FORT HAYS STATE UNIVERSITY

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ADDENDUM

June 3, 2014

Addendum Number: 3

Contract Number: 09011

Fort Hays State University Purchasing Office
E-Mail Address: purchasing@fhsu.edu
Web Address: http://www.fhsu.edu/purchasing/
Telephone: 785-628-4251
Fax: 785-628-4046

Item: **Operations of the University Textbook Services/Bookstore Services**

Agency: Fort Hays State University, Hays, KS

Term of Contract: July 1, 2014 through June 30, 2017 ~~with two (2) additional one (1) year renewal(s) by written agreement of the parties~~.

Contractor: Follett Higher Education Group
~~1818 Swift Drive~~ 3 Westbrook Corporate Center, Suite 200
~~Oak Brook, IL 60523~~ Westchester, IL 60154
Telephone: ~~800-323-4506 or 630-371-5232~~ 800-365-5388 (1-800-FOLLETT) or 708-884-0000 (local)
Fax: 708-884-0751
FEIN: 36-2593135
E-Mail: astratman@follett.com
Contact Person: Alan Stratman

Conditions:

- Contract end date will be June 30, 2017.
- Follett address and telephone change referenced above.
- Follett agrees to provide additional Annual Textbook Scholarship of $15,000 to be administered by the Vice President for Student Affairs for a total of $20,000 annually which includes $5,000 to FHSU Athletics Departments for textbooks during Fall Semesters.
- All other terms and conditions of the existing agreement will remain in force.

Acceptance: _____
Donald J. Germano, President, Follett Higher Education Group, Inc.

The above referenced contract extension was recently posted to the Fort Hays State University Internet website. The document can be downloaded by going to the following website: http://www.fhsu.edu/purchasing

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ADDENDUM

August 11, 2010

Addendum Number: 2

Contract Number: 09011

Fort Hays State University Purchasing Office
E-Mail Address: purchasing@fhsu.edu
Web Address: http://www.fhsu.edu/purchasing/
Telephone: 785-628-4251
Fax: 785-628-4046

Item: **Operations of the University Textbook Services/Bookstore Services**

Agency: Fort Hays State University, Hays, KS

Term of Contract: July 1, 2009 through June 30, 2014 ("initial term") with three (3) additional one (1) year renewal(s) by written agreement of the parties.

Contractor: Follett Higher Education Group
1818 Swift Drive
Oak Brook, IL 60523
Telephone: 800-323-4506 or 630-371-5232
Fax: 630-279-9235
FEIN: 36-2593135
E-Mail: astratman@fheg.follett.com
Contact Person: Alan Stratman

Conditions:

Textbook Rental Program will be implemented during Spring Semester 2011 per attached agreement.

The above referenced contract extension was recently posted to the Fort Hays State University Internet website. The document can be downloaded by going to the following website:
http://www.fhsu.edu/purchasing

follett
HIGHER EDUCATION GROUP

To: Follett Higher Education Group
1818 Swift Dr.
Oak Brook, IL 60523
Attn: Tom Christopher, President

Fax: 630.279.9235
E-mail: TAChristopher@fheg.follett.com

Dear Tom:

This letter confirms our permission to implement textbook rental. Like Follett, we expect this program to be an outstanding success, and to significantly increase the affordability of course materials for our students.

Because textbook rental is not covered by our existing bookstore agreement, we understand and agree that the following terms will apply to rental:

1. For the purpose of calculating commissions, rental fees are included in the gross revenue calculations as are replacement costs collected for materials not returned. Any processing fees are not included.

2. The textbook pricing provisions of our Bookstore Operating Agreement do not apply to the rental program. Follett will be setting rental fees for each title, and any given title's fee may vary as a percentage of the retail selling price.

3. If our existing Bookstore Operating Agreement is terminated, expires, or is not renewed, then we or a successor bookstore operator will purchase all rental inventory on the terms currently outlined in our agreement.

Accepted by:

Date: 8-11-10

Signature:

Print Name: Mike Barnett

Title: Vice President for Administration and Finance

Institution: Fort Hays State University

Store(s): 1149

FORT HAYS STATE UNIVERSITY

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ADDENDUM

November 12, 2009

Addendum Number: 1

Contract Number: 09011

Fort Hays State University Purchasing Office
E-Mail Address: purchasing@fhsu.edu
Web Address: http://www.fhsu.edu/adminfin/purchasing/
Telephone: 785-628-4251
Fax: 785-628-4046

Item: **Operations of the University Textbook Services/Bookstore Services**

Agency: Fort Hays State University, Hays, KS

Term of Contract: July 1, 2009 through June 30, 2014 ("initial term") with three (3) additional one (1) year renewal(s) by written agreement of the parties.

Contractor: Follett Higher Education Group
1818 Swift Drive
Oak Brook, IL 60523
Telephone: 800-323-4506 or 630-371-5232
Fax: 630-279-9235
FEIN: 36-2593135
E-Mail: astratman@fheg.follett.com
Contact Person: Alan Stratman

Conditions:
Additional Points, Regalia (page 4).

1. **Regalia.** The RFP stated that the Contractor shall propose how it will handle commencement activities, i.e., the sale of caps and gowns, ~~rings, and other items~~. The University will have the final right to approve the vendors, styles, and quality of materials to be used in these items.

Financial and Scholarship Compensation Payments to FHSU.

1. Initial Support Funds (2009 - 2010) for the University in the amount of $300,000 have been received.

2. Annual Textbook Scholarship of $5,000 will be credited to FHSU Athletics Departments for textbooks during Fall Semesters 2009, 2010, 2011, 2012, and 2013.

3. Commissions and other contractually required payments only should be mailed to the Vice President for Administration and Finance office as stated on page 2 of the Contract Award.

The above referenced contract extension was recently posted to the Fort Hays State University Internet website. The document can be downloaded by going to the following website:
http://www.fhsu.edu/adminfin/purchasing/contracts/fhsu.shtml

CONTRACT AWARD

Date of Award: July 1, 2009

Contract Number: 09011

Replaces Contract: 33328

Fort Hays State University Purchasing Office
E-Mail Address: purchasing@fhsu.edu
Web Address: http://www.fhsu.edu/adminfin/purchasing/
Telephone: 785-628-4251
Fax: 785-628-4046

Item: **Operations of the University Textbook Services/Bookstore Services**

Agency: Fort Hays State University
Location(s): Hays, KS

Term of Contract: July 1, 2009 to June 30, 2014 with three (3) additional one (1) year renewal(s) by written agreement of the parties

Scope: The Contractor will provide Fort Hays State University with support services to operate textbook services as well as manage the University Bookstore in accordance with bid specifications of RFP #09011 during the contract period referenced above.

Contractor: Follett Higher Education Group
1818 Swift Drive
Oak Brook, IL 60523
Telephone: 800-323-4506 or 630-371-5232
Fax: 630-279-9235
FEIN: 36-2593135
E-Mail: astratman@fheg.follett.com
Contact Person: Alan Stratman

Prices: See Attached

Payment Terms: Net 30

Political Subdivisions: Pricing **is not** available to the political subdivisions of the State of Kansas.

The above referenced contract award was recently posted to the Fort Hays State University Internet website. The document can be downloaded by going to the following website:

http://www.fhsu.edu/adminfin/purchasing/

CONDITIONS

Conditions of Contract. The following terms and conditions of award are incorporated by reference and include: DA-45/146a; specifications and conditions of the proposal including any addenda; vendors response including any addenda, appendices and exhibits.

Order of Preference. Any conflict to the provisions of this contract and the documents incorporated by reference shall be determined by the following priority order:

a. Contract Provisions Attachment DA-45/146a;
b. Written modifications and addenda to the executed contract;
c. Written contract signed by the parties;
d. Request for Proposal #09011 including Addenda 1 and 2;
e. Contractor's written proposal responses for Textbook and Bookstore Services, including:
   1) Original Technical Proposal and Commission, Guarantee, and Other Compensation Proposal.
   2) Response to Questions for Follett regarding FHSU RFP 09011 sent by email dated April 24, 2009, May 8, 2009, and June 1, 2009.
   3) Best and Final Commission, Guarantee, and Other Compensation Proposal sent by email dated June 1, 2009.

FHSU Contacts.

University Contact: Dr. Tisa Mason, Vice President for Student Affairs (785-628-4277).

Virtual College Contact: Mr. Dennis King, Director, Virtual College and Learning Technologies (785-628-4194).

Financial Contact. Annual commission payments and financial and scholarship contributions should be mailed to:
Mr. Mike Barnett, Vice President for Administration and Finance
601 Park Street, Sheridan Hall 318
Hays, KS 67601
(785-628-4251)

Term of Contract: The term of this contract is from July 1, 2009, to June 30, 2014 with three (3) additional one (1) year renewal(s) by written agreement of the parties.

Compensation. Contractor agrees to provide all services pursuant to the Contract for the costs outlined below.

1. Annual Commission and minimum guarantee of $275,000:
   a. 11.6% of all gross revenue up to $2,000,000
   b. 12.6% of all gross revenue up to $2,000,000 to $3,000,000
   c. 13.1% of all gross revenue over $3,000,000

2. One-time cash contribution of $300,000.

3. Annual Textbook Scholarship of $5,000.

4. Bookstore Refurbishment of $110,000.

5. Installation of JDA/Windows DSS point-of-sale system and bookstore management system at an investment of $29,000

Transition Plan. The transition plan will begin upon completion of the signed contract. Follett will organize a face-to-face meeting with FHSU staff (contact Tisa Mason) to review, discuss, and further develop the transition plan. The transition plan will include at a minimum a time line and renovation plans. Additional items to be discussed at the meeting include employee review, transitioning, and training; joint press releases and other publicity events; customer service and communication during the transition; book adoption transitions and sales during summer session and fall 2009; and security. It is expected that the transition plans will limit the amount of days the bookstore is closed to less than five.

Reports. Monthly reports will be submitted to Dr. Tisa Mason, VP for Student Affairs for the University and to Mr. Dennis King for the Virtual College.

Prices. FHSU will notify the contractor ninety (90) days prior to the anniversary date of the contract regarding possible adjustments to textbook services and/or bookstore services guarantees, commissions and other compensation. Operational costs of the Memorial Union will be reviewed with representatives of the contractor to determine if adjustments need to be made to the guarantee, commission, or other compensation. Terms and conditions can only be modified upon mutual agreement of both parties.

Payment Options. Customers shall be afforded the greatest variety of payment options possible, including cash, approved personal checks, credit cards, ATM or bank debit cards.

The University shall furnish the contractor with invoices for applicable charges; i.e. telephone, photocopies, etc. Any monies owed to the University by the Contractor shall be paid on a month-by-month basis. Said payment(s) shall be made not later than thirty (30) days following the last day of the Contractor's business month.

Commissions shall be paid to the University quarterly. All items sold are subject to commission as defined in the response forms. Exceptions to the above will be kept to a minimum and should be mutually agreed upon in advance by the primary contacts to the contract.

Performance Bond. The University requires the Contractor to provide a Performance Bond prior to the commencement of the work under this agreement. The bond shall be in the amount of five hundred thousand dollars ($500,000) and shall cover the University for any economic losses including, without limitation, failure to perform the agreed upon terms associated with the contract resulting from the RFP specifications.

Additional Points.

1. **Regalia.** The RFP stated that the Contractor shall propose how it will handle commencement activities, i.e., the sale of caps, gowns, rings, and other items. The University will have the final right to approve the vendors, styles, and quality of materials to be used in these items.

   The University Bookstore currently provides the University with the Oak Hall's VIP Cap & Gown Package, and FHSU requests the same cap and gown package be provided or one of equal quality. Other graduation items (e.g. invitations, frames, etc.) can be sold however Follett chooses with FHSU earning commission.

2. **Meetings.** Fort Hays State University will organize monthly meetings with key constituents including representatives of the Virtual College and Follett management through the University-Bookstore Contract Oversight Committee. These meetings will begin in August 2009. Follett is to be represented by the regional manager as well as the local bookstore manager.

3. **Disclosures.** Per the Higher Education Act, Follett must ensure it will disclose ISBN and retail price for both textbooks and supplemental material on required textbooks on all Internet-based course schedules and advertisements.

4. **Barnes and Nobles Store Credits and Returns.** Existing store credits for returns and gift cards will be worked out between Follett and Barnes and Noble with no loss to students and other customers as a result of the transition, including media fee refunds to students and FHSU.

5. **Media Inventory.** Follett will provide real time inventory of university media materials or weekly inventory reports to the Virtual College.

6. **Student Media Problems and Returns.** Follett is required to implement the following process regarding the Virtual College for handling student media problems and media returns:

   a. When a student complains about defective media, the Contractor should notify the Virtual College immediately in order to check the media before sending the replacement set.

b. Immediately transfer calls from angry or upset students to the Virtual College. Also transfer calls from students asking questions regarding refunds, extensions, etc.

7. **Training.** Follett will train CTELT and FHSU faculty on book/ebook/course pack options and adoptions.

8. **Calendar of Events.** Follett will create a calendar of events with the University community.

9. **Shipping Process.** Follett will develop a process for payments/shipping and handling charges for university media shipping.