Shepherd
UNIVERSITY

Procurement Services

P.O. Box 5000
Shepherdstown
West Virginia 25443-5000
T 304-876-5216
F 304-876-5001

October 31, 2016

Shepherd University is soliciting a Request for Information (RFI) from firms experienced in providing campus Bookstore operations services to colleges and universities.

Please find attached the University's Request for Information No. 17-01. Please note that all responses are due no later than 4:00 PM local time on Tuesday, November 29, 2016 to:

Shepherd University Procurement Services
217 Ikenberry Hall
PO Box 5000
301 N King Street
Shepherdstown, WV 25443
Attn: Debra Langford

Thank you for your interest in Shepherd University. If you have any questions, please email me at dlangfor@shepherd.edu.

Debra Langford
Executive Director of Procurement

REQUEST FOR INFORMATION

for

CAMPUS BOOKSTORE OPERATION SERVICES

Issued by:

Shepherd University
Procurement Services

October 2017

SECTION 1-GENERAL INFORMATION

1.1 PURPOSE

Shepherd University is soliciting a Request for Information (RFI) from firms experienced in providing campus Bookstore operations services to colleges and universities.

The purpose of this Request for Information is to gather information about campus Bookstore options and determine a range of potential best solutions for Shepherd University. The information received in response to this RFI may aid in the development of a Request for Proposal leading to the selection of a campus Bookstore provider or service partner.

The University is interested in responses from firms utilizing or representing existing (proven and tested) Bookstore programs. This includes models for full operational oversight of the Bookstore (textbooks and general merchandise) as well as hybrid models that may include virtual textbook delivery, book rental models, or opt in/opt out inclusive access textbook programs imbedded into tuition. This Request for Information document is only for receiving informational materials and will not result in a contractual relationship. Based on the information received from this RFI and other sources, the University intends to issue a formal Request for Proposals (RFP) to evaluate the options for campus Bookstore operation services. The information received in response to this RFI may aid in the development of a Request for Proposal leading to the selection of a campus Bookstore provider or service partner. The University may request demonstrations from RFI responding vendors for the purpose of developing Request for Proposal criteria. While vendors are encouraged to participate in this RFI exercise, such participation is not a prerequisite for participating in a Request for Proposals should an RFP be issued.

1.2 INQUIRIES

Communications with employees of Shepherd University concerning this request by the vendor or on behalf of the vendor, except as specified below would not be appropriate.
All inquiries concerning this request shall be submitted in writing to:

Shepherd University Procurement Services
217 Ikenberry Hall
PO Box 5000
301 N King Street
Shepherdstown, WV 25443
Attn: Debra Langford
Dlangfor@shepherd.edu

The Department of Procurement Services can also be reached by:

Telephone: (304) 876-5216
Facsimile: (304) 876-5001

Responses for this Request for Information should be marked as RFI 17-01 on the outside of the package being returned.

1.3 INCURRING COSTS

The vendor is encouraged to prepare a response with information as the focus. Economy of preparation is expected and elaborate packaging will little serve to enhance the information content. Shepherd University is not liable for any cost incurred by the vendor as a result of this RFI.

1.4 ADDENDA TO REQUEST FOR INFORMATION

If changes are made to the content of this RFI, those changes will be distributed to all vendor receiving copies of the original RFI. Changes will be distributed by the Department of Procurement Services and identified as addenda to RFI 17-01.

1.5 RESPONSE DATE

Vendors are encouraged to submit their responses on or before November 29, 2016. The calendar of events, used for planning purposes only and subject to revision by Shepherd University is given in Section 5.

1.6 NEWS RELEASES

News Releases pertaining to this project and identifying Shepherd University will not be made without prior approval of Shepherd University's Communications Department and then, only in coordination with the Communications Department.

SECTION 2-INSTRUCTIONS FOR PREPARING RESPOSES

2.1 GENERAL

To aid in the evaluation process, it is requested that all responses comply with the items and sequence as presented in paragraph 2.2, RFP Response Outline. Paragraph 2.2 outlines the packaging for the preparation and presentation of a response.

2.2 RFI RESPONSE OUTLINE

A. RFI Response Sheet: The Request for Information Response Certification (Attachment A) shall be attached to the front of the RFI. It shall be signed by an official who has full authority to enter into a contract.

B. Company Information: Please provide the following information Regarding the company organization including, but not limited to the following:

1. Parent company, years in business, size, number of customers, office locations and number of employees. Include brief bios on significant company support contacts particularly those that may directly serve the University should a future relationship be established.

2. Contacts: Please furnish the contact name(s) and information of higher education peers that could be contacted concerning products and services offered by organization.

3. Websites: Please provide websites that may enable to provide additional company offerings or information.

4. Describe the range of services that the organization offers including the markets served. Please include information regarding any strategic partnerships or alliances with other technology and services. Please provide insight into strategies the company is currently undertaking to support new service models such as textbooks as part of tuition, emergence of electronic course materials, and coordinated use of open source materials within the course adoption process.

5. Identify major customers that use the company's services and include a contact to serve as a reference.

6. Identify the company's long term strategic plan to serve the market in the long run.

C. Technical Information:

1. Provide technical specification for and company proprietary systems used. Include all approved hardware platforms, operating systems, physical connectivity specifications, and data architectures needed. Indicate how current hardware may be incorporated.
2. List any other software that is required to use your system (i.e., web browsers, browser plug-ins, system extensions, backup software, databases, etc.).
3. Describe your systems and processes ability to integrate with the University's existing equipment and interfaces specifically Banner. List systems with which the organization has successfully integrated. List peer institutions with similar accounting and learning management systems.
4. List security levels and authorizations built into the system and terms of licensing agreement.
5. Provide information of any hosting solution offered by the organization.
6. Provide information on the organization's system reporting capabilities, sample reports and report customization capabilities.
7. Provide information on system in place to meet PCI Compliance requirements.

D. Process Information

1. Describe processes used in converting self-operated stores to the service model described and how this conversion would adapt to given University cultures.

2. Describe how existing store staff is incorporated into the company's organization, unit Organizational charts, and organizational culture.

3. Descript how the organization processes and systems are adapted into the University's organization and existing technology.

4. Describe new innovative technologies the organization is using to assist faculty incorporate new course content materials (such as open source) into the classroom experience.

5 List major initiatives the company is targeting to control and reduce course content cost to students and end users. Include assistance to faculty regarding textbook adoption.

6. List best practices your company is currently undertaking to provide "inclusive access" to textbooks, partnerships, with publishers to provide direct low cost course materials to students, and either "opt in" or "opt out"

textbook strategies for students. Describe how these strategies integrate into the institutional Learning Management System (SAKAI) and accounting system (Banner).

7. If applicable, describe how the company handles transition of institutional inventory from the agency to the vendor in regards to accounting books (apparel, textbooks, and supplies).

8. Describe company initiatives regarding student leadership opportunities in the Bookstore and scholarship opportunities for student employees.

E. Investment and Return Information

1. Outline how royalties and commissions are paid to the University and depict an anticipated five year schedule of returns to the University based on historical sales (Attachment A).

2. Please provide projections as to the level of investment the company could provide to the University towards store renovations and upgrades and how the company would amortize that investment over the life of the contract.

3. Please provide any other streams of anticipated resources to the University such as scholarship investments, training programs for faculty and staff, etc.

4. Please provide information about the structure of any potential contract given the anticipated stream of revenues and projected investment (from item #2)

F. Other

1. Please provide warranty and contract exit information.

2. Please provide information on national and regional marketing and leadership support and how that corporate infrastructure improves store operations and grows returns for the University.

3. Please provide information on services offered for data migration, training and consulting.

4. Please provide information on a typical implementation from self-operated status to a Bookstore Services contract with the organization including opportunities for current Shepherd University employees.

SECTION 3-OPERATIONAL ENVIRONMENT

3.1 GENERAL ENVIRONMENT

Shepherd University currently "self-operates" the existing campus Bookstore including textbooks (new, used, custom, rental and e-books) general merchandise including athletic apparel and insignia, food and beverages, trade books, ticket sales to campus events including athletic season tickets, a robust on-line sales presence, and textbooks services to one adult focused off-site learning center. The Bookstore also provides administration and marketing support and oversight for athletic and academic summer camp enrollments.

The Shepherd University Bookstore's range of services has evolved over the years. It is the goal of the University to review the open market to benchmark our current services with a range of options in order to determine the best solution for the institution. Any competing products and service models should at least match the current level of services being offered to the campus and community.

3.2 SHEPHERD UNIVERSITY INFORMATION

Shepherd University is a fully accredited public, four-year, liberal-arts institution offering a residential college experience in historic Shepherdstown, West Virginia. Founded in 1871 and located in the Eastern Panhandle of West Virginia, offers baccalaureate degrees in a range of fields, encompassing the liberal arts, business administration, teacher education, nursing, the social and natural sciences, and other career-oriented areas. It also offers for-credit courses for non-degree seeking students and serves as a center for noncredit continuing education for the northern Shenandoah Valley Region. In addition to its main campus in Shepherdstown, the University operates a graduate student center in Martinsburg, West Virginia. The University's mission is to serve as a regional center for academic, cultural, and economic opportunity. Shepherd University offers a wide variety of distinguished degree programs and other learning opportunities to both traditional and nontraditional students. Shepherd University attracts students from the region, the nation, and beyond. Understanding the importance of diversity, Shepherd University continues to work toward recruiting and retaining a multicultural student body, faculty, and staff.

Shepherd University is a member of the prestigious Council of Public Liberal Arts Colleges (COPLAC). Shepherd offers a quality education experience with a public liberal arts feel at a public university cost. Our rich cultural environment with strong programs in the arts and music as well as the humanities sets us apart even in this cutting edge group.

3.3 BOOKSTORE SERVICES OFFERED

The Shepherd University Bookstore offers the following services:

A. Textbooks sales including new, used, rental, custom, and e-book.
   1. In store textbook rentals;
   2. Textbook pricing and buyback supported by Verba Dynamic pricing and sourcing;
   3. Relationship with Red Shelf and Verba for e-books. Custom texts developed through local printing services provider;
   4. Textbook adoptions supported by Verba adopt.

B. General Merchandise including athletic insignia and apparel (including working relationship with Under Armor), convenience items (including food and beverage, health and beauty aids, and over the counter medicines) school supplies, trade books, and other various gift items. Pepsi is the University's beverage partner. The University does maintain licensing agreements with Ohiopyle Printing, Knights Apparel, and Stockdale Technologies for off campus apparel sales at local stores throughout the region.

C. Nursing Student Supplies

D. Ticket Sales to Athletic and other Campus Events
   1. Athletic Season Ticket Sales Assignment, Single Game reserved tickets, and reserved seating for post-season games;
   2. Marketing of athletic programs in partnership with Ram Nation such as the sale of athletic season tickets and Athletic Camps;
   3. Sales and delivery of various campus events such as the sale of tickets for the Performing Arts Series of Shepherd and graduation;

E. Administration and marketing of athletic and academic camps and alumni focused experiential packages.

F. Administration of bulk art supplies in partnership with Shepherd University Art Department.

G. Administration of graduation regalia sales, procurement, and delivery to participating students and faculty.

H. Attendance and sales of trade books at author signature sessions in conjunction with University departments (such as Appalachian Writer in Residence Program).

I. Other services such as contracting with class ring services.

J. Support to Rambler Card Office including receipt of deposits and assistance in delivery of cards including taking photos and printing cards.

K. Maintenance of on-line retails presence for much of apparel inventory, ticket sales, and camp enrollments.

L. Apparel sales at athletic events (football and basketball).

3.4 BOOKSTORE INTERFACED SYSTEMS

The Shepherd University Bookstore currently utilizes many systems. The different systems are listed below with a description in what way they are utilized.

A. Sequoia POS System-utilized for in-store purchases, book rental programs, and on-line presence. The approximate average remaining life on the systems is two years.

B. Ellucian's Banner Finance is the University Accounting System.

C. SAKAI-University Learning Management System.

D. Atrium Card System-University One Card System Partner.

SECTION 4-VENDOR RECOMMENDATIONS

The vendor is requested to respond to include in the response to this RFI information about options or products that would address and/or benefit the service offerings provided by the Shepherd University Bookstore. The vendor can best decide what information should be presented. The University is interested, but not limited to, the following areas for the Bookstore Operations Services: (The order here does **not** imply relative importance).

- Full oversight of the Bookstore (textbooks and general merchandise)
- Hybrid Models that may include virtual textbook delivery, book rental models, or opt in/opt out inclusive access textbook programs imbedded in tuition.

SECTION 5-PROPOSED SCHEDULE

The University is approaching this Request for Information as the beginning of an even larger project. The staff anticipates that a Request for Proposals could be issued soon after the material received from the RFI is studied. Since there are many variables in the decision path for the University, the time schedule that is presented here is only a guideline and should not be taken as firm.

• October 31, 2016	Shepherd University issues this RFI.
• November 29, 2016	Vendor responses are due in the Department of Procurement Services office.
• December 9, 2016	Analysis of material complete by Shepherd University.
• Week of December 12, 2016	Potential On-site presentations of RFI responses
• Mid January 2017	Potential Request for Proposals for Bookstore Operations Services is issued.

ATTACHMENT A

Shepherd University Bookstore Historical Financials

	Self Operated				
	FY13	**FY14**	**FY15**	**FY16**	**Average**
Sales:					
New Textbooks	$ 844,477	$ 758,569	$ 763,370	$ 664,098	$ 757,629
Used Textbooks	$ 740,196	$ 587,339	$ 459,153	$ 390,142	$ 544,208
Custom Textbooks	$ 14,120	$ 15,650	$ 16,533	$ 13,671	$ 14,994
Sub-Total	**$ 1,598,793**	**$ 1,361,558**	**$ 1,239,056**	**$ 1,067,911**	**$ 1,316,830**
Insignia	$ 253,259	$ 222,846	$ 237,129	$ 240,292	$ 238,382
Athletic Insignia	$ 34,070	$ 99,673	$ 75,683	$ 98,453	$ 76,970
Trade Book	$ 13,842	$ 21,403	$ 19,377	$ 16,019	$ 17,660
Supply Sales	$ 39,128	$ 36,196	$ 32,627	$ 29,696	$ 34,412
General Merchandise	$ 210,722	$ 199,111	$ 189,086	$ 184,247	$ 195,792
Computer Supplies	$ 24,847	$ 12,102	$ -	$ -	$ 9,237
Shipping	$ 6,387	$ 8,871	$ 7,206	$ 7,042	$ 7,377
Sub-Total	**$ 582,255**	**$ 600,202**	**$ 561,108**	**$ 575,749**	**$ 579,829**

Other Revenue:					
Commissions	$ 49,654	$ 48,093	$ 55,593	$ 29,334	$ 45,669
Miscellaneous Income	$ 1,430	$ 1,562	$ 1,099	$ 5,698	$ 2,447
On Campus Commissions	$ 17,039	$ 23,561	$ 21,296	$ 24,395	$ 21,573
Marketing Income	$ 100	$ -	$ -	$ -	$ 25
Rambler Cost	$ (8,588)	$ (5,872)	$ (5,691)	$ (3,909)	$ (6,015)
Cash Short/Over	$ (199)	$ (7)	$ (14)	$ 59	$ (40)
Interest	$ 2,626	$ 1,856	$ 2,107	$ 4,899	$ 2,872
Sub-Total	**$ 62,062**	**$ 69,193**	**$ 74,390**	**$ 60,476**	**$ 66,530**
Total Sales	**$ 2,243,110**	**$ 2,030,953**	**$ 1,874,554**	**$ 1,704,136**	**$ 1,963,188**
Cost of Sales:					
Textbooks:					
New Textbooks	$ 671,678	$ 609,222	$ 607,887	$ 543,583	$ 608,093
Used Textbooks	$ 529,736	$ 405,359	$ 297,657	$ 256,980	$ 372,433
Custom Textbooks	$ 10,802	$ 12,672	$ 9,931	$ 12,058	$ 11,366
Textbook Shrink	$ 5,406	$ 10,115	$ 22,311	$ 1,877	$ 9,927
Obsolete Damaged	$ 4,716	$ 544	$ 525	$ 450	$ 1,559
Restock Fees	$ 543	$ 1,072	$ 782	$ 1,013	$ 853
Freight In/Out	$ 31,605	$ 30,226	$ 30,317	$ 23,183	$ 28,833
Sub-Total	**$ 1,254,486**	**$ 1,069,210**	**$ 969,410**	**$ 839,144**	**$ 1,033,063**
Textbook GM%	**21.5%**	**21.5%**	**21.8%**	**26.3%**	**21.6%**
Textbook GM	**$ 344,307**	**$ 292,348**	**$ 269,646**	**$ 228,767**	**$ 283,767**

General Merchandise:					
Insignia	$ 156,237	$ 128,366	$ 129,456	$ 135,372	$ 137,358
Athletic Insignia	$ 18,240	$ 51,595	$ 46,111	$ 55,298	$ 42,811
Trade Books	$ 7,110	$ 12,496	$ 10,870	$ 10,817	$ 10,323
Supplies	$ 23,476	$ 20,086	$ 17,377	$ 14,912	$ 18,963
General Merchandise	$ 141,756	$ 134,594	$ 111,953	$ 113,840	$ 125,536
Computer/Other Supplies	$ 17,956	$ 9,444	$ 3,385	$ 5,130	$ 8,979
Shipping	$ 7,909	$ 9,235	$ 9,371	$ 8,836	$ 8,838
Internal Office Supplies	$ 220	$ 208	$ 116	$ 171	$ 179
Promotions	$ 4,934	$ 2,362	$ 1,705	$ 3,144	$ 3,036
Royalties	$ 451	$ 563	$ 1,369	$ 333	$ 679
Sub-Total	**$ 378,289**	**$ 368,949**	**$ 331,713**	**$ 347,853**	**$ 356,701**
Other Costs of Sales:					
Obsolete Damaged Supplies	$ 1,745	$ 1,728	$ 1,368	$ 1,437	$ 1,570
Shrinkage	$ 7,157	$ 4,463	$ 11,031	$ (1,049)	$ 5,401
Restock Fees	$ 755	$ 30	$ (239)	$ (65)	$ 120
Sub-Total	**$ 9,657**	**$ 6,221**	**$ 12,160**	**$ 323**	**$ 7,090**
Freight In/Out:	**$ 16,389**	**$ 15,708**	**$ 13,919**	**$ 11,662**	**$ 14,420**
Total Cost of Goods Sold	**$ 1,658,821**	**$ 1,460,088**	**$ 1,327,202**	**$ 1,198,982**	**$ 1,411,273**
COGS %	**74.0%**	**71.9%**	**70.8%**	**70.4%**	**71.9%**

Labor Costs:					
Administrative Overhead	$ 82,271	$ 91,686	$ 43,090	$ 45,327	$ 65,594
Classified	$ 146,128	$ 141,021	$ 125,502	$ 131,012	$ 135,916
Annual Increment	$ 3,485	$ 1,934	$ 1,758	$ 1,650	$ 2,207
Student Part Time	$ 50,090	$ 63,770	$ 54,329	$ 60,255	$ 57,111
Regular Part Time	$ 6,344	$ 4,277	$ 6,938	$ 13,742	$ 7,825
Overtime	$ 3,566	$ 5,040	$ 3,210	$ 1,665	$ 3,370
Civil Service	$ 370	$ 345	$ 345	$ 245	$ 326
Social Security	$ 18,573	$ 18,661	$ 14,048	$ 14,350	$ 16,408
PEIA	$ 24,848	$ 25,908	$ 23,107	$ 24,523	$ 24,597
PEIA-Paygo	$ 11,169	$ 11,082	$ 7,032	$ 7,329	$ 9,153
Pension	$ 14,093	$ 14,300	$ 10,387	$ 10,504	$ 12,321
Total Labor Cost	**$ 360,937**	**$ 378,024**	**$ 289,746**	**$ 310,602**	**$ 334,827**
Labor Cost %	**16.1%**	**18.6%**	**15.5%**	**18.2%**	**17.1%**
Operating Expenses:					
Service Center Copies	$ 409	$ 344	$ -	$ 820	$ 393
Household Supplies	$ 8,093	$ 11,937	$ 308	$ -	$ 5,085
Computer Expenses	$ 7,140	$ 6,361	$ 38	$ 2,128	$ 3,917
Training	$ 832	$ 569	$ 1,491	$ 175	$ 767
Office Expense - Computer	$ 300	$ 241	$ 1,033	$ 6,607	$ 2,045
Office Expense - Supplies	$ 9,202	$ 8,931	$ 6,034	$ 3,481	$ 6,912
Office Expense - Postage	$ 218	$ 104	$ 138	$ 117	$ 144
Printing	$ 886	$ 93	$ 357	$ 305	$ 410
Miscellaneous	$ 1,520	$ 885	$ 780	$ 935	$ 1,030
Building Repairs	$ 555	$ -	$ 395	$ -	$ 238
Rent	$ 77,970	$ 87,158	$ 87,158	$ 87,833	$ 85,030
Telephone	$ 4,823	$ 4,744	$ 4,277	$ 4,549	$ 4,598

Contractual	$ 2,668		$ 1,925		$ 11,801		$ 1,400		$ 4,449	
Travel	$	761	$	-	$	2,592	$	231	$	896
Vehicle Rent	$	-	$	176	$	-	$	122	$ 75	
Machine Rent	$	64	$	64	$	69	$	65	$ 66	
Association Dues	$ 1,165		$	1,180	$	90	$	715	$	788
Advertising	$ 3,479		$	3,885	$	2,318	$	3,004	$ 3,172	
Maintenance Contract	$	22,791	$	20,437	$	27,233	$	30,294	$ 25,189	
Hospitality	$	351	$	120	$ 169		$	-	$	160
Student Activities	$	150	$	-	$	-	$	-	$ 38	
Credit Card Service	$	27,151	$	26,814	$	27,567	$	26,355	$ 26,972	
Utilities	$	325	$	424	$ 376		$	323	$	362
Transfers	$	-	$ (875)		$	-	$	-	$ (219)	
Sub-Total	**$**	**170,853**	**$ 175,517**		**$**	**174,224**	**$**	**169,459**	**$ 172,513**	
Other Income/Expenses:										
Scholarship Interest	$	-	$	17	$	15	$	34	$ 17	
Scholarship Contributions	$	-	$	3,000	$	-	$	-	$	750
Scholarship Awards	$	-	$ (2,995)		$ (500)		$ (2,000)		$ (1,374)	
Collection Fees	$ (101)		$ (33)		$ (590)		$ (5,721)		$ (1,611)	
Depreciation Expense	$ (11,901)		$ (10,460)		$ (9,528)		$ (6,622)		$ (9,628)	
Amortization Expense	$ (6,060)		$ (6,060)		$ (6,060)		$ (6,060)		$ (6,060)	
University Contribution	$	-	$	-	$	-	$	-	$	-
Sub-Total	**$ (18,062)**		**$ (16,531)**		**$ (16,663)**		**$ (20,369)**		**$ (17,906)**	
Net Income	**$**	**34,437**	**$**	**793**	**$**	**66,719**	**$**	**4,724**	**$ 26,668**	
Profit %		**1.54%**		**0.04%**		**3.56%**		**0.28%**		**1.36%**