

ASSOCIATED STUDENTS BUSINESSES COMMITTEE

This meeting was facilitated both in-person and via an online Zoom format.

Monday, April 10, 2023

8:30 a.m.

BMU 205

Members Present: Johnathan Montes, Allison Wagner, Michelle Korte, Stacie Corona, Megan Odom, Anita Barker

Members Absent: None

Others Present: Curtis Sicheneder, Karen Bang (recording), Katrina Robertson, Tom Rider, Steve Novo, Kendra Wright, Shar Krater, Hugh Hammond, Kyle Alsbery, Windy Van Dam, Thang Ho

- I. **CALL TO ORDER** – The Chair, Montes, called the meeting to order at 8:30 a.m.
- II. **MECHOOPDA LAND RECOGNITION:** The meeting began with the reading of the Mechoopda Land Recognition Statement.
- III. **AGENDA** – Approval of the 4/10/23 regular meeting agenda. **Motion to approve the 4/10/23 regular meeting agenda, as presented (Corona/Odom) 5-0-0 MSC.**
- IV. **APPROVAL OF MINUTES** – None (Korte joined the meeting at 8:31 a.m.)
- V. **ANNOUNCEMENTS** – Montes welcomed Sicheneder as Interim Executive Director, and said he hopes he enjoys it.
- VI. **PUBLIC OPINION** – Limited to items on the agenda, three minutes per speaker, five minutes for entire topic – None
- VII. **BUSINESS**
 - A. Action Item: Approval of revisions to Associated Students Corporate Codes – Duties for Vice President of Business and Finance, effective beginning the 2023-24 elected representative term. **Motion to approve revisions to Associated Students Corporate Codes – Duties for Vice President of Business and Finance, effective beginning the 2023-24 elected representative term, as presented (Corona/Odom) 6-0-0 MSC.**
 - B. **Discussion Item – Budget Summary** – Rider provided a summary of the budget, following up on last week's meeting, noting nothing has changed with what they were provided last week. He first reviewed Revised 2022-23. Corona questioned Residential Dining revenue, noting it was budgeted for 2022-23 at \$5.9 million, and came in at \$6.3 million. She questioned how he came up with \$6.8 million for 2023-24. Rider said a good part of that is labor increases, assuming that 100% of the jobs are filled. He said budgets are presented with the hope that all positions will be filled, which actually happened this year. He noted there are additional operating expenses, admin costs have gone up; however, all travel expenses have been cut out. Repairs and Maintenance has a little extra money. He said most of these are fixed cost increases. Rider said Cost of Sales is projected to be flat; even though they expect to see a reduction of students, they expect to see an increase in cost of goods. He said most of this is labor increases. Rider said they're estimating a \$400,000 loss in cash operation sales for 2023-24 due to a further reduction of students on campus as well as Dining Services closing a couple of operations. He said they're

looking at over \$1 million estimated loss on cash operations for 2022-23, up to \$1,25 million next year. Robertson said discussions have been held with Corinne Knapp regarding zero bottom line for Sutter Dining. Corona asked if these were put together with no change to the University contribution amount and Robertson confirmed. Rider reminded that the \$300,000 is split between Dining Services and the bookstore, plus on our side 2.25% on sales income from Dining. He said we'll end up around \$180,000 to \$200,000 at the end of the year for Dining's contribution. Odom asked when they'll have a proposed budget for actually what we'll be servicing, especially in regards to Whitney going off-line. Rider said this will be hard to do with Whitney off-line, as well as unknowns with the Marketplace. He noted that Knapp said we'll break even if University Village is filled at 770 beds; we'd be close to zero. Discussion was held regarding providing closer to actual numbers to the committee. Rider and Robertson noted that they'll put together a presentation after the October numbers are finished to show where we are in terms of this budget and the actuals of next year. Robertson reminded they budget based on what is known right now. Rider said he has a walk-through with folks from Chartwells tomorrow, who will provide us with a proposal. He explained they are third party contractors that could take over Dining Services. He said he was asked by Dr. Brundage, Ann Sherman and Housing to get a price to make sure we are competitive. He said Chartwells was awarded the Chancellor's Office Master Enabling Agreement for Dining Services for the CSU System, so no RFP is required. He said they do want an 8 to 13-year commitment and he believes they'll come in higher than what we charge Housing. Rider said he would share this information with the committee when he receives it. He said it's similar to the Follett Bookstore situation. He said this is another huge potential set of variables. Odom asked where we are with the Follett contract and Rider said it was extended through June of 2024. Regarding the overall budget, Corona said she understands why the AS is using 12,000 for enrollment but said we'll be around 12,500. Robertson provided background on staying with this conservative number, noting we don't want to overestimate where we'll be. She also confirmed we use head count, not FTE. Further discussion was held regarding providing more realistic numbers to the committee this fall. Robertson said they'll see what they can provide to the committee if there are large changes.

- C. Information Item: Associated Students Auxiliary Businesses Budget – Dining Services (including Capital Expenditures), estimated results 2022-23 and proposed budget 2023-24 – Robertson said this is the information that was provided last week and that it will be Actioned at next week's meeting. Regarding the February census, Barker said the other fee areas are using a higher number than the AS is using for head count. She said for Dining Services she can understand being more conservative due to the hybrid student situation; however, she noted that in the past, Athletics, the Health Center and the AS tried to use the same number, noting they're using higher than the 12,000. Robertson thanked her for providing this information. Barker said they are using the worst-case scenario. Corona said she worked on this model yesterday, best/worst/moderate, and 12,600 is what she's using for head count projection.

- VIII. AUXILIARY BUSINESSES DIRECTOR REPORT** – Regarding the Marketplace RFP, Rider said they had their first proposal last Friday, expecting another one next Wednesday. He said they'll then be close to presenting to the committee, along with a recommendation. • Rider said last Tuesday was great for Dining Services on campus with food trucks, Voting day, and a Career Center event. He said it felt like they were servicing a real campus again. • Further discussion was held regarding next steps with the RFP as well as composition of the subcommittee. Novo asked about the Pepsi and Coke RFP and Rider said he's looking to get a one-year extension.
- IX. CHICO STATE WILDCAT STORE MANAGER REPORT** – Novo said the last day to order gowns is this Wednesday if students want them delivered to their house. If they don't order, gowns will be available May 8 to graduation day in the bookstore. He noted that 2,400 students have ordered gowns so far, the biggest number they've ever had. He said the order process has gone much smoother compared to last year. Odom asked how many students are forecasted to go through the

ceremonies, and he said 2,500 was the last number he heard. • Novo said the Apple sale is next week, April 17 - 21, 8% off all hardware.

- X. INTERIM EXECUTIVE DIRECTOR REPORT** – Sicheneder said we had a 5% higher turnout rate for the vote last Tuesday and students allocated a little under \$30,000 to student groups. He congratulated Montes on being re-elected. • Sicheneder gave a shout out to campus and Jeremy Olguin's area, Technology Equity and Inclusion, for providing free hot spots and tablets to those students that qualify. • Sicheneder said the Bike Hub Bike Auction is this Thursday in the SSC Plaza.
- XI. CHAIR REPORT** – Montes said elections ended and he was re-elected. He said, "Veni, vidi, vici – I came I saw, I conquered." He said it felt good to run again, although he didn't run against anyone.
- XII. ANNOUNCEMENTS** – Corona and Krater congratulated Montes on his re-election.
- XIII. PUBLIC OPINION** – None
- XIV. ADJOURNMENT** – The Chair, Montes, adjourned the meeting at 9:12 a.m.