholarships)</b>
BARNES & NOBLE-OPTION 1	\$2,606,627	\$3,131,627
BARNES & NOBLE-OPTION 2	\$2,743,848	\$3,068,848
BBA SOLUTIONS	\$2,310,912	\$2,973,412
FOLLETT-OPTION 1	\$2,522,746	\$2,922,746
NEEBO	\$2,925,473	\$3,600,473

- Based on the average sales projections (of the Proposals), Barnes & Noble’s Option 1 offer generates the following:
  - Commission/rent payments to STC of \$2,606,627 over the five-year period.
  - Total financial return to STC of \$3,131,627 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook scholarships.
- Based on the average sales projections (of the Proposals), Barnes & Noble’s Option 2 offer generates the following:
  - Commission/rent payments to STC of \$2,743,848 over the five-year period.
  - Total financial return to STC of \$3,068,848 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook scholarships.
- Based on the average sales projections (of the Proposals), BBA Solution’s offer generates the following:
  - Commission/rent payments to STC of \$2,310,912 over the five-year period.
  - Total financial return to STC of \$2,973,412 over the five-year period. This includes commission/rent, facility investment, signing bonus, general merchandise donation, and textbook scholarships.



- Based on the average sales projections (of the Proposals), Follett’s Option 1 offer generates the following:
    - Commission/rent payments to STC of \$2,522,746 over the five-year period.
    - Total financial return to STC of \$2,922,746 over the five-year period. This includes commission/rent, facility investment, and textbook scholarships.
  - Based on the average sales projections (of the Proposals), Neebo’s offer generates the following:
    - Commission/rent payments to STC of \$2,925,473 over the five-year period.
    - Total financial return to STC of \$3,600,473 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook rental scholarships.
13. Issues that will require additional discussion and/or negotiation include, but are not limited to, the following:
- Sales Projections. An important point for STC to consider when evaluating the financial aspect of the Proposals is that the commission/rent payment to STC is based on the Contractor’s sales projections, and STC should determine if the sales projections are realistic. Industry changes and other variables could impact sales performance.
  - Minimum Annual Guarantees. Minimum Annual Guarantees, with the exception of Year 1, are based on 90% of the calculated commission of the prior year. This needs to be assessed by STC and possibly negotiated with the selected Contractor in order to protect STC from the financial perspective.
  - RFP Compliance. Further discussion and/or negotiation in areas where the Contractors have not complied with the RFP may be necessary. The definition of commissionable sales and textbook/course materials pricing policies will need to be part of the negotiating process.
14. Based on CBC’s industry knowledge, current challenges in the college bookstore industry pertaining to textbooks/course materials, and ownership/corporate structure issues within bookstore contract management firms, it is CBC’s opinion that the financial offers received from the Contractors as a result of the STC RFP process are “high-end” market offers.

## SECTION 1: INTRODUCTION

1. South Texas College (STC) retained Campus Bookstore Consulting Corporation (CBC) to assist the STC Administration and Bookstore Evaluation Team with the following objectives:
  - To review and edit the College's Request For Proposals (RFP) document;
  - To review the Proposals received from bookstore contract management firms; and
  - To analyze Proposals received from bookstore contract management firms.
2. CBC worked closely with the STC Administration to develop the "South Texas College Request For Proposals For Operation Of The College Bookstore."
3. STC issued the RFP on June 23, 2014, with a Proposal due date of July 30, 2014.
4. As part of the RFP process, a Pre-Proposal Conference was held on July 8, 2014. The Pre-Proposal Conference was held so that the STC Administration could explain the requirements outlined in the RFP, answer questions, and provide a guided tour of the Bookstore facilities.
5. The following bookstore contract management firms (listed alphabetically) submitted Proposals in response to the RFP:
  - Barnes & Noble College (B&N)
  - BBA Solutions
  - Follett Higher Education Group (Follett)
  - Neebo (a division of Nebraska Book Company)
6. CBC has been asked to assist the STC Administration and Bookstore Evaluation Team with analyzing the Proposals submitted by each bookstore contract management firm in order to make valid comparisons between the Proposals. This Analysis summarizes and compares the Proposals and is intended to provide a basic framework from which the STC Administration and Bookstore Evaluation Team can evaluate the Proposals and identify the bookstore contract management firm that will be most likely to meet the requirements of South Texas College.



<b>SECTION 2: BOOKSTORE BACKGROUND INFORMATION</b>
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## **2A. BOOKSTORE- GENERAL INFORMATION**

The STC Bookstore is currently contracted (i.e., managed and operated by a bookstore contract management firm). The Bookstore generated \$3,997,913 in sales during Fiscal 2014.

The Bookstore currently includes the following operations:

### **Pecan Campus**

- The Pecan Campus Bookstore, located in the Student Services Building, on the Pecan Campus in McAllen, TX
- The Pecan Campus Bookstore facility includes approximately 5,000 square feet.

### **Mid-Valley Campus**

- The Mid-Valley Campus Bookstore, located on the Mid-Valley Campus in Weslaco, TX
- The Mid-Valley Campus Bookstore facility includes approximately 1,980 square feet.

### **Starr County Campus**

- The Starr County Campus Bookstore (Part-Time Bookstore), located on the Starr Valley Campus in Rio Grande City, TX
- The Starr County Campus Bookstore facility includes approximately 1,760 square feet.

### **Seasonal Locations (Open During Rush Periods) / Web Site**

- Dr. Ramiro Casso Nursing and Allied Health Campus Library, located in McAllen, TX. The Allied Health Campus seasonal facility includes approximately 600 square feet.
- Technology Center Library, located in McAllen, TX. The Technology Center seasonal facility is approximately 600 square feet.
- The Bookstore Web site

## 2B. BOOKSTORE- SALES

### Consolidated

Consolidated sales figures for the past five fiscal years are as follows:

	FY '10	FY '11	FY '12	FY '13	FY '14
<b>TOTAL (\$)</b>	\$4,701,042	\$4,359,057	\$4,352,170	\$4,529,127	\$3,997,913

Consolidated sales figures for the major departments/categories for the past five fiscal years are as follows:

DEPARTMENTS	FY '10	FY '11	FY '12	FY '13	FY '14
New Textbooks	3,775,948	3,120,313	2,929,330	2,945,350	2,574,923
Used Textbooks	441,981	644,549	708,797	788,979	494,815
New Text. Rentals	-	51,100	83,741	114,983	155,919
Used Text. Rentals	-	6,059	69,295	129,220	235,893
Digital Textbooks	-	14,311	10,460	10,828	8,040
Trade Books	5,343	12,397	5,816	5,129	7,649
Nook Devices/Acc.	-	-	-	1,574	1,596
School Supplies	131,451	150,362	152,206	160,704	150,823
Comp. Periph./Soft.	5,656	12,415	16,336	20,402	15,770
School Spirit Clothing	8,539	13,124	14,827	10,766	14,620
Non-Emb. Clothing	876	44	72	65	29
Graduation Products	4,112	2,291	97	642	57
Convenience	298,490	309,283	331,981	318,229	317,747
Dorm Furnishings	3,306	105	43	144	208
Backpacks	11,228	10,042	7,767	5,620	3,536
School Spirit/Gifts	620	1,632	4,016	2,862	2,784
Cards/Prints/Frames	6	2	1	345	-
Other Revenue	10,485	11,027	17,392	13,283	13,503

### Pecan Campus

Pecan Campus Bookstore sales figures for the past five fiscal years are as follows:

	FY '10	FY '11	FY '12	FY '13	FY '14
<b>TOTAL (\$)</b>	\$3,640,566	\$3,528,044	\$3,557,768	\$3,771,082	\$3,350,983



Sales figures for the major departments/categories for the past five fiscal years at the Pecan Campus Bookstore are as follows:

DEPARTMENTS	FY '10	FY '11	FY '12	FY '13	FY '14
New Textbooks	2,862,626	2,457,933	2,324,232	2,381,584	2,118,329
Used Textbooks	340,238	540,129	608,270	687,672	438,037
New Text. Rentals	-	45,567	123,535	206,660	323,009
Digital Textbooks	-	13,738	9,761	10,533	7,579
Trade Books	5,068	11,695	5,079	4,217	6,584
Nook Devices/Acc.	-	-	-	1,574	1,596
School Supplies	110,466	128,442	130,469	139,808	126,707
Comp. Periph./Soft.	5,210	10,967	13,048	18,408	13,696
School Spirit Clothing	6,801	10,779	12,232	8,846	12,659
Non-Emb. Clothing	723	44	51	23	29
Graduation Products	3,685	1,929	35	32	53
Convenience	285,280	291,225	313,490	296,017	288,426
Dorm Furnishings	3,304	104	3	144	170
Backpacks	9,243	8,298	6,429	4,970	2,871
School Spirit/Gifts	544	1,459	3,552	2,431	2,288
Cards/Prints/Frames	2	2	1	345	-
Other Revenue	7,374	5,734	7,589	7,820	8,949

### Mid-Valley Campus

Mid-Valley Campus Bookstore sales figures for the past five fiscal years are as follows:

	FY '10	FY '11	FY '12	FY '13	FY '14
<b>TOTAL (\$)</b>	\$791,505	\$614,411	\$592,206	\$596,488	\$510,844

Sales figures for the major departments/categories for the past five fiscal years at the Mid-Valley Campus Bookstore are as follows:

DEPARTMENTS	FY '10	FY '11	FY '12	FY '13	FY '14
New Textbooks	676,033	479,716	441,620	436,970	350,960
Used Textbooks	76,675	74,947	69,717	78,973	49,411
New Text. Rentals	-	11,256	27,588	29,681	51,510
Digital Textbooks	-	403	629	295	438
Trade Books	275	693	737	610	750
School Supplies	19,387	20,182	19,895	19,436	20,810
Comp. Periph./Soft.	445	1,443	2,488	1,994	2,071
School Spirit Clothing	1,604	2,216	2,384	1,566	1,293
Non-Emb. Clothing	18	-	2	42	-
Graduation Products	426	362	62	610	4
Convenience	13,032	17,881	18,491	22,174	29,322
Dorm Furnishings	2	1	40	-	38
Backpacks	1,985	1,744	1,338	651	665
School Spirit/Gifts	57	164	352	432	496
Cards/Prints/Frames	4	-	-	-	-
Other Revenue	1,563	3,404	6,864	3,054	3,074

## Starr County Campus

Starr County Campus Bookstore sales figures for the past five fiscal years are as follows:

	FY '10	FY '11	FY '12	FY '13	FY '14
<b>TOTAL (\$)</b>	\$268,971	\$216,603	\$202,195	\$161,557	\$136,086

Sales figures for the major departments/categories for the past five fiscal years at the Starr County Campus Bookstore are as follows:

DEPARTMENTS	FY '10	FY '11	FY '12	FY '13	FY '14
New Textbooks	237,289	182,664	163,478	126,796	105,634
Used Textbooks	28,068	29,473	30,810	22,335	7,367
New Text. Rentals	-	337	1,913	7,863	17,293
Digital Textbooks	-	170	71	-	23
Trade Books	-	9	-	302	315
School Supplies	1,599	1,738	1,842	1,461	3,306
Comp. Periph./Soft.	1	5	800	-	-
School Spirit Clothing	133	130	212	354	668
Non-Emb. Clothing	135	-	19	-	-
Convenience	178	178	-	38	-
School Spirit/Gifts	20	10	112	-	-
Other Revenue	1,548	1,890	2,940	2,409	1,480



<b>SECTION 3: REQUEST FOR PROPOSALS (RFP) PROCESS</b>
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### **3A. REQUEST FOR PROPOSALS**

South Texas College initiated an RFP process to solicit Proposals from qualified entities for the exclusive right to manage and operate a full-service STC Bookstore to serve students, faculty and staff.

Elements of a full-service STC Bookstore include, but are not limited to, the following:

- Creating a customer-centric retail environment.
- Supporting the academic mission of STC by providing efficient and effective textbook/course materials services to students and faculty.
- Creating and implementing effective strategies to reduce the cost of textbooks/course materials to STC Students by offering a strong used textbook program, comprehensive textbook rental program, digital textbook/course materials program, and by utilizing emerging technologies.
- Providing easy access and multiple distribution channels for textbooks/course materials.
- Developing a proactive textbook/course materials strategy that will allow the Bookstore to compete effectively in the challenging college bookstore environment.
- Communicating and coordinating effectively and proactively with faculty regarding the use of all types of course materials.
- Providing comprehensive textbook/course materials services to support all College programs, including STC current or future distance learning programs and online courses.
- Providing Bookstore services at multiple locations (e.g., Pecan Campus, Mid-Valley Campus, Starr County Campus, etc.).
- Providing excellent customer service, including minimizing transaction times and wait times for in-store and online purchases, and ensuring efficient processing of all transactions (e.g., financial aid, scholarships, etc.).
- Creating a dynamic, exciting retail environment that promotes and enhances the STC brand.
- Developing a comprehensive marketing and promotional strategy that will assist with advancing the STC brand among STC Students, Faculty/Staff, alumni, and visitors.
- Assisting with promoting and branding STC by offering a broad selection of emblematic clothing and gifts.
- Providing exceptional value to customers by offering high quality products and services at fair prices and multiple price points.
- Introducing new products and services that meet the evolving needs of the marketplace, including STC Students, STC Faculty/Staff, alumni, and visitors.
- Developing a comprehensive online/Web strategy and social media engagement strategy.

- Providing timely requests for special order educational materials.
- Providing efficient customer traffic flow through adequate staffing and other resources.
- Servicing special purchase methods such as vouchers and direct program billing.
- Maximizing the financial return to STC.

### 3B. EVALUATION OF PROPOSALS

STC will utilize an Evaluation Team for the evaluation of responses to the RFP. The evaluation will take into account the overall response to the RFP, including the financial Proposal and the responsiveness to the requirements defined in the RFP. STC will evaluate and make the award on the Proposal that is determined to be the most advantageous to STC based on the criteria listed below.

#### Evaluation Criteria And Weights

The respondent's financial Proposal <ul style="list-style-type: none"> <li>• Minimum Annual Financial Guarantee</li> <li>• Percentage commission on commissionable sales</li> <li>• Capital investment plan for Bookstore Facilities</li> <li>• Additional Financial Incentives</li> </ul>	<b>35 points</b>
The respondent's demonstrated ability and experience in providing the services requested. <ul style="list-style-type: none"> <li>• Experience of staff</li> <li>• Experience in providing similar services to other institutions of higher education</li> <li>• Financial standing and resources of organization</li> </ul>	<b>25 points</b>
The respondent's management plan and its responsiveness to the needs of the STC community <ul style="list-style-type: none"> <li>• Organization of Bookstore</li> <li>• Overall textbook/course materials affordability</li> <li>• Used textbook/textbook rental/buyback program</li> <li>• Textbook/course materials pricing policy</li> <li>• Payment methods and refund policy</li> <li>• Customer service program</li> <li>• Special order policy</li> <li>• Textbook/course materials program</li> <li>• Technology and accounting systems</li> <li>• Acquisition of inventory</li> <li>• General merchandise (clothing, gifts, etc.)</li> <li>• Emergency contingency plan</li> <li>• Other management factors</li> </ul>	<b>25 points</b>
The quality and reputation of respondent's goods and services <ul style="list-style-type: none"> <li>• Quality of references</li> <li>• Quality of proposed services</li> <li>• Conformance to RFP specifications</li> </ul>	<b>10 points</b>
The respondent's transition plan.	<b>5 points</b>
<b>TOTAL POINTS</b>	<b>100</b>

In order to assist the Bookstore Evaluation Team with its assessment of the Proposals, CBC has evaluated the Proposals based upon, but not limited to, responses submitted in response to Section 7 of the RFP, as follows:

- Section 7.1 - Company History And Background
- Section 7.2 - Operations Plan
- Section 7.3 - Customer Service
- Section 7.4 - Personnel / Staffing
- Section 7.5 - Textbooks / Course Materials



- Section 7.6 - Textbook Affordability / Pricing Policies
- Section 7.7 - Rental Program / Used Textbook Program
- Section 7.8 - General Book Program
- Section 7.9 - General Merchandise And Marketing Strategy
- Section 7.10 - Tender Types / Discounts
- Section 7.11 - Financial Projections
- Section 7.12 - Financial Proposal
- Section 7.13 - Facility Investment
- Section 7.14 - Technology
- Section 7.15 - Transition Plan
- Section 7.16 - Additional Information
- Section 7.17 - Exceptions To The RFP Requirements



<b>SECTION 4:</b> <b>FINANCIAL ANALYSIS OF PROPOSALS</b>
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#### 4A. METHODOLOGY

This Section contains a financial analysis of the four Proposals received by STC to operate the Bookstore. The financial return that will be received by STC under the Proposals will be dependent upon the actual sales level attained along with the contractually agreed-upon definition of commissionable sales. To compare the financial aspects of the Proposals, CBC examined the financial return based on the average sales projections submitted by the Contractors.

#### AVERAGE SALES PROJECTIONS OF CONTRACTORS

CONTRACTORS (Listed Alphabetically)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Barnes & Noble	\$4,089,000	\$4,130,000	\$4,212,000	\$4,303,000	\$4,380,000
BBA Solutions	\$4,179,351	\$4,369,786	\$4,569,664	\$4,779,454	\$4,999,648
Follett	\$3,972,000	\$4,103,400	\$4,207,800	\$4,263,200	\$4,286,900
Neebo	\$3,813,317	\$3,716,470	\$3,607,897	\$3,550,018	\$3,497,471
<b>AVG. SALES PROJ.</b>	<b>\$4,013,417</b>	<b>\$4,079,914</b>	<b>\$4,149,340</b>	<b>\$4,223,918</b>	<b>\$4,291,005</b>
<b>% Increase</b>		<b>1.66%</b>	<b>1.70%</b>	<b>1.80%</b>	<b>1.59%</b>

When estimating the financial return that will be received by STC, the following information from the Proposals was used and the following assumptions were made:

1. Bookstore Sales Projections. The Contractors' sales projections were obtained from the following source documents within the Proposals:

Barnes & Noble

- Financial Projections  
Page 50

BBA Solutions

- Consolidated Sales Projections  
Page 54

Follett

- Five-Year Pro Forma  
Page 51

Neebo

- Financial Projections  
Page 107

2. Commission-Exempt Sales. “Commission-Exempt Sales” are sales that are deducted prior to computing the Commission/Rent due to STC (e.g., discounted sales to authorized STC Departments, sales made at no margin, computer hardware sales, etc.). For the purpose of this Analysis, the Commission-Exempt Sales figure has been estimated (by CBC) to be \$200,000 in Year 1 and will increase \$50,000 each year thereafter. (Note: Commission-Exempt Sales will need further definition and negotiation.)
3. Barnes & Noble Options. Barnes & Noble submitted Proposals for two Options for the Bookstore. Although this was not an RFP requirement, CBC has included an examination of both Options in this Analysis. Both Options were examined because they are both based upon a five-year contract term.
4. Follett Options. Follett submitted Proposals for three Options for the Bookstore. CBC has included an examination of Option 1- Five-Year Term With Café in this Analysis. Option 1 was examined because Option 1 is based upon a five-year contract term. (Note: Follett’s Options 2 and 3 are based on a 10-year contract term.)
5. Percentage Rent / Minimum Annual Guarantee. Based on the RFP requirements and the Proposals received, STC will receive the greater of either the Percentage Rent or the Minimum Annual Guarantee. The Percentage Rent and the Minimum Annual Guarantee for each Contractor are as follows:

Barnes & Noble-Option 1

- Percentage Rent
  - 12.5% up to \$2.0M
  - 13.5% from \$2.0M-\$3.0M
  - 15.0% over \$3.0M
- Minimum Annual Guarantee
  - Year 1- \$550,000
  - Years 2-5- 90% of the calculated commission on gross sales of the immediately preceding year

Barnes & Noble-Option 2

- Percentage Rent
  - 13.5% up to \$2.0M
  - 14.5% from \$2.0M-\$3.0M
  - 15.5% over \$3.0M
- Minimum Annual Guarantee
  - Year 1- \$550,000
  - Years 2-5- 90% of the calculated commission on gross sales of the immediately preceding year



#### BBA Solutions

- Percentage Rent  
12.0% up to \$4.0M  
13.0% from \$4.0M to \$5.0M  
14.0% over \$5.0M
- Minimum Annual Guarantee  
Year 1- \$450,000  
Years 2-5- 90% of the calculated commission on gross revenue of the previous year

#### Follett- Option 1-Five Year Term With Café

- Percentage Rent  
13.1% up to \$5.0M  
14.1% from \$5.0M to \$7.0M  
15.1% over \$7.0M
- Minimum Annual Guarantee  
Year 1- \$465,000  
Years 2-5- 90% of the calculated commission on gross revenue of the immediately preceding year

#### Neebo

- Percentage Rent  
15.1% up to \$3.5M  
16.1% from \$3.5M to \$4.5M  
17.1% over \$4.5M
- Minimum Annual Guarantee  
Year 1- \$550,000  
Years 2-5- 90% of the calculated commission on gross revenue of the immediately preceding year

6. Capital Investment In The Bookstore Facilities. (Note: For the purpose of making a valid comparison between the Proposals, it is assumed that the depreciation schedule will begin in Year 1 of the contract.) The capital investment in the facilities is depreciated as follows:

#### Barnes & Noble- Options 1 and 2

- B&N's investment in the Bookstore facilities is the annual depreciation for a capital investment of \$30,000. This investment is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$6,000, beginning in Year 1 of the contract.

#### BBA Solutions

- BBA Solutions investment in the Bookstore facilities is the annual depreciation for a capital investment of \$100,000. This investment is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$20,000, beginning in Year 1 of the contract.

(Note: The following statement on Page 57 of the Proposal requires clarification: “Buyback protection for any capital would be written into the financial agreement.”)

#### Follett

- Follett’s investment in the Bookstore facilities is the annual depreciation for a capital investment of \$375,000. This investment is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$75,000, beginning in Year 1 of the contract.

#### Neebo

- Neebo’s investment in the Bookstore facilities is the annual depreciation for a capital investment of \$250,000. This investment is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$50,000, beginning in Year 1 of the contract.

### 7. Signing Bonus

#### Barnes & Noble-Option 1

- Barnes & Noble’s- Option 1 Signing Bonus Payment is the annual depreciation for a Signing Bonus Payment of \$470,000. This Signing Bonus is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$94,000, beginning in Year 1 of the contract.

#### Barnes & Noble-Option 2

- Barnes & Noble’s- Option 2 Signing Bonus Payment is the annual depreciation for a Signing Bonus Payment of \$270,000. This Signing Bonus is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$54,000, beginning in Year 1 of the contract.

#### BBA Solutions

- BBA Solution’s Signing Bonus Payment of \$500,000 will be paid in three installments, as follows:
  - Beginning of Year 1- \$200,000. This Payment is depreciated on a straight-line basis over 5 years with an annual depreciation expense of \$40,000, beginning in Year 1.
  - Beginning of Year 2- \$150,000. This Payment is depreciated on a straight-line basis over 4 years with an annual depreciation expense of \$37,500, beginning in Year 2.
  - Beginning of Year 3- \$150,000. This Payment is depreciated on a straight-line basis over 3 years with an annual depreciation expense of \$50,000, beginning in Year 3.

(Note: For the purpose of this Analysis, CBC has assumed the above depreciation schedules for the BBA Signing Bonus Payment. This will require clarification with BBA, since there was some ambiguity in BBA’s Proposal regarding the Signing Bonus Payment.)

Follett

- N/A

Neebo

- Neebo's One-Time Signing Bonus Payment is the annual depreciation for a One-Time Signing Bonus Payment of \$300,000. This Signing Bonus Payment is depreciated on a straight-line basis over a five-year period, with an annual depreciation expense of \$60,000, beginning in Year 1 of the contract.

8. Miscellaneous Contributions.

Barnes & Noble- Options 1 and 2

- Textbook Scholarships are valued at \$5,000 (retail value) annually.

BBA Solutions

- Textbook Scholarships are valued at \$7,500 (retail value) annually.
- General Merchandise Donations are valued at \$5,000 (retail value) annually.

Follett

- Textbook Scholarships are valued at \$5,000 (retail value) annually.

Neebo

- Textbook Rental Scholarships are valued at \$25,000 (retail value) annually.



#### 4B. FINANCIAL RETURN

The estimated financial return for the Bookstore for the upcoming five-year period for each of the Proposals submitted by the Contractors is as follows:

##### FINANCIAL RETURN: BARNES & NOBLE-OPTION 1

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES	\$4,013,417	\$4,079,914	\$4,149,340	\$4,223,918	\$4,291,005
Less: Comm.-Exempt Sales	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000
Commissionable Sales	\$3,813,417	\$3,829,914	\$3,849,340	\$3,873,918	\$3,891,005
• Commission /Rent	\$550,000	\$509,487	\$512,401	\$516,088	\$518,651
• Facility Depreciation	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
• Signing Bonus	\$94,000	\$94,000	\$94,000	\$94,000	\$94,000
• Textbook Scholarships	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
• <b>TOTAL</b>	<b>\$655,000</b>	<b>\$614,487</b>	<b>\$617,401</b>	<b>\$621,088</b>	<b>\$623,651</b>
• <b>% OF SALES</b>	<b>16.32%</b>	<b>15.06%</b>	<b>14.88%</b>	<b>14.70%</b>	<b>14.53%</b>

(Note: Year 1 Commission/Rent for Barnes & Noble is the Minimum Annual Guarantee of \$550,000. Based on sales projections, the Guarantee will not apply in Years 2-5.)

##### FINANCIAL RETURN: BARNES & NOBLE-OPTION 2

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES	\$4,013,417	\$4,079,914	\$4,149,340	\$4,223,918	\$4,291,005
Less: Comm.-Exempt Sales	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000
Commissionable Sales	\$3,813,417	\$3,829,914	\$3,849,340	\$3,873,918	\$3,891,005
• Commission /Rent	\$550,000	\$543,637	\$546,648	\$550,457	\$553,106
• Facility Depreciation	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
• Signing Bonus	\$54,000	\$54,000	\$54,000	\$54,000	\$54,000
• Textbook Scholarships	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
• <b>TOTAL</b>	<b>\$615,000</b>	<b>\$608,637</b>	<b>\$611,648</b>	<b>\$615,457</b>	<b>\$618,106</b>
• <b>% OF SALES</b>	<b>15.32%</b>	<b>14.92%</b>	<b>14.74%</b>	<b>14.57%</b>	<b>14.40%</b>

(Note: Year 1 Commission/Rent for Barnes & Noble is the Minimum Annual Guarantee of \$550,000. Based on sales projections, the Guarantee will not apply in Years 2-5.)

**FINANCIAL RETURN: BBA SOLUTIONS**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES	\$4,013,417	\$4,079,914	\$4,149,340	\$4,223,918	\$4,291,005
Less: Comm.-Exempt Sales	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000
Commissionable Sales	\$3,813,417	\$3,829,914	\$3,849,340	\$3,873,918	\$3,891,005
• Commission /Rent	\$457,610	\$459,590	\$461,921	\$464,870	\$466,921
• Facility Depreciation	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
• Signing Bonus	\$40,000	\$77,500	\$127,500	\$127,500	\$127,500
• Textbook Scholarships	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
• General Merchandise Don.	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
• <b>TOTAL</b>	<b>\$530,110</b>	<b>\$569,590</b>	<b>\$621,921</b>	<b>\$624,870</b>	<b>\$626,921</b>
• <b>% OF SALES</b>	<b>13.21%</b>	<b>13.96%</b>	<b>14.99%</b>	<b>14.79%</b>	<b>14.61%</b>

**FINANCIAL RETURN: FOLLETT-Option 1- Five Year Term With Café**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES	\$4,013,417	\$4,079,914	\$4,149,340	\$4,223,918	\$4,291,005
Less: Comm.-Exempt Sales	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000
Commissionable Sales	\$3,813,417	\$3,829,914	\$3,849,340	\$3,873,918	\$3,891,005
• Commission /Rent	\$499,558	\$501,719	\$504,264	\$507,483	\$509,722
• Facility Depreciation	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
• Textbook Scholarships	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
• <b>TOTAL</b>	<b>\$579,558</b>	<b>\$581,719</b>	<b>\$584,264</b>	<b>\$587,483</b>	<b>\$589,722</b>
• <b>% OF SALES</b>	<b>14.44%</b>	<b>14.26%</b>	<b>14.08%</b>	<b>13.91%</b>	<b>13.74%</b>

**FINANCIAL RETURN: NEEBO**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
SALES	\$4,013,417	\$4,079,914	\$4,149,340	\$4,223,918	\$4,291,005
Less: Comm.-Exempt Sales	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000
Commissionable Sales	\$3,813,417	\$3,829,914	\$3,849,340	\$3,873,918	\$3,891,005
• Commission /Rent	\$578,960	\$581,616	\$584,744	\$588,701	\$591,452
• Facility Depreciation	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
• Signing Bonus	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
• Text. Rental Scholarships	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
• <b>TOTAL</b>	<b>\$713,960</b>	<b>\$716,616</b>	<b>\$719,744</b>	<b>\$723,701</b>	<b>\$726,452</b>
• <b>% OF SALES</b>	<b>17.79%</b>	<b>17.56%</b>	<b>17.35%</b>	<b>17.13%</b>	<b>16.93%</b>



The following chart is a summary of the projected five-year financial return to STC based on the Proposals received.

**FIVE-YEAR FINANCIAL RETURN**

	<b>FIVE-YEAR COMMISSION / RENT TO STC (commission/rent)</b>	<b>FIVE-YEAR TOTAL FINANCIAL RETURN TO STC (commission/rent, facility investment, signing bonus, general merchandise donation, textbook scholarships, textbook rental scholarships)</b>
BARNES & NOBLE-OPTION 1	\$2,606,627	\$3,131,627
BARNES & NOBLE-OPTION 2	\$2,743,848	\$3,068,848
BBA SOLUTIONS	\$2,310,912	\$2,973,412
FOLLETT-OPTION 1	\$2,522,746	\$2,922,746
NEEBO	\$2,925,473	\$3,600,473

**COMMENTS:**

1. Based on the average sales projections (of the Proposals), Barnes & Noble’s Option 1 offer generates the following:
  - Commission/rent payments to STC of \$2,606,627 over the five-year period.
  - Total financial return to STC of \$3,131,627 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook scholarships.
  
2. Based on the average sales projections (of the Proposals), Barnes & Noble’s Option 2 offer generates the following:
  - Commission/rent payments to STC of \$2,743,848 over the five-year period.
  - Total financial return to STC of \$3,068,848 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook scholarships.
  
3. Based on the average sales projections (of the Proposals), BBA Solution’s offer generates the following:
  - Commission/rent payments to STC of \$2,310,912 over the five-year period.
  - Total financial return to STC of \$2,973,412 over the five-year period. This includes commission/rent, facility investment, signing bonus, general merchandise donation, and textbook scholarships.



4. Based on the average sales projections (of the Proposals), Follett's Option 1 offer generates the following:
  - Commission/rent payments to STC of \$2,522,746 over the five-year period.
  - Total financial return to STC of \$2,922,746 over the five-year period. This includes commission/rent, facility investment, and textbook scholarships.
  
5. Based on the average sales projections (of the Proposals), Neebo's offer generates the following:
  - Commission/rent payments to STC of \$2,925,473 over the five-year period.
  - Total financial return to STC of \$3,600,473 over the five-year period. This includes commission/rent, facility investment, signing bonus, and textbook rental scholarships.

<b>SECTION 5: SUMMARY</b>
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Based on CBC's industry knowledge, current challenges in the college bookstore industry pertaining to textbooks/course materials, and ownership/corporate structure issues within bookstore contract management firms, it is CBC's opinion that the financial offers received from the Contractors as a result of the STC RFP process are "high-end" market offers.

Issues that will require additional discussion and/or negotiation include, but are not limited to, the following:

- Sales Projections. An important point for STC to consider when evaluating the financial aspect of the Proposals is that the commission/rent payment to STC is based on the Contractor's sales projections, and STC should determine if the sales projections are realistic. Industry changes and other variables could impact sales performance.
- Minimum Annual Guarantees. Minimum Annual Guarantees, with the exception of Year 1, are based on 90% of the calculated commission of the prior year. This needs to be assessed by STC and possibly negotiated with the selected Contractor in order to protect STC from the financial perspective.
- RFP Compliance. Further discussion and/or negotiation in areas where the Contractors have not complied with the RFP may be necessary. The definition of commissionable sales and textbook/course materials pricing policies will need to be part of the negotiating process.

The final point to be made is that it is important to create a team approach with the Contractor STC selects. Aligning the service goals of STC with the service goals of the Contractor will be necessary in order for the Contractor to provide STC with the desired level of Bookstore service. ✍

## ATTACHMENTS

Attachment A- Proposals Financial Summary

Attachment B- Proposals Criteria

Attachment C- Financial Trends



**STC BOOKSTORE PROPOSALS FINANCIAL SUMMARY**  
**SECTION 7.12 - FINANCIAL PROPOSAL MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

PERCENTAGE RENT		BBA SOLUTIONS	FOLLETT	NEEBO
<b>BARNES &amp; NOBLE</b>				
<b>Option 1</b>	<ul style="list-style-type: none"> <li>12.5% up to \$2.0M</li> <li>13.5% from \$2.0M to \$3.0M</li> <li>15.0% over \$3.0M</li> </ul> (Page 55 and Financial Bid Form)	<ul style="list-style-type: none"> <li>12.0% up to \$4.0M</li> <li>13.0% from \$4.0M to \$5.0M</li> <li>14.0% over \$5.0M</li> </ul> (Page 56 and Financial Bid Form)	<b>Option 1-Five-Year Term with Cafe</b> <ul style="list-style-type: none"> <li>13.1% up to \$5.0M</li> <li>14.1% from \$5.0M to \$7.0M</li> <li>15.1% over \$7.0M</li> </ul> (Page 53 and Financial Bid Form) <b>Option 2-Ten-Year Term with Cafe</b> <ul style="list-style-type: none"> <li>15.1% up to \$5.0M</li> <li>16.1% from \$5.0M to \$7.0M</li> <li>17.1% over \$7.0M</li> </ul> (Page 53 and Financial Bid Form) <b>Option 3-Ten-Year Term without Cafe</b> <ul style="list-style-type: none"> <li>15.25% up to \$5.0M</li> <li>16.25% from \$5.0M to \$7.0M</li> <li>17.25% over \$7.0M</li> </ul> (Page 54 and Financial Bid Form)	<ul style="list-style-type: none"> <li>15.1% up to \$3.5M</li> <li>16.1% from \$3.5M to \$4.5M</li> <li>17.1% over \$4.5M</li> </ul> (Page 109 and Financial Bid Form)
<b>Option 2</b>	<ul style="list-style-type: none"> <li>13.5% up to \$2.0M</li> <li>14.5% from \$2.0M to \$3.0M</li> <li>15.5% over \$3.0M</li> </ul> (Page 55 and Financial Bid Form)			

MINIMUM ANNUAL GUARANTEE		BBA SOLUTIONS	FOLLETT	NEEBO
<b>BARNES &amp; NOBLE</b>				
<b>Options 1 and 2</b>	<ul style="list-style-type: none"> <li>Year 1 - \$550,000</li> <li>Years 2-5 - 90% of the calculated commission on gross sales of the immediately preceding year</li> </ul> (Page 55 and Financial Bid Forms)	<ul style="list-style-type: none"> <li>Year 1 - \$450,000</li> <li>Years 2-5 - 90% of the calculated commission on gross revenue of the previous year</li> </ul> (Page 56 and Financial Bid Form)	<b>Option 1-Five-Year Term with Cafe</b> <ul style="list-style-type: none"> <li>Year 1 - \$465,000</li> <li>Years 2-5 - 90% of the calculated commission on gross revenue of the immediately preceding year</li> </ul> (Page 53 and Financial Bid Form) <b>Option 2-Ten-Year Term w/ Cafe and</b> <b>Option 3-Ten-Year Term w/o Cafe</b> <ul style="list-style-type: none"> <li>Year 1 - \$550,000</li> <li>Years 2-10 - 90% of the calculated commission on gross revenue of the immediately preceding year</li> </ul> (Pages 53, 54, and Financial Bid Form)	<ul style="list-style-type: none"> <li>Year 1 - \$550,000</li> <li>Years 2-5 - 90% of the calculated commission on gross revenue of the immediately preceding year</li> </ul> (Page 109 and Financial Bid Form) (Note: This needs clarification, as the \$550,000 Minimum Annual Guarantee appears on the Financial Bid Form in Years 1-5.)

**SIGNING BONUS / ONE-TIME PAYMENT**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Option 1</b></p> <ul style="list-style-type: none"> <li>• \$470,000 Signing Bonus (Page 55 and Financial Bid Form)</li> </ul> <p><b>Option 2</b></p> <ul style="list-style-type: none"> <li>• \$270,000 Signing Bonus (Page 56 and Financial Bid Form)</li> </ul>	<ul style="list-style-type: none"> <li>• \$500,000 Signing Bonus paid as follows: <ul style="list-style-type: none"> <li>- \$200,000 at the time the contract is executed</li> <li>- \$150,000 on the anniversary date for the preceding 2 years (Page 57 and Financial Bid Form)</li> </ul> </li> </ul>	<p><b>Option 1-Five-Year Term with Cafe</b></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Option 2-Ten-Year Term with Cafe</b></p> <ul style="list-style-type: none"> <li>• \$50,000 One-Time payment within 90 days of the successful implementation of the ConnectOnce integration. (Page 54 and Financial Bid Form)</li> </ul> <p><b>Option 3-Ten-Year Term w/o Cafe</b></p> <ul style="list-style-type: none"> <li>• \$100,000 One-Time payment within 90 days of the successful implementation of the ConnectOnce integration. (Page 55 and Financial Bid Form)</li> </ul>	<ul style="list-style-type: none"> <li>• \$300,000 One-Time Signing Bonus (Page 109 and Financial Bid Form)</li> </ul>

**FACILITY INVESTMENT (RFP Requirement: 5-Year Depreciation)**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Options 1 and 2</b></p> <ul style="list-style-type: none"> <li>• \$30,000, depreciated over a 5-year period (Page 55 and Financial Bid Forms)</li> </ul>	<ul style="list-style-type: none"> <li>• \$100,000, depreciated over a 5-year period (Page 57 and Financial Bid Form) (Note: The following statement on Page 57 of the Proposal requires clarification: "Buyback protection for any capital would be written into the final agreement.")</li> </ul>	<p><b>Option 1-Five-Year Term with Cafe</b></p> <ul style="list-style-type: none"> <li>• \$375,000, depreciated over a 5-year period (Pages 53, 57, and Financial Bid Form)</li> </ul> <p><b>Option 2-Ten-Year Term with Cafe</b></p> <ul style="list-style-type: none"> <li>• \$375,000, depreciated over a 5-year period (Pages 54, 57, and Financial Bid Form)</li> </ul> <p><b>Option 3-Ten-Year Term without Cafe</b></p> <ul style="list-style-type: none"> <li>• \$285,000, depreciated over a 10-year period (Page 55, 57, and Financial Bid Form)</li> </ul>	<p><b>TOTAL</b></p> <ul style="list-style-type: none"> <li>• \$250,000, depreciated over a 5-year period</li> </ul> <p><b>Pecan Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$200,000, depreciated over a 5-year period</li> </ul> <p><b>Mid Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$40,000, depreciated over a 5-year period</li> </ul> <p><b>Starr County Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$10,000, depreciated over a 5-year period (Pages 109, 111, and Financial Bid Form)</li> </ul>



**TECHNOLOGY INVESTMENT  
BARNES & NOBLE**

	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<ul style="list-style-type: none"> <li>Has already outfitted the STC Bookstores with their state-of-the-art operating systems so no capital investment for technology is needed as part of their financial offer. (Page 64)</li> </ul>	<ul style="list-style-type: none"> <li>\$101,200</li> <li>POS- \$71,200</li> <li>Ecommerce- \$16,000</li> <li>IT Integrations- \$14,000</li> </ul> <p>(Pages 57, 65, and Financial Bid Form)</p> <p>(Note: The following statement on Pages 57 and 65 of the Proposal requires clarification: "Buyback protection for any capital would be written into the final agreement.")</p>	<ul style="list-style-type: none"> <li>\$54,000</li> </ul> <p>(Pages 55, 73, and Financial Bid Form)</p>	<ul style="list-style-type: none"> <li>\$135,000</li> </ul> <p>(Page 109 and Financial Bid Form)</p>

**TEXTBOOK SCHOLARSHIPS / TEXTBOOK RENTAL SCHOLARSHIPS / GENERAL MERCHANDISE DONATIONS**

	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<p><b>BARNES &amp; NOBLE</b></p> <p><b>Options 1 and 2</b></p> <ul style="list-style-type: none"> <li>\$5,000 Annually for Textbook Scholarships (Pages 55, 56, and Financial Bid Forms)</li> </ul>	<ul style="list-style-type: none"> <li>\$7,500 Annual Textbook Scholarship</li> <li>\$5,000 General Merchandise Donations</li> </ul> <p>(Page 57 and Financial Bid Form)</p>	<p><b>Options 1, 2, and 3</b></p> <ul style="list-style-type: none"> <li>\$5,000 Annual Textbook Scholarship (Page 55 and Financial Bid Form)</li> </ul>	<ul style="list-style-type: none"> <li>\$25,000 Annually for Textbook Rental Scholarships (Page 109 and Financial Bid Form)</li> </ul>

MISCELLANEOUS

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Digital Content Sales Definition</b></p> <ul style="list-style-type: none"> <li>When B&amp;N sells digital content as an agent, B&amp;N's agency fee shall be the applicable gross sales for such digital content. (Pages 56 and Attachment B30 of this Analysis) (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul> <p><b>Contract Termination</b></p> <ul style="list-style-type: none"> <li>Provides Contract Termination language. (Page 56 and Attachment B30 of this Analysis) (Note: This does not comply with Section 6.2b of the RFP.)</li> </ul> <p><b>Facility Investment Ownership</b></p> <ul style="list-style-type: none"> <li>Should STC cancel or fail to renew this agreement before the end of that period, then STC shall reimburse B&amp;N for any amount of the investment not yet amortized. (Page 55 and Attachment B30 of this Analysis) (Note: This does not comply with Section 5.12a of the RFP.)</li> </ul>	<p><b>Gross Sales Definition</b></p> <ul style="list-style-type: none"> <li>Provides a Gross Sales definition. (Page 57 and Attachment B30 of this Analysis) (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul> <p><b>Affordable Care Act Adjustment</b></p> <ul style="list-style-type: none"> <li>Requests the inclusion of "Adjustments" to financial arrangements due to the implementation of the Affordable Care Act. (Page 70 and Attachment B29 of this Analysis.)</li> </ul>	<p><b>Gross Revenue Definition</b></p> <ul style="list-style-type: none"> <li>Provides a Gross Revenue definition. (Pages 55, 80, and Attachment B29 of this Analysis) (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul> <p><b>Contract Termination</b></p> <ul style="list-style-type: none"> <li>Provides Contract Termination language. (Page 84 and Attachment B30 of this Analysis) (Note: This does not comply with Section 6.2b of the RFP.)</li> </ul>	<p><b>Gross Sales Definition</b></p> <ul style="list-style-type: none"> <li>Provides a Gross Sales definition. (Page 109 and Attachment B30 of this Analysis) (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul> <p><b>Financial Adjustments</b></p> <ul style="list-style-type: none"> <li>Can adjust the commission percentages and/or signing bonuses (or the allocation between the two) to help best fit STC's immediate financial requirements. (Page 109)</li> </ul> <p><b>Digital Content Sales Definition</b></p> <ul style="list-style-type: none"> <li>When they sell digital content as an agent, Neebo's agency fee shall be the applicable gross sales for the digital content, and such agency fee shall be included as part of the gross sales. (Page 109) (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.1 - COMPANY HISTORY AND BACKGROUND MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Qualifications And Experience</b></p> <ul style="list-style-type: none"> <li>Has been in business for 49 years. (Page 3)</li> <li>Operates over 700 campus bookstores nationwide. (Page 3)</li> </ul>	<p><b>Qualifications And Experience</b></p> <ul style="list-style-type: none"> <li>Has been in the textbook business for nearly 20 years. (Page 6)</li> <li>Has over 115 stores in the U.S. (Page 6)</li> </ul>	<p><b>Qualifications And Experience</b></p> <ul style="list-style-type: none"> <li>Has been in business 141 years. (Page 1)</li> <li>Manages over 900 bookstores nationwide, including 68 stores in Texas and partners with over 300 community colleges. (Pages 1-3)</li> </ul>	<p><b>Qualifications And Experience</b></p> <ul style="list-style-type: none"> <li>Has served campus communities over the last 99 years. (Page 10)</li> <li>Operates over 200 college bookstores nationally. (Page 8)</li> <li>Is the leasing division of Nebraska Book Company (NBC). (Page 8)</li> </ul>
<p><b>Client List</b></p> <ul style="list-style-type: none"> <li>Provides the B&amp;N College Booksellers Client List. (Exhibit A)</li> <li>Identifies 5 clients with bookstores similar in nature to the STC Bookstore. (Page 4)</li> <li>Provides a Discontinued Client List. (Exhibit B)</li> </ul>	<p><b>Client List</b></p> <ul style="list-style-type: none"> <li>Provides a Client List. (Page 8)</li> <li>Identifies 3 off-campus bookstore clients and 3 on-campus bookstore clients. (Page 8)</li> <li>Provides a Discontinued Client List (Page 10)</li> </ul>	<p><b>Client List</b></p> <ul style="list-style-type: none"> <li>Provides a complete list of institutions they serve. (Appendix A)</li> <li>Provides a list of 5 clients that feature store operations similar in nature to STC. (Page 4)</li> <li>Provides a list of institutions previously served. (Appendix B)</li> </ul>	<p><b>Client List</b></p> <ul style="list-style-type: none"> <li>Provides a Current Client List. (Pages 214-229)</li> <li>Provides 4 References. (Page 17)</li> <li>Provides a Previous Client List (lost over the past 5 years). (Page 19)</li> </ul>
<p><b>Financial Statements</b></p> <ul style="list-style-type: none"> <li>Provides their 2013 Annual Report that contains financial statements for the past 4 years. (Exhibit C)</li> </ul>	<p><b>Financial Statements</b></p> <ul style="list-style-type: none"> <li>Indicates that a Consolidated Financial Statement will follow the submission of the Proposal. (Page 10)</li> </ul>	<p><b>Financial Statements</b></p> <ul style="list-style-type: none"> <li>Provides Audited Financial Statements for the past 2 years. (Appendix C)</li> </ul>	<p><b>Financial Statements</b></p> <ul style="list-style-type: none"> <li>Provides Consolidated Financial Statements for 2012 and 2013. (Pages 169-212)</li> </ul>
<p><b>D&amp;B Rating</b></p> <ul style="list-style-type: none"> <li>States their D&amp;B rating is 5A3. (Page 9)</li> </ul>	<p><b>D&amp;B Rating</b></p> <ul style="list-style-type: none"> <li>Did not provide a S&amp;P or D&amp;B rating as required in Section 7.1d of the RFP.</li> </ul>	<p><b>D&amp;B Rating</b></p> <ul style="list-style-type: none"> <li>States their D&amp;B rating is 5A2. (Page 4)</li> </ul>	<p><b>D&amp;B Rating</b></p> <ul style="list-style-type: none"> <li>Did not provide an S&amp;P or D&amp;B rating as required in Section 7.1d of the RFP.</li> </ul>



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Default On Loan / Financing</b></p> <ul style="list-style-type: none"> <li>Is not currently in default on any loan agreement or financing institution, or other entity. (Page 10)</li> </ul> <p><b>Past / Pending Litigation / Claims</b></p> <ul style="list-style-type: none"> <li>Is subject to various litigation that arises from time to time in the ordinary course of business. At this time, no material investigation or litigation is pending which would impair B&amp;N in its ability to perform the requirements as outlined in the contract under the RFP. (Page 10)</li> </ul>	<p><b>Default On Loan / Financing</b></p> <ul style="list-style-type: none"> <li>Is not currently in default on any loan agreement or financing institution, or other entity. (Page 11)</li> </ul> <p><b>Past / Pending Litigation / Claims</b></p> <ul style="list-style-type: none"> <li>Has no current or past litigation or claims filed against the company. (Page 11)</li> </ul>	<p><b>Default On Loan / Financing</b></p> <ul style="list-style-type: none"> <li>Is not in default on any loan or financing agreements. (Page 5)</li> </ul> <p><b>Past / Pending Litigation / Claims</b></p> <ul style="list-style-type: none"> <li>Is subject to various litigation that arises in the ordinary course of its business; however, management believes that no such litigation, singularly or in the aggregate, is likely to have a material adverse effect on the company's ability to comply with the terms of this request for proposals, or perform the services proposed in connection with it. (Page 5)</li> </ul>	<p><b>Default On Loan / Financing</b></p> <ul style="list-style-type: none"> <li>No (Page 21)</li> </ul> <p><b>Past / Pending Litigation / Claims</b></p> <ul style="list-style-type: none"> <li>Except as set forth on Schedule 8.17, there are no proceedings or investigations pending or, to any Credit Party's knowledge, threatened in writing against any Credit Party or Subsidiary, or any of their businesses, operations, or Properties that (a) relate to this Agreement or any other Loan Document or transactions contemplated herein or therein or (b) could reasonably be expected to have a Material Adverse Effect. Schedule 8.17: None. Credit Party: means each Borrower, Guarantor, or other Person that is liable for payment of any Obligations or that has granted a Lien in favor of Administrative Agent, for the benefit of the Secured Parties, on its assets to secure any Obligations. (Page 21)</li> </ul>
<p><b>Company For Sale</b></p> <ul style="list-style-type: none"> <li>Is not currently for sale or involved in any transaction to be sold or acquired by another business entity. (Page 10)</li> </ul> <p><b>Company Certification</b></p> <ul style="list-style-type: none"> <li>Is not certified as a Historically Underutilized Business (HUB), nor is the company certified owned as a woman, minority or small business. (Page 10)</li> </ul>	<p><b>Company For Sale</b></p> <ul style="list-style-type: none"> <li>Is not for sale or involved in any transaction to expand or become acquired. (Page 11)</li> </ul> <p><b>Company Certification</b></p> <ul style="list-style-type: none"> <li>Not currently certified as a Historically Underutilized Business, or certified owned as a woman, minority or small business. (Page 11)</li> </ul>	<p><b>Company For Sale</b></p> <ul style="list-style-type: none"> <li>Is not for sale nor involved in any transaction to become acquired by another business entity. (Page 5)</li> </ul> <p><b>Company Certification</b></p> <ul style="list-style-type: none"> <li>Is not certified as a Historically Underutilized Business and is not certified as a woman, minority or small business. (Page 5)</li> </ul>	<p><b>Company For Sale</b></p> <ul style="list-style-type: none"> <li>No (Page 21)</li> </ul> <p><b>Company Certification</b></p> <ul style="list-style-type: none"> <li>No (Page 21)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.2 - OPERATIONS MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<ul style="list-style-type: none"> <li>Will create an individual management and operations plan for each STC campus based on its unique needs. Components will include:               <ul style="list-style-type: none"> <li>A Committed, Energetic Team</li> <li>A Distinctive Store Design</li> <li>Cutting Edge Technologies</li> <li>Community Initiatives</li> <li>Sustainable Business Practices</li> <li>Dual Enrollment</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The store manager is supported by several levels of support that enables the local management to concentrate their daily efforts on those activities most important to the success of store operations. (Page 12)</li> <li>Store operations will introduce industry-leading retail concepts and services designed specifically for the campus. (Page 7)</li> </ul>	<ul style="list-style-type: none"> <li>Is committed to providing campus stores that are creative, innovative and anchored by affordable course materials, which will result in serving the community and growing sales at all STC campuses through:               <ul style="list-style-type: none"> <li>Conducting a thorough review of the current operation;</li> <li>Growing the campus stores' mind share; and</li> <li>Continually reviewing product mix, visual merchandising, marketing strategies and customer service competencies to ensure sustained business growth. (Page 6)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Their overall operations plan for the STC Bookstore and website are included in their proposal. Have outlined plans for success at STC in regard to; staffing, customer service, textbook solutions, general merchandise, marketing, temporary facilities, seasonal facilities, store design, technology, web site services, internal systems, store transitions, inventory purchase, etc. (Page 23)</li> </ul>
<ul style="list-style-type: none"> <li><b>Pecan Campus Bookstore</b></li> <li>Will explore the possible addition of a convenience store operation on the side of campus opposite the current bookstore locations to serve dual enrollment students. (Page 13)</li> <li>Provide cap and gown service to compliment the diploma frames and graduation announcements the Pecan Campus Bookstore currently carries. (Page 13)</li> </ul>	<ul style="list-style-type: none"> <li><b>Pecan, Mid-Valley, Starr, Nursing / Allied Health, and Technology Campus Bookstores</b></li> <li>Management plan for STC Bookstores will initially be organized within their STC Bookstore transition plan. (Page 12)</li> <li>All critical operational areas will be addressed. (Page 12)</li> <li>Did not address operations plans for the STC Bookstores as required in Section 7.2 of the RFP.</li> </ul>	<ul style="list-style-type: none"> <li><b>Pecan, Mid-Valley, and Starr Campus Bookstores</b></li> <li>Initial design concept features a Coffee Shop/Café and a new Technology Product center. (Page 6)</li> <li>Will leverage the latest ecommerce technology in order to enhance STC's web presence and drive online sales of course materials, general merchandise, gifts and apparel. (Page 6)</li> <li>New strategies such as their included one-fee course materials program, Rent-A-Text program and BryteWave digital textbook platform will be vigorously promoted. (Page 7)</li> </ul>	<ul style="list-style-type: none"> <li><b>Pecan, Mid-Valley, Starr, Nursing / Allied Health, and Technology Campus Bookstores</b></li> <li>Did not individually address operations plans for the STC Bookstores as required in Section 7.2 of the RFP.</li> </ul>

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Mid-Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• Will add a selection of books at the store for classes that are offered online. (Page 13)</li> <li>• Will hold a small VIP night for incoming students by extending the hours of operation for that day and offering free food and drinks. (Page 13)</li> <li>• Will further expand the in-store convenience area by adding a microwave and “heat and eat” offerings. (Page 13)</li> </ul>		<p><b>Nursing / Allied Health Bookstore and Technology Campus Bookstores</b></p> <ul style="list-style-type: none"> <li>• Will continue to serve the Nursing and Allied Health and Technology campuses using temporary store locations and leveraging the NEW eFollett.com ecommerce platform. (Page 7)</li> </ul>	
<p><b>Starr County Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• Will add a selection of books at the store for classes that are offered online. (Page 14)</li> <li>• Will add new general merchandise to the store. (Page 14)</li> <li>• Will add an in-store convenience area. (Page 14)</li> </ul>			

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Nursing / Allied Health Campus Bookstore s</b></p> <ul style="list-style-type: none"> <li>Looks forward to working with the College on the infrastructure needed to allow for the year round offering of school supplies to include such offerings as scantrons, pens and pencils. (Page 14)</li> </ul> <p><b>Technology Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>Looks forward to working with the College on the infrastructure needed to allow for the year round offering of school supplies to include such offerings as scantrons, pens and pencils. (Page 14)</li> </ul>			



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Theft And Shoplifting Policy</b></p> <ul style="list-style-type: none"> <li>Provides information on theft and shoplifting. (Page 14)</li> </ul> <p><b>Contingency / Disaster Recovery Plan</b></p> <ul style="list-style-type: none"> <li>Provides a Business Continuity Plan. (Exhibit D)</li> </ul> <p><b>Improvement Plans</b></p> <ul style="list-style-type: none"> <li>Looks forward to working with STC on the implementation of their Course Fee Solution for the digital delivery of course materials. (Page 15)</li> </ul> <p><b>Other Pertinent Operating Policies</b></p> <ul style="list-style-type: none"> <li>Provides Employee Discounts. (Page 18)</li> </ul>	<p><b>Theft And Shoplifting Policy</b></p> <ul style="list-style-type: none"> <li>Provides information on theft and shoplifting. (Page 14)</li> </ul> <p><b>Contingency / Disaster Recovery Plan</b></p> <ul style="list-style-type: none"> <li>Provides Disaster Recovery Plans (Page 15)</li> </ul> <p><b>Improvement Plans</b></p> <ul style="list-style-type: none"> <li>The following goals will be addressed to meet the needs of STC: <ul style="list-style-type: none"> <li>Create a world-class store layout with their Textbook Depot offering counter service and fresh fixtures and concepts</li> <li>Bring greater savings to students while increasing revenue for the College thus enhancing the quality of life in the community. (Page 4)</li> </ul> </li> </ul> <p><b>Other Pertinent Operating Policies</b></p> <ul style="list-style-type: none"> <li>Will work closely with STC to grow the business together through innovative methods, cost savings, and expanded product offerings. (Page 5)</li> </ul>	<p><b>Theft And Shoplifting Policy</b></p> <ul style="list-style-type: none"> <li>Provides information on theft and shoplifting. (Page 7)</li> </ul> <p><b>Contingency / Disaster Recovery Plan</b></p> <ul style="list-style-type: none"> <li>Provides a Business Continuity Plan. (Pages 7-9)</li> </ul> <p><b>Improvement Plans</b></p> <ul style="list-style-type: none"> <li>Offer a campus café and computer products department. (Pages 9-10)</li> </ul> <p><b>Other Pertinent Operating Policies</b></p> <ul style="list-style-type: none"> <li>Is poised to bring new product offerings, services and competencies to the STC campuses. (Page 11)</li> </ul>	<p><b>Theft And Shoplifting Policy</b></p> <ul style="list-style-type: none"> <li>Provides information on Loss Prevention. (Page 24)</li> </ul> <p><b>Contingency / Disaster Recovery Plan</b></p> <ul style="list-style-type: none"> <li>Provides a Disaster Plan. (Pages 156- 160)</li> </ul> <p><b>Improvement Plans</b></p> <ul style="list-style-type: none"> <li>With experience of nearly 100 years, they believe the plan provided in their proposal will reverse the declining sales trend at STC. (Page 24)</li> </ul> <p><b>Other Pertinent Operating Policies</b></p> <ul style="list-style-type: none"> <li>All pertinent procedures and policies are provided in the appropriate sections of their proposal. (Page 24)</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.3 - CUSTOMER SERVICE MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Customer Feedback</b></p> <ul style="list-style-type: none"> <li>Solicit ongoing feedback through:               <ul style="list-style-type: none"> <li>- Focus Groups, Surveys, etc.</li> <li>- Bookstore Innovation Group</li> <li>- Council of Chairs</li> <li>- Customer Service Shoppers</li> <li>- eCommerce Sites</li> <li>- Social Media</li> <li>- Formal Reviews (Pages 19-20)</li> </ul> </li> </ul>	<p><b>Customer Feedback</b></p> <ul style="list-style-type: none"> <li>Obtains customer feedback through:               <ul style="list-style-type: none"> <li>- Student focus groups</li> <li>- Surveys</li> <li>- Regular meetings with specific campus departments and organizations</li> <li>- Counter service program for student textbook purchasing</li> <li>- Social media</li> <li>- Bookstore Advisory Committee (Pages 7 and 17-18)</li> </ul> </li> </ul>	<p><b>Customer Feedback</b></p> <ul style="list-style-type: none"> <li>Obtains customer feedback through:               <ul style="list-style-type: none"> <li>- Customer Surveys</li> <li>- Campus Store Advis. Council</li> <li>- Secret Shopper Program (Pages 12-13)</li> </ul> </li> </ul>	<p><b>Customer Feedback</b></p> <ul style="list-style-type: none"> <li>Obtains feedback through:               <ul style="list-style-type: none"> <li>- Online Guest Satisfaction Surveys</li> <li>- Bookstore Advis. Committee</li> <li>- Mystery Shopper Program</li> <li>- Annual Online Survey of Key Administrators (Pages 27-28)</li> </ul> </li> </ul>
<p><b>Customer Service Training</b></p> <ul style="list-style-type: none"> <li>Offers the following:               <ul style="list-style-type: none"> <li>- Extensive general training programs</li> <li>- WOW Customer service training program</li> <li>- Franklin Covey customized productivity and time management program (Page 20)</li> </ul> </li> </ul>	<p><b>Customer Service Training</b></p> <ul style="list-style-type: none"> <li>Comprehensive training tools have been built to not only cover operations and day to day activities, but also customer service. (Page 19)</li> </ul>	<p><b>Customer Service Training</b></p> <ul style="list-style-type: none"> <li>Identifies customer intimacy and superior customer service as a core competency and an attribute that is very important to their continued success. (Page 11)</li> <li>Offers the following training:               <ul style="list-style-type: none"> <li>- New Colleague Onboarding eXcel, their comprehensive customer service training program</li> <li>- New Manager Onboarding (Pages 11 and 26)</li> </ul> </li> </ul>	<p><b>Customer Service Training</b></p> <ul style="list-style-type: none"> <li>High quality guest service is core to their operating philosophy. (Page 25)</li> <li>Offers the following:               <ul style="list-style-type: none"> <li>- Regular Ongoing Training</li> <li>- Lasting Impressions Customer Service Training Program</li> <li>- Store Manager Training (Pages 26, 47, and 49)</li> </ul> </li> </ul>
<p><b>Refund Policy</b></p> <ul style="list-style-type: none"> <li>Provides refund policy. (Page 21)</li> </ul> <p><b>Hours Of Operation</b></p> <ul style="list-style-type: none"> <li>Provides hours of operation policies. (Page 21)</li> </ul>	<p><b>Refund Policy</b></p> <ul style="list-style-type: none"> <li>Provides refund policy. (Page 19)</li> </ul> <p><b>Hours Of Operation</b></p> <ul style="list-style-type: none"> <li>Provides hours of operation policies. (Page 20)</li> </ul>	<p><b>Refund Policy</b></p> <ul style="list-style-type: none"> <li>Provides refund policy. (Page 13)</li> </ul> <p><b>Hours Of Operation</b></p> <ul style="list-style-type: none"> <li>Provides hours of operation policies. (Page 14)</li> </ul>	<p><b>Refund Policy</b></p> <ul style="list-style-type: none"> <li>Provides refund policy. (Page 31)</li> </ul> <p><b>Hours Of Operation</b></p> <ul style="list-style-type: none"> <li>Provides hours of operation policies. (Page 32)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.4 - STAFFING / PERSONNEL MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Organization Chart</b></p> <ul style="list-style-type: none"> <li>Provides a company organization chart. (Page 22)</li> <li>Will maintain the current staffing plan (50/50 full-time/temporary staffing model) and reporting structure for the Bookstores. (Page 23)</li> </ul> <p><b>Personnel Policies And Programs</b></p> <ul style="list-style-type: none"> <li>Provides policies and programs. (Pages 23-25)</li> </ul> <p><b>Bookstore Manager</b></p> <ul style="list-style-type: none"> <li>Kristin Rodriguez, the current Bookstore Manager, joined the Bookstore in 2009 and has over 14 years of retail experience. (Page 28 and Exhibit E)</li> </ul> <p><b>Student Employees</b></p> <ul style="list-style-type: none"> <li>Will recruit talented and promising STC students as their main resource for part-time and seasonal booksellers. (Page 25)</li> </ul>	<p><b>Organization Chart</b></p> <ul style="list-style-type: none"> <li>Provides a BBA Organizational Chart and a preliminary staffing recommendation for the Bookstore. (Pages 21 and 22-23)</li> </ul> <p><b>Personnel Policies And Programs</b></p> <ul style="list-style-type: none"> <li>Provides policies and programs. (Pages 24-26)</li> </ul> <p><b>Bookstore Manager</b></p> <ul style="list-style-type: none"> <li>Provides qualifications for the Operations Manager. (Page 22)</li> </ul> <p><b>Student Employees</b></p> <ul style="list-style-type: none"> <li>Employs students, which allows them to be in tune with the student population. Many students move into management positions after graduation. (Page 26)</li> </ul>	<p><b>Organization Chart</b></p> <ul style="list-style-type: none"> <li>Provides a corporate organization chart and proposed Bookstore organization charts. (Pages 14 and 19)</li> </ul> <p><b>Personnel Policies And Programs</b></p> <ul style="list-style-type: none"> <li>Provides policies and programs. (Pages 20-21 and 23-24)</li> </ul> <p><b>Bookstore Manager</b></p> <ul style="list-style-type: none"> <li>Lists the qualifications required for the Bookstore Manager. (Page 22)</li> </ul> <p><b>Student Employees</b></p> <ul style="list-style-type: none"> <li>Hires student employees and helps them in their development and career aspirations. (Page 24)</li> </ul>	<p><b>Organization Chart</b></p> <ul style="list-style-type: none"> <li>Provides the Neebo Reporting Structure and a Staffing Snapshot. (Pages 33, and 36-38)</li> <li>Did not provide a proposed organization chart as required in Section 7.4b of the RFP.</li> </ul> <p><b>Personnel Policies And Programs</b></p> <ul style="list-style-type: none"> <li>Provides policies and programs. (Pages 39-46)</li> </ul> <p><b>Bookstore Manager</b></p> <ul style="list-style-type: none"> <li>All new Managers go through a 6-week Bookstore Manager Training Program facilitated by an experienced Bookstore Manager Trainer at a host training bookstore. (Page 47)</li> </ul> <p><b>Student Employees</b></p> <ul style="list-style-type: none"> <li>Students have traditionally made up a large part of the workforce at their bookstores, and they plan to continue this practice at STC. (Page 35)</li> </ul>



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Educational And Training Programs</b></p> <ul style="list-style-type: none"> <li>Provides detailed information regarding their comprehensive training and development programs. (Pages 26-27)</li> </ul> <p><b>Corporate Support Services</b></p> <ul style="list-style-type: none"> <li>Store management is backed by the support and purchasing power of the Home Office, and a Regional Manager and a Territory Vice President. (Page 27)</li> </ul>	<p><b>Educational And Training Programs</b></p> <ul style="list-style-type: none"> <li>Comprehensive training program exceeds industry norms and standards. Provides a list of current training and mentoring activities. (Page 27)</li> </ul> <p><b>Corporate Support Services</b></p> <ul style="list-style-type: none"> <li>Bookstores will receive direct support from a company Team Leader, who is also part owner, as well as an Operations Manager. (Page 27)</li> </ul>	<p><b>Educational And Training Programs</b></p> <ul style="list-style-type: none"> <li>Goal is to assist bookstore managers and associates in developing an understanding of store operations and key processes, as well as prepare them to deliver exceptional customer service to their campus customers. (Page 25)</li> </ul> <p><b>Corporate Support Services</b></p> <ul style="list-style-type: none"> <li>Each bookstore is supported by the robust network of Follett stores in the area and with an extensive array of corporate support services, including a Regional Manager and a Group Vice President. (Page 29)</li> </ul>	<p><b>Educational And Training Programs</b></p> <ul style="list-style-type: none"> <li>Provides regular ongoing training through semi-annual manager meetings, one-on-one coaching, monthly store Playbooks, Mentor Program, and on-demand training materials provided on the training website of their company intranet. (Page 49)</li> </ul> <p><b>Corporate Support Services</b></p> <ul style="list-style-type: none"> <li>Will be supported with corporate support services, including a Regional Manager and the Director of Campus Relations. (Page 50)</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.5 - TEXTBOOKS / COURSE MATERIALS MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NNEBO
<p><b>Textbook / Course Materials Market Share</b></p> <ul style="list-style-type: none"> <li>• Will protect market share through the following: <ul style="list-style-type: none"> <li>- Providing students with choice, value, and convenience</li> <li>- Helping students to understand their options</li> <li>- Format options, including rental, digital and used</li> <li>- Making it easy for students to get their course materials</li> <li>- Accepting various forms of tender including financial aid and the campus debit card</li> <li>- Registration Integration</li> <li>- Access to course materials through their LMS</li> <li>- Maximizing search engines to capture more textbook market share</li> </ul> </li> </ul> <p>(Pages 30-31)</p> <p><b>Faculty Relationships</b></p> <ul style="list-style-type: none"> <li>• Develops strong relationships with STC Faculty.</li> </ul> <p>(Page 30)</p>	<p><b>Textbook / Course Materials Market Share</b></p> <ul style="list-style-type: none"> <li>• Will protect textbook/course materials market share through the following: <ul style="list-style-type: none"> <li>- The most competitive textbook pricing of any college retailer</li> <li>- Innovative sourcing procedures</li> <li>- Vast network of over 100 stores</li> </ul> </li> </ul> <p>(Page 28)</p> <p><b>Faculty Relationships</b></p> <ul style="list-style-type: none"> <li>• Committed to working with faculty, staff, and administration on a regular basis to ensure their needs are met.</li> </ul> <p>(Page 30)</p>	<p><b>Textbook / Course Materials Market Share</b></p> <ul style="list-style-type: none"> <li>• Goal is to offer high quality, affordable and accessible course materials to all STC Students through the 4 pillars of their course materials strategy: <ul style="list-style-type: none"> <li>- Discovery</li> <li>- Innovation</li> <li>- Convenience</li> <li>- Access</li> </ul> </li> <li>• Required course materials will be in stock and on time.</li> </ul> <p>(Page 30)</p> <p>(Page 31)</p> <p><b>Faculty Relationships</b></p> <ul style="list-style-type: none"> <li>• Continually communicate with faculty on the status of the course materials they have adopted.</li> </ul> <p>(Pages 30-31)</p>	<p><b>Textbook / Course Materials Market Share</b></p> <ul style="list-style-type: none"> <li>• Committed to monitoring industry trends and keeping STC informed on where the industry is going in the future. Will share research results, insight and perspective to ensure they have developed an accurate strategic plan which will move the Bookstore into the future.</li> <li>• Have tailored their business model to ensure that students have as many options as possible when it comes to course material, and in turn, the lowest possible prices.</li> </ul> <p>(Page 11)</p> <p>(Page 69)</p> <p><b>Faculty Relationships</b></p> <ul style="list-style-type: none"> <li>• Creates personal relationships with faculty and staff members.</li> </ul> <p>(Page 54)</p>



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Promotion Of Course Materials</b></p> <ul style="list-style-type: none"> <li>• Will develop targeted communication programs to build relationships with students, including attention-grabbing, in-store signage, engaging social media posts and contests, targeted email campaigns and eye-catching promotions on the Bookstore website. (Pages 30-31)</li> </ul>	<p><b>Promotion Of Course Materials</b></p> <ul style="list-style-type: none"> <li>• Will market the rental program on campus and on the Bookstore's web site. (Page 36)</li> </ul>	<p><b>Promotion Of Course Materials</b></p> <ul style="list-style-type: none"> <li>• Targeted marketing campaigns provide the Bookstore with the competitive edge to protect and grow market share. (Page 45)</li> </ul>	<p><b>Promotion Of Course Materials</b></p> <ul style="list-style-type: none"> <li>• Utilizes the school newspaper and handouts during Student Sellback, Back-to-School and various seasonal events and holidays; print ads in the campus directory, schedule of classes, arts and event programs, orientation program and others depending on what is available on campus; and various lists and social media. (Pages 96 and 99)</li> </ul>

**TEXTBOOK / COURSE MATERIALS SERVICES AND PROGRAMS**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<ul style="list-style-type: none"> <li>Offers the following textbook/course materials services and programs:</li> <li>Buyback (Page 39)</li> <li>Campus Card Integration (Page 64)</li> <li>Course Materials Tuition Fee (Page 31)</li> <li>Custom Pub. &amp; Coursepacks (Page 34)</li> <li>Digital / Electronic Delivery (Pages 32-33)</li> <li>Distance Learning (Page 34)</li> <li>Financial Aid Integration (Page 31)</li> <li>HEOA Compliance (Pages 34-35)</li> <li>LMS Integration (Page 33)</li> <li>Online Adoption (Page 30)</li> <li>Registration Integration (Page 32)</li> <li>Textbook Rentals (Pages 37-38)</li> <li>Textbook Reservation Program (Page 31)</li> <li>Used Textbook Program (Page 39)</li> </ul>	<ul style="list-style-type: none"> <li>Offers the following textbook/course materials services and programs:</li> <li>Buyback (Page 38)</li> <li>Campus Card Integration (Page 65)</li> <li>Custom Pub. &amp; Coursepacks (Page 32)</li> <li>Digital / Electronic Delivery (Page 31)</li> <li>Distance Learning (Page 32)</li> <li>Financial Aid Integration (Pages 50-51)</li> <li>HEOA Compliance (Page 33)</li> <li>LMS Integration (Page 31)</li> <li>Online Adoption (Pages 30 and 63)</li> <li>Textbook Rentals (Page 36)</li> <li>Textbook Reservation Program (Pages 29 and 64)</li> <li>Used Textbook Program (Page 37)</li> </ul>	<ul style="list-style-type: none"> <li>Offers the following textbook/course materials services and programs:</li> <li>Buyback (Pages 37 and 64)</li> <li>Campus Card Integration (Page 73)</li> <li>Course Materials Tuition Fee (Pages 77-78)</li> <li>Custom Pub. &amp; Coursepacks (Pages 33-34)</li> <li>Digital / Electronic Delivery (Pages 31-33)</li> <li>Distance Learning (Page 33)</li> <li>Financial Aid Integration (Pages 50 and 73)</li> <li>HEOA Compliance (Pages 34 and 66)</li> <li>LMS Integration (Page 66)</li> <li>MOOC (Page 66)</li> <li>OER Adoption (Page 66)</li> <li>Online Adoption (Pages 63-64)</li> <li>Registration Integration (Page 65)</li> <li>Textbook Rentals (Page 36)</li> <li>Textbook Reservation Program (Page 63)</li> <li>Used Textbook Program (Page 37)</li> </ul>	<ul style="list-style-type: none"> <li>Offers the following textbook/course materials services and programs:</li> <li>Buyback (Pages 73-76)</li> <li>Campus Card Integration (Page 105)</li> <li>Custom Pub. &amp; Coursepacks (Pages 64-66)</li> <li>Digital / Electronic Delivery (Pages 60-63)</li> <li>Financial Aid Integration (Page 120)</li> <li>HEOA Compliance (Page 67)</li> <li>Online Adoption (Page 56)</li> <li>Registration Integration (Page 123)</li> <li>Textbook Rentals (Pages 71-72)</li> <li>Textbook Reservation Program (Page 124)</li> <li>Used Textbook Program (Page 70)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.6 - TEXTBOOK AFFORDABILITY / PRICING POLICIES MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>PRICING POLICIES</b>  <b>Used Textbooks</b></p> <ul style="list-style-type: none"> <li>Will be priced at 25% less than the new selling price. (Page 35)</li> <li>Select used titles will be further discounted through their new Flex Used Pricing program to give students additional savings options by taking advantage of their rental returns inventory. (Page 35)</li> </ul>	<p><b>PRICING POLICIES</b></p> <ul style="list-style-type: none"> <li>Adheres to the textbook/course materials pricing policy outlined in Section 5.5b of the RFP, with the exception of rental textbooks. (Page 34)</li> </ul>	<p><b>PRICING POLICIES</b>  <b>New Textbooks</b></p> <ul style="list-style-type: none"> <li>Not more than the publishers' list price, or a 25% gross margin (cost divided by .75) on net price books and list price books sold to Follett at less than a 25% discount off list, and rounded up to the next quarter (Page 35)</li> </ul> <p><b>Used Textbooks</b></p> <ul style="list-style-type: none"> <li>Not more than 75% of the new textbook selling prices rounded up to the next quarter (Page 35)</li> </ul> <p><b>Coursepacks, Text Packages, Kits, Sets, And Bundles, And Non-Returnable and Return-Restricted Texts</b></p> <ul style="list-style-type: none"> <li>Not more than a 25% gross margin (cost divided by .75), and rounded up to the next quarter (Page 35)</li> </ul> <p><b>ebooks And Other Digital Content</b></p> <ul style="list-style-type: none"> <li>When Follett determines the end-user price, Follett will follow the same pricing rules applicable to coursepacks, and when the publisher determines the end-user price and Follett acts as agent, Follett will use the publisher price. (Page 35)</li> </ul>	<p><b>PRICING POLICIES</b>  <b>Net Priced New Textbooks</b></p> <ul style="list-style-type: none"> <li>Will be sold at prices that will not exceed a 25% gross margin. (Page 77)</li> </ul> <p><b>Used Textbooks</b></p> <ul style="list-style-type: none"> <li>Used books will be sold at 75% or less of the new selling price. (Page 77)</li> </ul> <p><b>Rental Textbooks</b>  <b>Digital Course Materials</b>  <b>Coursepacks, Text Packages, Kits, Sets, And Bundles, And Non-Returnable and Return-Restricted Texts</b></p> <ul style="list-style-type: none"> <li>Did not provide pricing policies for textbook rentals, digital textbooks, coursepacks, etc. as required in Section 7.6a of the RFP.</li> </ul>

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p>The following pricing policies do not comply with Section 5.5b of the RFP: <b>New Textbooks</b></p> <ul style="list-style-type: none"> <li>Will be sold at no greater than the publisher's list price or a 25% gross margin on net priced books, inclusive of restocking fees and return penalties. (Page 35)</li> </ul> <p><b>Course Packs / Textbooks from Publishers with Restrictive Policies</b></p> <ul style="list-style-type: none"> <li>Will be priced at up to a 30% gross margin. (Page 35)</li> </ul> <p><b>Digital Course Materials</b></p> <ul style="list-style-type: none"> <li>Are unable to commit to specific pricing that would be used for the duration of the contract period. Today, eTextbooks are priced up to 60% off the new print book selling price. (Page 35)</li> </ul> <p><b>Pricing Concerns Of STC Students</b></p> <ul style="list-style-type: none"> <li>Providing STC Students with affordable textbook solutions is their top priority. (Forward, Page 3)</li> <li>Will leverage the depth and breadth of their relationships with over 7,000 publishers to seek collective ways to drive down costs, and will continue to introduce new solutions like course fee and flexible pricing strategies. (Forward, Page 3)</li> </ul>	<p>The following pricing policies do not comply with Section 5.5b of the RFP: <b>Rental Textbooks</b></p> <ul style="list-style-type: none"> <li>Rental textbooks shall be rented at no higher than fifty percent (50%) of the current new textbook retail price. (Page 34)</li> </ul> <p><b>Pricing Concerns Of STC Students</b></p> <ul style="list-style-type: none"> <li>Has the most competitive textbook pricing of any college retailer. It is one of their core strengths. (Page 28)</li> </ul>	<p>The following pricing policies do not comply with Section 5.5b of the RFP: <b>Rental Textbooks</b></p> <ul style="list-style-type: none"> <li>Will be setting rental fees for each title, and any given title's fee may vary as a percentage of the retail selling price. (Page 35)</li> </ul> <p><b>Pricing Concerns Of STC Students</b></p> <ul style="list-style-type: none"> <li>Strategy for addressing the pricing concerns of students at STC is based on: <ul style="list-style-type: none"> <li>Rent-a-Text</li> <li>included- Allows adopted materials to be included as a part of tuition and fees</li> <li>A Robust Used Textbook Program</li> <li>Effective working relationships with faculty</li> <li>Digital delivery services through BryteWave and Follett Discover tools (Page 35)</li> </ul> </li> </ul>	<p><b>Pricing Concerns Of STC Students</b></p> <ul style="list-style-type: none"> <li>Have tailored their business model to ensure that students have as many options as possible when it comes to course material, and in turn, the lowest possible prices. (Page 69)</li> <li>Will offer a Best Price Promise. If within ten days of purchasing a book from the Bookstore, a student finds the same book (same ISBN) at another local store or online website (excluding peer-to-peer marketplaces) at a lower price, a refund of the difference plus 10% will be given. (Page 77)</li> </ul>



**GENERAL MERCHANDISE PRICING POLICY**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>School Supplies and Other Merchandise</b></p> <ul style="list-style-type: none"> <li>Will be priced at or below their manufacturers' suggested retail prices or locally competitive prices. (Page 36)</li> </ul>	<p><b>General Merchandise</b></p> <ul style="list-style-type: none"> <li>All apparel, school supplies, class rings, and beauty and sundry items sold within the Store will be priced competitively to the local area as well as the campus store industry. (Page 35)</li> <li>On average across the board, their general merchandise pricing is 17% below market segment competitors. (Page 35)</li> </ul>	<p><b>General Merchandise</b></p> <ul style="list-style-type: none"> <li>Will price general merchandise at not more than the normal gross profit margin for similar merchandise in the college store industry. (Page 35)</li> </ul>	<p><b>General Merchandise</b></p> <ul style="list-style-type: none"> <li>Merchandise retail prices, whenever possible, are competitive with community retail business. (Page 77)</li> </ul>
<p><b>Emblematic Clothing</b></p> <ul style="list-style-type: none"> <li>Will provide emblematic clothing at multiple price-points (e.g., opening price, moderate price, better price, etc.). (Page 36)</li> </ul>	<p><b>Emblematic Clothing</b></p> <ul style="list-style-type: none"> <li>Will offer apparel and merchandise at varied price points. (Page 35)</li> </ul>	<p><b>Emblematic Clothing</b></p> <ul style="list-style-type: none"> <li>Offers a multi-price "good-better-best" product strategy that offers a range of price options to suit every customer. (Page 36)</li> <li>Value Price Program provides affordable, first-run quality items that carry opening price points that have an appeal across all demographics. (Page 36)</li> </ul>	<p><b>Emblematic Clothing</b></p> <ul style="list-style-type: none"> <li>Will provide emblematic clothing at multiple price points. (Page 77)</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.7 - TEXTBOOK RENTAL PROGRAM / USED TEXTBOOK PROGRAM MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>RENTAL PROGRAM Price</b></p> <ul style="list-style-type: none"> <li>Acknowledges the rental pricing policies outlined in RFP Section 5.5.b and will abide by these policies should the College so desire. Following these policies however would bring the total number of rentable titles down from the current level of 50% to 20% and hinder their ability to grow the rentable title count to the 80% they anticipate achieving on the STC campuses in the future.</li> <li>Their new pricing strategy (flexible pricing) allows for new books to typically rent between 35%-50% off and used books rent between 50%-80% off and gives them greater flexibility to dramatically grow the number of rental titles. (Page 37)</li> </ul> <p><b>Percentage Of Titles</b></p> <ul style="list-style-type: none"> <li>Will rent every title possible going forward, which will be nearly 80% of the STC booklist. (Page 3)</li> </ul>	<p><b>RENTAL PROGRAM Price</b></p> <ul style="list-style-type: none"> <li>Provide the lowest prices to a growing segment of the industry. (Page 36)</li> </ul>	<p><b>RENTAL PROGRAM Price</b></p> <ul style="list-style-type: none"> <li>Rental price will save students, on average, 50% or more compared to purchasing a new textbook. (Page 36)</li> </ul>	<p><b>RENTAL PROGRAM Price</b></p> <ul style="list-style-type: none"> <li>Textbook rentals are at a lower price-point than new or used titles. (Page 71)</li> </ul>
<p><b>Percentage Of Titles</b></p> <ul style="list-style-type: none"> <li>Offer 100% of all adopted textbooks as rentals. (Page 36)</li> </ul>	<p><b>Percentage Of Titles</b></p> <ul style="list-style-type: none"> <li>Did not provide an estimated percentage of total titles that they will provide as rental titles as required in Section 7.7a of the RFP.</li> </ul>	<p><b>Percentage Of Titles</b></p> <ul style="list-style-type: none"> <li>Offer a rental option for every title in the Bookstore. (Page 71)</li> </ul>	



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>USED TEXTBOOK PROGRAM Sources</b></p> <ul style="list-style-type: none"> <li>Sources used textbooks through their buyback program and ongoing relationships with wholesalers. (Page 39)</li> <li>Partners with MBS, the nation's largest used textbook wholesaler, that has more than 120,000 titles in stock. (Page 39)</li> </ul>	<p><b>USED TEXTBOOK PROGRAM Sources</b></p> <ul style="list-style-type: none"> <li>Online buyback site allows them to source more used books for STC. (Page 37)</li> <li>Orders additional used inventory from all of the wholesale companies throughout the country. (Page 37)</li> </ul>	<p><b>USED TEXTBOOK PROGRAM Sources</b></p> <ul style="list-style-type: none"> <li>More than 100,000 different titles in stock. (Page 37)</li> <li>Doesn't rely on their supply of used texts, orders used books from other wholesalers and transfers used books among their bookstores. (Page 37)</li> </ul>	<p><b>USED TEXTBOOK PROGRAM Sources</b></p> <ul style="list-style-type: none"> <li>Textbook availability for over 170,000 titles. (Page 70)</li> </ul>
<p><b>BUYBACK</b></p> <ul style="list-style-type: none"> <li>Will buy books back from students for up to 50% cash back off the textbook purchase price. (Page 39)</li> <li>Conducts buyback in-store any time during the year or at the end of the semester at convenient mobile stations in high traffic areas throughout campus. (Page 39)</li> <li>Will leverage on-campus signage, email, social media channels and the bookstores' website to ensure that students are aware of their buyback options. (Page 39)</li> </ul>	<p><b>BUYBACK</b></p> <ul style="list-style-type: none"> <li>Offer year round buybacks for student convenience. (Page 38)</li> <li>Will buy books back from students at 50% of their original purchase price, until quantities are met. (Page 38)</li> <li>Will work with Administration to offer buyback opportunities at satellite locations during peak periods of the buyback season. (Page 39)</li> </ul>	<p><b>BUYBACK</b></p> <ul style="list-style-type: none"> <li>Will purchase used textbooks adopted for the next academic term in quantities sufficient to meet course requirements at not less than 50% of the student's purchase price rounded to the nearest quarter. (Page 37)</li> <li>Buyback marketing efforts not only revolve around traditional buyback periods, but also focus on informing customers about their year-round buyback program and how buyback dollars are calculated. (Page 37)</li> <li>Offers online buyback. (Page 64)</li> </ul>	<p><b>BUYBACK</b></p> <ul style="list-style-type: none"> <li>Pay up to 50% of the cost of the book, valid for textbooks purchased at the Bookstore, and re-adopted. (Page 73)</li> <li>Posts buyback prices online. (Page 74)</li> <li>Makes sure every student knows the book buy hours and dates through the use of interactive marketing promotions to create excitement and have some fun! (Page 75)</li> <li>Campaigns are fully supported with newspaper ad, store poster, flyer and banner layouts for each campus to individualize and modify to best promote the campaign and increase awareness in the community. (Page 75)</li> <li>Shared Buyback pays students a higher price than wholesale, if the book is used on one of their other campuses the following term. (Page 76)</li> <li>Offers a "Best Price Promise." (Page 77)</li> </ul>

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>COURSE MATERIALS VALUE RATIO</b></p> <ul style="list-style-type: none"> <li>Projects the Course Materials Value Ratio to be between 28%-32% for the first 3 years of the contract based upon the current STC campus and overall industry trends. (Page 39)</li> <li>Year 1-26.9%</li> <li>Year 2-28.4%</li> <li>Year 3-30.0%</li> <li>(5-Year Projections, Page 50)</li> </ul>	<p><b>COURSE MATERIALS VALUE RATIO</b></p> <ul style="list-style-type: none"> <li>Year 1-75%</li> <li>Year 2-75%</li> <li>Year 3-75%</li> <li>(Page 39 and Consolidated Sales Projections, Page 54)</li> <li>(Note: It is assumed that Digital Course Materials are included in New Textbook Sales)</li> </ul>	<p><b>COURSE MATERIALS VALUE RATIO</b></p> <ul style="list-style-type: none"> <li>Year 1-33.1%</li> <li>Year 2-33.1%</li> <li>Year 3-33.1%</li> <li>(Page 37 and Five-Year Proforma)</li> </ul>	<p><b>COURSE MATERIALS VALUE RATIO</b></p> <ul style="list-style-type: none"> <li>Year 1-35.5%</li> <li>Year 2-36.8%</li> <li>Year 3-38.1%</li> <li>(Financial Projections, Page 107)</li> <li>(Note: It is assumed that Digital Course Materials are included in New Textbook Sales.)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.8 - GENERAL BOOK PROGRAM MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<p><b>Selection</b></p> <ul style="list-style-type: none"> <li>Will customize the general book selection to reflect the specific academic needs and widespread interests of the STC community. (Page 40)</li> <li>Will offer the following:           <ul style="list-style-type: none"> <li>Bestselling books and novels</li> <li>The most popular magazines in entertainment, news &amp; business, sports, etc.</li> <li>Bargain books priced at up to 90% off</li> <li>Trade and reference publications</li> <li>Classics</li> <li>Faculty Authors</li> </ul> </li> </ul> <p>(Page 40)</p>	<p><b>Selection</b></p> <ul style="list-style-type: none"> <li>Will carry any and all general book selections requested by faculty, students or members of the community, with approval from faculty and department heads. (Page 40)</li> <li>Will reserve a featured section in the bookstore for all books authored by school faculty. (Page 40)</li> </ul>	<p><b>Selection</b></p> <ul style="list-style-type: none"> <li>Will build a reference and trade department that includes titles which complement STC's academic programs:           <ul style="list-style-type: none"> <li>Fiction and non-fiction</li> <li>Reference titles</li> <li>Faculty and local authors</li> <li>Magazines and periodicals</li> </ul> </li> </ul> <p>(Page 38)</p>	<p><b>Selection</b></p> <ul style="list-style-type: none"> <li>General Book program is tailored to meet the needs of each individual community they serve. (Page 79)</li> <li>Will offer the following:           <ul style="list-style-type: none"> <li>Best sellers</li> <li>Reference materials</li> <li>Faculty publications</li> </ul> </li> </ul> <p>(Page 79)</p>
<p><b>Support Of Academic Programs And Events</b></p> <ul style="list-style-type: none"> <li>Will reach out to student unions, clubs, athletics teams and other groups on STC's campuses, and encourage them to use the bookstores as a resource for communications, events, fund raising and more. (Page 44)</li> </ul>	<p><b>Support Of Academic Programs And Events</b></p> <ul style="list-style-type: none"> <li>Encourage faculty to hold book signings and other scholarly events in the Store. (Page 40)</li> <li>Welcome guest speakers and special events to be held in the Bookstore. (Page 40)</li> <li>Welcomes the opportunity to host national and local authors as well as a location for students to showcase their talents. (Page 40)</li> </ul>	<p><b>Support Of Academic Programs And Events</b></p> <ul style="list-style-type: none"> <li>Will invite authors for signings on a regular basis and STC can expect to see the STC Bookstores partnering with the College to sponsor symposiums and other campus events. (Page 43)</li> </ul>	<p><b>Support Of Academic Programs And Events</b></p> <ul style="list-style-type: none"> <li>The mission of the Bookstore will always be to provide the items needed to complete scholarly activities. (Page 79)</li> <li>Is committed to celebrating faculty accomplishments. Will stock sufficient quantities of all faculty titles and hold local/faculty author book signings each year. (Page 79)</li> <li>With input from the College and Bookstore Advisory Committee, the Manager will implement additional events yearly. (Page 79)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.9 - GENERAL MERCHANDISE AND MARKETING STRATEGY MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<ul style="list-style-type: none"> <li>Will leverage their combination of national insight and local, on-site decision making to tailor the Bookstores' assortment to STC's campus communities. (Page 40)</li> </ul>	<ul style="list-style-type: none"> <li>Will develop a General Merchandise offer that is designed to meet the needs of STC's diverse campus population. The offer will include some customization of products to be determined after meeting with the campus community. (Page 41)</li> </ul>	<ul style="list-style-type: none"> <li>Utilizes the power of centralized buying and will offer a unique, tailored, yet extensive product assortment that is very much in-line with the needs of the variety of schools they serve. (Page 38)</li> </ul>	<ul style="list-style-type: none"> <li>Bookstore Managers are given significant freedom to develop the array of desired general merchandise by their community and are supported by a corporate team, providing buying and merchandising assistance. (Page 82)</li> </ul>
<p><b>New/Expanded Product Lines/ Services</b></p> <ul style="list-style-type: none"> <li>Will work with the College to determine what students want and build relationships with local vendors to supply fresh food options. (Forward, Page 14)</li> <li>Will offer personal care items, over-the-counter pharmaceuticals and other personal essentials. (Forward, Page 14)</li> </ul>	<p><b>New/Expanded Product Lines/ Services</b></p> <ul style="list-style-type: none"> <li>Expanding the product selection to items that are specific to the needs of students in their specialty. (Page 5)</li> <li>Will create and offer a product mix that will consist of unique branded apparel, convenience store products, and multiple price point options. (Page 5)</li> <li>Can customize other services depending on available space and needs as defined by the campus community, including: Electronic Repair &amp; Tech Center, Campus Concierge, and a Wi Fi student lounge. (Page 41)</li> </ul>	<p><b>New/Expanded Product Lines/ Services</b></p> <ul style="list-style-type: none"> <li>Sales trends and hot market items are identified and can quickly be placed in the Bookstore to maximize sales. (Page 38)</li> <li>Will include a new Coffee Shop/Café featuring a major brand of traditional and iced coffee, tea and healthy choice alternatives to food and beverage items. (Page 53)</li> <li>Will create a sizable Technology merchandise section for students and faculty alike to shop name brand tablets, laptops and other much sought after product. (Page 53)</li> </ul>	<p><b>New/Expanded Product Lines/ Services</b></p> <ul style="list-style-type: none"> <li>Continually think outside the box to bring the next big item into the college market. (Page 81)</li> </ul>
<p><b>Emblematic/Logo Clothing And Gifts Merchandise</b></p> <ul style="list-style-type: none"> <li>Will bring an array of customized school spirit apparel and merchandise. (Page 41)</li> </ul>	<p><b>Emblematic/Logo Clothing And Gifts Merchandise</b></p> <ul style="list-style-type: none"> <li>Will offer apparel and merchandise at various price points. (Page 35)</li> </ul>	<p><b>Emblematic/Logo Clothing and Gifts Merchandise</b></p> <ul style="list-style-type: none"> <li>Work directly with product line managers from national brands to create custom products, color and graphics. (Page 40)</li> </ul>	<p><b>Emblematic/Logo Merchandise Clothing And Gifts</b></p> <ul style="list-style-type: none"> <li>Have developed a strategic plan to provide an array of styles and colors all designed to cater to STC's marketplace. (Page 83)</li> </ul>



BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Campus Events And Activities</b></p> <ul style="list-style-type: none"> <li>Will reach out to student unions, clubs, athletics teams and other groups on STC's campuses, and encourage them to use the Bookstores as resources for communications, events, fundraising and more. (Page 44)</li> </ul>	<p><b>Campus Events / Activities</b></p> <ul style="list-style-type: none"> <li>Will work with administration and campus organizations to find how their services best fit into the overall goal of annual and special events occurring throughout the school year. (Page 42)</li> </ul>	<p><b>Campus Events And Activities</b></p> <ul style="list-style-type: none"> <li>Pay close attention to the wants and needs of their customers to plan in-store events tailored to specific campus groups. (Page 46)</li> </ul>	<p><b>Campus Events And Activities</b></p> <ul style="list-style-type: none"> <li>Will utilize a variety of market mediums as well as partnerships with the alumni association, athletic department and student groups to promote the Bookstore. (Page 96)</li> </ul>
<p><b>Marketing / Advertising Plan</b></p> <ul style="list-style-type: none"> <li>Markets across multi-channels (email, social media, orientation, etc.) engaging the campus through exciting, in-store initiatives and events throughout the year. (Pages 44-48)</li> <li>Offers a customized loyalty program that builds and enhances relationships with students. (Page 45)</li> </ul>	<p><b>Marketing / Advertising</b></p> <ul style="list-style-type: none"> <li>Will offer dynamic marketing and promotion strategies to engage students, faculty, staff, alumni and parents. (Page 44)</li> <li>Will partner with STC to support current marketing campaigns as well as tailor future communications around the target audience including email blasts, social media outlets, advertising in the College newspaper, newsletters, flyers, etc. (Pages 44 and 47-48)</li> </ul>	<p><b>Marketing / Advertising Plan</b></p> <ul style="list-style-type: none"> <li>Will create and implement marketing, advertising, and promotions that drive traffic, and revenues, into the Bookstore. (Page 45)</li> <li>Will identify marketing opportunities and act quickly to implement marketing tactics that are tailored to fit the needs of the Bookstore, ensuring that the marketing in support of the Bookstore is relevant to STC's various audiences. (Page 45)</li> </ul>	<p><b>Marketing / Advertising Plan</b></p> <ul style="list-style-type: none"> <li>Marketing approach is to develop the Bookstore's image through a collaborative and targeted process that differentiates its image, provides powerful competitive advantages and drives sales growth. (Page 92)</li> <li>The Bookstore Manager will receive guidance and suggestions from the marketing team, however, each activity shall meet the needs and expectations of the community. (Page 94)</li> </ul>
<p><b>Social Media Plan</b></p> <ul style="list-style-type: none"> <li>Will build a dialogue with students through social media platforms, (Pinterest, Instagram, Twitter and Facebook.) (Page 48)</li> <li>Will partner with and link to STC's social media department to extend the conversation across STC's network. Using these platforms they will educate about their affordable course materials options; share information about merchandise promotions; promote the social activism opportunities they are passionate about; and spotlight STC events. (Page 48)</li> </ul>	<p><b>Social Media Plan</b></p> <ul style="list-style-type: none"> <li>Social Media provides their customers with many different platforms enabling the Store to deliver valuable information and receive timely and pertinent information relating to their services. (Page 18)</li> <li>Will remain digitally connected and relevant by integrating social networking features into their marketing campaigns. (Pages 48-49)</li> </ul>	<p><b>Social Media Plan</b></p> <ul style="list-style-type: none"> <li>Invests in emerging media and digital loyalty channels, including social media and mobile marketing, ensuring that "relevance" and "engagement" pervades every aspect of their marketing efforts. (Page 47)</li> <li>Currently utilizes Facebook, Foursquare and mobile media to deliver very timely and highly targeted marketing, advertising and promotional messages to students. (Pages 47-50)</li> </ul>	<p><b>Social Media Plan</b></p> <ul style="list-style-type: none"> <li>Focus on building customer relationships in order to drive more frequent purchase patterns. By encouraging and inciting students to opt-in to their various lists, they're able to build loyalty and communicate promotions and events that can help drive sales. (Page 96)</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.10 - TENDER TYPES / DISCOUNTS MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<p><b>Tender Types</b></p> <ul style="list-style-type: none"> <li>Accepts cash, personal checks, bank debit cards, American Express, Discover, Visa and MasterCard credit cards, B&amp;N gift cards and the Jag Card. (Page 49)</li> </ul> <p><b>Department Charge Discount</b></p> <ul style="list-style-type: none"> <li>Will extend a 20% discount on all authorized departmental purchases except adopted textbooks, special orders, sale books, class and alumni rings, computer software, periodicals, discontinued merchandise, computer hardware, stamps, HBAs, food snacks and beverages. (Page 49)</li> </ul> <p><b>Faculty And Staff Discounts</b></p> <ul style="list-style-type: none"> <li>Will extend a 10% discount to faculty and staff on all purchases for personal use except adopted textbooks, special orders, sale books, class and alumni rings, computer software, periodicals, discounted merchandise, computer hardware, stamps, HBAs, food snacks and beverages. (Page 49)</li> </ul>	<p><b>Tender Types</b></p> <ul style="list-style-type: none"> <li>Accepts checks and all major credit cards, debit cards, financial aid, STC Jag Card, gift cards, vouchers, scholarships, etc. (Page 50)</li> </ul> <p><b>Department Charge Discount</b></p> <ul style="list-style-type: none"> <li>Will offer all departments a 20% discount on merchandise (with the exception of textbooks, sale merchandise and technology). (Page 51)</li> </ul> <p><b>Faculty and Staff Discounts</b></p> <ul style="list-style-type: none"> <li>Will offer a 10% discount on merchandise (with the exception of textbooks, sale merchandise and technology). (Page 51)</li> </ul>	<p><b>Tender Types</b></p> <ul style="list-style-type: none"> <li>Accepts checks and all major credit cards including VISA, MasterCard, American Express and Discover Card, financial aid vouchers, as well as charges to the school's accounts, and can easily interface with the Jag Card system. (Page 50)</li> </ul> <p><b>Department Charge Discount</b></p> <ul style="list-style-type: none"> <li>Offer a departmental discount of 20% discount on all purchases over \$1.00, excluding textbooks, sale merchandise, computer hardware, and academically discounted software. (Page 50)</li> </ul> <p><b>Faculty And Staff Discounts</b></p> <ul style="list-style-type: none"> <li>Offer all faculty members and staff a 10% discount on all purchases over \$1.00, excluding textbooks, sale merchandise, computer hardware, and academically discounted software. (Page 51)</li> </ul>	<p><b>Tender Types</b></p> <ul style="list-style-type: none"> <li>Accepts MasterCard, VISA, Novus/Discover and American Express credit cards, debit cards bearing the VISA logo, gift cards and personal checks, as well as Department Charges, financial aid, scholarship payments and the Jag Card. (Page 105)</li> </ul> <p><b>Department Charge Discount</b></p> <ul style="list-style-type: none"> <li>Offers a 20% discount on supplies (excluding sale items, textbooks, and software) to all campus departments. (Page 105)</li> </ul> <p><b>Faculty And Staff Discounts</b></p> <ul style="list-style-type: none"> <li>Offers a 10% discount on merchandise (excluding sale items, software and textbooks) to all full-time campus staff and faculty. (Page 105)</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.13 - FACILITY INVESTMENT MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>FINANCIAL COMMITMENT</b>			
<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<p><b>TOTAL</b></p> <ul style="list-style-type: none"> <li>• \$30,000</li> </ul> <p><b>Pecan Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$30,000 to install new carpeting</li> </ul> <p><b>Mid-Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• Did not submit a proposed facility investment as required in Section 7.13 of the RFP.</li> <li>• Has invested \$410,000 in renovations and systems installation for the Pecan, Starr County, and Mid-Valley Campus Bookstores over the course of their 10-year partnership. (Pages 55, 57 and Financial Bid Forms)</li> </ul>	<p><b>TOTAL</b></p> <ul style="list-style-type: none"> <li>• \$100,000 (Page 57 and Financial Bid Form)</li> </ul> <p>(Note: The following statement on Page 57 of the Proposal requires clarification: "Buyback protection for any capital would be written into the final agreement.")</p>	<p><b>OPTIONS 1 &amp; 2</b></p> <p><b>Pecan Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$375,000</li> </ul> <p><b>Mid-Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• Did not submit a proposed facility investment as required in Section 7.13 of the RFP.</li> </ul> <p><b>OPTION 3</b></p> <p><b>Pecan Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$285,000</li> </ul> <p><b>Mid-Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• Did not submit a proposed facility investment as required in Section 7.13 of the RFP. (Pages 53-55, 57 and Financial Bid Form)</li> </ul>	<p><b>TOTAL</b></p> <ul style="list-style-type: none"> <li>• \$250,000</li> </ul> <p><b>Pecan Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$200,000</li> </ul> <p><b>Mid-Valley Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$40,000</li> </ul> <p><b>Starr County Campus Bookstore</b></p> <ul style="list-style-type: none"> <li>• \$10,000 (Pages 109, 111, and Financial Bid Form)</li> </ul>



**FACILITY PLANS**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<ul style="list-style-type: none"> <li>Has invested \$410,000 in renovations and systems installation for the Pecan, Starr County, and Mid-Valley Campus Bookstores over the course of their 10-year partnership. (Page 57 and Financial Bid Forms)</li> </ul>	<p><b>Pecan And Mid-Valley Campus Bookstores</b></p> <ul style="list-style-type: none"> <li>Will feature design and functionality that support the brand values around student engagement and student gathering. (Page 58)</li> <li>Designs will include:               <ul style="list-style-type: none"> <li>- Customer Service Counter</li> <li>- Textbook Depot</li> <li>- Community Board</li> </ul>               (Pages 58-61)             </li> <li>Provides a Proposed Store Layout. (Pages 59-61)</li> </ul>	<p><b>Pecan and Mid-Valley Campus Bookstores</b></p> <ul style="list-style-type: none"> <li>Will provide Bookstores that attract customers, increase sales, and enhance STC's academic image. (Pages 57-60)</li> <li>This investment may include flooring, paint, accent lighting, furniture, fixtures, equipment, and computers. (Page 57)</li> </ul> <p>(Note: This needs clarification, as it may not comply with Section 7.13a of the RFP, due to the inclusion of equipment and computers.)</p> <ul style="list-style-type: none"> <li>Provided a Proposed Facility Plan and a Café Concept Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Focused on designing bookstores, dining spaces and student unions that are great looking, highly functional and environmentally friendly, too. (Page 112)</li> <li>Will study the target market, recommend product adjacencies and design a space that is perfectly suited to draw guests in, keep them shopping longer, ensure they're comfortable and make them want to come back for more. (Page 111)</li> </ul> <p><b>Pecan and Mid-Valley Campus Bookstores</b></p> <ul style="list-style-type: none"> <li>Did not provide facility plans as required in Section 7.13a of the RFP.</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.14 - TECHNOLOGY MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Technology Plans</b></p> <ul style="list-style-type: none"> <li>Offers the industry's latest technologies to increase efficiency and maximize performance including: a textbook management system, TA2, a robust merchandise management system, a student financial aid platform, and a POS system offering the fastest check-out times of any college retailer. (Pages 58-59)</li> </ul> <p><b>Web Site</b></p> <ul style="list-style-type: none"> <li>Will maintain a highly-personalized eCommerce site. Adoption and purchase of textbooks are simple. Site visitors enjoy a brand-centered experience tailored to their browsing history and relationship to STC. (Page 60)</li> <li>Offers the following: <ul style="list-style-type: none"> <li>Textbook Reservation Program</li> <li>Online Textbook Ordering Program</li> <li>Online Textbook Adoption Program</li> <li>Online Buyback</li> <li>Registration Integration</li> <li>HEOA Compliance</li> <li>Ordering Program for General Merchandise (Pages 60-61)</li> </ul> </li> </ul> <p><b>Jag Card</b></p> <ul style="list-style-type: none"> <li>Has fully integrated its internal systems and POS registers with STC's Jag Card platform. (Page 64)</li> </ul>	<p><b>Technology Plans</b></p> <ul style="list-style-type: none"> <li>Proprietary POS system contains all the necessary functionality to operate all aspects of the Bookstore. Offers textbook sales and buyback management along with "real time" information on new editions. Has full POS and barcode capabilities, easy database management and can be either Cloud-based or server-based. (Page 62)</li> </ul> <p><b>Web Site</b></p> <ul style="list-style-type: none"> <li>Will feature a fully functional custom E-commerce site that represents STC's brand and image. (Page 64)</li> <li>Offers the following: <ul style="list-style-type: none"> <li>Textbook Reservations</li> <li>Online Adoptions</li> <li>HEOA Compliance</li> <li>Online Buyback</li> <li>Financial Aid</li> </ul> </li> </ul>	<p><b>Technology Plans</b></p> <ul style="list-style-type: none"> <li>Currently utilizes the JDA Distributed Store System™ in their bookstores and will be implementing the Oracle point-of-sale system next year. (Page 61)</li> <li>Utilizes CourseTracks, a state-of-the-art, proprietary merchandise management software. (Page 62)</li> </ul> <p><b>Web Site</b></p> <ul style="list-style-type: none"> <li>Leverages the convenience of online shopping with the support of a local bookstore operation, by simplifying the online order process to maximize student access to the right materials and drive online sales. (Page 63)</li> <li>Offers the following: <ul style="list-style-type: none"> <li>Online Textbook Orders and Reservations</li> <li>Online Adoptions</li> <li>Online Buyback</li> <li>Registration Integration</li> <li>HEOA Compliance</li> <li>General Merchandise Ordering</li> </ul> </li> </ul>	<p><b>Technology Plans</b></p> <ul style="list-style-type: none"> <li>PRISM retail management solution is an integrated product suite that offers barcode scanning, POS, online buyback, complete inventory control, and financial accounting. (Page 117)</li> </ul> <p><b>Web Site</b></p> <ul style="list-style-type: none"> <li>Will establish an unbeatable Web presence that connects guests to the Bookstore. Visitors to the site will see STC's brand, colors, and identity. (Page 121)</li> <li>Offers the following: <ul style="list-style-type: none"> <li>Online Textbook Order/Reservation Program</li> <li>Online Buyback</li> <li>Registration Integration</li> </ul> </li> </ul>

**CAPITAL INVESTMENT FOR TECHNOLOGY / AUTOMATION**

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>• Has already outfitted the Bookstores with their state-of-the-art operating systems so no capital investment for technology is needed as part of their financial offer to the College. Instead they are pleased to offer the College a significant signing bonus. (Page 64 and Financial Bid Forms)</li> </ul> <p><b>Timeline</b></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>• \$101,200 (Page 65 and Financial Bid Form)</li> <li>• Buyback protection for any capital would be written into the final agreement. (Page 65)</li> </ul> <p><b>Timeline</b></p> <ul style="list-style-type: none"> <li>• Provides a Transition Timeline that includes IT integration. (Page 66)</li> </ul>	<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>• \$54,000 (Page 73 and Financial Bid Form)</li> </ul> <p><b>Timeline</b></p> <ul style="list-style-type: none"> <li>• Did not provide a Timeline as required in Section 7.14d of the RFP.</li> </ul>	<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>• \$135,000 (Page 109 and Financial Bid Form)</li> </ul> <p><b>Timeline</b></p> <ul style="list-style-type: none"> <li>• Did not provide a Timeline as required in Section 7.14d of the RFP.</li> </ul>



**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.15 - TRANSITION PLAN MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<ul style="list-style-type: none"> <li>N/A</li> </ul>	<p><b>Timeline And Dates</b></p> <ul style="list-style-type: none"> <li>Provides a 12-week Transition Plan. (Page 66)</li> </ul>	<p><b>Timeline And Dates</b></p> <ul style="list-style-type: none"> <li>Transition team moves swiftly to establish 30, 60 and 90-day goals for a seamless, hassle-free transition. (Page 74)</li> <li>Provides a Transition Plan. (Pages 74-76)</li> <li>Did not provide dates as required in Section 7.15a of the RFP.</li> </ul>	<p><b>Timeline And Dates</b></p> <ul style="list-style-type: none"> <li>Provides a Transition Plan (Pages 133-136)</li> <li>Did not provide a timeline and dates as required in Section 7.15a of the RFP.</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA  
SECTION 7.16 - ADDITIONAL INFORMATION MATRIX  
AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

<b>BARNES &amp; NOBLE</b>	<b>BBA SOLUTIONS</b>	<b>FOLLETT</b>	<b>NEEBO</b>
<ul style="list-style-type: none"> <li>Have no other information to supply. (Page 65)</li> </ul>	<ul style="list-style-type: none"> <li>Provides Additional Information on Sustainability and Social Responsibility. (Pages 67-68)</li> </ul>	<ul style="list-style-type: none"> <li>Provides information regarding Academic Tools and Utilities, includED Program, Customized Solutions. (Pages 76-78)</li> </ul>	<ul style="list-style-type: none"> <li>Provides additional information regarding Inventory Purchase. (Page 137)</li> </ul>

**STC BOOKSTORE PROPOSALS CRITERIA**  
**SECTION 7.17 - EXCEPTIONS TO THE RFP REQUIREMENTS MATRIX**  
**AUGUST 2014**

(Note: Information below has been taken directly from the Proposals submitted by the Contractors. Page numbers refer to the Proposals.)

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p>Respectfully takes exception to the following section of the RFP:  <b>PRICING POLICIES</b>  <b>Course Packs / Textbooks from Publishers with Restrictive Policies</b></p> <ul style="list-style-type: none"> <li>Respectfully requests the College's consideration of their request to maintain the current contractual pricing policy for course packs, textbooks purchased from publishers with restrictive or non-returnable text policies, and bundled packages of course materials being priced at up to a 30% gross margin.  (Pages 35 and 65 and Attachment B14 of this Analysis)  (Note: This does not comply with Section 5.5b of the RFP.)</li> </ul>	<p>Submits its proposal conditioned upon the incorporation of the following modifications:  <b>Employment Laws</b></p> <ul style="list-style-type: none"> <li>Requests modification to Section 5.3h to include the word "applicable" state and federal employment requirements.  (Page 69)  (Note: This does not comply with Section 5.3h of the RFP.)</li> </ul> <p><b>Employee Removal</b></p> <ul style="list-style-type: none"> <li>Requests that any request by STC for BBA to remove any of its employees shall be in writing, shall not violate or contravene applicable law, and shall be administered in accordance with BBA's policies pertaining to such matters.  (Page 69)  (Note: This does not comply with Section 5.3j of the RFP.)</li> </ul> <p><b>Inventory Purchase</b></p> <ul style="list-style-type: none"> <li>Requests modification to Section 6.20.  (Page 69)  (Note: This does not comply with Section 6.20 of the RFP.)</li> </ul> <p><b>Affordable Care Act Adjustment</b></p> <ul style="list-style-type: none"> <li>Requests the inclusion of "Adjustments" to financial arrangements due to the implementation of the Affordable Care Act.  (Page 70 and Attachment A4 of this Analysis.)</li> </ul>	<p>Respectfully requests that alternative language be considered:  <b>PRICING POLICIES</b>  <b>Textbook Rentals and included</b></p> <ul style="list-style-type: none"> <li>(Pages 35, 79 and Attachment B14 of this Analysis)  (Note: This does not comply with Section 5.5b of the RFP.)</li> </ul> <p><b>Inventory Purchase</b></p> <ul style="list-style-type: none"> <li>(Pages 79-80)  (Note: This does not comply with Section 6.20 of the RFP.)</li> </ul> <p><b>Gross Revenue Definition</b></p> <ul style="list-style-type: none"> <li>(Pages 55, 80 and Attachment A4 of this Analysis)  (Note: This does not comply with Section 7.12a of the RFP.)</li> </ul>	<p>There are no noted exceptions to the RFP.  (Page 139)</p>



EXCEPTIONS TO THE RFP THAT ARE NOT NOTED

BARNES & NOBLE	BBA SOLUTIONS	FOLLETT	NEEBO
<p>The following are not noted as exceptions to the RFP, but do not comply with the RFP:</p> <p><b>Digital Content Sales Definition</b> When B&amp;N sells digital content as an agent, B&amp;N's agency fee shall be the applicable gross sales for such digital content. (Page 56 and Attachment A4 of this Analysis.) (Note: This does not comply with Section 7.12a of the RFP.)</p> <p><b>Contract Termination</b></p> <ul style="list-style-type: none"> <li>Provides Contract Termination language. (Page 56 and Attachment A4 of this Analysis.) (Note: This does not comply with Section 6.2b of the RFP.)</li> </ul> <p><b>Facility Investment Ownership</b></p> <ul style="list-style-type: none"> <li>Should STC cancel or fail to renew this agreement before the end of that period, then STC shall reimburse B&amp;N for any amount of the investment not yet amortized. (Page 55 and Attachment A4 of this Analysis.) (Note: This does not comply with Section 5.12a of the RFP.)</li> </ul> <p><b>PRICING POLICIES</b> <b>New Textbooks</b> <b>Digital Course Materials</b> (Note: This does not comply with Section 5.5b of the RFP.) (Page 35 and Attachment B14 of this Analysis.)</p>	<p>The following are not noted as exceptions to the RFP, but do not comply with the RFP:</p> <p><b>Gross Sales Definition</b></p> <ul style="list-style-type: none"> <li>Provides a Gross Sales definition. (Page 57 and Attachment A4 of this Analysis.) (Note: This does not comply with Section 7.12 a of the RFP.)</li> </ul>	<p>The following are not noted as exceptions to the RFP, but do not comply with the RFP:</p> <p><b>Facility Investment</b></p> <ul style="list-style-type: none"> <li>(Page 57 and Attachment B24 of this Analysis) (Note: This needs clarification, as it may not comply with Section 7.13a of the RFP, due to the inclusion of equipment and computers.)</li> </ul> <p><b>Contract Termination</b></p> <ul style="list-style-type: none"> <li>Provides Contract Termination language. (Page 84 and Attachment A4 of this Analysis.) (Note: This does not comply with Section 6.2b of the RFP.)</li> </ul>	<p>The following are not noted as exceptions to the RFP, but do not comply with the RFP:</p> <p><b>Gross Sales Definition</b></p> <ul style="list-style-type: none"> <li>Provides a Gross Sales definition. (Page 109 and Attachment A4 of this Analysis) (Note: This does not comply with Section 7.12 of the RFP.)</li> </ul> <p><b>PRICING POLICIES</b> <b>Textbook Rentals</b> <b>Digital Textbooks</b> <b>Course Packs, etc.</b></p> <ul style="list-style-type: none"> <li>Did not provide pricing policies for textbook rentals, digital textbooks, etc., as required in Section 7.6a of the RFP.</li> </ul>

**SOUTH TEXAS COLLEGE BOOKSTORE-CONSOLIDATED  
FINANCIAL TRENDS**

	FY '10	FY '11	FY '12	FY '13	FY '14
<b>TOTAL SALES</b>					
Total Sales	4,701,042	4,359,057	4,352,170	4,529,127	3,997,913
\$ Inc./Dec.	-	-341,985	-6,887	176,957	-531,214
% Inc./Dec.	-	-7.27%	-0.16%	4.07%	-11.73%
<b>SALES MIX RATIO</b>					
Total Course Materials Sales	4,217,929	3,836,332	3,801,623	3,989,360	3,469,590
Total Sales	4,701,042	4,359,057	4,352,170	4,529,127	3,997,913
Sales Mix Ratio	89.72%	88.01%	87.35%	88.08%	86.79%
<b>USED TEXTBOOK RATIO</b>					
Used Textbook Sales	441,981	644,549	708,797	788,979	494,815
Textbook Sales-New & Used	4,217,929	3,764,862	3,638,127	3,734,329	3,069,738
Used Textbook Ratio	10.48%	17.12%	19.48%	21.13%	16.12%
<b>SALES PER FTE STUDENT</b>					
Total Sales	4,701,042	4,359,057	4,352,170	4,529,127	3,997,913
Annual FTE Enrollment	17,918	18,710	18,748	19,104	N/A
Sales Per FTE Student	262	233	232	237	-
<b>TEXT SALES PER FTE STUDENT</b>					
Total Course Materials Sales	4,217,929	3,836,332	3,801,623	3,989,360	3,469,590
Annual FTE Enrollment	17,918	18,710	18,748	19,104	N/A
Text Sales Per FTE Student	235	205	203	209	-
<b>COMMENTS:</b>					
1. Total Sales figures were obtained from the "South Texas Rollup Report" for Fiscal 2010-Fiscal 2014.					
2. Total Annual FTE Enrollment figures were obtained from the "STC Summary of Fall Semester Headcount, Unduplicated Annual 2013 Headcount and Annual Full Time Equivalent Report" for 2009-2013.					

## PROPOSAL EVALUATION FORM

PROJECT OR RFP NAME & NUMBER: OPERATION OF COLLEGE BOOKSTORE RFP 14-15-1010

VENDOR NAME: \_\_\_\_\_

EVALUATOR NAME: \_\_\_\_\_  
Printed name Signature

**No STC employee may perform an evaluation on a proposal if a relationship exists whether by relative, business associate or capital funding agreement between him/her and the entity/individual being evaluated. By signature hereon, the evaluator acknowledges that no such relationship exists.**

FACTORS	Weight Points	Score
1. The respondent's financial proposal <ul style="list-style-type: none"> <li>• Minimum Annual Financial Guarantee</li> <li>• Percentage commission on commissionable sales</li> <li>• Capital investment plan for Bookstore Facilities</li> <li>• Additional Financial Incentives</li> </ul>	<b>35</b>	_____
2. The respondent's demonstrated ability and experience in providing the services requested <ul style="list-style-type: none"> <li>• Experience of staff</li> <li>• Experience in providing similar services to other institutions of higher education</li> <li>• Financial standing and resources of organization</li> </ul>	<b>25</b>	_____
3. The respondent's management plan and its responsiveness to the needs of the STC community <ul style="list-style-type: none"> <li>• Organization of Bookstore</li> <li>• Overall textbook/course materials affordability</li> <li>• Used textbook/textbook rental/buyback program</li> <li>• Textbook/course materials pricing policy</li> <li>• Payment methods and refund policy</li> <li>• Customer service program</li> <li>• Special order policy</li> <li>• Textbook/course materials program</li> <li>• Technology and accounting systems</li> <li>• Acquisition of inventory</li> <li>• General merchandise (clothing, gifts, etc.)</li> <li>• Emergency contingency plan</li> <li>• Other management factors</li> </ul>	<b>25</b>	_____
4. The quality and reputation of the respondent's goods and services <ul style="list-style-type: none"> <li>• Quality of references</li> <li>• Quality of proposed services</li> <li>• Conformance to RFP specifications</li> </ul>	<b>10</b>	_____
5. The respondent's transition plan	<b>5</b>	_____
<b>TOTAL POINTS</b>		_____



**Discussion and Action as Necessary on College’s Depository Bank Services**

The agreement for depository bank services was awarded to BBVA Compass at the July 29, 2014 Board meeting for a two (2) year period beginning September 1, 2014 and ending August 31, 2016, with the option to renew for two additional two (2) year periods.

All of the College’s funds are deposited and invested at the College’s depository bank and must be fully federally insured or collateralized at 102% continuously in conformance with the College’s Investment Policy and Investment Strategy, Texas Public Funds Collateral Act (Texas Government Code, Chapter 2257) and Section 51.002 of the Texas Education Code.

The proposal for depository bank services submitted by BBVA Compass in response to the College’s request for proposals indicated that the bank agreed to obtain and maintain acceptable collateral sufficient to cover all anticipated bank deposits above the legal FDIC insured limit. As per the bank proposal, BBVA Compass offered competitive Certificate of Deposits (CDs) rates based on the LIBOR index and would independently evaluate each CD rate upon request. Additionally, two options were provided for interest rates for checking accounts.

**Collateral and Interest Rates Terms**

During initial discussion with BBVA Compass staff regarding the proposal submitted, there were various ambiguities related to the collateral and interest rate terms. In particular, it was unclear whether BBVA would collateralize the full amount of all deposits made by the College and whether the collateral term limits applied only to checking account balances or to checking and CD account balances. In addition, it was unclear what interest rates would be offered for the checking accounts and CDs. STC staff and Legal Counsel met with BBVA Compass staff to determine whether the bank’s proposal was fully responsive to the College’s request for proposal. After extensive discussion with BBVA Compass staff, STC staff and Legal Counsel clarified the terms to be as follows:

<b>Collateral and Interest Rates Terms</b>			
	<b>RFP Responses</b>	<b>Contract Discussions with Bank</b>	
		<b>Option 1</b>	<b>Option 2</b>
<b>Collateral Terms Limits</b>	Option 1 \$150,000,000 and Option 2 \$100,000,000 Deposit limits apply only to Checking Account Balances	<u><b>\$150,000,000 Limit</b></u> <u>Total Deposit</u> <u>(Checking and CD’s)</u> <u>Balances</u> If collateral over \$150M is required; the Bank reserves the right to change the contracted interest rate.	<u><b>\$100,000,000 Limit</b></u> <u>Total Deposit</u> <u>(Checking and CD’s)</u> <u>Balances</u> If collateral over \$100M is required; the Bank reserves the right to change the contracted interest rate.

	RFP Responses	Option 1	Option 2
		Interest Rate	Interest Rate
Checking Accounts	Option 1: 0.05% interest rate up to \$150,000,000 Option 2: 0.10% interest rate up to \$100,000,000	0.05% interest rate up to \$150,000,000 total aggregate deposits	0.10% interest rate up to \$100,000,000 total aggregate deposits
Certificate of Deposits (CDs)	LIBOR with Bank evaluation	LIBOR (0.1565%) with Bank evaluation = 0.02% at September 2, 2014 for 30 day CD	LIBOR (0.1565%) with Bank evaluation = 0.02% at September 2, 2014 for 30 day CD

Under the proposed collateral and interest rate options, the College’s bank deposits would yield the following interest rates based on a total deposit balance of \$250,000,000:

Total Deposits \$250M	Example Option 1 - \$150M	Example Option 2 - \$100M
\$50 M in Checking	\$50 M = 0.05%	\$50 M = 0.10%
\$200 M in CDs	\$100 M = 0.02% \$100 M = subject to pricing adjustment	\$50 M = 0.02% \$150 M = subject to pricing adjustment

**Summary and Recommendation**

In summary, in order to increase interest earnings and not be subject to the reduced interest rates (pricing adjustments), the College has the opportunity to consider other investment options, including but not limited to the following:

- Maintain all bank deposits at BBVA Compass with the terms set above
- Maintain checking accounts and CDs at BBVA Compass and invest any excess over the collateral term limits in CDs at other banking institutions
- Purchase other eligible investments with BBVA Compass or with other entities such as investment pools

In the past and as per the prior bank depository contract, all monies of the College were deposited with BBVA Compass in either checking accounts or CDs.

The College requests feedback from the Finance and Human Resources Committee and authorization to:

1. Deposit the College’s funds in one or more of the investment options stated above.
2. Engage the services of an investment advisor in order to obtain professional guidance related to the College’s investment activities.

It is requested that the Finance and Human Resources Committee recommend Board action, as necessary on the College’s depository bank services for the September 23, 2014 Board Meeting.