I. **Minutes:** November 10, 2020 and November 17, 2020 (pp. 2-5)

II. **Communication(s) and Announcement(s):**

III. **Reports:**
   A. Academic Senate Chair:
   B. Provost:
   C. Vice President for Student Affairs:
   D. Statewide Senate:
   E. CFA:
   F. ASI:

IV. **Special Reports:**
   A. **[TIME CERTAIN 3:15 p.m.] University Update:** President Jeffrey Armstrong, Aydin Nazmi, Presidential Faculty Fellow for COVID-19 Response and Preparedness, Anthony Knight, Director of Emergency Management, and Tina Hadaway-Mellis, Infectious/Communicable Disease Response Director
   B. **Inclusive Excellence Update:** Denise Isom, Interim Vice President for Diversity and Inclusion and Chief Diversity Officer

V. **Business Items:**
   A. **Resolution on Pilot Pathways Program within General Education:** Gary Laver, Chair, General Education Governance Board, first reading (pp. 6-19)
   B. **Resolution on “Poly Access” Textbook Program:** Ryan Jenkins, Philosophy Department and John Hagen, chair, Academic Senate Instruction Committee, first reading (pp. 20-61)
   C. **Resolution to Set Cal Poly’s Carbon Neutrality Target Date:** David Braun, Academic Senate Sustainability Committee Chair, first reading (pp. 62-63)

VI. **Discussion Item(s):**

VII. **Adjournment:**
I. Minutes: M/S/P to approve the minutes from the October 20, 2020 Academic Senate meeting.

II. Communication(s) and Announcement(s): None.

III. Reports:
All reports were submitted in writing at the request of the Senate Chair. The reports can be found at: https://content-calpoly-edu.s3.amazonaws.com/academicsenate/1/images/sa111020.pdf

IV. Consent Agenda:
The following college summaries were approved by consent:

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<th>College of Agriculture, Food and Environmental Science</th>
<th>Orfalea College of Business</th>
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<td>Department</td>
<td>• Graduate Studies in Accounting Area</td>
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<td>• Experience Industry Management Department</td>
<td>• Graduate Studies in Economics Area</td>
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<td>• Wine and Viticulture Department</td>
<td>• Graduate Studies in Packaging Area</td>
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<th>College of Engineering</th>
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<td>• Computer Science and Software Engineering Department</td>
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<td>• Chemistry and Biochemistry Department</td>
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<td>• School of Education</td>
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V. Special Reports:
A. President’s Report: President Armstrong updated the group on the year’s budget report and Cal Poly’s response to COVID-19, and also answered questions from the Senators. President Armstrong explained the budget deficit of 33.6 million dollars; this is being mitigated through an early exit program and a net reduction of 12.4 million dollars, but there will still be no savings this year. In his report of Cal Poly’s response to COVID-19, President Armstrong informed the group of a shock event related to the sorority bidding process, and also gave a status update on Cal Poly’s COVID-19 numbers and testing capabilities.

B. Evaluation Response Rate: Ken Brown, Chair, Academic Senate Faculty Affairs Committee: Ken Brown presented data on student evaluations from previous years; in Spring Quarter 2020, response rates plummeted—this can be attributed to the exhaustion of online learning. They are still carrying out professor evaluations which open 11/17/20 and run through the last day of instruction.

C. University Advising Written Update: Beth Merritt Miller, Assistant Vice Provost, University Advising, presented a written report for the University Advising Department, this report can be found on pages 15-16 of the agenda.

D. GWR Advisory Board Written Update: Dawn Jenke, chair of GWR Advisory Board gave a written report on the GWR Advisory Board, this report can be found on page 17 of the agenda.

VI. Business Items:
A. Resolution on Suspending Credit/No Credit Grading Restrictions for AY 2020-2021 in Response to Covid-19: Thomas Gutierrez, Academic Senate Chair, proposed a resolution stating that any courses taken during the 2020-2021 academic year should not be counted toward specified Credit/No Credit unit limits, that students should have the option to change to a Credit/No Credit grading basis until the last day of instruction and that Cal Poly should include a
B. **Resolution Opposing the Implementation of AB1460/Education Code 89032 (The California State University (CSU) Ethnic Studies Undergraduate Graduation Requirement) In General Education (Title V):**

Jose Navarro, Cal Poly Ethnic Studies Requirement Working Group, introduced a resolution which established the importance and need for faculty control of curriculum in terms of implementing the new CSU Ethnic Studies requirement, affirming that it should be a campus-based university graduation requirement. The group is asking the Chancellor’s Office and Board of Trustees to rescind the GE modifications from Summer 2020. M/S/P to move the Resolution Opposing the Implementation of AB1460/Education Code 89032 (The California State University (CSU) Ethnic Studies Undergraduate Graduation Requirement) In General Education (Title V) to second reading. M/S/P to approve the Resolution Opposing the Implementation of AB1460/Education Code 89032 (The California State University (CSU) Ethnic Studies Undergraduate Graduation Requirement) In General Education (Title V). 1 against, 3 abstained.

C. **Resolution on Emergency MPP Appointments:**

Ken Brown, Chair, Academic Senate Faculty Affairs Committee, presented a resolution that would make all Emergency MPP appointments interim, until appropriate consultation with either the Academic Senate as a whole or the Executive Committee. This resolution will return in first reading status at the next Academic Senate Meeting.

D. **Resolution on Pilot Pathways Program within General Education:**

Gary Laver, Chair, General Education Governance Board, presented a resolution asking the Senate to approve of the proposed guidelines for a pilot pathways program for general education that would promote interdisciplinary learning. The purpose is to allow students more flexibility in exploring different disciplines across general education. This resolution will return in first reading status at the next Academic Senate Meeting.

VII. **Discussion Item(s):** None.

VIII. **Adjournment:** 4:58 pm

Submitted by,

Francesca Tiesi
Meeting of the Academic Senate  
Tuesday, November 17, 2020  
https://calpoly.zoom.us/j/92729606031

I. Minutes: None

II. Communication(s) and Announcement(s): No announcements.

III. Reports:
A. Academic Senate Chair: None.
B. President’s Office: Keith Humphrey, Vice President for Student Affairs, reported on the University’s efforts to inform students about testing for COVID-19 and to expand the isolation dorm capabilities for winter quarter. Humphrey invited faculty to the virtual commencement. When asked about contingency planning for an in-person winter quarter, provost Cynthia Jackson-Elmoore reported that the university was prepared to be fully virtual for winter quarter if the situation demanded it.
C. Provost: Provost Cynthia Jackson-Elmoore reported that the online curricular review process for courses that are virtual due to COVID-19 have been suspended for Summer and Fall quarters in 2021.
D. Statewide Senate: Gary Laver, Statewide Senate representative, reported that graduation rates have increased in the CSU system.
E. CFA: Cal Poly CFA President, Lewis Call, announced the new bargaining proposal for the new academic year. The proposal can be found here: https://www.calfac.org/pod/cfa-bargaining-proposals
F. ASI: ASI President, Shayna Lynch, announced the California State Student Association plan for COVID-19.

IV. Consent Agenda: Agenda items approved by consent.

V. Special Reports:
A. IT Centralization Issues: Alison Robinson, Associate Vice President for Information Technology, presented on various issues with technology centralization on this campus. She answered questions regarding the use of zones and how a transition to centralization would affect programs. The presentation can be found here: https://content-calpoly-edu.s3.amazonaws.com/academicsenate/1/images/Academic%20Senate%20Listening%20Sessions.pdf

VI. Business Items:
A. Resolution on Suspending Credit/No Credit Grading Restrictions for AY 2020-2021 in Response to Covid-19: Thomas Gutierrez, Academic Senate Chair, introduced a resolution that would make any courses taken Credit/No Credit during the 2020-2021 academic year not count towards Credit/No Credit unit limits, would allow students to change their grading basis until the last day of instruction, and add a notation on transcripts explaining the situation involving COVID-19. The resolution passed to a second reading. Steven Rein proposed an amendment to set the deadline during Week 8, and then phase in a sooner deadline each subsequent quarter. The amendment did not pass. Gordon Rees proposed an amendment to strike lines the lines regarding the transcription notation to avoid unintended consequences; M/S/P to include the amendment. Anahid Behrouzi proposed an amendment to allow students to change their grading basis “after final exams,” but then modified the language to read “after final exams are posted”; M/S/F to change the grading basis at the end of Week 6, post-Covid-19; M/S/F to change the grading basis at the end of week 6. The Resolution on Suspending Credit/No Credit Grading Restrictions for AY 2020-2021 in Response to COVID-19 was then M/S/P to second reading. M/S/P to approve the resolution to suspend credit/no credit grading restrictions for the rest of the 2020-2021 school year.
B. Resolution on Emergency MPP Appointments: Ken Brown, Chair, Academic Senate Faculty Affairs Committee, reintroduced a resolution that would make Academic Senators more involved in the emergency hire process and make all emergency hires interim, followed by a full search for a permanent hire. M/S/P to approve the Resolution on Emergency Appointments.
C. **Resolution on Pilot Pathways Program within General Education**: Gary Laver, Chair, General Education Governance Board, introduced a resolution asking for Senate Approval on guidelines for a pilot program that would make General Education requirements more interdisciplinary and allow students to explore more outside of their major. This resolution was tabled until Winter quarter. *This resolution will return to the Senate in first reading status at the next Academic Senate meeting.*

VIII. **Discussion Item(s)**: None.

IX. **Adjournment**: Meeting adjourned at 5:00 pm.

Submitted by:

_Amelia Solis Macias_

Amelia Solis Macias  
Academic Senate Student Assistant
RESOLUTION ON PILOT PATHWAYS PROGRAM WITHIN GENERAL EDUCATION

WHEREAS, The campuswide effort that led to the recent revision of Cal Poly’s General Education (GE) template included an exploration of a pathways program within GE; and

WHEREAS, The Pathway Work Group created by the GE Governance Board released its Report in Spring 2019; and

WHEREAS, Following its review of the Work Group’s Report, the GE Governance Board has compiled guidelines on the structure of a pilot pathways program within GE; therefore be it

RESOLVED: That the Academic Senate of Cal Poly approve the attached GEGB Guidelines for a Pilot Pathways Program; and be it further

RESOLVED: Cal Poly use the Guidelines to implement an exploratory pathways program in the 2021–2022 academic year; and be it further

RESOLVED: That the GE Governance Board report to the Academic Senate during the 2023–2024 academic year on the results of this program.

Proposed by: General Education Governance Board
Date: November 3, 2020
GEGB GUIDELINES FOR A PILOT PATHWAYS PROGRAM

As one of its stated goals, Cal Poly’s General Education program seeks to “promote connections between the GE Areas so students and faculty perceive GE courses as interrelated rather than as isolated fragments.” In addition to the guidelines listed below, we encourage faculty to actively promote pathway collaborations in which they are a part. Faculty members should sign a memo (e.g., through AdobeSign) certifying that the student successfully completed the pathway.

- GEBB will review and approve all pathway proposals.
- All courses in a pathway must be GE courses.
- Courses approved for a pathway will be listed on the GE website.
- A pathway must contain at least twelve units.
- Pathways are recommended to have a core of three courses out of no more than four courses. Special justification is expected for larger lists.
- Course substitutions are not allowed.
- Pathways are recommended to have two or fewer upper-division courses. Special justification is expected for proposals with three upper-division courses.
- Pathways are recommended to include courses from two GE Areas. Special justification is expected for proposals covering only one GE Area.
Mission Statement

Cal Poly General Education Pathways are integrated, interdisciplinary experiences within our GE program, providing students with a curated focus on contemporary and relevant world problems, and resulting in culminating experiences that support the distinct identity found in a Cal Poly education.

Guiding Principles

1. **A Cal Poly GE Pathway is more than just a list of courses.** Pathways are coherent sets of GE courses that are defined by, and designed to answer, one or more compelling question(s). They represent an opportunity to integrate and apply knowledge acquired throughout the GE curriculum via a unique culminating experience.

2. **GE Pathways are faculty-designed curricular experiences where students customize part of their General Education experience and explore an interest linked across multiple GE courses.** Each GE Pathway is an interdisciplinary curriculum spanning GE areas, colleges, and departments. Pathways consist of three Cal Poly GE courses, with at least two at the upper-division level.

3. **GE Pathways are not mandatory and are flexible.** For students, pathways do not create an obstacle to timely graduation. Faculty members interested in teaching explicitly connected GE courses have full authorship of the pathway theme, guiding questions, courses, and culminating experience.

4. **Pathways culminate in a meaningful experience.** Pathways culminate in a broad educational experience where students synthesize their learning and demonstrate knowledge of the pathway’s guiding question(s). Achievement of a completed pathway is represented on the student’s transcript.
GE Pathway Design and Justification

In November 2018, the Academic Senate called for the formation of a General Education Pathways Work Group. This group was asked to report to the Senate and the GE Governance Board with recommendations for a GE pathway plan that would “create a distinct identity for Cal Poly’s GE program,” as well as implementation strategies. In January 2019, the GE Pathways Work Group was formed and began its study of this question.

Our work group recommends the design and implementation of a pathway option in the Cal Poly GE Program. This would be an optional cluster of three courses organized around a common interdisciplinary theme and guided by a set of core questions. Pathways would help lend a distinctive Cal Poly / comprehensive polytechnic identity to the GE curriculum by realizing our current GE Program Learning Objective #3, that students should be able to “[a]ddress real world problems by demonstrating broad disciplinary knowledge, skills, and values in arts, humanities, sciences, and technology.” This breadth across disciplines, departments, and colleges would also help fulfill Cal Poly’s goal, as stated in the “Mission and Values” section of the Strategic Plan 2018-2023 Draft, of encouraging cross-disciplinary experiences.

GE Pathways will allow opportunities for intentional, integrated learning within the General Education curriculum. They would allow for the creation of new learning communities. In addition, pathways would give students a chance to reflect on and integrate ideas across a longer period of time, and also to integrate ideas from different points in their GE coursework. These learning practices would add more value to GE and to students’ understanding of, and active engagement with, our GE curriculum. Completion of the pathway would be notated on student transcripts, providing external motivation and reward.

GE Pathways should be designed to answer one or more guiding and compelling intellectual question(s). Fundamentally, these Pathway Guiding Questions would represent learning objectives for each specific pathway. The questions would express the intellectual and important contemporary issues to be studied in each pathway. They also would be included in the catalog description of the pathway, thereby centering for students the intellectual endeavor and commitment involved. The Pathway Guiding Questions would also be used to publicize the programs and to create student interest.

We recommend that Cal Poly GE Pathways consist of three courses, including at least two upper-division courses. Many of these courses will likely exist in the current Cal Poly catalog; faculty
should also feel free to propose new GE courses for the pathways. The upper-division emphasis allows the pathway to serve as a more distinct, broad, and identifiable capstone experience within GE than is currently experienced in individual upper-division Area B, C, and D courses (which were originally designed to serve as mini-capstones to study completed in each of these different areas). This three-course format also allows first-time and transfer students equal opportunity to enroll in pathways.

The pathways should consist of courses spanning across at least two different GE Areas and two different colleges, in order to help ensure the interdisciplinary breadth that our GE Program is meant to provide. We recommend strongly that the pathways should consist of Cal Poly GE courses only, in order to help ensure that the pathways maintain their unique focus and guiding questions the way that Cal Poly faculty have designed them. We also recommend that pathways be designed with somewhat flexible requirements, as long as all of the eligible courses help answer the Pathway Guiding Questions in an authentic and meaningful way. However, we feel that it is important that no course substitutions be used (from GE or non-GE courses) for pathway credit.

We also recommend that each pathway group propose their own preferred design of a culminating experience, which will exhibit the student’s ability to grapple with and answer the Pathway Guiding Questions after completion of the three courses. This culminating experience could include essays, e-portfolios, presentations, guided reflections, inclusion of pathway-related subject matter in senior projects, etc.

Design and implementation of a GE Pathways program at Cal Poly will require extensive communication and collaboration between pathways faculty and coordinators, departments, college curriculum committees, the GE Governance Board, the Academic Senate, Academic Programs and Planning, the University Registrar, University Advising, and likely more individuals and offices on campus. This should only be embarked upon if a broad commitment to this support, communication, and collaboration exists. The following sections contain more specific recommendations on the student role in pathways, and how pathways should be designed, administered, and assessed.
The Student Perspective

Two foremost principles of our GE Pathway recommendation are that pathways are optional, not mandatory, and that they do not create an obstacle to timely graduation.

Students who matriculate at Cal Poly as first-time first-year students would be eligible to enroll in a pathway after completing a minimum of 45 units or three quarters of instruction at Cal Poly. These students would thus have time to learn about the different pathways, and this would also ensure that they have sufficient time to complete the three courses. The process would be more time-sensitive for new transfer students. In order to be able to select GE courses in their desired pathways, these students would need to enroll in pathways early in their junior year. Advisors thus would need to work, perhaps during the SLO Transfer Days program, to educate incoming transfer students about the GE pathways program. For all students, the application process should be a simple one, handled directly by the Pathway Coordinator.

A successful pathway program must be one where a student accepted into a pathway is given the reasonable opportunity to finish it. That is, it would require that the pathways and associated departments commit to offering appropriate numbers of courses and sections. It would also favor pathways that provided some flexibility within their curricula, where some of the requirements could be completed by more than one GE course. Note that this “flexibility” does not extend to the use of course substitutions, which we strongly recommend against. A pathways program might also present the opportunity to innovate creative solutions for enrollment management in pathway courses. Finally, it should be made clear to students that there is no “penalty” for exiting or not completing a pathway before graduating.

The Faculty Perspective

One principle of our recommendation for GE pathways is that teaching and participating in these courses should be rewarding (and optional) for instructors. The thrill of seeing students make connections across subjects and disciplines is part of what makes our profession as academics so appealing, and we predict that GE pathways will help make this more commonplace at Cal Poly.

Faculty members who choose to take part in this program would be involved in suggesting existing courses and/or designing new courses for inclusion in the pathways. Faculty members could also choose to provide flexibility within course assignments for pathway students, and would also have the opportunity (as appropriate to the course) to introduce or reinforce the crossdisciplinary
connections of the pathway. The student’s role and intellectual responsibility is to follow and think through these connections, and this will be accomplished most successfully when modelled by the pathway instructors.

In 2018, faculty members and other campus stakeholders suggested five different pathways to the General Education Task Force: Sustainability, Migration and Migrants, East Asia, Global Studies, and Food, Culture, and Politics.¹ Several students attending the four GE Design Charrettes in May 2018 also suggested possible pathway themes, indicating rich student interest in such an option.

GE Pathway Construction and Administration

Cal Poly’s GE Pathways should be administered by a GE Pathway Committee (GEPC) that reports directly to the GE Governance Board. We also recommend that the chair of the GEPC should be an *ex officio* member of the GEGB.

Elected by the committee members, the chair of the GEPC would be responsible for soliciting ideas for pathways and the courses that would constitute them. The chair would communicate with colleges and departments, and coordinate colleagues from different parts of the university in the process of forming pathways. This communication with colleagues from all of Cal Poly’s colleges will be crucial to the formation of robust, interdisciplinary pathways. The GEPC would also include coordinators of each individual pathway, student representatives, and representatives from University Advising, University Registrar, GEGB, and Academic Programs and Planning. The GEPC chair and Pathway Coordinators should receive assigned time to support regular management and maintenance of the GE Pathways program.

The GEPC would review pathway proposals (as described in the following section), and evaluate them on their intellectual merit, breadth, and flexibility, as well as the commitment by associated departments and colleges to offer appropriate numbers of courses and sections. Pathways approved by the GEPC would be sent to the GEB for their approval, and then to the Academic Senate Curriculum Committee (ASCC).

The GEPC would also have clear processes for adding courses to, or removing courses from, existing pathways. These proposals would likewise be sent to the GEGB and ASCC for review.

¹ However, these were suggested in formats different than the one we are recommending here, and also without the Pathway Guiding Questions and culminating experience that we are recommending here as an integral part of a GE Pathway. *General Education Task Force Report and Recommendations: Creating a Student-Focused and Distinctive Program at Cal Poly* (October 2018), pp. B1-B8, [http://bit.ly/PolyGETF18](http://bit.ly/PolyGETF18).
The GEPC would also provide resources to help each Pathway Coordinator determine the appropriate number of course sections to offer quarterly and yearly to meet the needs of that pathway.

Working with the Director of Academic Assessment, the GEPC would be responsible for regular assessment of pathways: (1) to help ensure that pathways remain accessible to students, (2) to help ensure that pathway courses support and map accurately to the Pathway Guiding Questions, and (3) to assess student achievement of GE Program Learning Objectives (PLOs).

Regular assessment would allow the GEPC to evaluate individual pathways (or the entire GE Pathways program) and recommend improvements. The GEPC could recommend discontinuation or temporary deactivation of a pathway in cases where assessments and improvements are not addressed, or if student interest and/or program resources decline.

Each individual pathway group, led by a Pathway Coordinator, would be responsible for accepting student applications to the pathway, tracking and advising pathway students, and notifying the Office of the Registrar upon each student’s completion of the pathway courses and culminating experience.

Each pathway group would also regularly assess student work completed for the culminating experience, to evaluate whether students completing the pathway were indeed able to formulate meaningful answers to the Pathway Guiding Questions.

**Suggested Pathway Standards**

One of the GEPC’s important tasks will be to evaluate proposed pathways carefully for their interdisciplinary breadth and intellectual rigor, and their eventual approval as a formal program. We recommend the use of specific guidelines or a rubric to evaluate proposed pathways. Proposal scores or priorities could be assigned in the following categories:

- **Interdisciplinary Nature of Pathway**: Does the pathway span across GE areas, departments, and colleges?
- **Compelling Nature of Pathway Guiding Question(s)**: Will these questions challenge students and lead to rigorous inquiry?
- **Intellectual Justification for Need**: What can this pathway provide our students that other existing programs do not?
• **Pathway Culminating Experience**: Does it allow students to draw on the pathway courses to answer the guiding questions in a summative and rewarding way?

• **Measures of Student Support and Interest**: Are there data from student surveys, PolyPlanner, and/or enrollment in related courses to suggest wide interest in the pathway?

• **Faculty Expertise and Department Resources**: Are departments able to commit to offering the number of courses and sections necessary to sustain the pathway?

• **Scheduling of Course Offerings (Availability) and Flexibility**: Will the different departments involved be able to work together to regularly schedule a sufficient number of pathway courses?

• **Plan for Assessment and Evaluation**: How will the pathway be assessed for student learning, success of culminating experience, course availability, and courses’ fidelity to the pathway themes?

A sample GE Pathway Proposal Form that could be used to collect this and other basic information about proposed pathways is included in Appendix B. Academic Programs and Planning would be asked to create the official proposal form, which should then be integrated into Program Inventory Management.

**Suggested Timeline**

If a Cal Poly General Education Pathways Program was adopted by the Academic Senate in early 2019-20, then we recommend the following steps and timeline:

**2019-20 Academic Year:**

**Academic Programs and Planning** would begin drafting possible policies for reviewing pathway proposals, and would work closely with the **General Education Governance Board** and the **Academic Senate** to inaugurate the official process.

The **Academic Senate** would establish a **General Education Pathways Committee (GEPC)** with representation from: **Pathway Coordinators**, **University Advising**, **University Registrar**, **GEGB**, **Academic Programs and Planning**, and students. The **Academic Senate** would also recommend an assigned time policy for the GEPC Chair and individual Pathway
Coordinators. (While the GEPC is in the process of being populated with Pathway Coordinators, the GEGB and APP would be asked to assist temporarily with the operation of this committee.)

The GEPC would reach out to faculty via college and/or department meetings, help coordinate between faculty from different colleges, consult with the Office of the Registrar, University Advising, and University Marketing on details of the program, and start organizing possible pathways.

By spring, the GEGB and College Curriculum Committees would prepare to receive pathway proposals. Academic Programs and Planning would finalize the pathway proposal process. The GEPC would help pathway groups finalize proposals, while continuing to consult with the Registrar, Advising, Marketing, ASI, and Student Affairs on details. Pathway groups would select Pathway Coordinators, design the Pathway Guiding Questions, draft catalog language, and consult with departments on scheduling patterns.

The Registrar would develop procedures for coding pathways into student transcripts. ASI and Student Affairs would develop messaging on pathways for WOW for Fall 2020. Marketing would develop pathways messaging for the Fall 2021 admissions cycle.

2020-21 Academic Year:

ASI and Student Affairs would educate new first-year and transfer students about pathways to begin in Fall 2021 in WOW.

The GE Pathways Committee would assist pathway groups with proposals, coordinating work with Academic Programs and Planning, GE Governance Board, Registrar, Advising, ASI, and Student Affairs.

Pathway groups would submit complete pathway proposals. Interested faculty and departments would account for pathway courses in preparing their 2021-22 course schedules.

The GEPC would also receive and evaluate pathway proposals, and then send them forward to the GEGB or return to the Pathway groups for revisions. The GEGB would receive and evaluate pathway proposals, either forwarding to the appropriate college curriculum committees and the Academic Senate Curriculum Committee, or returning them to the GEPC for revisions. The ASCC would receive pathway proposals, and then forward to the Academic Senate or return to the GEPC for revisions.
The GEPC would work with Academic Programs and Planning to develop recommended procedures for each pathway to track and advise pathway students.

University Marketing would institute messaging for the Fall 2021 admissions cycle.

Academic Programs and Planning would develop the procedures to phase out pathways or pathway courses that are not in compliance.

The Registrar would finalize procedures for coding pathways, and for representation in the catalog and student transcript.

University Advising would develop positions, perspectives, and messages on pathways, and begin to advise students about the pathways. This would include messaging about pathways directed towards new transfer students in the SLO Days program. The GEPC would work with the Admissions Office to design and then distribute a summer pathway survey for new incoming students, perhaps integrated with the surveys that are currently part of the Block Scheduling process.

2021-22 Academic Year:

Implement Pathway program.

GEPC begins continuous assessment of Pathway program: collecting data on course enrollment and availability, success of culminating experiences, pathway student grades in the pathway compared to non-pathway student grades, exit surveys, etc.

Further Design Possibilities:

The GE Pathways Work Group suggests several other possible innovations for consideration as the program develops:

1. Pathways willing to do so could develop optional extensions that lead to a longer “Pathway Plus” or even to a minor.
2. Pathways could coordinate special events based on their pathway theme or questions.
3. The GEPC could coordinate with the University Writing & Rhetoric Center to design a program by which pathway students could complete their Graduation Writing Requirement via a cumulative pathway e-portfolio.
Appendix A: GE Pathways Work Group Members

Philip Ryan Abarquez (Student, Political Science)
Katherine Ettl (Student, Political Science)
Gregg Fiegel (Professor, Civil and Environmental Engineering, Honors Program)
Samuel Frame (Professor, Statistics)
Bruno Giberti (Associate Vice Provost for Academic Programs and Planning)
John Jasbinsek (Associate Professor, Physics)
Josh Machamer (Professor and Department Chair, Theatre and Dance)
Beth Merritt Miller (Assistant Vice Provost, University Advising)
Andrew Morris, Chair (Professor, History)
Camille O’Bryant (Associate Dean, College of Science and Mathematics)
Vidhi Sachdeva (Student, Civil Engineering)
Cem Sunata (University Registrar)
Carmen Trudell (Associate Professor, Architecture)

The Cal Poly GE Pathways Work Group would like to acknowledge faculty members, administrators, and advisors at the University of Maine at Farmington and the University of Santa Clara for providing information about the implementation and administration of general education pathways at their institutions.
Appendix B: Sample GE Pathway Proposal Form

Proposal Author   Position
Department   Year Joined Cal Poly

Proposed Pathway Title
Please include the Pathway Guiding Question(s) and a description of the educational and intellectual value of the pathway.

Proposed Curriculum

<table>
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<tr>
<th>Course Number and Name</th>
<th>How does this course / these courses address the compelling question(s)?</th>
<th>New Course?</th>
<th>Number of sections per quarter</th>
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Culminating Educational Experience
Each Pathway should have a culminating educational assignment which challenges students to address the Pathway Guiding Questions by demonstrating meaningful integrative thinking. Describe the culminating educational experience for this Pathway, including how it will be assessed, and the criteria for determining successful completion.
Record of Student Interest
For each course listed above, provide average data that would document a record of student interest in this topic. If the course is being newly proposed, data for similar courses can be used.

Resources
Describe any resources, such as technology or facilities, that are necessary to support this Pathway. If these resources must be provided by a Department or College, attach a memo of support from the Department Chair/Head or College Dean respectively.

Pathway Coordinator
Assigned time will be provided for one faculty member to serve as the Pathway Coordinator. This person will be responsible for managing student enrollment, progress, and completion of the Pathway. The coordinator will also lead assessment and communicate with the GEGB about the state of the Pathway.

Name
Department
Position

Signature of Support from Department Head

Assessment Plan
Each pathway will be required to complete a Program Assessment every three years. Provide an outline for how student learning will be assessed in this Pathway, and how the assessment tools will be used to modify the Pathway curriculum, teaching methods, or culminating experience.
RESOLUTION ON “POLY ACCESS” TEXTBOOK PROGRAM

Impact on Existing Policy: None.

WHEREAS, Follett’s Immediate Access (“Poly Access”) program was adopted without consultation with the Academic Senate, nor significant consultation with faculty nor students; and

WHEREAS, The “Poly Access” program profoundly shifts the nature of the relationship between student and bookstore; and

WHEREAS, Many students will be able to purchase books at lower cost because of the volume purchasing which Poly Access enables; and

WHEREAS, The Poly Access program raises serious concerns about increasing out-of-pocket costs for students by hundreds of dollars per quarter by automatically debiting their accounts for the cost of textbooks without sufficient notice and opportunity to opt-out; and

WHEREAS, Automatically opting students into such a system obviates their consent and threatens to undermine their autonomy by requiring them to opt-out of each textbook separately, each quarter; and

WHEREAS, Many Cal Poly students are of lower income or experience food insecurity, exacerbating these burdens; and

WHEREAS, These costs accrue to students’ state accounts, which can result in registration holds or failure to graduate; and

WHEREAS, Students are well-equipped to make informed decisions when shopping for textbooks to reduce their out-of-pocket costs; and

WHEREAS, An opt-in system, whereby students must take the deliberate action of choosing to receive their textbooks through the Poly Access program, would avoid the most serious concerns with the current system; and
RESOLVED: That the Academic Senate urges the Cal Poly Bookstore to change its "Poly Access" program to an opt-in program rather than an opt-out program, without requiring students to pay for textbooks by default, and be it further

RESOLVED: That Cal Poly engage in more mindful and diligent consultation with faculty and student representatives when the Cal Poly bookstore implements changes to its interaction between itself and students or faculty, and be it further

RESOLVED: That Cal Poly be mindful of the ethically salient impacts of decisions that have the potential to significantly negatively impact student finances without students’ knowledge or sufficient notice.

Proposed by: Ryan Jenkins (Associate Professor, PHIL)
Date: January 5, 2021
RESOLUTION ON “POLY ACCESS” TEXTBOOK PROGRAM

Impact on Existing Policy: None.

1. WHEREAS, Follett’s Immediate Access (“Poly Access”) program was adopted without consultation with the Academic Senate, nor significant consultation with faculty nor students; and
2. WHEREAS, The “Poly Access” program profoundly shifts the nature of the relationship between student and bookstore; and
3. WHEREAS, Many students will be able to purchase books at lower cost because of the volume purchasing which Poly Access enables; and
4. WHEREAS, The Poly Access program raises serious concerns about increasing out-of-pocket costs for students by hundreds of dollars per quarter by automatically debiting their accounts for the cost of textbooks without sufficient notice and opportunity to opt-out; and
5. WHEREAS, Automatically opting students into such a system obviates their consent and threatens to undermine their autonomy by requiring them to opt-out of each textbook separately, each quarter; and
6. WHEREAS, Many Cal Poly students are of lower income or experience food insecurity, exacerbating these burdens; and
7. WHEREAS, These costs accrue to students’ state accounts, which can result in registration holds or failure to graduate; and
8. WHEREAS, Students are well-equipped to make informed decisions when shopping for textbooks to reduce their out-of-pocket costs; and
9. WHEREAS, An opt-in system, whereby students must take the deliberate action of choosing to receive their textbooks through the Poly Access program, would avoid the most serious concerns with the current system; and
WHEREAS, The Follett Canvas shell “Follett Access” is automatically populated into all courses by default appears to entangle the endorsement of a private company by instructors; therefore be it

RESOLVED: That the Academic Senate urges the Cal Poly Bookstore to change its “Poly Access” program to an opt-in program rather than an opt-out program, without requiring students to pay for textbooks by default, and be it further

RESOLVED: That the Academic Senate urge Cal Poly to remove the Follett Access Canvas shell from being automatically included in every course’s Canvas shell by default, and be it further

RESOLVED: That Cal Poly engage in more mindful and diligent consultation with faculty and student representatives when the Cal Poly bookstore implements changes to its interaction between itself and students or faculty, and be it further

RESOLVED: That Cal Poly be mindful of the ethically salient impacts of decisions that have the potential to significantly negatively impact student finances without students' knowledge or sufficient notice.

Proposed by: Ryan Jenkins (Associate Professor, PHIL)
Date: October 25, 2020
AMENDMENT #1 TO
BOOKSTORE OPERATING AGREEMENT

This First Amendment ("Amendment") is made as of August 8, 2017 between Cal Poly
Corporation ("School") and Follett Higher Education Group, Inc., ("Follett").

WHEREAS: School and Follett are parties to a certain Contract for Services (Bookstore Operating
Agreement) dated April, 21, 2017. The parties desire to amend the Agreement in certain respects more
specifically set forth herein.

NOW, THEREFORE, intending to be legally bound, School and Follett agree, effective August 8, 2017:

1. Article III of the Agreement is amended by adding the following Section 3.15 Discounts:

Follett will offer School faculty and staff a 10% discount on all purchases over $1.00, excluding
textbooks, sale merchandise, computer hardware, and academically discounted software. Follett
will offer all School departments a 20% discount on purchases of supplies over $1.00, excluding
textbooks, sale merchandise, computer hardware, and academically discounted software.

2. Except as specifically amended hereby, the Agreement shall continue in full force and effect in all
respects.

IN WITNESS WHEREOF, School and Follett have caused this amendment to be executed by their
authorized officers as of the date first written above.

FOLLETT HIGHER EDUCATION
GROUP, INC.

By: [Signature]
Name: Clay Wahl
Title: President
Date: 9/8/17

CAL POLY CORPORATION

By: [Signature]
Name: Lorlie Leetham
Title: Executive Director
Date: 9/5/17
In the agreement between Cal Poly Corporation and Follett for managed bookstore services executed in April 2017 ("Agreement"), Section E.3. A.7. Alcohol License(s), sets forth that the parties agreed:

FOLLETT, at its sole expense, shall obtain and maintain a CA Type 20 Alcohol License for Cal Poly Downtown, allowing for the online and in-store purchase and shipment of wine or beer from that location. The intent is to only sell products related to and supporting University. The downtown San Luis Obispo area is impacted such that new Alcoholic Beverages Commission (ABC) licenses may not be available from the state, and FOLLETT may purchase the CPC license for the cost of $6000 and any ABC cost to CPC to transfer the license. If Follett purchases CPC's Type 20 license, upon expiration or termination of this Agreement Follett will transfer the license back to CPC or its designee for the same cost of $6000. In the event that CPC, with University support, requests the sale of similar product at the University Store on campus, then FOLLETT, at its sole expense, shall obtain and maintain a CA Type 20 Alcohol License for that location.

1. Effective July 1, 2017, these provisions herein related to the sales of alcohol at Cal Poly Downtown ("CPDT"). Due to challenges with Follett submitting for the transfer of the alcohol license, CPC agrees that it will retain the license and Follett will be the provider of sales at CPDT at this time. Follett agrees that it will be responsible for the annual license fee, to be prorated for the period July 1, 2017, to end of this license period. The payment process will be agreed upon by the parties no later than August 1, 2017.

Follett agrees that:
- it will comply with all rules and regulations of the Alcoholic Beverages Commission,
- all of its employees will be provided training in the retail sales of alcohol,
- any change in management at the Cal Poly Downtown ("CPDT") store will be reviewed and agreed upon by CPC, and
- it will comply with any policies by CPC related to the retail alcohol sales at this location.

In addition, Follett agrees that the insurance and indemnification provisions of the Agreement expressly reimburse any violations or damages related to issues with the retail sales and distribution of alcohol at CPDT, and Follett will defend and hold harmless CPC for any claims, losses or liability arising from the actions or inactions by Follett employees or Follett Contractors (CPC employees who are directly working for Follett) or in the course of Follett management of CPDT or the University Store. Follett will also explore the options for applying for the transfer of the Type 20 license to Follett during the upcoming year.

2. Follett desires to utilize one or more vehicles belonging to CPC for the time period June 28, ending the end of July 2017 (estimated), in order to complete its move in and start up of the University Store and CPDT. CPC agrees that Follett may utilize CPC vehicle(s) if they are not needed for CPC operations, with Follett covering the cost of any fuel or damages. If there are any claims to person or property during Follett's utilization thereof, Follett will be responsible for covering these claims under the insurance and indemnification clauses of the Agreement, making CPC whole.

3. Follett will be providing a certificate of insurance as well as the additional insured endorsements covering the named parties in the Agreement, including general liability and business auto, for operations and completed operations, and all other endorsements required under the Agreement.

Cal Poly Corporation

Starr Lee
Director, Administration & Legal
6/16/2017

Follett Higher Education Group, Inc.

Name: Clay Wahl
Title: President
Date: 6/16/17
This agreement ("Agreement") is effective this 21st day of April, 2017 by and between Cal Poly Corporation, 1 Grand Avenue, Building 15, Cal Poly San Luis Obispo, San Luis Obispo, CA 93407-0707, ("CPC") and Follett Higher Education Group, Inc., 3 Westbrook Corporate Center, Suite 200, Westchester, IL 60154, ("FOLLETT").

In consideration of the mutual promises and covenants contained in this Agreement and intending to be legally bound, CPC and FOLLETT agree as follows:

1. ARTICLE I - SCOPE OF SERVICES / PERFORMANCE

1.1. Scope of Services. CPC hereby enters into this Agreement with FOLLETT for the purposes of providing for CPC the exclusive contracted bookstore management services, as CPC's University Store ("University Store") at California Polytechnic State University ("University"). The reference to "University Store" shall include the following, as well as other requirements as agreed upon herein:

1.1.1. University Store, located in the University Union on campus
1.1.2. Cal Poly Downtown ("CPDT"), located at 767 Higuera Street, San Luis Obispo, CA
1.1.3. University Store Website
1.1.4. Any social media sites supporting just the University Store (e.g. Facebook, twitter)
1.1.5. Temporary store sites to support events and activities

1.2. Standard of Performance. FOLLETT agrees to perform the services specified under this Agreement with that standard of care, skill, and diligence normally provided by a first class, professional organization in the performance of similar services provided to other prestigious public universities and to perform the services in a timely manner as required by this Agreement. FOLLETT shall operate the University Store in a manner that reflects CPC's and the University's reputation for academic excellence and supports the academic mission of the University. FOLLETT shall provide CPC with a full range of merchandise and services expected from a quality, full-service university bookstore. FOLLETT will work closely with the CPC Executive Director/Associate Vice President for Commercial Services, and will provide a high level of industry expertise and visionary solutions that align with the University's Vision 2022 and Master Plan, as it evolves and updates.

1.3. Business Plan. FOLLETT shall provide a written Business Plan for the University Store within 60 days of Commencement Date, which then shall be approved by CPC. The Business Plan shall be reviewed and updated with CPC on a quarterly basis. It is expected that the Business Plan will contain specific strategies, alliances, programs, initiatives, goals, activities and options that meet or exceed what was set forth in the proposal, but are current and align with the performance standards and requirements set forth in this Agreement and as otherwise agreed upon by CPC. The Business Plan shall also include, but not be limited to, the following:

1.1.1. Key Performance Indicators, including, but not limited to:
   1.1.1.1. Sales per FTE student
   1.1.1.2. Course materials sales per FTE student
   1.1.1.3. Course materials value ratio
   1.1.1.4. Rental ratio
   1.1.1.5. Web order fulfillment/backorder ratios
   1.1.1.6. Length of checkout lines during Rush
   1.1.1.7. Sales per square foot
1.1.2. Customer satisfaction
1.1.3. Emblematic Merchandise Plan
1.1.4. Customized Marketing and Social Media Plan
1.1.5. Customized Strategic Plan and Marketing Plan for Online/Web Sales
2. ARTICLE II - TERM / TERMINATION

2.1. Initial Term, Renewals. The initial term of this Agreement shall commence on July 1, 2017 ("Commencement Date"), and shall terminate on June 30, 2024 ("Initial Term"). The Agreement will automatically renew for up to three (3) one (1) year renewal terms (each a "Renewal Term") beginning on the day after the last day of the Initial Term and thereafter on the anniversary of said date, unless either party provides the other party with written notice of non-renewal at least hundred fifty (150) days prior to the expiration of the Initial Term or that Renewal Term.

2.2. Agreement Year. An "Agreement Year" as used in this Agreement shall be July 1 through June 30 of each year during the Initial Term or Renewal Term.

2.3. Termination with Cause.

2.3.1. No right of cure. CPC may immediately terminate this Agreement by providing FOLLETT with written notice without any right of cure by FOLLETT, with CPC being the sole judge of whether an occurrence is subject to this section, but to be reasonably applied the following cases:

2.3.1.1. Willful misconduct, including, but not limited to, criminal conduct, provided that such willful misconduct results in material impact to CPC or the University; or
2.3.1.2. Material misrepresentation of Gross Sales or Commissionable Sales, as hereinafter defined.

2.3.2. Right to cure. If either party shall fail to fulfill or perform any material obligation under the Agreement, which includes, but is not limited to, inability to supply, material service deficiencies and product quality standards, unsatisfactory standards of service, or breach any material provision of the Agreement, the non-breaching party shall provide written notice of the breach.

2.3.2.1. The breaching party shall then have sixty (60) days from the date of the written notice to cure its noncompliance to the satisfaction of the other party. In the case of a non-compliance which cannot be cured within sixty days, the breaching party must diligently commence such cure within thirty days and continues to diligently pursue such cure thereafter.

2.3.2.2. If the cure is not timely performed, then the non-breaching party may terminate this Agreement by providing the breaching party 30 days' written notice of termination ("Termination Notice"), in addition to all other remedies allowed by law.

2.3.2.3. CPC shall be the sole judge of what constitutes failure to fulfill or perform any material obligation by FOLLETT, not to be unreasonably applied.

2.3.3. Immediate Termination upon Bankruptcy. CPC may terminate the Agreement immediately upon written notice to FOLLETT if FOLLETT becomes

2.3.3.1. insolvent;
2.3.3.2. seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding; or
2.3.3.3. proceedings in bankruptcy or insolvency are instituted against FOLLETT, a receiver is appointed, if any substantial part of FOLLETT's assets is the object of attachment, sequestration or other type of comparable proceeding, and such proceeding is not vacated or terminated within thirty (30) days after its commencement or institution.

2.4. Termination without Cause. Either party may terminate this Agreement, without cause, by providing at least one hundred fifty (150) days' written notice to the other party.
3. ARTICLE III - PAYMENTS TO CPC

3.1. Annual Payment to CPC. During each Agreement Year, FOLLETT shall pay CPC a minimum annual guaranteed payment ("Minimum Annual Guarantee"), or the applicable percentage of commissionable sales ("Percentage of Commissionable Sales") of the University Store, whichever is greater.

3.2. Definition of Gross Sales. "Gross Sales" shall be defined as all sales of FOLLETT and revenue received by FOLLETT based upon all business conducted in or from the University Store for any product or service offered by the University Store, including revenue received from textbook and course material rentals. This includes all orders taken or received at the University Store, whether such orders are placed at the University Store through any media or outlet, via the internet (i.e., "on-line sales"), orders received through the University Store Website, application or University Store-related websites. Gross Sales shall include any commissions, and rebates received by FOLLETT (whether such commissions and/or rebates are received at the store level or at the corporate office) for FOLLETT partners and/or FOLLETT-authorized sales or services by other companies or organizations on the University Store Website or physically located on campus.

3.3. Definition of Commissionable Sales. "Commissionable Sales" shall be defined as Gross Sales less:

3.3.1. Voids
3.3.2. Customer Refunds
3.3.3. Handling Fees associated with the non-return of rental textbooks
3.3.4. Discounted sales to authorized University or CPC Departments
3.3.5. Discounts (provided that the discount amount thereof was included in Gross Sales)
3.3.6. Sales Tax paid by FOLLETT to any government agency which was collected from customers
3.3.7. Computer hardware sales (computers such as laptops, desktops, tablets)
3.3.8. Sales made at no margin by FOLLETT at the request of CPC

3.4. Minimum Annual Guarantee Formula. The Minimum Annual Guarantee is set or calculated as follows:

3.4.1. For Agreement Year July 1, 2017 - June 30, 2018: One Million Nine Hundred Thousand Dollars ($1,900,000)
3.4.2. For the Agreement Year beginning July 1, 2018 and each subsequent Agreement Year, the Minimum Annual Guarantee shall be ninety-five percent (95%) of the calculated Percentage of Commissionable Sales by FOLLETT of the immediately preceding Agreement Year.

3.5. Percentage of Commissionable Sales Calculation. The Percentage of Commissionable Sales is calculated as follows:

3.5.1. Seventeen Percent (17.0%) of Commissionable Sales, excluding Pure Digital Course Material Sales with gross margin less than 20%, up to and including Thirteen Million Dollars ($13,000,000) per Agreement Year, plus;
3.5.2. Nineteen Percent (19.0%) of the Commissionable Sales exceeding Thirteen Million Dollars ($13,000,000), excluding Pure Digital Course Material Sales with gross margin less than 20%, plus;
3.5.3. Seven Percent (7.0%) on all Pure Digital Course Materials Sales with a gross margin less than twenty percent (20%).

3.6. Definition of Pure Digital Course Materials Sales. These Pure Digital Course Materials Sales are defined as digital-only content that is adopted by University faculty as course material for academic instruction. Pure Digital Course Materials Sales, regardless of margin amount, does not include sales of Net-Priced Bundled Packages or any other bundled packages of Course Materials adopted by University faculty that include physical content and digital content, including, but not limited to, textbook, workbook, course packets, CD/DVD, custom published printed materials or other physical course materials bundled with a
passcode for digital only content. These bundled course materials of physical and digital content as well as Pure Digital Course Material Sales with a gross margin exceeding 20% are included in the calculation of Commissionable Sales for the full percentage rates noted above.

3.7. CPDT Investment Offset Payment. FOLLETT shall provide a Cal Poly Downtown investment offset payment of Two Hundred Eighty Thousand Dollars ($280,000) to CPC ("CPDT Investment Offset Payment"). The CPDT Investment Offset Payment shall be made by FOLLETT to CPC no later than the Commencement Date of the Agreement. The CPDT Investment Offset Payment shall be amortized on a straight-line basis over a seven (7) year period from the Commencement Date. If CPC terminates this Agreement without cause or if FOLLETT terminates this Agreement with cause during the Initial Term, then CPC shall reimburse FOLLETT for any portion of the CPDT Investment Offset Payment not yet amortized.

3.8. One-Time Payment. FOLLETT shall provide a one-time payment of Two Hundred And Fifty Thousand Dollars ($250,000) to CPC (hereinafter, referred to as the “One-Time Payment”). The One-Time Payment shall be made by FOLLETT to CPC according to the following schedule:

3.8.1. First Payment. FOLLETT shall pay One Hundred Twenty-Five Thousand Dollars ($125,000) at the Commencement Date of the Agreement ("Initial One-Time Payment"). The Initial One-Time Payment shall be amortized on a straight-line basis over a seven (7) year period starting with the Commencement Date through the end date of the Initial Term. If CPC terminates this Agreement without cause or if FOLLETT terminates this Agreement with cause during the Initial Term as allowed herein, then CPC shall reimburse FOLLETT for any portion of the Initial One-Time Payment not yet amortized; and

3.8.2. Second Payment. FOLLETT shall pay One Hundred Twenty-Five Thousand Dollars ($125,000) upon implementation of FOLLETT’s ConnectOnce Virtual Appliance at the University (the “Final One-Time Payment”). Implementation of ConnectOnce shall be defined as installation of ConnectOnce, with FOLLETT being able to pass data from the University’s student information system to FOLLETT’s ConnectOnce virtual appliance. The Final One-Time Payment shall be amortized on a straight-line basis from the date of the implementation until the end date of the Initial Term. If CPC terminates this Agreement without cause or if FOLLETT terminates this Agreement with cause during the Initial Term as allowed herein, then CPC shall reimburse FOLLETT for any portion of the Final One-Time Payment not yet amortized.

3.9. Annual Textbook Scholarships. FOLLETT shall provide annual textbook scholarships of Ten Thousand Dollars ($10,000) to CPC (hereinafter, referred to as the “Textbook Scholarships”). Payments for the Textbook Scholarships shall be made annually by FOLLETT to CPC or its designee on July 1 of each Agreement Year, beginning July 1, 2017. Distribution of the Textbook Scholarships shall be at the sole discretion of CPC or its designee.

3.10. Annual General Scholarships. FOLLETT shall provide annual general scholarships of Five Thousand Dollars ($5,000) to CPC (hereinafter, referred to as the “General Scholarships”). Payments for the General Scholarships shall be made annually by FOLLETT to CPC or its designee on July 1 of each Agreement Year, beginning July 1, 2017. Distribution of the General Scholarships shall be at the sole discretion of CPC or its designee.

3.11. Annual Donations. FOLLETT shall provide annual donations of Ten Thousand Dollars ($10,000) for merchandise giveaways to support groups, organizations or events affiliated with the University (hereinafter, referred to as the “Annual Donations”). The Annual Donations shall be made by FOLLETT in collaboration with CPC in order to determine the recipients and the timing of the Annual Donations.
3.12. **CPDT Utilities Payment.** FOLLETT shall pay utilities for Cal Poly Downtown of Six Thousand Dollars ($6,000) a year to CPC ("CPDT Utilities Payment"). The CPDT Utilities Payment shall be made monthly by FOLLETT to CPC in the amount of Five Hundred Dollars ($500) by FOLLETT beginning July 1, 2017.

3.13. **Partial Agreement Year.** In any Agreement Year which is less than a complete year, and any year in which a termination of this Agreement occurs whether with or without cause, the payments shall be based upon the Percentage Of Commissionable Sales, and the Minimum Annual Guarantee shall not apply.

3.14. **Payment Instructions.**

3.14.1. **Payment Schedule.** The Percentage of Commissionable Sales shall be paid by FOLLETT to CPC by the last day of each month via electronic funds transfer (EFT) for business transacted during the previous month, beginning August 31, 2017. The calculation of the Minimum Annual Guarantee shall be made at the end of each Agreement Year (July 1 - June 30) and payment of any additional amount due to bring the payments of the Percentage Of Commissionable Sales for the Agreement Year up to the Minimum Annual Guarantee shall be made annually by July 31, beginning in 2018.

3.14.2. **Payment Address.** FOLLETT shall coordinate EFT payments and deliver or mail all payments to the following address:

   Attn: Corporation Business Office
   Cal Poly Corporation
   1 Grand Avenue, Building 15
   San Luis Obispo, CA 93407-0707

3.14.3. **Financial Reporting.** A detailed statement of computation shall accompany each payment, and FOLLETT shall furnish additional supporting documentation to CPC upon request. FOLLETT shall comply with all financial reporting requirements set forth in Exhibit H-Financial Reporting Requirements.

3.14.4. **Interest.** Any sums due hereunder and not paid by FOLLETT when due shall bear interest at the rate of one percent (1%) per month until paid or up to the maximum allowed by law.

4. **ARTICLE IV - UNIVERSITY STORE FACILITY / FACILITY INVESTMENTS**

4.1. **Facilities.** FOLLETT shall provide and maintain state-of-the-art University Store facilities at the campus store and at Cal Poly Downtown throughout the Initial Term of the Agreement and each Renewal Term. CPC shall deliver access and use of the two facilities to FOLLETT in good condition, and in a safe and habitable location and retail-ready condition for the ongoing bookstore operations.

4.1.1. It is understood by FOLLETT that the campus store is in a 55+ year old building that has been remodeled most recently around 2012 and changes were approved by University as being in compliance with applicable codes. CPC will remain responsible for maintenance and repairs of mechanical and structural systems and exterior and interior structure, including the elevator, to the extent the issue to be remediated or resolved is not caused by, or optionally desired as a modification, by FOLLETT.

4.1.2. CPDT was remodeled by the building owner in 2016 in compliance with applicable codes. CPC, and the building owner through CPC, will remain responsible for mechanical and structural systems and exterior and interior structure to the extent the issue to be remediated or resolved is not caused by, or optionally desired as a modification, by FOLLETT.

4.1.3. If CPC relocates all or any part of the bookstore operations from either of these 2 facilities CPC will provide FOLLETT with at least 90 days advance notice of the relocation and will reimburse
FOLLETT for FOLLETT’s cost of the relocation within 30 days after FOLLETT’s invoice, or as is mutually agreed in writing by the parties at the time.

4.2. University Store Facility / Store Improvements. FOLLETT shall work closely with personnel designated by CPC to develop plans to make store improvements (“Store Improvements”) in order provide state-of-the-art retail bookstore facilities at the campus store and at CPDT. FOLLETT’s Store Improvements shall include, but not be limited to, the following:

- 4.2.1. Interior and exterior elements
- 4.2.2. Wall treatment/slatwall
- 4.2.3. Floor treatment
- 4.2.4. Furniture, including Retail Fixtures and Fittings
- 4.2.5. Fixtures
- 4.2.6. Graphics/signage
- 4.2.7. Window treatments
- 4.2.8. Décor items
- 4.2.9. Merchandise accent lighting (which must be all LED lighting)

4.3. Facility Investment. FOLLETT shall invest Five Hundred And Seventy-Five Thousand Dollars ($575,000) (the “Facility Investment”) for the Store Improvements in the University Store and Cal Poly Downtown facilities.

4.4. Ownership of Store Improvements and Facility Investment. FOLLETT hereby acknowledges and agrees that the Store Improvements shall at all time be the sole property of CPC upon expiration, termination, or non-renewal of this Agreement.

4.5. CPC Approvals. The parties agree that no later than two (2) months after the Commencement Date that a proposed Store Improvement plan for University Store and its surroundings, and CPDT, will be provided to CPC for review and discussion. CPC is expecting that Store Improvements would be installed as expeditiously as possible in 2017, and all would be partially or wholly complete and in place no later than September 2018, unless otherwise agreed by CPC. Time is of the essence for Store Improvements. The Store Improvements and expenditure of the Facility Investment must meet CPC and University standards; must comply with all procurement and permitting regulations and all laws; and must be approved in advance by CPC and the University and coordinated by FOLLETT in conjunction with CPC. The scheduling and timing of the Store Improvements and spending of the Facility Investment shall be determined by CPC in cooperation with FOLLETT.

4.6. Accounting Of Facility Investment. FOLLETT shall provide CPC with a full accounting of its Facility Investment, including copies of invoices paid to vendors for the improvements. Copies of invoices shall be provided to CPC within sixty days from completion of any Store Improvements, or earlier if requested by the CPC.

4.7. Facility Investment Difference Reimbursement. If by October 2018 the actual amount spent by FOLLETT on the Store Improvements is less than Five Hundred And Seventy-Five Thousand Dollars ($575,000), then FOLLETT shall pay CPC the difference between the actual amount spent and $575,000, payable within sixty (60) days following completion of the Store Improvements unless a planned future use of the unspent funds is otherwise approved by CPC. If the actual amount spent by FOLLETT on the Store Improvements is more than Five Hundred And Seventy-Five Thousand Dollars ($575,000), then FOLLETT shall be solely responsible for all costs necessary to complete the Store Improvements.
4.8. Design Fees. All University Store design fees and planning fees associated with Store Improvements shall be incurred solely by FOLLETT and FOLLETT shall treat all design and planning fees as FOLLETT's operating expenses, and are not included as part of the Facility Investment to be depreciated.

4.9. Facility Investment Depreciation. FOLLETT shall depreciate the Facility Investment on a straight-line basis over a seven (7) year period, with the depreciation start date commencing on the in-service dates of the Store Improvements.

4.10. Obligations Re: Facility Investment if Termination with Cause.

4.10.1. If this Agreement is terminated by CPC with cause during any term then CPC shall not reimburse FOLLETT for any portion of the approved Facility Investment already expended and not yet depreciated, and the Store Improvements shall remain the property of CPC.

4.10.2. If this Agreement is terminated by FOLLETT with cause during any term, then CPC shall reimburse FOLLETT for any portion of the approved Facility Investment already expended and not yet depreciated, and the Store Improvements shall remain the property of CPC.

4.11. Obligations Re: Facility Investment if Termination without Cause.

4.11.1. If this Agreement is terminated by CPC without cause during any term, then CPC shall reimburse FOLLETT for any portion of the approved Facility Investment already expended and not yet depreciated, and the Store Improvements shall remain the property of CPC.

4.11.2. If this Agreement is terminated by FOLLETT without cause during any term, then CPC shall not reimburse FOLLETT for any portion of the approved Facility Investment already expended and not yet depreciated, and the Store Improvements shall remain the property of CPC.

4.12. Expiration. If CPC or FOLLETT opts to not renew the Agreement at the end of the Initial Term or one of the Renewal Terms this is considered an expiration of the Agreement and is not a Termination.

5. ARTICLE V - FACILITIES

5.1. Use of CPC’s And the University’s Facilities / Services. FOLLETT and its employees or agents shall have the license to use the campus university store facility and CPDT facility in accordance with CPC’s rights and agreements with University (for campus store) and as the lessee of the CPDT facility. FOLLETT and its employees or agents shall also have the non-exclusive license to use facilities of CPC and the University and non-exclusive access across the campus that are necessary to perform services under this Agreement in accordance with CPC and University rules and regulations.

5.2. Contractors. FOLLETT shall verify that all contractors and subcontractors (together called "Contractors") dealing with FOLLETT performing any work pursuant to this Agreement have sufficient liability and workmen's compensation insurance and shall obtain certificates evidencing such insurance. In addition, FOLLETT shall verify that all Contractors performing any work pursuant to this Agreement are properly licensed under the laws of the State of California or any other applicable laws to do the work that such Contractor is hired to complete.

5.3. CPC Approval of Contractors. Any Contractor used by FOLLETT to assist with making Store Improvements must be approved prior to performing work on the University’s campus. Such approval of any Contractors shall not be unreasonably withheld and failure of CPC to object to any Contractor within ten (10) days of receipt of such list shall be deemed to be an approval of such Contractor.

5.3.1. Facility and Equipment Requirements. FOLLETT shall comply with all facility and equipment requirements set forth in Exhibit F- Facility and Equipment Requirements.
5.4. **Signage.** Any proposed such as exterior signage and banners to be outside the stores, or naming of other aspects of University Store venues or media related to FOLLETT or University Store must be approved by CPC, and must adhere to University requirements.

5.5. **No Liens Notice.** Notice is hereby given that CPC shall not be liable for any labor, services or materials furnished to FOLLETT, and that no mechanics’ or other liens for any such labor or materials shall attach to or affect the interest of CPC and the University in and to the property occupied by the University Store (campus or downtown). All contracts or other written agreements relative to any labor or services shall provide explicitly that the provider of all such labor or services waives any right to assert any mechanic’s or materialman’s claim or lien against the property occupied by the University Store. In addition, FOLLETT shall, within thirty (30) calendar days of the filing of any claim for a mechanic’s lien or materialman’s lien, cause the property occupied by the University Store (campus or downtown) to be released from any such lien or claim.

6. **ARTICLE VI - PERSONNEL**

6.1. **Staffing.** FOLLETT shall be responsible, at its sole cost and expense, to employ all personnel necessary for the efficient operation of a full-service University Store in accordance with the requirements established by CPC.

6.2. **Current University Store Employees.** FOLLETT shall hire all current (at time of transition) full-time benefited University Store employees for a minimum of three years from the Commencement Date of this Agreement at their current salaries/wages and FOLLETT’s benefit program. FOLLETT and CPC shall conduct a side by side benefit comparison and FOLLETT shall increase University Store employees’ salaries/wages to offset any benefit shortfall to ensure substantially similar salaries/wages and net pay. Notwithstanding the foregoing, FOLLETT will have the right to terminate any such employee for cause, as it would for any of its other employees (i.e. materially breaching substantive performance standards, misconduct, violating Follett’s Code of Conduct). These employees will be able to take vacation time in 2017 even if they have not yet accrued the vacation time as FOLLETT employees.

6.3. **Store employees who remain CPC employees.** Current University Store Employees who are identified by CPC as being near retirement or certain vesting events shall have the option to remain CPC employees for a period of up to three years from the Commencement Date of this Agreement, while working at the University Store under FOLLETT’s management and direction. FOLLETT will fully reimburse CPC on a monthly basis for the salaries/wages and benefits, including the retirement benefit costs, for these employees who remain CPC employees. These CPC employees will adhere to FOLLETT’s operational policies and procedures and CPC’s human resource policies. If a CPC employee reaches the retirement/vesting event pre-determined by CPC prior to the end of 3 years, the CPC employee will end their employment from CPC and the person will have the option to become a FOLLETT employee for the remainder of the 3 year period that started with the Commencement Date and at the same terms related to compensation as stated in Section 6.2. Notwithstanding the foregoing, FOLLETT may remove and terminate the continued service/presence of any such retained employee of CPC for cause, after which any reimbursement obligations will cease.

6.3.1. FOLLETT will be responsible for the direct supervision and management of any CPC employees in the scope of their work for the University Store. FOLLETT will consult with CPC prior to making any substantive change to a CPC employee’s terms or conditions of employment, including each CPC employee’s compensation, benefits, and term of employment.

6.4. **Organization Chart/Staffing Level.** FOLLETT shall present its organization chart/staffing level to CPC for discussion and approval within 60 days of the Commencement Date to ensure there will be sufficient on-
site staff to provide the required level of service. Changes or reductions to those agreed-upon staffing level shall require discussion with, and approval by, CPC.

6.5. **Manager.** The Manager assigned to the University Store by FOLLETT must be approved in advance by the CPC Administration. Subsequent changes in assignments will be made by FOLLETT only after prior consultation with, and approval by, CPC. CPC expects management continuity (i.e., limited turnover of the Manager) in order for FOLLETT to meet the expectations and requirements of CPC.

6.6. **Student and Part-Time Employees.** FOLLETT shall hire current part-time and student University Store employees at a minimum of their current wage/salary. FOLLETT shall look to fill employment opportunities with University students, when appropriate.

6.7. **Responsibility for agents and employees.** FOLLETT shall be responsible for the acts of its employees, contractors, and agents while on the CPC's and the University's premises and while they are acting in the employment of FOLLETT, or under its authority. FOLLETT agrees to take all reasonable measures to prevent injury and loss to persons or property located on CPC's and the University's premises. FOLLETT is responsible for the payment of all taxes, wages, benefits and other costs associated with such persons. FOLLETT agrees that all persons working for or on behalf of FOLLETT whose duties require their presence on the CPC's and the University's premises shall obey all rules and regulations that are established by CPC and the University, and shall comply with the reasonable directions of CPC's and the University's officers, employees, or agents. FOLLETT shall be required to remove any employee, agent, or contractor from the CPC premises or campus at CPC or University's request whether temporarily or permanently, for reasonable cause, as determined solely by CPC or University.

6.8. **ADA.** FOLLETT shall comply with the Americans with Disabilities Act (ADA).

6.9. **Employment Laws.** FOLLETT shall comply with all State of California and federal employment requirements.

6.10. **Background Checks.** FOLLETT is solely responsible for conducting background checks for all of FOLLETT's employees, agents, or independent contractors in accordance with the CPC Background Check policy; CPC is subject to the then-current University and California State University ("CSU") Background Check Policy. To the extent allowed by applicable law FOLLETT shall confirm results in general terms from these background checks with CPC as may be required by the policy. The current policy, released December 2016, is linked as follows:

   http://content-calpoly-edu.s3.amazonaws.com/academic-personnel/1/PDF/HR%202016-08%20Background%20Check%20Policy.pdf

6.11. **Traffic and Parking.** FOLLETT's employees will comply with University traffic and parking regulations while at the University premises. The University requires FOLLETT to pay parking fees for vehicles parked on campus in the service of the contracts. Special permits are available without charge for delivery vehicles. Prices are subject to change by University without notice.

7. **ARTICLE VII - MISCELLANEOUS**

7.1. **Subcontractors.** If the contractor engages any third parties to provide services ("Subcontractors") to CPC in connection with this Agreement FOLLETT shall enter into written agreements with subcontractors that, at a minimum, require subcontractors to abide by all of the terms contained in this Agreement. Any such subcontractors must be approved in advance by CPC in writing. Such approval of any subcontractors shall not be unreasonably withheld and failure of CPC to object to any Contractor within ten (10) days of
receipt of such list shall be deemed to be an approval of such Contractor. FOLLETT shall be responsible to CPC for the actions and omissions of such subcontractors.

7.2. Attorney's Fees and other costs. In the event that any party hereto shall be found in default or breach of this Agreement, said party shall be liable to pay all reasonable attorney's fees, court costs and other related collection costs and expenses incurred by the non-defaulting or non-breaching party in pursuing or prosecuting its rights hereunder. CPC shall also be entitled to recover from FOLLETT all costs and expenses, including reasonable attorneys' fees, incurred by CPC in enforcing this Agreement, in addition to any damages to CPC. CPC shall also have the right to seek and obtain an injunction against any breach of any provision of this Agreement.

7.3. Administrative Point of Contact. Unless otherwise designated by a party, the Point of Contact for administrative issues for CPC shall be the Executive Director, Cal Poly Corporation, 1 Grand Avenue, Building 15, San Luis Obispo, CA 93407-0707, Telephone #: 805-756-1131, and the Point of Contact for administrative issues for FOLLETT shall be Mary Perry, Vice President, Marketing, 3 Westbrook Corporate Center Suite 200, Westchester, IL 60154, Telephone 800-365-5388.

7.4. Confidential Information. FOLLETT agrees at all times during and after the term of this Agreement to hold in strictest confidence, and, except for the benefit of CPC, not to use, any Confidential Information that FOLLETT knows or reasonably could be expected to know was Confidential Information. FOLLETT shall not disclose any Confidential Information to any persons or entities other than those at CPC who have a need to know, provided that such persons agree to maintain the confidential nature of such information, or as otherwise required by law. FOLLETT will require each of its employees as well as any third parties with whom it contracts to perform services under this Agreement to abide by the terms of this provision. This provision is binding upon submission of this Agreement and remains binding on the parties even if the parties do not enter into an Agreement, or the Agreement is terminated. It is noted by FOLLETT that the CPC is subject to the California Public Records Act.

7.4.1. Notwithstanding the foregoing, Confidential Information between the “Owner” and “Recipient” thereof will not include information that was (i) in Recipient’s possession prior to disclosure by Owner without breach of any contractual, fiduciary or other duty of confidentiality known to Recipient; or (ii) independently developed by Recipient without use of any Confidential Information of Owner; or (iii) generally known or available, or has become generally known or available, in the Parties’ business without breach of this Agreement by Recipient or breach of any other contractual, fiduciary or other duty of confidentiality known to Recipient; or (iv) obtained by Recipient from any third party having the right to disclose it without breach of any contractual, fiduciary or other duty of confidentiality known to Recipient.

7.4.2. FOLLETT acknowledges that the unauthorized disclosure of any Confidential Information by FOLLETT in breach of this section will cause irreparable harm to CPC inadequately compensable in damages. Accordingly, CPC may seek and obtain injunctive relief against the breach or threatened breach of the provisions of this Agreement relating to Confidential Information, in addition to any other legal or equitable remedies that may be available.

7.5. Conflict of Interest. FOLLETT affirms that to the best of its knowledge, there exists no actual or potential conflict of interest between FOLLETT’s business or financial interests, and its services under this Agreement, and in the event of change in either its private interests or service under this Agreement, FOLLETT shall inform CPC regarding a possible conflict of interest which may arise as a result of such change. FOLLETT also affirms that there exists no actual or potential conflict between CPC’s employees and FOLLETT.
7.6. **Compliance with Laws.** FOLLETT agrees to comply with all applicable national, state and local laws and regulations ("Applicable Laws"), including but not limited to relevant employment laws, in the course of providing services under this Agreement, including but not limited to the Family Educational Rights and Privacy Act and the Health Insurance Portability and Accountability Act, as well as CPC and the University’s policies concerning such laws.

7.7. **Entire Agreement.** FOLLETT agrees to provide CPC services as are described in this Agreement and in Exhibits A-K, attached hereto, each of which is incorporated by reference. Exhibits A through K are as follows:

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<th>Requirements</th>
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<td>Operations Requirements</td>
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<td>B</td>
<td>Customer Service Requirements</td>
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<td>C</td>
<td>Course Materials Requirements</td>
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<td>D</td>
<td>General Merchandise and Marketing Requirements</td>
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<td>Tender Types / Discounts Requirements</td>
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<td>Facility and Equipment Requirements</td>
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<td>Technology Requirements</td>
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<td>K</td>
<td>General Terms &amp; Conditions Requirements</td>
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7.8. **Conflict of Provisions:** In the event of a conflict between any provisions contained in any of the documents governing this transaction, the following shall be the order of precedence: Agreement, Exhibits.

7.9. **Fax/Email Contract.** The parties agree that if this signed Agreement is delivered via fax or electronically via email it shall constitute a valid and enforceable contract.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year indicated on the first page herein.
EXHIBIT A
OPERATIONS REQUIREMENTS

1. **University Store Name.** The name of the venues comprising University Store shall be determined by CPC and CPC shall have the right, at its sole discretion, to change the name. The intent is to make an immediate decision no later than July 1, 2017. FOLLETT shall perform the services identified in this Agreement without interfering in any way with the activities of CPC and the University’s faculty, students, staff, or visitors.

2. **FOLLETT Duties / Responsibilities.** FOLLETT shall operate the University Store on its own credit and shall furnish at its own expense all merchandise, equipment, labor, supplies, and services required to perform its duties and responsibilities as required by CPC.

3. **Products and Services.** FOLLETT shall provide the University community with a full range of course materials, including, but not limited to, new textbooks, used textbooks, digital textbooks and other course materials, Open Educational Resources ("OER") course materials, textbook rentals, general books, reference books, supplies, computer/technology supplies, computer hardware and software, Apple products, general merchandise, emblematic clothing, emblematic gifts, University-produced and marketed products, greeting cards, convenience items, health and beauty aids (HBA’s), art, engineering and architecture supplies; special order services, graduation related merchandise, and other services expected from a full-service University Store and as further stated herein.

4. **Exclusive Right to Operate University Store.** FOLLETT shall have the exclusive right to operate the University Store, including the facilities located on University’s campus and Cal Poly Downtown in San Luis Obispo, and the official University Store website. FOLLETT will be CPC’s exclusive contracted provider of typical bookstore services such as textbooks, course materials, school supplies and computers supporting students and academic community. However, CPC reserves the right to authorize the sale of by CPC, student groups, or by organizations of University of temporary and/or, small quantity sales of items not usually provided in a college bookstore.

5. **CPC and University Authority Re: Product Offerings.** FOLLETT shall withdraw from display or sale, any item or items, which CPC request to not be displayed or sold. New product categories FOLLETT would like to sell at the University Store require CPC’s prior written approval.

6. **Hours of Operation.** Hours of operation shall include Monday through Sunday, at a minimum, during the academic year and shall be defined by CPC in conjunction with FOLLETT. Hours of operation shall be extended during the beginning of each quarter and to support special programs and events as necessary (e.g., Open Houses, Parent’s Weekend, Orientation, and Alumni Weekend). Changes to the defined hours of operation must be approved by CPC. During all hours of operation, including peak business hours and extended hours of operation, FOLLETT shall staff the University Store adequately to provide the level of service required by CPC and the University.

7. **Alcohol License(s).** FOLLETT, at its sole expense, shall obtain and maintain a CA Type 20 Alcohol License for Cal Poly Downtown, allowing for the online and in-store purchase and shipment of wine or beer from that location. The intent is to only sell products related to and supporting University. The downtown San Luis Obispo area is impacted such that new Alcoholic Beverages Commission (ABC) licenses may not be available from the state, and FOLLETT may purchase the CPC license for the cost of $6000 and any ABC cost to CPC to transfer the license. If Follett purchases CPC’s Type 20 license, upon expiration or termination of this Agreement Follett will transfer the license back to CPC or its designee for the same cost of $6000. In the event that CPC, with University support, requests the sale of similar product at the University Store on campus, then FOLLETT, at its sole expense, shall obtain and maintain a CA Type 20 Alcohol License for that location.
8. **CPC and University Rights Re: University Store Location.** CPC and the University have the right to add or remove University Store locations if CPC and the University deem such additions or removals are in the best interest of University.

9. **Fixtures/Equipment for Special Events.** FOLLETT shall, at its sole expense, provide any necessary fixtures or equipment (e.g., cart, tent, POS terminal, pop-up store) to sell University merchandise at designated special events on campus to capitalize on sales opportunities.

10. **Website/Social Media.** FOLLETT shall manage and operate a full-service website and social media program including, but not limited to, Facebook, Instagram and Twitter.

11. **Special Event, Special Product Supports.** The University Store shall support certain events (e.g., lectures, readings, speakers) by selling and event related merchandise or books at some events (including the Performing Arts Center events), by stocking certain University-related products of University priority or importance, and holding University-related events such as book signings in the campus or downtown store.

12. **Game Day Store/Trailer.** FOLLETT shall manage and operate a game day store and/or trailer at Alex Spanos Stadium, Baggett Stadium, and Mott Gym for select events, generally, ticketed athletic events. The University shall provide secured space to FOLLETT for a concessions trailer.

13. **Athletic Event Sales.** FOLLETT shall sell emblematic merchandise annually at all ticketed home men's football, men's soccer, men's baseball, and women's soccer games and women's softball games, and an estimated ten (10) to fifteen (15) other events, including men's basketball games and other athletic events. Specific dates and times will be coordinated with University's Athletics Department. This schedule will be established each year by FOLLETT in consultation with University Athletics Department.

14. **Trash Recycling.** FOLLETT shall be required to actively participate in the University's recycling program and shall work to minimize all waste produced through normal operations.

15. **Environmental/Sustainability Practices.** FOLLETT shall utilize environmentally friendly practices in its operation of the University Store and shall actively participate in and support all University environmental/sustainability practices.

16. **Reporting Requirement.** FOLLETT shall report to the CPC Executive Director, or designee, for matters pertaining to the University Store. FOLLETT's Regional Manager will meet with the Executive Director and/or CPC designees on a quarterly basis, at a minimum, to review the University Store’s performance.

17. **Licensing, Permits, Taxes.** FOLLETT shall, at its sole expense, procure and keep in effect all necessary permits and licenses required for its performance under this Agreement, and shall post or display in a prominent place such permits and/or notices as are required by law. FOLLETT shall pay for any and all taxes and assessments attributable to the operation of the University Store provided herein, including, but not limited to, sales taxes, excise taxes, payroll taxes, and federal, state, and local income taxes.
EXHIBIT B
CUSTOMER SERVICE REQUIREMENTS

1. **Customer Service Expectations.** FOLLETT shall provide excellent customer service at the University Store.

2. **Nametags / Identification Tags.** FOLLETT shall ensure that all Cal Poly University Store employees wear nametags/identification tags, along with a standardized University Store uniform shirt, subject to CPC approval.

3. **Image of the University Store.** FOLLETT shall operate the University Store in a manner that reflects the image and reputation of University and supports the mission of the University. FOLLETT shall become involved in the academic, cultural, and social environment at University, taking advantage of opportunities to offer special merchandising, marketing, and/or assistance based upon the ongoing and unique activities of University, and, where and when appropriate, creating temporary selling points at various sites around the campus in connection with special events and programs.

4. **Support of Student Organizations.** FOLLETT shall be engaged with and be supportive of University student organizations and student activities. FOLLETT shall establish strong relationships with student organizations and student activities.

5. **Customer Feedback.** FOLLETT shall seek customer feedback on a regular basis through methods that include, but are not limited to, customer surveys per quarter, student focus groups, customer comment cards, secret shopper programs. Customer feedback shall be shared with the CPC Administration for evaluation and input.

6. **University Store Advisory Board.** FOLLETT's University Store Manager shall be an ex-officio member of the University Store Advisory Board and with CPC officials to review University Store operations and merchandise selection. FOLLETT's Regional Manager shall attend at least one University Store Advisory Board meeting per quarter. Further, FOLLETT's University Store Manager shall work cooperatively with the Board, and with CPC officials in the development and improvement of the University Store's program, merchandise selection, services, and policies. FOLLETT shall comply with requests from the Board and from CPC to improve the University Store program, services, and policies. The University Store Manager or his/her designee shall meet periodically with deans, department heads, and other faculty members.

7. **Refund Policy.** FOLLETT's refund policy must be sensitive to the needs of University students and customers.
Course Materials

1. Comprehensive Course Materials Services. FOLLETT shall provide comprehensive course materials services and shall work closely with CPC and University to support all University Programs including but not limited to undergraduate, graduate, extension, and distance learning. FOLLETT recognizes that the CPC and University prioritize course material affordability for University students. As part of this focus, CPC and University will continue to explore all options regarding the digital delivery of course materials and course content, including Open Educational Resources, and other affordable options.

2. Agent for the Collection of Course Materials Adoptions. FOLLETT shall be CPC’s and the University’s agent for the collection and compilation of the course materials list and for providing course materials to University students. FOLLETT shall provide course materials, including all required, recommended, or suggested course materials and supplies, including textbooks, software, and materials published or distributed electronically.

3. Early Course Materials Adoptions. FOLLETT, working with faculty, shall make every effort to obtain early course materials adoption commitments in order to maximize the quantity of textbooks purchased from students for resale at the University Store. FOLLETT shall provide timely reports to faculty members concerning the status of their orders.

4. University Rights Re: Adoption Data. Course materials adoption data and forms, whether received in paper form, electronically, or otherwise, provided to FOLLETT by University’s faculty or staff is the property of CPC and the University. FOLLETT shall provide course materials adoption data and/or adoption forms to CPC within twenty-four (24) hours of CPC’s request for copies of such adoption data and/or adoption forms. Follett would provide to CPC finalized adoption information in the event of termination or expiration. Finalized adoption lists that are created by Follett are not considered public records, unless specifically provided for under California’s public records law.

5. Course Materials Quantities. FOLLETT shall provide sufficient quantities of course materials, custom-published materials, software, and related academic supplies and materials, as required by the faculty for course work, available for purchase by students according to the schedule established by CPC and the University.

6. Used Textbooks. FOLLETT shall provide a full-service used textbook program.

7. Textbook Rentals. FOLLETT shall provide a full-service textbook rental program.

8. Coursepacks / Custom-Published Materials. FOLLETT shall provide custom-published materials such as coursepacks and custom textbooks, including the securing of copyright clearances in compliance with all copyright laws, production/printing, and sales. FOLLETT shall utilize Cal Poly Print & Copy for the printing of custom published course materials adopted by University faculty.

9. Open Educational Resources. FOLLETT shall provide access to OER course materials to support academic programs as needed/required by University faculty.

10. Online Course Materials Ordering. FOLLETT’s website for the University Store shall include, but not be limited to, the ability for customers to order and reserve course materials.
11. **Distance Learning Programs.** FOLLETT shall provide course materials services for the University's current or future distance learning programs.

12. **Students with Disabilities.** FOLLETT shall provide required services to students with disabilities.

13. **HEOA / Other Laws.** FOLLETT will offer CPC its DiscoverView software (formerly BookLook) to assist CPC's compliance with the Higher Education Opportunity Act (HEOA). Follett will comply with all other relevant and applicable state, federal, and local laws, rules, and regulations. Such compliance shall include, without limitation, adhering to Section 112 of the HEOA.

**Course Materials Affordability / Pricing Policies**

14. **Course Materials Affordability.** CPC and the University are extremely committed to making course materials affordable to University Students. FOLLETT's course materials pricing policies should be innovative and prices cannot exceed the pricing policy requirements as described below herein.

15. **Pricing Policy-Course Materials.** FOLLETT shall adhere to the following course materials pricing policy:

   - "List-Priced" new textbooks shall be sold at no higher than list price.
   - "Pre-Priced" new textbooks shall be sold at no higher than the pre-price.
   - "Net-Priced" new textbooks shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
   - Bundled packages of course materials shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
   - Digital course materials sold by publishers to FOLLETT at net-price shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
   - Digital course materials sold by publishers to FOLLETT via the agency fee pricing model shall be sold at no higher than the retail price established by the publisher.
   - Used textbooks shall be sold at no higher than seventy-five percent (75%) of the current new textbook retail price.
   - Custom published materials shall be sold at no higher than a twenty-five percent (25%) gross profit margin.
   - Textbook rentals shall be rented at competitive national prices, and on average shall not exceed fifty percent (50%) of the new textbook price.

16. **Surcharges.** There shall be no add-ons or surcharges to cover freight, handling and publisher re-stocking fees. The above formulas shall be applied to the actual price listed on the publisher's invoice in order to determine the selling price of a particular course material.

17. **CPC Audit Rights.** CPC has the right to audit FOLLETT's records, vendor invoices, publisher invoices, and other pertinent records to verify adherence to the established pricing policies.

**Innovative Methods of Delivering Course Materials**

18. **Textbook Rental Program.** CPC and University are extremely committed to providing a strong textbook rental program in order to reduce the cost of course materials to University students. FOLLETT shall maximize the availability of textbook rentals for University students.

19. **Used Textbook Program.** CPC and University are extremely committed to providing a strong used textbook program in order to reduce the cost of course materials to University Students. FOLLETT shall maximize the availability of used textbooks for University students.
20. **Buyback.** FOLLETT shall buy back books from students at not less than 50% of the original retail price for textbooks that have been adopted for an ensuing quarter. For example, if a textbook was purchased new and has been readopted, then the FOLLETT shall pay the student not less than 50% of the original new retail price during buyback; if a textbook was purchased used and has been readopted, then FOLLETT shall pay the student not less than 50% of the original used retail price during buyback. Textbooks that have not been adopted for an ensuing quarter shall be purchased at a minimum of the current wholesale price, established by national used book wholesalers and published in one of the current national used book wholesale buying guides.

21. **Digital Course Materials / Innovative Course Materials Delivery Mechanisms.** Follett shall provide a non-exclusive digital delivery program that addresses the changing types of course materials, including providing digital course materials and digital textbooks. FOLLETT shall present all desirable innovations for the delivery of digital course materials to University administration and representatives including faculty and work with University to determine the best possible options for the introduction of new technology and delivery mechanisms. Throughout the Agreement, CPC and the University will continually evaluate digital delivery programs in the marketplace and shall have the right to select alternate digital delivery programs at any time during the Agreement if it is determined that such programs are in the best interests of the University.

22. **Desk Copies.** CPC prohibits the purchase and sale of complimentary/desk copies by the University Store.
EXHIBIT D
GENERAL MERCHANDISE AND MARKETING REQUIREMENTS

General Merchandise Pricing Policies

1. Pricing Policy-General Books. FOLLETT shall sell trade books, reference books, and other non-textbooks at no more than the publisher’s list price, or if there is no list price, at prices competitive in the local area and competitive in the university bookstore industry.

2. Pricing Policy-General Merchandise. FOLLETT shall sell all other merchandise (e.g., clothing, giftware, technology products and school supplies) at prices competitive in the local area and competitive in the university bookstore industry. FOLLETT shall provide emblematic/logo merchandise at multiple price points.

General Merchandise and Marketing

3. General Merchandise Selection. FOLLETT shall provide a full range of general merchandise including emblematic clothing, emblematic gifts, University-produced and marketed products, computer hardware and software, computer/technology supplies, general books, novelty gifts, school supplies, greeting cards, convenience products (e.g., beverages, candy, and snacks), health and beauty aids (HBA’s), art, engineering and architecture supplies; special order services, graduation related merchandise, and other services expected from a full-service campus store. At CPDT FOLLETT will provide most if not all of this general merchandise noted herein, including branded apparel, gifts, and University-produced and marketed wines and other products.

4. University products. Follett will carry a full line of the University-produced and marketed products, as are available, at the campus store, CPDT and through the website. This will include, but not be limited to, for example, chocolate, barbeque sauce, jams and jellies, and honey.

5. Emblematic Clothing and Gifts. FOLLETT shall promote and brand University by offering a broad selection of emblematic clothing and gifts that comply with the University’s licensing requirements, design guidelines, and requirements for branded products. FOLLETT shall provide exceptional value to University customers by offering high quality products and services at fair prices and multiple price points.

6. Apple Store / Computer Store / Technology Center. FOLLETT shall provide a full-service Apple Store / computer store / technology center in the University Store. The Apple Store / computer store / technology center shall include, but not be limited to, Apple products, non-Apple hardware, software, accessories, computer supplies, and repair services. The Apple Store shall be a full-service authorized Apple Campus Store, including institutional and consumer sales at Apple Educational pricing; demonstration units; institutional support; service; and repairs.

7. New Product Lines. FOLLETT shall continually expand and introduce new product lines that appeal to University customers (including students, faculty, staff, alumni, family members and visitors) and generate traffic into the University Store.

8. Website. FOLLETT shall provide a full-service University Store Website that is custom branded to support the University and maximize the exposure of the Cal Poly brand.
   a. The Website, and any targeted websites, will provide state of the art technology and design, and will be maintained and updated throughout the terms of this Agreement for product offerings, customer service options and technology support, including, but not limited to;:
i. Data driven merchandising of the Cal Poly store website is based on general merchandise sales trends, top keywords searched by customers, customer site shopping behavior, and market trends.

ii. Enhanced site search functionality allowing the capability for customers to search dynamically for books by ISBN, author and title, or continue to shop by course.

iii. “Auto suggest” search – As customers start typing in the search box, suggestions automatically pop up, helping them find the product or brand they are searching for.

iv. Intelligent, data-driven, automated product recommendations based on customer browse activity and purchase history. This drives up shopping cart size and, ultimately, revenue to your school.

v. Any website shall conform to University design guidelines and link to and from the University's Website.

vi. The site will include the ability for customers to order and reserve course materials, order general books and general merchandise, and the ability for faculty to submit textbook adoptions online.

vii. All aspects of the Website, including products sold (whether by FOLLETT or by a third-party vendor), links to and/or from the University Store Website, and advertising accepted, shall require CPC's approval.

viii. The Website shall feature a full range of University emblematic merchandise for sale.

b. FOLLETT will leverage its Advanced Online division to create custom targeted and/or specialized websites for specific communities such as Alumni Association and Athletics boosters. Merchandise on these sites will target all fan groups: alumni, donors, parents, fans and students all different demographics with different product needs for their lifestyles.

i. Follett through Advanced-Online will provide a select-a-logo feature for tees, sweats, outerwear and other products so that online shoppers may purchase merchandise for every sport.

c. Sales from any websites will be included in Gross Sales.

9. Social Media. FOLLETT shall develop and implement a social media marketing and promotion strategy. To the extent that FOLLETT develops its own social media sites (e.g., Facebook, Instagram, twitter) or integrates with University sites, FOLLETT shall be required to keep its posted information up-to-date, refresh its sites frequently, consistent with effective social media strategies, and conform to University social media standards and practices.

10. Graduation Merchandise. FOLLETT shall collaborate with CPC and the University regarding the fee-based Graduation Program. The University shall pay FOLLETT a Graduation Fee determined by CPC and the University for all eligible graduates and in return FOLLETT shall sell and distribute graduation merchandise including diploma frames, announcements, flowers, regalia, class rings in the campus store and website, and at other locations as designated by CPC and the University, throughout the year and during graduation. FOLLETT shall collaborate with other University departments to produce a twice a year Commencement Fair in the Fall and Spring. FOLLETT shall also provide bookstore sales at the Spring graduation ceremonies. FOLLETT shall not include any additional mark-up to the Graduation Fee.

11. Athletic Sideline Partner(s). FOLLETT shall work cooperatively with the University Athletics Department to provide a representative selection of the University Athletics Department’s Athletic Apparel Sideline Partner’s emblematic merchandise.

12. Licensing Program. FOLLETT shall only purchase University-branded merchandise from vendors who adhere to CPC's Trademark Licensing Program requirements, currently administered in partnership with Collegiate Licensing Company.
13. **Vendor Code of Conduct.** FOLLETT shall maintain a vendor code of conduct policy. The policy shall ensure that all vendors with whom FOLLETT does business meet FLA (Fair Labor Association) standards and the Model Code of Conduct established by the WRC (Worker Rights Consortium).

14. **Collaboration with Alumni Association.** Follett shall work with Alumni Association to develop mutually agreeable options for selling of Alumni Association's Cal Poly Proud merchandise and collaborate with Alumni Association on up to four philanthropic events per year. FOLLETT, with overall guidance from CPC, shall collaborate with the University's Alumni Association to work toward developing a process to accept alumni donations at the University Store.

15. **Local Vendors.** FOLLETT will purchase from local vendors when appropriate, or requested by CPC.

16. **Marketing Expenses.** FOLLETT shall spend a minimum of Thirty-Five Thousand Dollars ($35,000) per Agreement Year on marketing, advertising, and community relations expenses to support the University Store.
TENDER TYPES / DISCOUNTS REQUIREMENTS

1. **Tender Types.** At a minimum, FOLLETT shall accept cash, personal checks, major credit and debit cards, Campus Express Club, University Store gift cards, University Department Charges, scholarship charges/vouchers, and financial aid account charges/vouchers. FOLLETT shall be solely responsible for all expenses and collection of debts resulting from cash, personal checks, credit cards, and bank debit card transactions.

2. **Campus Express Club.** FOLLETT shall be responsible for the costs of transmission methods, interface, hardware and software licensing and any maintenance and updated hardware or software as needed in order to accept the University's PolyCard, which includes the CPC Campus Express Club funds, and/or another smartcard utilized by CPC and University in the future, at the University Store. CPC will reconcile and reimburse FOLLETT on a monthly basis for Campus Express Club/PolyCard transactions. FOLLETT shall pay a three percent (3.0%) transaction fee for Campus Express Club/PolyCard transactions. FOLLETT shall submit invoices monthly to CPC for reimbursement of Campus Express Club/PolyCard transactions, and will receive reimbursement monthly- net of the 3.0% transaction fee. FOLLETT shall not increase the price of goods and or services to Campus Express Club/PolyCard customers in order to offset the transaction fee. CPC reserves the right to adjust the transaction fee after 24 months from the Commencement Date on an annual basis by the CPI, but not more than .5% per year.

3. **Department Charges.** CPC and University Departments shall be allowed to charge department purchases at the University Store using the Purchasing Cards or by providing an authorized Departmental Budget Code.

4. **Gift Certificates / Gift Cards.** FOLLETT shall accept unredeemed gift certificates and unredeemed gift cards (i.e., gift certificates and gift cards that were sold to customers by the University Store prior to the Commencement Date of the Agreement.)
EXHIBIT F
FACILITY AND EQUIPMENT REQUIREMENTS

1. **Facilities.** FOLLETT shall operate the campus University Store located in the University Union, consisting of approximately 19,401 square feet, and Cal Poly Downtown located at 767 Higuera Street, San Luis Obispo, consisting of approximately 3,900 square feet.

2. **Facility Size and Location.** CPC shall have the right to change the University Store and Cal Poly Downtown size and/or location based upon what is in the best interest of CPC and the University, as determined by CPC.

3. **Campus Services.** CPC shall provide FOLLETT with access to University's campus telephone services and voice answering system at University's standard rate/fee and FOLLETT's cost.

4. **Security Services.** University Police Department (UPD) shall provide FOLLETT with security services for the University Store provided by UPD in the same manner provided for other CPC and University buildings.

5. **Campus University Store Utilities.** CPC will pay for the utilities for the campus University Store facility, including electricity, steam, water, gas, and trash for expected normal operations. FOLLETT will be responsible for timely placing all the trash and recyclable materials into the proper exterior trash and recycling containers located near the facility.

6. **CPDT Utilities.** CPC will pay for the utilities for CPDT, including electricity, water, gas and trash for expected normal operations, with FOLLETT paying CPC a fixed amount as described in Section 3.8 of this Agreement.

7. **Vehicles.** FOLLETT shall provide, at its sole expense, any Vehicle(s) necessary for the operation of the University Store, including game day store/trailer(s).

8. **Cleaning and Maintenance.** FOLLETT shall properly maintain (to the satisfaction of CPC and the University) the interior of the University Store, including, but not limited to, daily cleaning of floors, walls, windows, fixtures, furniture, equipment, and other related custodial services, and exterior windows and awnings, and the exterior area around the entry points to the store for customers and delivery.

9. **Emergency Key.** FOLLETT shall supply an emergency key to be left with University Police Department (UPD).

10. **Internal Security.** FOLLETT is responsible for its own internal loss prevention services within its stores, including cameras, staffing, training and maintenance, however, FOLLETT shall collaborate with UPD, CPC, and the University concerning questions of discipline, enforcing regulations, and internal security, loss prevention and theft control hardware. CPC expects FOLLETT’s first point of contact with regard to loss prevention and security issues for the University Store to be UPD.
EXHIBIT G
TECHNOLOGY REQUIREMENTS

1. Technology. FOLLETT shall provide state-of-the-art technology including, but not limited to, bookstore computer system, point-of-sale system, computerized textbook management system, technology necessary to comply with HEOA, alternative technology for textbooks/course materials to deliver the desired level of service. FOLLETT’s systems shall have the ability to interface with current or future University systems, including but not limited to University’s LMS: Moodle v.3.1 (PolyLearn); SIS: PeopleSoft Student Administration; Campus Card System: CS Gold v.6.0.28.

2. Technology Investment. FOLLETT shall make a capital investment of Sixty Four Thousand Dollars ($64,000) in technology, computer systems and point-of-sale systems for the University Store facilities, including temporary store site usage. CPC will not buy out the undepreciated portion of the FOLLETT’s technology investment at the termination, expiration, or non-renewal of the Agreement.

3. Europay, Mastercard, and Visa (EMV) Compliance. FOLLETT shall ensure that the University Store is compliant with EMV standards for authorizing credit and debit card transactions.

4. Customer Data. Customer data shall not be shared or sold by FOLLETT without the express written approval of the customer.

5. Data security. FOLLETT acknowledges that this Agreement with CPC may allow FOLLETT access to certain CPC information/data or other protected information that is of a non-public or confidential nature that is protected from disclosure by state or other law ("Protected Data"). Personal Data includes, but is not limited to, personal information, student records, or private financial information. Personal Data may be transferred in various forms, notwithstanding the manner in which or from whom it is received by FOLLETT. FOLLETT represents and warrants that it will keep Protected Data strictly confidential both during the Term and after the termination of the Agreement.
   a. Disclosure Requirements.
      i) FOLLETT shall not use or disclose Protected Data except as permitted or required by the Agreement or as otherwise authorized in writing by CPC. FOLLETT shall maintain the privacy of, and shall not release, Protected Data without full compliance with all applicable state and federal laws, CPC and University policies, and the provisions of this Agreement.
      ii) FOLLETT agrees that it will include similarly protective terms and conditions contained in this Agreement in all subcontractor or agency contracts providing services under this Agreement who may have access to such Protected Data. FOLLETT further acknowledges that Federal privacy laws such as the Gramm-Leach-Bliley Act (Title 15, United States Code, Sections 6801(b) and 6805(b)(2)) and the Family Educational Rights and Privacy Act (Title 20, United States Code, Section 1232g) may be applicable to student records and information from student records and Follett agrees to comply with all applicable provisions thereof.
      iii) FOLLETT agrees that except as otherwise specifically provided for in this Agreement; Protected Data will not be shared, sold, or licensed or otherwise disclosed with or to any third-party by FOLLETT.
      iv) FOLLETT shall not disclose or use Protected Data other than to carry out the purposes of this Agreement. FOLLETT shall not disclose any Protected Data to others such as employees, affiliates and subcontractors on other than on a "need to know" basis.
      v) If required by a court of competent jurisdiction or an administrative body to disclose Protected Data, FOLLETT will notify CPC in writing prior to any such disclosure in order to give CPC an opportunity to oppose any such disclosure. Prior to any disclosure of Confidential Information as required by legal process, FOLLETT shall:
         (1) Notify CPC of any, actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure immediately upon becoming so obligated, and
(2) Cooperate with the CPC reasonable, lawful efforts to resist, limit or delay disclosure.

vi) Any access, transmission, or storage of Protected Data outside the United States is subject to prior written authorization by CPC.

b. Exceptions to Obligations of Confidentiality.

i) With the exception of the Protected Data classified as “Personally Identifiable Information”, the obligations of confidentiality shall not apply to any information that:

(a) FOLLETT rightfully has in its possession when disclosed to it, free of obligation to CPC or University to maintain its confidentiality;

(b) FOLLETT independently develops without access to Protected Data;

(c) is or becomes known to the public other than by breach of this contract;

(d) CPC, University or its agent releases without restriction; or

(e) FOLLETT rightfully receives from a third party without the obligation of confidentiality.

ii) Any combination of Personally Identifiable Information disclosed with information not so classified shall not be deemed to be within one of the foregoing exclusions merely because individual portions of such combination are free of any confidentiality obligation or are separately known in the public domain.

iii) Failure by FOLLETT to comply with any provision of this subsection shall constitute a breach of the Agreement.


i) FOLLETT acknowledges that CPC is required to comply with information security standards for the protection of Protected Data required by law, regulation and regulatory guidance, as well as CPC’s and University’s internal security policy for information and systems protection.

ii) Within thirty (30) days of the Effective Date of the Agreement and subject to the review and approval of CPC, FOLLETT shall establish, maintain and comply with an information security plan (“Information Security Plan”), which shall contain such elements that CPC may require after consultation with FOLLETT. On at least an annual basis, FOLLETT shall review, update and revise its Information Security Plan, subject to CPC’s review and approval. At CPC’s request, FOLLETT shall make modifications to its Information Security Plan or to the procedures and practices thereunder to conform to CPC’s security requirements as they exist from time to time.

iii) FOLLETT’s Information Security Plan shall be designed to:

(a) Ensure the security, integrity and confidentiality of Protected Data;

(b) Protect against any anticipated threats or hazards to the security or integrity of such information;

(c) Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to the person that is the subject of such information;

(d) Protect against unauthorized changes to or use of Protected Data; and

(e) Comply with all applicable CPC policies and all applicable legal and regulatory requirements for data protection.

(f) Include business continuity and disaster recovery plans.

iv) FOLLETT’s Information Security Plan shall include a written response program addressing the appropriate remedial measures it shall undertake in the event that there is an information security breach.

v) FOLLETT shall cause all subcontractors and other persons and entities whose services are part of the services which FOLLETT delivers to CPC or who hold Protected Data, to implement an information security program and plan substantially equivalent to FOLLETT’s.
vi) The parties expressly agree that FOLLETT’s security procedures shall require that any Level 1 Protected Data transmitted or stored by FOLLETT only be transmitted or stored in an encrypted form approved by CPC.

vii) In addition, FOLLETT represents and warrants that in performing the services, it will comply with all applicable privacy and data protection laws and regulations of the United States including, as applicable, the provisions in the Gramm-Leach-Bliley Act, 15 U.S.C. Section 6801 et seq., the Family Education Rights and Privacy Act ("FERPA"), 20 USC Section 1232(g) et seq., and of any other applicable non-U.S. jurisdiction, including the European Union Directives, and that it will use best efforts, consistent with Federal Trade Commission and other applicable guidance, to protect CPC’ and University’s Protected Data from identity theft, fraud and unauthorized use.

d. Incident Response Management.
   i) Notification of a Security Incident. FOLLETT shall report, in writing, to CPC any use or disclosure of Protected Data not authorized by this Agreement or authorized in writing by CPC, including any reasonable belief that an unauthorized individual has accessed Protected Data. This report shall be made to CPC’s Executive Director and any designee(s) such as information security officer. It shall include details relating to any known or suspected security breach of FOLLETT’s system or facilities which contain Protected Data or any other breach of Protected Data relating to this Agreement. This report shall be made promptly - not later than within twenty-four (24) hours after discovery, if the information was, or is reasonably believed to have been, acquired by an unauthorized person.

   ii) Reporting a Security Incident.
      (1) FOLLETT’s report shall identify:
        (a) the nature of the unauthorized use or disclosure,
        (b) time and date of incident,
        (c) description of the Protected Data used or disclosed,
        (d) who made the unauthorized use or received the unauthorized disclosure,
        (e) what FOLLETT has done or shall do to mitigate any harmful effect of the unauthorized use or disclosure, and
        (f) what corrective action FOLLETT has taken or shall take to prevent future similar unauthorized use or disclosure.
        (g) FOLLETT shall provide such other information, including a written report, as reasonably requested by University.

   iii) FOLLETT shall fully cooperate with any investigation of any data loss or other breach of FOLLETT’s obligations under this agreement. Such investigation may be instituted by CPC or University or any other entity with jurisdiction to conduct such investigation.

e. Compliance With Laws.
   i) FOLLETT shall comply with all applicable CPC policies, United States federal, state and local laws, regulations and ordinances, and rules of self-regulatory organizations, as well as all national, state and local laws, regulations and ordinances, and rules of self-regulatory organizations of any other non-U.S. jurisdiction to which FOLLETT, CPC and University or the services are subject. If a charge of non-compliance with such laws, regulations and rules is brought against FOLLETT in connection with this Agreement or the Services, FOLLETT shall promptly notify CPC of the charge in writing.

   ii) Where a federal, state or local law, ordinance, rule or regulation is required to be made applicable to this Agreement, it shall be deemed to be incorporated herein without amendment to this Agreement.

f. PCI-DSS Requirements.
i) FOLLETT represents and warrants that it shall implement and maintain certification of Payment Card Industry ("PCI") compliance standards regarding data security and that it shall undergo independent third party quarterly system scans that audit for all known methods hackers use to access private information, in addition to vulnerabilities that would allow malicious software (i.e., viruses and worms) to gain access to or disrupt the network devices. If during the term of the Agreement, FOLLETT undergoes, or has reason to believe that it will undergo, an adverse change in its certification or compliance status with the PCI DSS standards and/or other material payment card industry standards, it will promptly notify CPC of such circumstances.

ii) FOLLETT agrees promptly to provide annual, or at the request of CPC, current evidence, in form and substance reasonably satisfactory to University, of compliance with PCI-DSS security standards which has been properly certified by an authority recognized by the payment card industry for that purpose.

iii) FOLLETT shall maintain and protect in accordance with all CPC and University policy, applicable laws and PCI regulations the security of all cardholder data when performing the contracted Services on behalf of CPC. Current University information on Out-Sourced PCI Services can be found at: https://afd.calpoly.edu/fiscal_services/pci/

iv) FOLLETT shall be responsible for the costs of transmission methods, hardware and software licensing and interfaces, and any maintenance and updated hardware or software as needed in order to comply with University and PCI Council requirements. FOLLETT may be required to upgrade equipment during the term of this Agreement with reasonable notice if required standards for data security or infrastructure are changed by University.

v) FOLLETT will provide reasonable care and efforts to detect fraudulent credit card activity in connection with credit card transactions,

g. PA DSS Requirements.

i) FOLLETT represents and warrants that software applications it provides and/or uses for the purpose of processing payments, particularly credit card payments, are developed in accordance with and are in compliance with the standards known as Payment Application Data Security Standards (PA-DSS). As verification of this, FOLLETT agrees to provide evidence that any such application it provides is certified as complying with these standards and agrees to continue to maintain that certification. The evidence may be provided in the form of the PA DSS form if FOLLETT self-certified, or a copy of the PA QSA if FOLLETT was certified by an external party. If the vendor is unable to provide a copy of the PA DSS form of the PA QSA letter, the vendor must provide CPC with proof of bonded insurance listing CPC and the University as the beneficiary in the case of a security breach.

ii) If during the term of the Agreement, FOLLETT undergoes, or has reason to believe that it will undergo, an adverse change in its certification or compliance status with the PA DSS standards and/or other material payment card industry standards, it will promptly notify CPC of such circumstances.

iii) FOLLETT agrees promptly to provide, annual or at the request of CPC, current evidence, in form and substance reasonably satisfactory to CPC, of compliance with PA-DSS security standards which have been properly certified by an authority recognized by the payment card industry for that purpose.

h. Notice Responsibility and Indemnification.

i) In the event of a breach of any of FOLLETT’s security obligations or any other event requiring notification as a security incident under applicable law, FOLLETT agrees to assume responsibility for informing all such individuals in accordance with applicable law, and FOLLETT agrees to indemnify, hold harmless and defend CPC, University, Trustees of California State University and their officers, directors, employees and agents from and against any claims, damages, or other harm related to such a breach.

ii) FOLLETT agrees to indemnify and hold CPC, University, Trustees of California State University and their officers, directors, employees and agents harmless from any damages, claims, liabilities, costs and expenses resulting from FOLLETT’s failure to be and to remain PCI DSS or PA DSS compliant.
i. **Personnel Security Requirements.**
   i) FOLLETT shall require all Affiliates and subcontractors, as a condition to their engagement, to agree to be bound by provisions substantially the same as those included in this Agreement.
   
   ii) Any work to be performed in connection with this Agreement by FOLLETT, its Affiliates or subcontractors must be performed in the United States, unless the prior written consent of CPC is received to perform work outside the United States. Further, Protected Data may not be transmitted or stored outside the United States without the prior written consent of University.
   
   iii) FOLLETT shall require all employees, Affiliates and subcontractors with access to University’s protected information as a condition of their engagement, to participate in annual security awareness training if required by CPC.
   
   iv) FOLLETT shall not knowingly permit a representative or subcontractor to have access to the records, data or premises of University when such representative or subcontractor:
   
   (1) has been convicted of a crime;
   
   (2) has engaged in a dishonest act or a breach of trust; or
   
   (3) use of illegal drugs.
   
   v) FOLLETT agrees that under no circumstances shall any of FOLLETT’s employees, officers, Affiliates or subcontractors, whether full-time or part-time, connect to any University system or access any University data, for purposes of downloading, extracting, storing or transmitting information through personally owned, rented or borrowed equipment including, but not limited to mobile devices (e.g., laptops, PDAs, cell phones,)
   
   vi) Any exceptions are at variance with CPC policy and must be approved in advance according to CPC policy guidelines.

j. **CPC Right To Conduct And/Or Review Risk Assessments Or Audits.**

   FOLLETT shall provide CPC with copies of its latest information security risk assessments and/or audits upon request with scope to be mutually agreed upon.

   i) During regular business hours, CPC may, at its sole expense and on a mutually agreed upon date (which shall be no more than fourteen (14) days after written notice), time, location and duration perform or arrange for a site visit and/or confidential audit of FOLLETT’s University Store operations, facilities, financial records, and security and business continuity systems which pertain specifically to the use of the Protected Data.

   ii) If FOLLETT is not in substantial compliance with the requirements of the Data Security performance requirements set forth in this Agreement, CPC shall be entitled, at FOLLETT’s expense, to perform additional such assessments and/or audits. CPC will provide to FOLLETT a copy of each report prepared in connection with any such audit within thirty (30) calendar days after it prepares or receives such report. FOLLETT agrees to promptly take action at its expense to correct those matters or items that require correction as mutually agreed.

   iii) If any assessment and/or audit disclose material variances from the performance requirements set forth in this Agreement or a breach by FOLLETT of the provisions of this Agreement, FOLLETT shall be deemed in breach of this Agreement.

k. **Terminating Or Expiring The Agreement.**

   i) Upon the termination or expiration of this Agreement, or at any time upon the request of University, FOLLETT and its subcontractors shall return all Protected Data (and all copies and derivative works thereof made by or for FOLLETT). Further, FOLLETT and all subcontractors shall delete or erase such Protected Data, copies and derivative works thereof, from their computer systems.
ii) CPC shall have the right to require FOLLETT to verify, to CPC's satisfaction, that all Protected Data has been returned, deleted or erased. FOLLETT agrees to fully cooperate with CPC's requests for verification.
EXHIBIT H
FINANCIAL REPORTING REQUIREMENTS

1. **Monthly Reporting.** On a monthly basis, FOLLETT shall submit a detailed sales report and Profit & Loss ("P&L") financial report to CPC, including website sales, sales by category, non-commissionable sales (with supporting detail), and total sales for the University Store, along with cost of goods sold, gross margin, and expenses by major expense category.

2. **Annual Reporting.** On an annual basis, FOLLETT shall submit a detailed University Store financial statement to CPC. At a minimum, the University Store financial statement shall include the following:
   - Sales by Category/Department by location and consolidated, including commissionable and non-commissionable sales (all locations)
   - Total Sales (by Location and Consolidated)
   - Cost of Goods Sold
   - Gross Margin
   - Personnel Expenses
   - Direct Operating Expenses (itemized by type of expense)
   - Indirect Expenses (e.g., Management Fee, FOLLETT Overhead Charges)
   - Rent/Commission Paid to CPC
   - Profit/Loss
   - Dollar Amount of "Retail Textbook Buyback"
   - Dollar Amount of "Wholesale Textbook Buyback"
   - Number of Class Rings Sold
   - Website Sales

3. **Corporate Annual Financial Statement.** FOLLETT shall provide CPC with a copy of its audited company financial statement on an annual basis and other corporate reports as reasonably requested by CPC.
EXHIBIT I
INVENTORY PURCHASE REQUIREMENTS

1. **Inventory Purchase.** Prior to the commencement of the Agreement, a complete physical inventory, with audit trail by item and location, shall be conducted jointly by a professional retail inventory service company under the direction and supervision of CPC and FOLLETT. The professional retail inventory service company will be jointly selected by CPC and FOLLETT. FOLLETT shall incur the entire expense for the professional retail inventory service company. CPC and FOLLETT shall have the right to audit the physical inventory. The campus University Store will remain closed until such time as both parties concur with the accuracy of the physical counts, but in no event shall the campus University Store remain closed for a period in excess of two (2) business days. It is not expected that CPDT will be closed during this period. FOLLETT shall purchase the University Store inventory at cost from CPC. FOLLETT shall purchase the University Store physical inventory based on those physical counts as follows:
   a. New textbooks that have been adopted for an upcoming quarter shall be purchased by FOLLETT up to the quantity of anticipated enrollment at the actual cost to CPC (i.e., publisher’s invoice cost).
   b. Used textbooks that have been adopted for an upcoming quarter shall be purchased by FOLLETT up to the quantity of anticipated enrollment at the University Store’s current new textbook retail price, less the standard industry purchase cost factor (e.g., fifty percent (50%) as of end of April 2017).
   c. All general books (e.g., trade books, reference books, technical books) in clean and saleable condition shall be purchased at invoice cost.
   d. All general merchandise in clean and saleable condition shall be purchased at invoice cost. General merchandise includes, but is not limited to; art, engineering and architecture supplies; school and office supplies, University-produced and marketed products, computer/technology supplies, computer hardware and software, emblematic clothing, gifts, greeting cards, convenience items, health and beauty aids (HBA’s), special order services, graduation merchandise, and any other merchandise described elsewhere herein as “general merchandise”.

2. **Operating Supplies Purchase.** FOLLETT shall purchase University Store operating supplies, including, but not limited to, shopping bags and gift boxes at cost from CPC.

3. **Inventory Payment.** FOLLETT shall pay CPC for University Store inventory and operating supplies within thirty (30) days after the Commencement Date of this Agreement.

4. **Credit Memo Purchase.** FOLLETT shall purchase from, and pay to CPC, the total amount of current unapplied credit memos due to CPC from publishers, wholesalers, distributors, and other vendors for University Store transactions.

5. **Credit Memo Payment.** FOLLETT shall pay CPC for University Store credit memos within sixty (60) days after the Commencement Date of this Agreement.

6. **Inventory Purchase at End of Agreement.** At the termination or Expiration of any term including non-renewal of the Agreement, CPC or a subsequent contractor shall purchase University Store inventory from FOLLETT in the same manner as outlined in Exhibit 1.1. All national textbook rental titles shall be collected by FOLLETT at the termination of the contract and will be the property of FOLLETT.

7. **Furniture, Fixtures, and Equipment.** FOLLETT shall have the option to use the University Store’s existing furniture, fixtures, and equipment located within the University Store at the commencement of the Agreement. Any University Store furniture, fixtures, and equipment which FOLLETT decides to no longer utilize in the operation of the University Store shall be turned over to CPC. Prior to the commencement of the Agreement, CPC and FOLLETT shall compile a list of existing furniture, fixtures, and equipment that FOLLETT opts to use.
a. Throughout the terms FOLLETT shall be responsible to maintain, and replace as needed, any furniture, fixtures, and equipment located within the University Store at its expense. At the termination, expiration, or non-renewal of the Agreement, FOLLETT shall return any furniture, fixtures, and equipment used in the University Store to CPC in the same condition as at the commencement of the Agreement, excepting normal wear and tear.

b. With respect to the furniture, fixtures, and equipment provided by CPC, CPC makes no implied or express warranties, including, but not limited to, the implied warranties of functionality and fitness for a particular purpose. Unless otherwise specifically agreed, all CPC furniture, fixtures, and equipment offered for the contractor's use is supplied in "as is" condition and FOLLETT shall use it at their own risk. The listing of furniture, fixtures, and equipment inventory shall be incorporated into the Agreement between FOLLETT and CPC.
EXHIBIT J
INSURANCE AND INDEMNITY REQUIREMENTS

1. Insurance. FOLLETT shall provide a certificate of insurance and additional insured endorsement to CPC prior to the Commencement Date of FOLLETT’s work as required herein. The Corporation requires that FOLLETT shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by FOLLETT, his agents, representatives, employees or subcontractors.

Commercial General Liability
- General Aggregate: $4,000,000
- Products/Completed Operations Aggregate: $2,000,000
- Each Occurrence Limit: $2,000,000
- Personal/Advertising Injury: $1,000,000
- Fire Damage (Any one fire): $50,000
- Medical Payments (Any one person): $5,000

Business Automobile Liability
- Bodily Injury/Property Damage (Each accident): $2,000,000
- Personal Injury Protection: Statutory
- Collision and Comprehensive: Deductible Amounts
- Uninsured Motorist & Underinsured Motorist: $500,000

Workers’ Compensation
- Coverage A (Workers’ Compensation): Statutory
- Coverage B (Employers Liability) (Each accident): $2,000,000
- Disease Policy (Limit per accident): $2,000,000

a. FOLLETT shall provide property insurance against all risks of loss to any improvements or betterments by FOLLETT at campus University Store facility and the surrounding vicinity and at Cal Poly Downtown, and any other mutually agreed location on campus, at full replacement cost with no coinsurance penalty provision.

b. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.

c. FOLLETT shall not commence performance of any work under this Agreement until the University is provided with original certificates and amendatory endorsements affecting coverage required by this clause. The endorsements should be on forms acceptable to or provided by CPC.

d. The required insurance must be in effect prior to awarding the Agreement and it or a successor policy must be in effect for the duration of the project. Maintenance of proper insurance coverage is a material element of the Agreement. Failure to maintain or renew coverage or to provide evidence of renewal may be treated as a material breach of contract and subject the Agreement to termination. The Corporation reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

e. FOLLETT shall disclose deductibles or self-insured retentions (SIRs) for approval by CPC.

f. Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII. and insurer may not cancel insured’s coverage without 30 days written notice by certified mail, return receipt requested, to the University.
For any claims related to this Agreement, FOLLETT's insurance coverage shall be primary over any existing insurance or self-insurance carried by CPC, the Trustees of California State University, University, its trustees, employees, directors, officers, and volunteers. The Corporation's insurance or self-insurance shall be excess of FOLLETT's insurance and shall not contribute to it.

Business automobile liability insurance is only required for any and all rented commercial or FOLLETT-owned commercial or noncommercial vehicles that are to be used in or near the Premises, including the campus.

Subcontractors may be required to provide comparable insurance and additional insurance may be required from FOLLETT or subcontractors depending on the risk related to the services to be provided, including construction.

FOLLETT hereby grants to CPC a waiver of any right to subrogation which any insurer of said Lessee may acquire against CPC by virtue of the payment of any loss under such insurance. FOLLETT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CPC has received a waiver of subrogation endorsement from the insurer.

2. Additional Insured Endorsements. The general liability and automobile liability policies shall be endorsed to provide general liability and business automobile coverage to the following named parties. The coverage can be provided in the form of an endorsement to FOLLETT's insurance, or as a separate owner's policy. If the project involves subcontractors, the subcontractors must be endorsed as insureds under the FOLLETT's policy. The parties to be named and the extent of coverage as additional insureds for General Liability and Automobile are as follows:

Cal Poly Corporation, Trustees of California State University, California Polytechnic State University, and the directors, employees, officers, and volunteers of entities, with respect to liability arising out of work or operations performed by or on behalf of FOLLETT including materials, parts or equipment furnished in connection with such work or operations, including materials, parts, or equipment furnished in connection with such work or operations, and providing coverage for bodily injury, personal injury, property damage and contractual liability.

3. Indemnity.

a. FOLLETT shall defend, indemnify and hold harmless Cal Poly Corporation, California Polytechnic State University, the Trustees of California State University, their officers, directors, affiliates, agents, employees, volunteers and/or subcontractors (together known as “Cal Poly”) from any and all claims, suits, actions, damages, judgments, interest and costs (including reasonable attorney fees and costs), arising out of any: (i) damage, destruction or loss of any property (including but not limited to Cal Poly’s property); or (ii) injury to or death of any person (including but not limited to any employee of Cal Poly); which results from or arises out of negligent or willful acts or omissions of FOLLETT, its officers, agents and employees, in the performance of this Agreement.

b. To the extent permitted by applicable law, CPC shall defend, indemnify and hold harmless FOLLETT, its affiliates, directors, officers and employees from any and all claims, suits, actions, damages, judgments, interest and costs (including reasonable attorney fees) arising out of any: (i) damage, destruction or loss of any property (including but not limited to FOLLETT’S property); or (ii) injury to or death of any person (including but not limited to any employee of FOLLETT); which results from or arises out of negligent or willful acts omissions of Cal Poly, its officers, agents or employees, in the performance of this Agreement.

c. The indemnities herein shall survive the termination of any agreement or purchase order for any reason whatsoever.
EXHIBIT K
GENERAL TERMS & CONDITIONS REQUIREMENTS

1. **Headings.** Headings in this Agreement are for convenience only and are not to be construed as a part of the Agreement or in any way limiting or explaining the provisions of this Agreement.

2. **Severability.** If any provision of this Agreement shall be, or shall be adjudged to be, unlawful or contrary to public policy, then that provision shall be deemed to be null and separable from the remaining provisions, and shall in no way affect the validity of this Agreement.

3. **Governing Law and Personal Jurisdiction:** This Agreement shall be controlled, construed, and enforced in accordance with the laws of the State of California. The parties also agree to submit to the personal jurisdiction of the federal and state courts of the State of California and agree that venue shall be in San Luis Obispo county.

4. **Amendments.** This Agreement may be modified or amended in writing signed by authorized signatories of FOLLETT and CPC, including changes altering, adding to, or deducting from the Agreement specifications, provided that such changes are within the general scope of the Agreement. Such equitable adjustments require the written consent of FOLLETT and CPC, which shall not be unreasonably withheld.

5. **News Releases.** News releases pertaining to this Agreement shall not be made without the prior written approval of CPC.

6. **Use of University or Corporation Marks.** FOLLETT shall not use any image, logo, mark or intellectual property of the University or CPC in any manner or form without the express written consent of the University or CPC, respectively. This includes the use of FOLLETT or product logo in conjunction with the University or CPC logo.

7. **Intellectual Property.** It is understood and agreed that ownership of intellectual property developed as a result of fulfilling the requirements of this Request for Proposal belongs solely and exclusively to CPC. Documents/drawings used in this proposal belong to CPC and are only to be used with permission. Intellectual property, as used herein, means all forms of legally protectable intellectual property, including copyrights, trademarks, inventions, patent applications, patents and mask works, drawings and/or blueprints. It is also understood and agreed that anything created as a result of an award of this proposal is considered a work for hire under the U.S. copyright laws and as such, CPC will own the copyright.

8. **Right of Offset.** The Corporation shall be entitled to offset against any sums due FOLLETT, any expenses or costs incurred by CPC, or damages assessed by CPC concerning FOLLETT's non-conforming performance or failure to perform the Agreement, or any other debt owing CPC, including expenses, costs and damages described in the termination provisions contained herein. Follett will have the right to offset any outstanding and past-due receivables owed by CPC or University against any sums payable to CPC by FOLLETT.

9. **Waiver.** A waiver by either party of any terms or conditions, provisions, or covenants of this Agreement in any instance shall not be deemed or construed to be a waiver of any such term, condition, provision, or covenant for the future, or of any subsequent breach of same. All remedies, rights, undertakings, obligations, and agreements contained in this Agreement shall be cumulative and shall not be in limitation of any other right, remedy, undertaking, obligation, or agreement of either party.

10. **Force Majeure.** Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such
causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.

11. Audit, Recordkeeping and Record Retention. FOLLETT shall establish and maintain adequate records of all expenditures incurred under the Agreement. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances. The Corporation shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to any Agreement resulting from this bid/proposal held by FOLLETT. FOLLETT will retain all documents applicable to the Agreement for a period of not less than three (3) years after final payment is made.

12. Property damage. FOLLETT shall be responsible for all damage to persons or property caused by FOLLETT or any of its employees, contractors, or agents. FOLLETT shall promptly repair, to the satisfaction of CPC and the University, any damage that it, or its employees, contractors, or agents may cause to CPC’s and the University’s premises or equipment. On FOLLETT’s failure to do so, CPC and the University may repair such damage and FOLLETT shall reimburse CPC on demand for all costs relating to the repair.

13. Independent Contractor. The parties hereto agree that FOLLETT’s officers, agents, and employees, in the performance of this agreement, shall act in the capacity of an independent contractor and not as an officer, employee, or agent of CPC or University. FOLLETT agrees to take such steps as may be necessary to ensure that each subcontractor of FOLLETT will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venture, or partner of CPC or the University.

14. Performance Time. FOLLETT will execute the contracted services competently and according to all ethical norms and professional standards of FOLLETT’s profession and with all reasonable diligence and continuous effort, and will not delay this work in order to perform other contracts entered into subsequent to the date of this agreement. Time is hereby declared to be of the essence for performance.

15. Acceptance of Services. All services performed under this Agreement shall be to the satisfaction of CPC and in accordance with the specifications, terms, and conditions of the Agreement. The Corporation reserves the right to review the services performed and to determine the quality, acceptability, Performance Time, and fitness of such services.

16. Actions of FOLLETT. The Corporation is under no obligation whatsoever to be bound by the actions of FOLLETT with respect to third parties. FOLLETT is not a division or agent of CPC.

17. Assignments and Successors. No rights or duties under a resulting Agreement may be assigned without the prior written approval of CPC. Nor shall FOLLETT contract with any other party to provide any portion of the services contemplated in this Agreement without the prior written consent of CPC. This Agreement is made for the exclusive benefit of the parties and no benefit to any third party is intended.

18. Federal, State, and Local Taxes, Licenses and Permits. FOLLETT is solely responsible for complying with all laws, ordinances, and regulations on taxes, licenses and permits, as they may apply to any services or goods provided per this Agreement. This includes, but is not limited to, possessory interests, assessments or license fees. FOLLETT shall also charge and collect all applicable sales, use and excise taxes. FOLLETT must demonstrate that they are duly licensed if so required by any applicable regulatory body during the performance of the Agreement. Prior to the Commencement Date of Agreement, FOLLETT shall be prepared to provide evidence of such licensing as may be requested by CPC. FOLLETT shall, at no expense to CPC, procure and keep in force during the entire period of the Agreement all such permits and licenses.
19. **Compliance with Laws.** This Agreement shall be governed under the laws of the State of California and enforced in the courts of San Luis Obispo County, California. FOLLETT shall at all times comply with and observe all applicable federal and state laws, local laws, ordinances, and regulations, including public records law, that are in effect during the period of this Agreement and which in any manner affect the work or its conduct.

20. **Assignment of Rights and Ownership of Work Product.** FOLLETT agrees that it will promptly make full written disclosure to CPC any and all work product, that all work product shall become the exclusive property of Cal Poly Corporation, and FOLLETT shall relinquish all right, title, and interests in and to all work product.

21. **Confidential Information.** FOLLETT agrees at all times during and after the term of this Agreement to hold in strictest confidence, and not to use, except for the benefit of CPC and in the course of providing the services described in this Agreement, any Confidential Information that FOLLETT knows or reasonably could be expected to know was Confidential Information. FOLLETT shall not disclose any Confidential Information to any persons or entities other than those at CPC who have a need to know, provided that such persons agree to maintain the confidential nature of such information, or as otherwise required by law. FOLLETT will require each of its employees as well as any third parties with whom it contracts to perform services under this Agreement to abide by the terms of this provision. This provision is binding upon submission of this Agreement and remains binding on the parties even if the parties do not enter into an Agreement, or the Agreement is terminated.

a. FOLLETT acknowledges that the unauthorized disclosure of any Confidential Information by FOLLETT in breach of this section will cause irreparable harm to CPC inadequately compensable in damages. Accordingly, CPC may seek and obtain injunctive relief against the breach or threatened breach of the provisions of this Agreement relating to Confidential Information, in addition to any other legal or equitable remedies that may be available.

22. **Regulatory and Legal Notices.** FOLLETT shall immediately forward to CPC, by electronic mail or overnight delivery, all correspondence, complaints and notices pertaining to this Agreement or performance hereunder received from any attorney, court or government regulatory agency. Any notice, election, payment, report or other correspondence required or permitted pertaining to this Agreement shall be in writing, shall be hand delivered or sent by Certified U.S. Mail return receipt required, and shall be deemed to have been duly given when received by the addressees at the following addresses:

   Executive Director  
   Cal Poly Corporation  
   1 Grand Avenue, Building 15  
   San Luis Obispo, CA 93407  

   Any party may at any time change its address for purposes of this Agreement by giving written notice of such change of address to the other party.
Adopted:

ACADEMIC SENATE
of
CALIFORNIA POLYTECHNIC STATE UNIVERSITY
San Luis Obispo, CA

AS-___-21

RESOLUTION TO SET CAL POLY’S CARBON NEUTRALITY TARGET DATE

WHEREAS, President Armstrong made Cal Poly a Charter Signatory to the Climate Leadership Commitment in 2016, establishing a goal for Cal Poly to achieve net zero carbon emissions from all sources as soon as possible (currently set for 2050); and

WHEREAS, The United Nations Intergovernmental Panel on Climate Change (IPCC) has determined that we have less than ten years to make urgent and unprecedented changes to our carbon emissions to avoid the worst impacts of climate change; and

WHEREAS, The Cal Poly Statement on Diversity seeks to develop awareness and empathy for global communities, including people who are from historically and societally marginalized and underrepresented groups; and

WHEREAS, Failure to reduce carbon emissions will result in increased risk of devastating hurricanes, flooding, droughts, fire, and food scarcity for hundreds of millions of people, especially for marginalized and underrepresented global populations most vulnerable to the impacts of climate change; and

WHEREAS, A 2050 target date arrives too late to prevent needless adverse impacts; and

WHEREAS, The City of San Luis Obispo has set a Carbon Neutrality date of 2035; and

WHEREAS, Cal Poly’s carbon emissions link inextricably with the carbon emissions of the City of San Luis Obispo; and

WHEREAS, The entire University of California system has set a target of 2025 for carbon neutrality, and at least six CSU campuses have all set goals for carbon neutrality by 2030 or sooner, all of which are consistent with the targets of the IPCC report on climate change; and

WHEREAS, By accelerating the recommendations made in the Cal Poly Climate
Action Plan dated April 26, 2017, the campus can achieve Carbon Neutrality in 2030; therefore be it

RESOLVED: That the Academic Senate recommends Cal Poly adopts carbon neutrality by 2030 or sooner.

Proposed by: Sustainability Committee
Date: January 5, 2020