

UNIVERSITY OF CALIFORNIA, MERCED REQUEST FOR PROPOSAL

ISSUE DATE: June 27, 2011
RFP NO: UCMNB607TT
DUE DATE: July 25, 2011
TIME: 4:00 p.m. P.T.

Proposals must be received by the due date and time to be considered.

All qualified, interested suppliers are invited to submit proposals for:

Wholesale Distributor

for

University of California, Merced

Dining Services



TABLE OF CONTENTS

1	RFP PURPOSE AND BACKGROUND	3
2	INSTRUCTIONS TO BIDDERS	4
3	SPECIFICATIONS	8
4	BIDDER QUALIFICATION	12
5	METHOD OF AWARD	13
6	TERMS AND CONDITIONS	15
7	COST PROPOSAL	19
8	BIDDER CERTIFICATION/SIGNATURE PAGE	20
9	ATTACHMENTS	21

1 RFP PURPOSE AND BACKGROUND

1.1 RFP Purpose

The University of California, Merced is seeking bids from qualified wholesale distributors to furnish assorted groceries (food and non-food), frozen foods, candy, snacks, beverages, health and beauty aids, etc. The anticipated term of a contract resulting from this RFP shall commence approximately 08/01/2011 and continue in full force for three (3) years with the option of two (2) one-year extensions by mutual written agreement.

1.2 Organizational Context

1.2.1 University of California

Founded as the state's first and only land grant institution in 1868, the University of California is a system of 10 campuses with approximately 180,000 undergraduate and graduate students. The official research arm of the State of California, UC has five medical schools, four law schools and the nation's largest continuing education program. It also manages three national laboratories that are engaged in energy and environmental research and approximately 130,000 acres of natural habitat in California for research, teaching and outreach activities. The University's fundamental mission is teaching, research and public service.

1.2.2 UC Merced (UCM)

UC Merced opened September 5, 2005 as the 10th campus in the University of California system and the first American research university of the 21st century. The campus significantly expands access to the UC system for students throughout the state, with a special mission to increase college-going rates among students in the San Joaquin Valley. It also serves as a major base of advanced research and as a stimulus to economic growth and diversification throughout the region. Situated near Yosemite National Park, the university is expected to grow rapidly, topping out at approximately 25,000 students within 30 years. UC Merced opened with three schools: Engineering; Natural Sciences; and Social Sciences, Humanities and Arts. Initial undergraduate degree offerings include bioengineering; biological sciences; computer science and engineering; earth systems science; environmental engineering; human biology; management; social and cognitive sciences; and world cultures and history. Graduate degree programs include environmental systems; atomic and molecular science and engineering; quantitative and systems biology; social and cognitive sciences; and world cultures and history. Special research institutes created at the university include the Sierra Nevada Research Institute. Also being planned are the World Cultures Institute, Energy Institute and Systems Biology Institute. In addition, startup funding has been received for the UC Merced Center for Computational Biology. UC Merced also has entered into collaborative partnerships with the National Park Service, the Lawrence Livermore National Laboratory and the Central Valley Higher Education Consortium.

1.2.3 Dining Services

The Merced campus Dining Services is a full-service dining facility operating both cash and board plans. Dining Services includes Yablokoff-Wallace Dining (main dining) facility, the Lantern Café, Catering services, and Market Place.

UC Merced Dining Services is sensitive to sustainability and feel obligated to do our part for future generations. Sustainability can be defined as, 'the ability to provide for the needs of the world's current population without damaging the ability of future generations to provide for themselves.' When a process is sustainable, it can be carried out over and over without negative environmental effects or impossibly high costs to anyone involved. A product can be considered sustainable if its production enables the resources from which it was made to continue to be available for future generations. A sustainable product can thus be created repeatedly without generating negative environmental effects, without causing waste products to accumulate as pollution, and without compromising the wellbeing of workers or communities.

2 INSTRUCTIONS TO BIDDERS

2.1 Issuing Office and University Contact

This RFP is being issued by the University Purchasing Department which is the only office authorized to change, modify, clarify, etc., the provisions of this RFP and to award any contract(s) resulting from the RFP.

The single point of contact for administrative and technical issues regarding this RFP is:

Terry Thun, A.P.P.
Principal Buyer
UC Merced
1715 Canal Street
Merced, CA 95340
Phone: (209) 228-4084
Fax: (209) 228-2925
E-mail: tthun@ucmerced.edu

2.2 Definition of Terms

- "RFP", "Request for Proposal" or "Solicitation" defines the conditions, specifications, definitions, questions, and requests outlined in this document.
- "Bids", "Quotations", "Proposals" refers to the responses to this RFP from each Supplier.
- "Agreement", "Contract", and similar expressions refer to an award as a result of this Request for Proposal.
- Equal or Equivalent - When the word, "OR EQUAL", "EQUIVALENT" or the " = " symbol appear in any description set forth herein (or in appended purchase specifications) it shall mean equal or equivalent in the opinion of the University of California.
- "UCM Dining Services, Dining Services, refers to all operating and administrative units of the UC Merced Dining and Retail Services Division and who are ultimately responsible for the daily coordination of all activities relating to the implementation, design, and control this agreement.
- "Contact" refers to the Purchasing individual, who is solely responsible for all activities relating to this Request for Proposal and the resulting contract award.
- "Bidder", "Supplier", "Contractor", "Business", "Company", "Firm", "Vendor" refers to a Supplier who receives this RFP.
- "UCM", "Buyer", "U. C. Merced", or "University" refers to the University of California, Merced.

2.3 Schedule of Events

- Release of RFP.....June 27, 2011
- Deadline for RFP Questions.....July 11, 2011
- Bid Due Date.....July 25, 2011 4:00 PM (P.T.)

Note: The above dates are subject to change at the option of the University.

2.4 Proposal Receipt

Proposals are to be addressed and delivered as follows:

1 original and (2) hardcopies to:

Terry Thun, A.P.P.
Principal Buyer
UC Merced
1715 Canal Street
Merced, CA 95340
Phone: (209) 228-4084

Proposals shall be in a sealed envelope marked:

Name of Bidder
RFP Number UCMNB607TT
Date and Time Proposal Due

No telephone, email, or facsimile proposals will be considered. Proposals received after the time for closing will be returned to the bidder unopened. Hard copy proposals are **not** to contain the price list file. The price list file is to be completed on provided spreadsheet and submitted to Terry Thun, A.P.P. only via email or CD-rom. File is not to be pdf or read only.

2.5 Bidder Questions

Bidders are expected to exercise their best professional independent judgment in analyzing the requirements of this RFP to ascertain whether additional clarification is necessary or desirable before responding. If there are any discrepancies in, or omissions to the RFP, or if there are any questions as to any information provided in the RFP or by any other source, a request must be submitted via email or fax for clarification, interpretation or correction by the date listed above. Such inquiries must be directed to the buyer listed below. The University may be unable to respond to inquiries received too close to the bid submission deadline to permit a timely and comprehensive reply to all prospective Bidders.

Questions regarding this RFP must be submitted using the form as provided in the attached Bidder Inquiry Form, no later than July 11, 2011. Please submit via email (preferred) or fax to:

Terry Thun, A.P.P.
UC Merced Purchasing Department
Fax (209) 228-2925
tthun@ucmerced.edu

2.6 Restriction on Communications

Except for the designated contact(s) listed above, Bidders are not permitted to communicate with University staff regarding this solicitation during the period between the Request for Proposal issue date and the announcement of awards, except during:

- The course of a Bidders' conference, if conducted;
- Oral presentations and site visits, if conducted.

If a Bidder is found to be in violation of this provision, the University reserves the right to reject the bid.

2.7 Proposal Format and Required Submittals

Bidders are to provide a written proposal detailing the full scope of the project and its related activities

Proposals shall be submitted in the following format. Proposals in any other format will be considered informal and will be rejected. Conditional proposals will not be considered. An individual authorized to extend a formal proposal

must sign all proposals. If the bidder fails to provide any of the following information, with the exception of the mandatory proposal certification, The University may at its sole option, ask the bidder to provide the missing information or evaluate the proposal without the missing information.

Proposals must include all of the elements listed, be clearly indexed and assembled (in accordance with the numbers and order listed below) and reference the corresponding RFP Sections and paragraphs.

1. Table of Contents - Proposals must include a table of contents with page numbers covering all parts including exhibits and addenda, with sufficient detail to facilitate easy reference to all requested information.
2. Signed Proposal Certification - RFP Section 8.
3. Introduction and Management Overview - This section should present an introduction and general description of the company's background, nature of business activities, and experience in providing the required products and related services. This section should also provide a statement of the Bidder's understanding of the major objectives of the solicitation and the Bidder's approach to fulfilling the University's requirements.
4. Bidder Qualification Information– RFP Section 4.
5. Technical Proposal – RFP Section 3. The response must identify all products and services Bidder proposes to fulfill the stated requirements. Proposals must follow the specified format as closely as possible for ease of evaluation by addressing the requirements in the order and manner presented, in sufficient detail to describe how the Bidder's product or service meets the stated requirements.
6. Terms and Conditions Acceptance - Indicate acceptance/compliance with all items in RFP Section 6.
7. Bid Sheet/Cost Proposal – Provide complete pricing information per RFP Section 7.
8. Supplementary Information and Additional Comments as desired

2.8 RFP Exceptions

- **Technical Exceptions:** The Bidder shall clearly describe any and all deviations in its Proposal from the functional requirements stated in this RFP and also describe any Product enhancements that could be made by the Bidder to satisfy those requirements.
- **General Exceptions:** The Bidder shall also clearly state its objections, exceptions, or alternatives to the general (non-technical) requirements stated in this RFP. If the Bidder has no general exceptions to present, this fact should be stated in the Proposal.
- The University will not consider the submission of the Bidder's standard software license and maintenance agreements to be a presentation of exceptions. Every exception must be stated as such in the document mentioned above.
- Bidders are cautioned that if the University is unwilling or unable to approve a request for exception to the RFP requirements and the Bidder does not withdraw the request, the proposal will be deemed to be non-responsive and ineligible for contract award.

2.9 Proposal Modifications or Withdrawal

No modification of submitted proposals will be permitted in any form. Any proposal may be withdrawn prior to the bid due date and time as indicated herein. No proposal shall be withdrawn for a period of (120) one hundred and twenty calendar days thereafter.

2.10 Bidder Representation

Each bidder, by submitting a proposal, represents that he/she has:

- Read and completely understands the RFP and associated documents.
- Based the proposal upon the requirements described in the RFP.

2.11 Simplicity of Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Bidder's capability to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. Special bindings, color displays, etc., are not desired. Promotional materials are especially discouraged.

2.12 Complete Bids

All bids must be full and complete at the time of bid opening.

2.13 Specifications

Bidders are expected to meet or exceed the specifications in their entirety. Each bid shall be in accordance with this specification. If products and/or services as bid do not comply with specifications as written, bidder shall attach to bid proposal a complete detailed itemization and explanation for each and every deviation or variation from these specifications. Absence of any such itemization and explanation shall be understood to mean that bidder proposed to meet all details of these specifications. Successful bidder (contractor) delivering products and/or services pursuant to these specifications shall guarantee that they meet specifications as set forth herein. If it is found that materials/equipment and/or services delivered do not meet requirements of this specification, the successful bidder shall be required to correct same at bidder's own expense.

2.14 Amendments to RFP before Due Date

No individual is authorized to amend any part of this bid in any respect, by an oral statement, or to make any representation of interpretation in conflict with provision of this RFP prior to the proposal submission date. However, if necessary, supplemental information in addenda form will be provided to all prospective Bidders who have received this RFP from The University Purchasing Department. Failure of any Bidder to receive such addenda shall not relieve the Bidder from any obligation under their bid as submitted. All addenda so issued shall become part of this RFP.

All goods shall be F.O.B. Destination, freight prepaid and allowed. University shall not be responsible for paying freight charges.

2.15 Price Protection

The Bidder warrants that the prices offered herein are equal to or lower than those offered for equivalent quantities of products or services to similar institutional accounts. If Bidder offers a general price reduction that lowers the cost for any product or service below the cost included in the proposal or the contract, the Bidder shall offer the cost reductions to the University.

2.16 Oral Presentations

Vendors selected for final evaluation may be required to make an oral presentation of their proposal. Such presentations also provide an opportunity for the Vendor to clarify their proposal to ensure a mutual understanding. Scheduling of time and location for these presentations will be arranged by the UC Merced Purchasing Department. Failure to comply with this scheduling procedure may result in Vendor disqualification.

3 SPECIFICATIONS

Products included in this Request for Proposal include groceries (food and non-food), frozen foods, candy, snacks, beverages, health and beauty aids, etc.

Note that the University will have separate/additional contracts for produce, bakery items/bread, coffee, beverages and dairy products and reserves the right to procure items in those categories from alternate sources of supply.

3.1 Sales and Representation

- 3.1.1 A specific customer service representative will be assigned to the account. This person will be responsible to make weekly visits, or at the frequency arranged by Market Place management.
- 3.1.2 In response to the RFP, discuss the Vendor's plan and time frame for startup if awarded the contract. Include any meetings, monitoring service level in startup mode, etc.
- 3.1.3 Discuss ongoing monitoring of service levels and purchasing activities.
- 3.1.4 Discuss the Vendor's hierarchy for customer service. Include names and contact information.

3.2 Product

- 3.2.1 General Product Specifications are as follows:
- 3.2.2 Substitution Policy -The University of California, Merced, Dining services, requires and accepts only "top-of-the-line" products. The supplier must accommodate all orders. Should problems arise, the University requires notification by 12:00 p.m. the weekday prior to delivery. Substitutions must be approved by the Dining Manager or his designated representative, prior to acceptance. Substitute products must be of "EQUAL" quality as determined by the University and be sold at the quoted bid price or lower. If the supplier fails to provide a suitable substitution or a shortage occurs, the supplier must make arrangements with an alternate vendor to supply the University with the specified item. In the event that satisfactory arrangements cannot be made by the supplier, the University reserves the right to obtain the item(s) from an alternate vendor and charge back the difference to the prime vendor.
- 3.2.3 In the event an item is temporarily out of stock, Vendor shall replace the out-of-stock item with an item of the same or higher quality at the original stock price of the item.
- 3.2.4 If the product is damaged, incorrect or unacceptable quality, it shall be returned to the vendor for credit. UCM reserves the right to obtain replacement product from another source should the vendor fail to provide a replacement product. Any additional cost resulting from obtaining a replacement product from another source shall be charged back to the vendor.
- 3.2.5 Vendor shall provide nutritional analysis for all products purchased under this contract.
- 3.2.6 All products shall have readable and decipherable open or use dates. If there are codes, the Vendor shall provide a listing of the codes used on product. Products with open code dates should clearly show the use-by date, date of production, date of processing, sell-by date, and best-if-used-by date – or similar markings.
- 3.2.7 New Products - Any items introduced to the distributor's product line during the terms of this agreement shall immediately become part of the agreement. The price to the University for such new products shall be at the same level of cost plus mark-up as specified in this contract.
- 3.2.8 Discontinuation of Products -The University recognizes the distributors need to occasionally discontinue product from their line. The distributor must also recognize the University's need to maintain continuity of product. In order to satisfy both parties' needs, the distributor must provide a minimum of 60 days notice to the University prior to the discontinuation of any product covered by the contract resulting from this request. Specifically, the distributor will accept orders for products which are to be discontinued for a full 60 days following notice of such discontinuation to the Dining Manager.

3.2.9 Returned Product - The University will return, within 30 days receipt, any incorrectly ordered or delivered product, as well as any concealed damaged goods. The supplier must authorize the delivery person to pick-up and issue credit for returned products. The University will return, within 30 days receipt, at no cost to the University, any item that is ordered in error if the item is a regular stocked item of the supplier.

3.3 Delivery and Invoicing

3.3.1 Defined minimum delivery days/times of Monday, Wednesday, and Friday between 7:00am and 9:00am with the ability to alter at the discretion of Market Place Management.

3.3.2 Order Entry – Provide electronic ordering platform.

3.3.3 As special circumstances require, UCM reserves the right to specify additional delivery locations, and/or delivery times for the UCM campus at no additional charge. This will be on a very limited basis.

3.3.4 The University will only accept F.O.B. Point of DESTINATION. Vendor must bear cost of all transportation and transit insurance.

3.3.5 In a continuing effort to support critical environmental issues, the University of California is requesting that all vendors package food products and supplies in environmentally friendly/bio-degradable/recyclable packing whenever possible.

3.3.6 There shall be no minimum ships. UCM will make every attempt to consolidate and group orders to maximize deliveries.

3.3.7 Each delivery shall be accompanied by an itemized invoice that will be used by the Vendor's delivery person and UCM receiving clerk to jointly verify quantities and specs of the goods delivered at the time of delivery.

3.3.8 UCM will not be charged for split cases.

3.3.9 There will be no fuel charges added to any delivery.

3.3.10 UCM will periodically audit the Vendor's invoices (related to the purchase and transportation of goods) to insure that the costs and fees being charged are accurate. The Vendor will provide any relevant information requested. In addition, UCM may require manufacturers who supply products to the Vendor to disclose all rebates, allowances, bonuses and discounts that accrue to the Vendor. At UCM's request, these documents may include any computer-generated daily recaps, trial balances, journal listings, general ledgers, etc.

3.3.11 The Vendor shall obtain and forward marketing and merchandising programs for products sold to UCM. The Vendor shall make available all signage, costumes, give-aways, flyers, table-tents, sample products, etc. that become available to the end user of the product. The Vendor shall be responsible for obtaining and tracking rebates and promotional allowances. Totals shall be accumulated by the Vendor and rebated back to UCM.

3.3.12 Invoice Payment - The University's payment terms shall be Net 30 days following complete delivery in good condition and receipt of vendor's correct invoice. Discounts for early payment (20 days) are encouraged and will be considered in the bid evaluation. Please indicate any prompt payment discounts.

3.3.13 Interest for Late Charges - The University will take all reasonable action to ensure payments to the vendor are not delayed. However, in the event payment is delayed beyond the 30 day period, the University WILL NOT AUTHORIZE AND WILL NOT ACCEPT LATE CHARGES that are added to accounts.

3.3.14 Taxes - Most purchases are for retail resale only through UC Merced Dining Services. Reference resale no.: SR-KH-100-549577.

3.4 Service Components

3.4.1 Services

- a. Vendor to provide assistance / consultation with initial merchandising plan.
- b. Assist when requested with store layout.
- c. Provide / facilitate implementation of manufacturer point of sale merchandising tools.
- d. Provide hard copy product guide with UPC codes.

- e. Provide opportunity to generate shelf labels indicating UPC code, price, item description, item pack size, and vendor product number.
- f. Maintain consistent inventory of items to avoid Market Place supply variances.
- g. Sales representative to inform of manufacturer promotions / rebate programs.
- h. In response to the RFP, Vendor to provide a listing of current contracts between the vendor and their suppliers. Include the resume of the individual who administers those contracts. Specify the location at which contract administration occurs.
- i. In response to the RFP, describe the Vendor's policies and procedures to ensure product integrity. Include a description regarding product acquisition, inspection, handling and delivery in terms of food safety.

3.4.2 Ordering

- a. Discuss the Vendor's plan and procedure for order placement, including cut-off and turn-around time.
- b. Discuss the procedures for the placement of emergency orders. Include the Vendor's definition of an emergency order, turn-around time, and the ability to serve in an emergency.
- c. Discuss procedures for add-on orders. Include a definition and turn-around time.
- d. Discuss the ability to use both phone-on and computer integrated ordering.
- e. Discuss the option of placing and willingness to provide electronic ordering capabilities at UCM. Describe the equipment that will be provided by the Vendor and any applicable system requirements and/or access needed for an electronic ordering system. Discuss training that will be provided. Discuss the backup system used should electronic ordering not be available.

3.4.3 Delivery

- a. Include the Vendors ability to deliver on time. Describe the procedures and policies in place to minimize late deliveries. Include written policies that are in place.
- b. State the Vendor's fill rate-percentage. It is desirable to achieve a 95% or greater fill ration. Provide a plan detailing how this will be achieved and the responsibilities of the Vendor to achieve this goal.
- c. Discuss how the Vendor intends to minimize shorted, damaged, and or unacceptable deliveries. Explain how items unacceptable at time of delivery will be handled and how accounting will track these items.
- d. Discuss the return policy, including a discussion on how returns are to be handled.
- e. Discuss ability to deliver to a campus under construction. There may be deviations in a routine delivery. Discuss the Vendor's ability to provide service under this condition.

3.4.4 Invoice and Payment

- a. Discuss the Vendor's invoicing system, policies and procedures. Include a discussion regarding categorized product groupings.
- b. Discuss payment terms and discounts.

3.4.5 Marketing and Merchandising

- a. Discuss the Vendor's plan for tracking and submitting manufacturer's merchandising programs on behalf of UCM. Include the Vendor's ability to provide the necessary information regarding rebates and promotions back to UCM. Discuss the Vendor's ability to locate and pursue merchandising programs.
- b. The supplier shall provide monthly usage reports by unit to assist UC Merced in tracking rebates from specific manufacturers. Specify how this program will be established.
- c. Discuss the Vendors willingness to rebate a percentage of sales back to UCM for use in internal marketing. Provide the Vendor's method of tracking rebates and reporting rebates, as well as timing of rebate remittance.
- d. Discuss any other resources the Vendor is willing to provide for internal marketing efforts by UCM.

3.5 Value Added Services

3.5.1 Discuss Electronic Data Interchange (EDI) available including:

- a. Invoicing
- b. Electronic Funds Transfers

3.5.2 Electronic Mail between UC Merced and Vendor

- a. On-Line Order Entry
- b. Do you have hand held inventory equipment the University can use?
- c. Once the order is entered is the stock reserved for UC Merced?
- d. Does the computer offer alternates if item requested is unavailable?

If not currently available, provide the corporate estimate of when EDI options will be available. Provide information on any available new technologies.

3.6 Reports

3.6.1 Provide an extensive summary of all reporting capabilities; For example:

- a. Market Reports
- b. Order history, velocity reports and time defined retrieval of purchases at the item and category level
- c. Purchasing trends - demographics
- d. Updates on product
- e. Discrepancy reports
- f. Current item trends

3.7 Environmental Sustainability and Social Responsibility

3.7.1 Provide information regarding your firm's business processes, practices and efforts in the following areas:

- a. Optimal use of resources including energy, water and materials used in or by products or services
- b. Zero waste and recycling programs
- c. Socially responsible purchasing practices
- d. Fair Trade
- e. Local supplier/Central Valley partnerships

3.7.2 Should your firm secure the resulting prime food contract, indicate for each of the food groups listed below, the percentage of products that that are locally grown and/or produced in the California Central Valley.

- a. Produce
- b. Dairy
- c. Meat

4 BIDDER QUALIFICATION

4.1 Minimum Qualifications of Bidders

The University believes that the Bidder's previous experience, financial capability, expertise of personnel, and related factors are important in assessing the Bidder's potential to successfully fulfill the requirements defined in this solicitation. Accordingly, prospective Bidders must provide the information below and meet minimum qualification requirements as determined by the University in order to be considered for award.

4.2 Company information

Please provide the following information

- Company description, including a short history, business plan and services offered
- List the number of years in the industry.
- Present a brief synopsis of the qualifications, experience, and expertise of your company to manage this contract.
- List and give details on past experience provided to other customers with similar requirements.

Corporate Overview

- Financial stability including consolidated operating revenues.
- Is your company a manufacture as well as a distributor? If so state brands manufactured by your company.

Regional Overview

- Quantity of trucks supplying the Merced area on a daily basis?
- Product lines offered?

In addition to the foregoing information submitted by bidders, the University shall have the right to consider other verifiable information bearing on financial stability and strength, including other independent reports or publicly available data.

4.3 Bidder References

Customer References - At minimum, customer references must represent prime vendor contracts for dry, frozen and spices with similar requirements, performance, complexity and size, within a period of the past three (3) years.

If, after contacting references, it is determined that vendor's past performance in unsatisfactory, bidder will be eliminated as non-responsible. In the event a bidder is deemed non-responsible based on the above criteria, they will be given the opportunity to defend the circumstances presented by a customer reference as a basis of such disqualification.

University may contact references as evidenced by submittal of a proposal for this RFP or other references at the option of the University. Supply your references on Exhibit E, Customer References.

Include the following information:

- client name, address, phone number, email address and contact name
- description of contract scope
- contract award date
- length of contract

5 METHOD OF AWARD

5.1 Proposal Evaluation Method

The contract resulting from this RFP, if any, shall be awarded to the responsive, responsible vendor whose proposal is determined to be the most advantageous to the University taking into consideration the evaluation factors set forth in the solicitation. Proposals will be evaluated by a University appointed team using a quality point system and a two-step evaluation method. Proposals deemed administratively responsive, will be initially evaluated based on vendor qualification information provided in response to Section 4 of this RFP. Bidders that meet the University's minimum qualification level will be further evaluated based on the criteria listed below.

Award shall be made based on "best value" as determined by the University. Price will be an important consideration and component in the best value analysis, but will not be the sole determining factor. The evaluators will examine each proposal to determine, through the application of uniform criteria, the effectiveness of the proposal in meeting the University's requirements.

Submission of partial data may result in Bidder being deemed non-responsive. If there are any requirements defined in this RFP which are not included in a Bidder's bid at closing date of bid, a Bidder's bid may be deemed non-responsive and therefore be rejected.

5.2 Evaluation Criteria

Quality points will be awarded to each proposal based on the following:

- Overall proposal and response to University's business requirements as specified.
- Product line offerings, stock and delivery guarantees.
- Quality assurance and customer service approach.
- Environmental Sustainability and Social Responsibility.
- Added-Value, Incentives, marketing offerings.
- Cost on high-usage items, mark-up rate, price guarantees.

5.3 Selection of Finalists

In the event that the University determines that the scores are close enough to warrant further evaluation, the University may elect to declare two or more Bidders with the highest score rankings as Finalists, and conduct a second stage of evaluations.

If it is determined to be in the best interests of the University, the Bidders identified as Finalists may be invited to undergo further evaluation. If the Finalists express an interest in continuing to participate in the evaluation process, the University may elect to request presentations, site visits. Finalists may be asked to provide additional information, including additional references.

Finalists shall be awarded additional points based on the quality of their presentations/site-visits, etc. These points will be factored into the existing scores to produce the new total score.

Finalists may also be requested to submit a best and final cost proposal offer.

5.4 Contract Award

The proposal offering the highest overall final score which the University, in its sole discretion, elects to exercise will be recommended for award. Should the bidder(s) refuse or fail to accept the tendered purchase contract, the award may be made to the bidder in the group with the next highest score.

5.5 Contract Award in Best Interest

The University reserves the right to accept or reject proposals on each item separately or as a whole, to make one award, multiple awards or no award, to reject any or all proposals without penalty, to waive any informalities or irregularities therein, and to contract as the best interest of the University may require in order to obtain the product(s) and/or services which best meets the needs of the University, as expressed in this RFP. The University reserves the right to negotiate the modification of, terms and conditions with the bidder offering the best value to the University, in conjunction with the award criteria contained herein, prior to the execution of a contract to ensure a satisfactory contract.

6 TERMS AND CONDITIONS

6.1 University of California Employees

All proposals must indicate any/all known University of California employees and/or near relatives who hold a position in your organization or have been engaged as a consultant for your organization within the last two years. Also indicate any known University of California employees or near relatives that own or control more than a ten percent (10%) interest in your organization. If there are none, so state.

6.2 Conflict of Interest

- Vendor shall not hire any officer or employee of the University to perform any service covered by this agreement.
- Vendor affirms that to the best of her knowledge there exists no actual or potential conflict between Vendor's family, business, or financial interest and the service provided under this agreement, and in the event of change in either private interests or service under this agreement, any question regarding possible conflict of interest which may arise as a result of such change will be raised with the University.
- Vendor shall not be in a reporting relationship to a University employee who is a near relative, nor shall the near relative be in a decision-making position with respect to the Vendor.

6.3 Ethics

Supplier will exercise extreme care and due diligence to prevent any action or conditions which could result in conflict with the best interest of the University.

Throughout the term of any agreement resulting from the RFP, Supplier will not accept any employment or engage in any work which creates a conflict of interest with the University or in any way compromises the work to be performed under this RFP or any agreement resulting from this RFP. The supplier and its employees will not offer gifts, entertainment, payment, loans, or other gratuities or consideration to University employees, their families, other Suppliers, subcontractors, or other third (3rd) parties for the purpose of influencing such persons to act contrary to the University's interest or for personal gain. The supplier will immediately notify the University of any and all such violations of this clause upon becoming aware of such violations.

6.4 University's Right to Reject or Modify

Selection of a proposal does not mean that all aspects of the proposal(s) are acceptable to the University. The University reserves the right to negotiate the modification of the proposal terms and conditions prior to the execution of a contract, to ensure a satisfactory procurement.

6.5 Supplemental Terms and Conditions/Modifications

Any supplemental terms or conditions, or modification or waiver of these terms and conditions must be in writing and signed by Vendor and University.

6.6 Form of Agreement

The contents of this RFP, RFP Addenda, and the proposal document of the successful Vendor shall become contractual obligations as part of the Contract if acquisition action ensues. Failure of successful Vendor to accept these obligations in a contractual agreement shall result in cancellation of award. The University reserves the right to negotiate provisions in addition to those stipulated in this RFP or proposed by Vendor for the purpose of obtaining the best possible contract.

6.7 Performance Standard

All work performed shall be first class in every respect and shall conform to the highest standards of the industry.

6.8 Marketing References

The successful bidder shall be prohibited from making any reference to University, in any literature, promotional material, brochures, or sales presentations without the express written consent of the University.

6.9 Disclosure of Records

All bids, supporting materials, and related documentation will become the property of University. This Request for Proposal, together with copies of all documents pertaining to any award, if issued, shall be kept for a period of five years from date of contract expiration or termination and made part of a file or record which shall be open to public inspection. If the response contains any trade secrets that should not be disclosed to the public or used by University for any purpose other than evaluation of your approach, the top of each sheet of such information must be marked with the following legend:

"CONFIDENTIAL INFORMATION"

All information submitted as part of the bid must be open to public inspection (except items marked as trade secrets and considered trade secrets under the California Public Records Act) after the award has been made. Should a request be made of University for information that has been designated as confidential by the Vendor and on the basis of that designation, University denies the request for information, the Vendor will be responsible for all legal costs necessary to defend such action if the denial is challenged in a court of law.

6.10 Audit Requirement

Any agreement resulting from this RFP shall be subject to an examination and audit by the University and the State of California for a period of three (3) years after final payment. The examination and audit shall be confined to those matters connected with the performance of the agreement, including but not limited to the costs of administering the agreement.

6.11 Insurance

The successful bidder shall defend, indemnify, and hold the University, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages that are caused by or result from the negligent or intentional acts or omissions of Seller, its officers, agents, or employees.

Seller, at its sole cost and expense, shall insure its activities in connection with the work under this order and obtain, keep in force, and maintain insurance as follows:

A. Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with limits as follows:

Each Occurrence	\$1,000,000.00
Products/Completed Operations Aggregate	\$2,000,000.00
Personal and Advertising Injury	\$1,000,000.00
General Aggregate (Not applicable to the Comprehensive Form)	\$2,000,000.00

If the above insurance is written on a claims-made form, it shall continue for three years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.

B. Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single limit not less than \$1,000,000.00 dollars per occurrence.

(REQUIRED ONLY IF SELLER DRIVES ON UNIVERSITY PREMISES IN THE COURSE OF PERFORMING WORK FOR UNIVERSITY.)

C. Workers' Compensation as required by California State law.

It is understood that the coverage and limits referred to under a., b., and c. above shall not in any way limit the liability of Seller. Seller shall furnish the University with certificates of insurance evidencing compliance with all requirements prior to commencing work under a contract resulting from this RFP. Such certificates shall:

(1) Provide for thirty (30)-days advance written notice to the University of any modification, change, or cancellation of any of the above insurance coverage.

(2) Indicate that The Regents of the University of California has been endorsed as an additional insured for the coverage referred to under a. and b. This provision shall only apply in proportion to and to the extent of the negligent acts or omissions of Seller, its officers, agents, or employees.

(3) Include a provision that the coverage will be primary and will not participate with nor be excess over any valid and collectible insurance or program of self-insurance carried or maintained by the University.

6.12 Price Reasonableness

Bidder certifies that prices quoted in proposals submitted in response to this RFP are the lowest prices quoted to any other University, governmental agency, other educational customer or similar customer.

6.13 Terms Included and Order of Precedence

In submitting a proposal in response to this RFP, Bidder acknowledges that this RFP, including all appendices and attachments, and including service, financial and program specifications and terms and conditions will be incorporated in its entirety in any award issued in response to this RFP. Other documents to be incorporated in the Agreement shall include the Bidder's entire proposal, including all brochures, attachments and supplementary information. However, in the event of any conflict between the RFP and the bid, the terms of this RFP shall control, and govern any matter set forth therein that is not explicitly modified, added or deleted by the provisions of the subsequent Agreement.

6.14 Post-Qualification

All proposals submitted from vendors who have not been pre-qualified as a supplier to the University will be subject to post-qualification. Qualified status is based on such factors as financial resources, past performance with the University of California, delivery capability, experience, organization, personnel, technical skills, operations controls, quality control and other related factors which may be an indicator of a vendor's ability to perform.

Judgment of the capability of any supplier or sub contractor is at the sole discretion of the University.

6.15 Termination of Agreement

University may terminate the subsequent Agreement for cause or convenience, in whole or in part, at any time during the contract period. In the event of such termination, the University will provide a minimum of ninety (90)

days prior written notice of the effective termination date and the extent thereupon and will pay for all services provided and accepted to the date of termination.

If within ten (10) days of receipt of written notice to Supplier from the University of Supplier's breach of any term and/or condition of the Agreement, Supplier fails to remedy said breach, the University may, with prior written notice, terminate the Agreement in whole or part at any time.

7 COST PROPOSAL

Cost proposals must include sufficient itemization to enable the University to uniformly evaluate the cost elements of all proposals. If cost proposals are not complete and/or do not clearly indicate all cost elements for cost comparison purposes, proposals may be rejected by the University.

All prices are to be inclusive of all costs, excluding tax. Pricing shall be FOB destination, net 30 following acceptance.

7.1 Line Item Pricing

Provide complete pricing for line items listed on Attachment A. If you are unable to bid on brands specified, indicate the brand substituted and any difference in pack size/weight. Samples of alternative brands may be requested by the University to evaluate acceptability.

Prices entered on this Attachment A bid form should be prices that are/were in effect on the date of 07/5/11.

Provide quotation for each item according to the unit specified. If not the same unit as specified, convert your quotation to the unit specified.

After contract award, the vendor and UC Merced will work together to determine which items need to be on a negotiated contract with the manufacturer for a fixed price and for a fixed period of time.

7.2 Price Decrease

In the event of any commodity price decrease, the vendor shall provide monthly notification and any decrease in price shall accrue to the benefit of the University.

7.3 Lowest Pricing

It is understood that UC Merced shall receive the best pricing/discount offered your most favored customers and/or national accounts.

7.4 Audit

Upon reasonable notice and during regular business hours, the University reserves the right to perform audits, conducted by a University designated auditor, to verify that bids and amounts invoiced are in accordance with the terms of this agreement. Documentation to support pricing of products sold to UC Merced pursuant to this agreement will be reviewed. Each audit will be limited to 50 items. The supplier shall promptly correct any errors discovered by any such audit.

8 Bidder Certification/Signature Page

AUTHORIZED SIGNATURE: The proposal must be signed with the full name and address of the Bidder; if a co-partnership, by a member of the firm with the name and address of each member; if a corporation, by an authorized officer thereof in the corporate name.

Certificate of Current Cost or Pricing Data

This is to certify that to the best of my knowledge and belief the cost or pricing data submitted to the University of California in response to this Request for Proposal is accurate, complete and current as of the date of execution of this certificate. If any cost or price furnished is incomplete, inaccurate or not current as certified, resulting in an increase of any price, including profit or fee, then such price or cost shall be reduced accordingly and the University made whole retroactive to the commencement date of the contract that may result from this solicitation.

The below-named individual, submitting and signing this proposal, verifies that he/she is a duly authorized officer of the company, and that his/her signature attests that all items and conditions contained in this Request for Proposal, for Proposal number UCMNB607TT University of California, Merced are understood and accepted.

DATE

AUTHORIZED SIGNATURE

COMPANY NAME

ADDRESS

CITY/STATE/ZIP CODE

PRINT NAME OF AUTHORIZED SIGNATURE

TELEPHONE NO. WITH AREA CODE

As a supplier of goods and services to the University of California I/we certify that racially segregated facilities will not be maintained nor provided for employees at any establishment under my/our control, and that I/we adhere to the principals set forth in Executive Order 11246 and 11375, and undertake specifically to maintain employment policies and practices that affirmatively promote equality of opportunity for minority group persons and women, to take affirmative steps to hire and promote women , to take affirmative steps to hire and promote women and minority group persons at all job levels and in all aspects of employment, to communicate this policy in both English and Spanish to all persons concerned within the company, with outside recruiting services and the minority community at large to provide the University on request a breakdown of our total labor force by ethnic group, sex, and job category, and to discuss with the University our policies and practices relating to our affirmative action program.

9 Attachments

- Exhibit "A" /Attachment "A" Price List (Excel document)
- Bidder Inquiry Form
- University of California, Appendix "A"