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**ASSOCIATED STUDENTS OF CALIFORNIA STATE UNIVERSITY, CHICO
ASSOCIATED STUDENTS BUSINESSES COMMITTEE
MEETING MINUTES**

Monday, September 14, 2020

3 p.m.

Via Zoom

Members Present: Austin Lopic, Lilia Saravia-Lucas, John Barron, III, Mattea Bertain, Dan Herbert, Michelle Korte, Stacie Corona, Megan Odom

Members Absent: None

Others Present: Jamie Clyde, Karen Bang, (recording), Lauren Lathrop, Steve Novo, Tom Rider, Katrina Robertson, Thang Ho, Hugh Hammond, Sarah Fenton, Katie Peterson, Connie Huyck, Corinne Knapp

- I. **CALL TO ORDER** – The Chair, Lopic, called the meeting to order at 3:04 p.m.
- II. **AGENDA** – **Motion to approve the 9/14/20 agenda (Bertain/Odom) 7/0/0 MSC.**
- III. **APPROVAL OF MINUTES** – Minutes of the 4/20/20 regular meeting. **Motion to approve the minutes of the 4/20/20 regular meeting, as presented (Korte/Bertain) 7/0/0 MSC.**
- IV. **ANNOUNCEMENTS** – None
- V. **BUSINESS**
 - A. Action Item: Approval of Resolution for Establishing Time and Location for Associated Students Businesses Committee Meetings for the academic year 2020-21. **Motion to approve Resolution for Establishing Time and Location for Associated Students Businesses Committee Meetings for the academic year 2020-21, as presented (Corona/Odom) 7/0/0 MSC.**
 - B. Discussion Item: 6/30/20 Follett Wildcat Store Financials – Lathrop, the Follett Wildcat Store Manager, said they were closed from mid-March to early August due to the COVID-19 pandemic. All textbook sales posted were from online orders. A free shipping promotion was offered, which helped with sales. Overall, the store ended the year at \$3.86 million vs \$5.2 million in 2019.
 - C. Discussion Item: Local Agency Investment Fund and Certificates of Deposit for quarter ending 6/30/20 – Clyde provided an overview of the quarterly reports. For Auxiliary Business, \$19,945 of interest was earned. She also explained that because these are student funds they are invested in low risk funds, which also means low interest is earned.
 - D. Discussion Item: 6/30/20 Auxiliary Activities Fund Capital Expenditure Report – Clyde said the items seen on this report were approved by last year's Board, as well as the BMUC during budget approvals. Any items over \$5,000 are listed (Saravia-Lucas joined the meeting at 3:15 p.m.). Clyde noted that during the fourth quarter of 2019-20 no purchases were made, mainly due to the campus closure.
 - E. Discussion Item: Future of Marketplace and Dining – Rider said he and Lopic discussed this topic a number of weeks ago and since then things have changed a couple of times. He said all Dining Services areas are closed except for some very limited board operations in residential dining. There are currently 96 students and RA's living at University Village. They worked with CBord to implement an app called Get Food, an extension of Get Funds which is currently being used by University Housing. It's an app-based meal ordering delivery system. Rider said it was used originally as an aspect of our Dining Services when the building was much fuller. He said they have pivoted to being full delivery only and make hourly deliveries from 9 a.m. to 7 p.m. Food can

be ordered ahead, or whenever and the menu changes daily. • Regarding employment and staffing, Dining Services has no student employees. There are currently 18 fulltime staff members in dining operations. Rider said they have been working on cutting back some of the monthly costs and fees associated with retail businesses such as AT&T bills for iPads which aren't being used, emptying and turning off walk-in refrigerators and freezers to reduce costs, etc. • Rider said they don't currently have a contract with University Housing because of so many changes. He said he's hoping a new contract will be finalized by the end of this week. • Rider said they are still working with CBord on an app which will allow us to be able to process both Flex Cash Dollars and Wildcat Dollars so they can be used to purchase items from Butte Station, which would then be delivered. Rider said they are still supporting the CDL and Bookstore with prepared foods. Going forward, Rider said they will be working on a long-term contract and what Dining Services looks like in this new environment. • Lopic said the main reason they wanted to include this item on the agenda is because they've talked with President Hutchinson and Bre Holbert, the AS President, regarding potentially renovating the Marketplace into a third-party vendor. He said he would like to pursue this because with permission from President Hutchinson, they would like to potentially pursue selling beer and wine. He said another avenue they're considering is a partnership with hopefully a local brewery to work on a Chico State branded beer that could be sold locally. The AS would take a cut of the profit, so that Dining would have another source of revenue. Rider said there's a bigger conversation to be had regarding the Marketplace such as the investment in remodeling it so it can be used by other businesses, or have other businesses remodel. He said Humboldt has a spot for purchasing beer and burgers and other schools do as well. Clyde said the committee should separate out the two issues, vendors coming into the Marketplace, and then beverage/liquor licenses. She said they need to be very strategic regarding looking at these two items. Lopic said further discussions would be held and requested input from the committee. Korte said Cal Poly Pomona has a model as well; they incorporated in partnership with their agricultural area for actually brewing the beer as well as a restaurant management or hospitality management program. She said they may be run through their professional and continuing education programs. She said we also could look at partnership through our academic area. Corona questioned the current staff numbers and Rider said 18 fulltime staff members, no students. He said at our peak we were at 30 fulltime staff, handful of part-time career staff and approximately 400 students. • Clyde explained that Dining is a cash operations business on campus and receives no student fees; it's a self-supporting entity. They pay overhead to corporate services. She said when we closed down last spring, with no students, there is no income, other than the piece we do with Housing. She said we're separated into two components even though one department; one of which is cash, all that comes in to various Dining Services locations. The other is residential dining, for those students that live in residence halls. A traditional model is residence halls always supplement cash operations. She said the AS is a not-for-profit corporation and we bring very little down to the bottom line. We lose over \$500,000/year in Marketplace. The money that comes in from residential dining offsets that, which is traditional. Last year was no different other than we lost a considerable amount in cash operations, but the dining contract stayed intact. This year has been a huge shift.

- VI. DINING SERVICES DIRECTOR'S REPORT** – Rider said he would share Dining Services financial reports when they're received.
- VII. CHICO STATE WILDCAT STORE DIRECTOR'S REPORT** – Lathrop said they are seeing just a handful of customers in the building. They are focusing on on-line business and what that means for them for the year. She said they implemented Follett Discover over the summer, which is a suite of tools that can be used to help the student and faculty experience be easier and more transparent. This should help improve faculty adoption rates. In order to stay in compliance, Lathrop explained that need to provide students with cost of course materials at the time of their registration so they can decide whether or not to take the course. Only 20% of classes were being transparent regarding course materials. The spring 2021 deadline for textbook adoption is October 14 or 16. Discover View and Discover Shop were explained and should be up and running in October. She said the campus

is installing a program called High Point which is needed to run the other programs. They also have Follett Access which is a completely separate program, which allows students to purchase their course materials at a flat rate when they register. Lathrop said they were also able to obtain email lists of students for the first time this semester so they can target emails which has helped their sales. She said all of the ways they're doing business are going to change this year due to being virtual so they are changing their mindset on how they run their business. Odom suggested they also push out sales information via Announcements to faculty and staff.

- VIII. EXECUTIVE DIRECTOR'S REPORT** – Clyde said campus won't be open for this next year which is a massive detriment for cash ops. She said they have discussed with the stateside Vice Presidents as we're at this crossing point and we don't have a ton of money in reserves. She said we already went through a round of layoffs earlier this year. The contract with University Housing ended at the end of June and all but four Dining Services employees were laid off. Another contract was almost in place, then campus closed. Clyde said she has talked with Connie Huyck regarding possible outsourcing, similar to Follett and the Wildcat Store. This would be with companies such as Sodexo or Chartwells, or the AS could stay as self-operating. She said Huyck did an awesome job giving us accolades as a department, and all the things we do in Dining. She said they both know it's best for campus financially as well as the intangibles you get from self-operating on campus. Clyde said for example, with all the fires around us, fire survivors will be looking to come on to campus, and we'll be providing food for close to 200 people. This worked out because AS Dining Services was able to work with University Housing. Clyde said they are looking to put together a break-even contract, which causes everyone a shared financial hurt during this time. She said we continue to feed residents and fire survivors. Good outcome of that is that Dining can stay at least to a point if we're able to go full road ahead in spring or fall, we'd be able to do so without an outsource model. She said she and Huyck are aware that this plan would only work for one year and this would be a break-even model. • Clyde said they continue working with Follett, whose struggles are similar to ours. She provided an overview of the sales commission set up with Follett, noting we're not going to make full commissions this year. She said we have a contract moving forward but it doesn't do any good if it doesn't work for both partnerships. • Clyde said it's the time of year when the Board of Directors start talking about annual medical insurance renewals. She noted there is not a huge increase this year, which is positive news.
- IX. VP APPOINTEE'S REPORT** – Lopic explained Barron is the appointee and sits on both ASBC and BMUC. Barron said BMUC meetings haven't been held yet as they're still working on student appointments.
- X. CHAIR'S REPORT** – Lopic said he's the Vice President of Business and Finance and he chairs ASBC. He suggested if anyone knows of students interested in BMUC to recommend them to apply. Lopic had everyone introduce themselves.
- XI. ANNOUNCEMENTS** – None
- XII. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic – Clyde said for all the students on the committee, this will be an interesting year. She said it's more important than ever that we hear their voices as student representatives and noted appreciation that they're on this committee.
- XIII. ADJOURNMENT** – The Chair, Lopic, adjourned the meeting at 4:02 p.m.