Southwest Minnesota State University

ADDENDUM NO. #1

SUBJECT: Request for Qualifications for RFP-Bookstore at Southwest Minnesota State University

The Proposal due date of Friday April 23, 2021 will not change as a result of this Addendum.

DATE: April 8, 2021
TO: All interested responders
FROM: Christy Johnson

Questions and Response
The following questions and clarifications were provided:
1. Please provide the last three full years of sales history broken down by product category:
   - FY 2020-2021 is not available at this time

2. Rentals by book units both new and used
   a. Unable to provide this information

3. Apparel and gift unit sales
   a. Please see the links provided in “b” above

4. The number of customers served
   a. Unable to determine the number

5. Please plan of the present Campus Bookstore:
   a. CAD drawings are unavailable
   b. These are the .pdf plans of the bookstore:
6. Please identify who owns the present store fixtures.
   a. The sales floor fixtures and anything affixed within the store belong to SMSU.
   b. The non-secured operational shelving belongs to the current vendor.

7. Please identify if there is any unamortized balance that would be due to your present contractor.
   a. There is no unamortized balance.

8. Please identify when the last time the store was remodeled.
   a. There has not been a remodel since the construction of the building in 2004.

9. Please identify if financial aid is used within the store and what amount of your present store sales are a component of financial aid.

<table>
<thead>
<tr>
<th>Total Gross Sales</th>
<th>Percent of Total Gross Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>(financial aid only)</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$200,334</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$183,199</td>
</tr>
<tr>
<td>FY 2020</td>
<td>$164,867*</td>
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</tbody>
</table>
   *(Includes estimated amounts for yearend)*

10. Please identify the present textbook pricing model that is in place in your store.
   a. 25% margin on new textbooks
   b. Other margins vary greatly by item

11. Please identify if there are any unique direct to publisher relationships that would need to be honored within the contract.
    a. There are no publisher relationships with the university.

12. Are there any Campus Card programs that need to be administered through the Campus Store, and if so, are there any annual fees or percentages applicable.
    a. SMSU does have a campus card that may be used in the bookstore.
    b. There are no percentages or fees associated with this card at this time.

13. A copy of the bookstore contract.

Barnes and Noble
2014 Contract.pdf
14. A statement of commission payments to the University paid by the bookstore.
   a. Commission Payment:
      i. FY 2017-2018 $136,516
      ii. FY 2018-2019 $125,864
      iii. FY 2019-2020 $113,015

15. What is the current commission rate being paid to Southwest Minnesota State University from your current bookstore service provider? Are any other financial contributions being made by your current provider?
   a. 13.1% of all gross sales up to $1,500,000
      i. 14.1% of all gross sales from $1,500,000 to $2,000,000
      ii. 15.1% of all gross sales over $2,000,000
      iii. With a first year guaranteed amount of $150,000 and following years guarantee amount being 90% of the previous years calculated commission.
   b. Other contributions include:
      1. $100,000 signing bonus (amortization completed)
      2. $5,000 annual textbook scholarship
      3. $50,000 annual payment to the SMSU Foundation
      4. $10,000 annual payment to SMSU Athletics

16. What are your projected enrollment numbers for the next 3 years?
   a. We are projecting to remain flat in numbers for the upcoming couple of years.
   b. The current enrollment fall 2020 semester was 2,347.

17. What is the current process for faculty to submit adoptions?
   a. The current process is that the bookstore contacts the faculty. The faculty have the option of providing their list in writing or by electronic means with the current vendors system.

18. Please provide your Learning Management System (LMS) and your Student Information System (SIS).
   a. Our Learning Management System is D2L Brightspace
   b. Our Student Information System is ISRS, Institutional Student Record System. This is a home grown system utilized by the Minnesota State System. This is to be replaced by Workday in the next few years.

19. Does your campus utilize a campus card or other similar service for student account balances? Is this tender accepted at the bookstore?
   a. Yes, SMSU has a campus card and yes, it is accepted at the bookstore.

20. Does the bookstore accept Financial Aid tender? If so, when is Financial Aid available for students to use in the bookstore?
   a. Yes, the bookstore accepts Financial Aid.
   b. Financial Aid becomes available approximately 2 weeks prior to the start of the term.
21. What are some of the challenges that the University has with the current provider that you would like addressed with future bookstore operations?
   a. The main challenge is the price of the textbooks. This is the single most common complaint from our students.

22. Is there currently a bookstore-operated “Inclusive Access” or “Direct Access” program being implemented at Southwest Minnesota State University?
   a. No there is not

23. What is the preference for the order of the content for responses to the RFP? In the same order as “Section III. Vendor Requirements” or “Section IV. Response Evaluation”?
   a. Either format would be acceptable. However, I would prefer the Vendor Requirements if possible.

24. Is SMSU open to a virtual bookstore? All course materials online? And if so, do you have someone to run a spiritwear store? Or are you only open to a Full Service bookstore?
   a. SMSU would welcome proposals for fully virtual bookstores.
   b. However, such proposals must include viable solutions to Spiritwear sales.

The above ADDENDUM shall be attached to and become part of the bid. Receipt of this Addendum shall be acknowledged by including it with the bid. Failure to do so may subject BIDDER to disqualification.

END OF ADDENDUM NO. #1