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AGENCY: Division of Procurement Services

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SUBJECT: University of South Carolina – Approval of Contract Duration

Section 11-35-2030(5), of the SC Consolidated Procurement Code limits the maximum potential duration for any contract to seven years unless the Authority approves a longer maximum potential duration. The University of South Carolina seeks the Authority’s authorization to solicit a contract with a duration up to fifteen (15) years for campus bookstore operations and management. University officials believe a maximum potential contract term of fifteen years will maximize its ability to attract proposals for improving bookstore facilities, including investments in new fixtures, technology infrastructure, and equipment, by allowing the vendor to amortize its investments over a longer period. University officials also believe a contract duration of up to fifteen years will enable the University to secure stronger commission rates and financial returns without compromising service levels or affordability for students.

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AUTHORITY ACTION REQUESTED:

Under authority of SC Consolidated Procurement Code Section 11-35-2030(5), approve the University’s request to solicit a contract for campus bookstore operations and management with a duration up to fifteen (15) years, as recommended by the Division of Procurement Services.

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ATTACHMENTS:

Agenda item worksheet and attachment

**STATE FISCAL ACCOUNTABILITY AUTHORITY  
AGENDA ITEM WORKSHEET**

**Meeting Scheduled for: 6/16/2026**

**Regular Agenda**

**1. Submitted by:**

- (a) Agency: SFAA, Division of Procurement Services
- (b) Authorized Official Signature:



John St. C. White  
Materials Management Officer  
Division of Procurement Svcs

**2. Subject:** University of South Carolina – Approval of Contract Duration.

**3. Summary and Background Information:**

Section 11-35-2030(5), of the SC Consolidated Procurement Code limits the maximum potential duration for any contract to seven years unless the Authority approves a longer maximum potential duration. The University of South Carolina seeks the Authority’s authorization to solicit a contract with a duration up to fifteen (15) years for campus bookstore operations and management. University officials believe a maximum potential contract term of fifteen years will maximize its ability to attract proposals for improving bookstore facilities, including investments in new fixtures, technology infrastructure, and equipment, by allowing the vendor to amortize its investments over a longer period. University officials also believe a contract duration of up to fifteen years will enable the University to secure stronger commission rates and financial returns without compromising service levels or affordability for students.

**4. What is the Authority asked to do?** Under authority of SC Consolidated Procurement Code Section 11-35-2030(5), approve the University’s request to solicit a contract for campus bookstore operations and management with a duration up to fifteen (15) years. .

**5. What is recommendation of the submitting agency involved?** Approve the Authority action requested.

**6. Private Participant Disclosure – Check one:**

- No private participants will be known at the time the Authority considers this agenda item.
- A Private Participant Disclosure form has been attached for each private participant.  
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

**7. Recommendation of other office (as required)?** Approve the Authority action requested.

- (a) Authorized Signature: \_\_\_\_\_
- (b) Office Name: \_\_\_\_\_

**8. List of Supporting Documents:**

A- The University’s Request

B- Section 11-35-2030(5) of the SC Consolidated Procurement Code  
C- Extended terms previously approved by the Authority

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**9. Upload Agenda Item Worksheet and supporting documentation in PDF and native format to the SFAA Authority File Drop. Supporting documentation should include all related agreements or approval requests (e.g., leases, contracts, permanent improvements, indebtedness, agenda items), either current or anticipated; or provide affirmation from the submitting agency that there are no related transactions.**

# Exhibit A



May 14, 2026

Mr. John White  
State Fiscal Accountability Authority  
1333 Main Street, Suite 700  
Columbia, SC 29201

Dear Mr. White

The University of South Carolina respectfully requests approval to solicit proposals for the operation and management of a campus store (bookstore) with a potential maximum contract term of fifteen (15) years. This solicitation is intended to support the University's ongoing efforts to modernize and enhance the campus experience for students, faculty, staff, and visitors.

As part of this effort, the University is evaluating opportunities to significantly improve its campus store operations, which may include the development of a new or consolidated location. The envisioned campus store would serve as a modern, multipurpose destination that integrates traditional course materials with general apparel merchandise, technology, convenience retail, and flexible gathering spaces. These enhancements are designed to better support academic success, student life, and an engaging campus environment, while allowing flexibility as future campus needs evolve.

Revenues generated from campus store operations are used to advance the University's educational mission, including direct support for student scholarships, programs and services. A long-term operating agreement is essential to ensure that the selected vendor partner can responsibly invest in, equip, and operate a facility of this scale and significance. The University anticipates that the initial capital investment associated with construction coordination, build-out, fixtures, technology infrastructure, and equipment will be substantial. A contract term of sufficient duration will allow the vendor to amortize this investment appropriately, while enabling the University to secure stronger commission rates and financial returns without compromising service levels or affordability for students.

Peer institutions with longer-term campus store agreements have demonstrated that these arrangements can support improved facilities, enhanced service offerings, and greater long-term financial stability. Based on market comparisons and industry best practices, the leadership believes that authorizing a 15-year maximum contract term will position us to achieve terms that are financially favorable and operationally aligned with the University's long-term campus store and auxiliary services strategy.

The attachment to this letter includes more information on anticipated capital investments and contracts at peer institutions, as well as related data sources.

The solicitation will, of course, incorporate all applicable State requirements, including standard termination and performance clauses, to ensure that the State and the University retain appropriate protections throughout the life of the agreement.

The University respectfully requests authorization to proceed with a solicitation for the operation and management of the new campus store with a potential contract term not to exceed fifteen (15) years. Your favorable consideration of this request is sincerely appreciated.

Sincerely,



Venis Manigo  
Associate Vice President & CPO

cc: Mr. Ed Walton, Executive Vice President & CFO  
Mr. Joe Sobieralski, Senior Associate Vice President & University Treasurer  
Mr. Joe Fortune, Director, Business Affairs & Contract Management  
Ms. Shannon Hicks, Executive Director of Purchasing

## **ATTACHMENT**

### **Scale of anticipated investments:**

Based on comparable campus store development projects at peer institutions, the University anticipates the capital investment range to be in the \$3 million to \$7 million range, depending on the scope of construction coordination, buildout configuration, fixture packages, technology infrastructure, and equipment procurement. This range reflects current market conditions for a full-service, modern campus store of the scale USC is envisioning.

To illustrate the scale of these investments in practice: the University of Connecticut's agreement with Barnes & Noble Education (BNED) generated more than \$9 million back to the university in its first few years alone, with vendor capital directed toward renovations across multiple store locations. At the University of Montana, a seven-year contract with Follett included a one-time \$600,000 capital contribution toward bookstore renovation, plus guaranteed annual payments of at least \$500,000 -- representing a total contract value in the range of \$4 million over the term, for a significantly smaller institution than USC. For flagship-level stores at larger universities, capital commitments from vendor partners routinely exceed these figures. BNED's own SEC filings confirm that physical store capital expenditures for new construction and contract renewals have run into the tens of millions annually across their portfolio.

The contract duration requested is directly tied to this investment expectation. A 15-year term allows a vendor partner to responsibly amortize that capital commitment while still providing USC with competitive commission structures and meaningful financial returns to the institution.

### **Market comparisons and industry best practices:**

The following peer institutions have entered into longer-term campus store operating agreements and have shared relevant outcomes through professional networks and published reports:

- **University of Connecticut** -- Long-term agreement with BNED; more than \$4.25 million directed to student scholarships in the first few years, with additional funds supporting facility renovations.
- **Auburn University** -- Completed a full bookstore renovation in 2025 following Board of Trustees' approval, with the store reopening after a six-month buildout in Haley Center.

- **University of Montana** -- Competitive RFP process resulted in a seven-year Follett agreement with capital investment and guaranteed annual commission revenue.
- **George Washington University** -- Partnered with Follett to transform their campus store into one of the premier campus retail destinations in the country, with a state-of-the-art store now described as a campus landmark.

Benchmarking across SEC and nationally comparable institutions demonstrates that universities utilize both outsourced and self-operated bookstore models; however, flagship peers such as the University of Kentucky and the University of Georgia rely on national vendors (BNED, Follett) to deliver modern retail environments, technology-enabled course material solutions, and student affordability programs.

Notably, the [University of Kentucky](#) implemented a 10-year agreement with a 5-year renewal option (15-year horizon) to support investment in a new student center bookstore facility, illustrating the alignment between longer contract durations and capital investment.

Peer institutions including [Youngstown State](#) (YSU) and the University of the District of Columbia (UDC) have implemented similar structures to enable private partners such as BNED and Follett to invest in facility modernization, technology infrastructure, and student affordability programs. The [YSU](#) and [UDC](#) examples explicitly links contract to potential new standalone bookstore facilities.

These agreements shift operational and financial risk to the vendor while generating commission-based revenue for the institution and have demonstrated measurable outcomes, including multi-million-dollar student savings programs and capital improvements funded by the vendor.

The following sources provide industry-level data and best practice frameworks that inform the University's position:

- **National Association of College Stores (NACS)** -- [www.nacs.org](http://www.nacs.org) -- The primary trade association for campus-based retail operations, NACS provides industry research, financial benchmarking, and advocacy for the collegiate retail sector. Their Campus Store Insights platform allows member institutions to compare financial performance against industry peers.
- **NACS Campus Store Standards** -- [www.nacs.org/campus-store-standards](http://www.nacs.org/campus-store-standards) -- Developed in partnership with the Council for the Advancement of Standards in Higher Education (CAS), these standards provide meaningful metrics that help store leaders assess performance, improve operations, and demonstrate value to institutional leadership.

- **OnCampus Research** -- [oncampusresearch.org](http://oncampusresearch.org) -- A division of NACS that provides key insights and industry-specific data from students, faculty, and campus store operations, including satisfaction surveys, student focus groups, and customized market research.
- **NACS Foundation** -- [nacsfoundation.org](http://nacsfoundation.org) -- Supports the Standards Project and the Campus Store Insights benchmarking platform used by institutions nationally.

# Exhibit B

## **SECTION 11-35-2030. Multiterm contracts.**

(1) Specified Period. Unless otherwise provided by law, a contract for supplies, services, or information technology must not be entered into for any a period of more than one year unless approved in a manner prescribed by regulation of the board. The term of the contract and conditions of renewal or extension must be included in the solicitation and funds must be available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods must be subject to the availability and appropriation of funds for them.

(2) Determination Prior to Use. Before the utilization of a multiterm contract, it must be determined in writing by the appropriate governmental body that:

(a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and

(b) such a contract serves the interest of the State by encouraging effective competition or otherwise promoting economies in state procurement.

(3) Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled.

(4) Maximum Duration. The maximum potential duration for a contract is five years. A maximum potential duration of up to seven years may be approved by the appropriate chief procurement officer.

(5) Authority Approval. Every type of contract with a maximum potential duration exceeding seven years must be approved by the board. For competitive procurements, approval of the maximum potential duration must be granted before solicitation.

**State Fiscal Accountability Authority  
Approved Contract Durations Greater Than Seven Years Since 2015**

**Exhibit C**

<b>Date of Approval</b>	<b>Agency</b>	<b>Item</b>	<b>Maximum Potential Duration</b>
4/28/2015	University of South Carolina	Sports Marketing & Media Rights	10 years
3/8/2016	SC Educational Lottery	Central Gaming System	10 year performance term
9/20/2016	University of South Carolina	Food Service	15 years
9/20/2016	Department of Mental Health	Operation of Sexually Violent Predator Treatment Program	40 years
12/13/2016	University of South Carolina	Concessions, catering, and non-athletic event merchandise sales for all athletic venues	10 years
8/31/2017	SC Forestry Commission	Operation of Neiderhof Forestry Center	10 Years
9/1/2017	SC Forestry Commission	Operation of Taylor Nursery	10 Years
12/12/2017	Winthrop University	Food Service	10 Years
12/12/2017	SFAA Division of Procurement Svcs	Electronic Procurement System	10 year performance term
12/11/2018	Medical University of South Carolina	Enterprise Resource Planning System	11 year performance term
5/14/2019	University of South Carolina	Trademark and Licensing including apparel	10 years
6/18/2019	Department of Transportation	Enterprise Asset Management System	17 years
12/17/2020	University of South Carolina	Rental Management, premium catering, and operation of dining facility at Williams Brice Stadium	10 years
5/18/2021	Trident Technical College	Enterprise Resource Planning System	11 year performance term
10/12/2021	Medical University of South Carolina	Student Information System	11 years
5/31/2022	Clemson University	Enterprise Resource Planning System	11 year performance term
1/31/2023	Department of Mental Health	Psychiatric Residential Treatment Facility for juveniles	7 years after substantial completion of construction
3/28/2023	Clemson University	Licensing Agent contract	10 years
3/28/2023	Clemson University	Licensing and Campus Apparel Retail contract	10 years
3/28/2023	Department of Social Services	Economic Services System Application Modernization (ESSAM) System	12 years
10/17/2023	Department of Administration	SCEIS Modernization	10 year performance term
3/26/2024	University of South Carolina	Health Sciences Campus Operations and Maintenance	10 years
6/18/2024	University of South Carolina	River District Development	Greater than 7 years with final duration to be approved with submittal of proposed contract to SFAA
8/27/2024	Department of Transportation	Specific Service (Logo) Signing Program	12 years
10/15/2024	Department of Corrections	Bio Waste Gasification	20 years after substantial completion of construction
10/15/2024	USC Aiken	Food Service	10 years
10/15/2024	USC Upstate	Food Service	10 years
12/10/2024	USC	Rutledge Bldg Development	50 years
12/10/2024	USC	Henderson St. Houses Dev.	40 years
12/10/2024	USC	Carolina Gardens Dev.	50 years
4/1/2025	Department of Motor Vehicles	Business Application System	14 years after implementation
6/10/2025	Clemson University	MUSC-Physicians	30 years
2/10/2026	PRT Sanctuary Point Development	Sanctuary Point Development, operation & Maintenance	50 years
2/10/2026	USC	Food and beverage sales in athletic venues	15 years
2/10/2026	USC	Athletic multimedia/sponsorship rights	15 years
3/31/2026	South Carolina Education Lottery	Central Gaming System	15 years