

ORIGINAL

**VOLUME II
FEE PROPOSAL
RFP #RS-00010-05**

November 3, 2004

**Statewide Price Agreements for Travel
Agency Service**

Prepared For: State of Colorado

Prepared By: Custom Travel Ltd.


**350 South Garfield Street
Building A
Denver, Colorado 80209
303-333-5444**

2.3 Fees

2.3.1 STMP Service Fee

a. Mandatory

The Department of Personnel & Administration operates the Statewide Travel Management Program. The Statewide Travel Management Program is self-funded. As a result, its programs are administered such that revenues be generated which will meet all costs.

The STMP, to defray the cost of administering this Program, will require a service fee from the SAIPs to be collected at the point of sale by the travel agency and then passed through to STMP quarterly. The base for the STMP service fee is to be calculated as a \$3.00 service fee for each (domestic and international) round trip ticket, refund and ticket exchange.

The State will not be obligated to pay the vendor for any startup costs associated with implementation of a price agreement.

Confirm your company's compliance with the mandatory requirements shown above.

Custom will collect the STMP required \$3.00 service fee for each (domestic and international) round trip tickets, refund and ticket exchange at the point of sale and then passed through to STMP quarterly.

b. Mandatory

STMP Service Fees—Timely payment: The State requires quarterly payment of service fees. Services Fees payment must be received by the Statewide Travel Management Program no later than fifteen (15) calendar days after the end of the previous business quarter. The State reserves the right to cancel a price agreement with any travel agency not making timely and accurate payment as required herein.

The Service Fee check shall be made payable to "Division of Central Services" and sent to:

Statewide Travel Management Program

Division of Central Services

225 East 16th Avenue, Suite 800

Denver, Colorado 80203

ATTN: State Travel Manager

Confirm your company's compliance with the mandatory requirements shown above.

Custom will submit the services fees payment to the Statewide Travel Management Program no later than fifteen (15) calendar days after the end of the previous business quarter.

The Service Fee check will be made payable to "Division of Central Services" and sent to:

Statewide Travel Management Program

Division of Central Services

225 East 16th Avenue, Suite 800

Denver, Colorado 80203

ATTN: State Travel Manager

2.3.2 Fee for Reservations Made Which Include a Common Carrier Booking

2.3.2.1 Reservations Made Either by Phone or Email

Indicate the "per transaction" fee that your agency will charge to SAIP travelers for reservations that include a common carrier booking and are made either by telephone or email. The fee amount indicated must include the \$3.00 STMP service fee to be passed through from the travel agency to the Statewide Travel Management Program. (Note: The fee quoted is

subject to the terms and conditions of Section 2.16 of this Request for Proposal).

Mandatory: The State will consider any proposal (in its entirety) as non-responsive whose quoted fee is higher than \$26.00 (including the \$3.00 STMP fee portion). The State expects that fees quoted will be lower than \$26.00.

Custom will provide the State incentives based upon the number of transactions. The easiest way to provide the incentive is in the form of the service fee rebate to the Division of Central Services. If certain volume levels are received then Custom will increase the service fee provided to the State.

\$ 26.00 /transaction via phone or email with a \$3.00 service fee rebate to State for the 1st 15,000 transactions per State fiscal year.

\$ 26.00 /transaction via phone or email with a \$3.50 service fee rebate to State for transactions 15001-24000 during the State fiscal year.

\$ 26.00 /transaction via phone or email with a \$4.00 service fee rebate to State for 24001 or more transactions per State fiscal year.

2.3.2.2 Reservations Made Via Online Booking

Indicate the "per transaction" fee that your agency will charge to SAIP travelers when they make a reservation that includes a common carrier using your company's online booking tool. The fee amount indicated must include the \$3.00 STMP service fee to be passed through from the travel agency to the Statewide Travel Management Program. (Note: The fee quoted is subject to the terms and conditions of Section 2.16 of this Request for Proposal).

Mandatory: The State will consider any proposal (in its entirety) as non-responsive whose quoted fee is higher than \$26.00 (including the \$3.00 STMP fee portion). The State expects that fees quoted will be lower than \$26.00.

Since Custom currently does not have an on-line booking tool we reserve the right to lower the fee quoted below as much will depend on the tool selected and how many transactions are secured through the on-line tool. It is also our intent to provide volume incentives in the same manner as described previous section.

\$ 22.00 /transaction via online booking

2.3.3 Online Booking Tool Reservations Which Do Not Include a Common Carrier Booking

For online reservations made for automobile rentals and/or lodging (without a common carrier booking included), does your company charge a fee?

For such transactions, Custom will charge \$8/invoice generated for such transactions made by phone, fax, or email.

2.3.4 Paper Ticket Fees/Delivery Fee Mandatory

Any paper ticket fee administered by the common carrier(s) can be passed through to the traveler – the amount passed through shall not exceed the amount of the fee administered by the common carrier(s). In addition, delivery fees can be passed through to the traveler – the amount passed through shall not exceed the charges actually incurred by the vendor from the delivery/courier service. In any event, a single delivery fee shall never exceed \$10.00.

Confirm your company's compliance with the mandatory requirements shown above.

Any paper ticket fee administered by the common carrier(s) can be passed through to the traveler – the amount passed through will not exceed the amount of the fee administered by the common carrier(s). In addition, delivery fees can be passed through to the traveler – the amount passed

through will not exceed the charges actually incurred by Custom from the delivery/courier service. In any event, a single delivery fee will never exceed \$10.00.