

*This meeting was facilitated via an online Zoom format, consistent with the Governor's Executive Order N25-20, suspending certain open meeting law restrictions*

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

**Monday, May 10, 2021**

**10 a.m.**

**Via Zoom**

**Members Present:** Austin Lopic, John Barron III, Michelle Korte, Stacie Corona, Dan Herbert, Duncan Young, Megan Odom, Anna Smith

**Members Absent:** None

**Others Present:** Jamie Clyde, Karen Bang (recorder), Tom Rider, Susan Jennings, Hugh Hammond, Lauren Lathrop, Sarah Fenton, Katrina Robertson, Corinne Knapp

- I. **CALL TO ORDER** – The Chair, Lopic, called the meeting to order at 10:04 a.m.
- II. **MECHOOPDA LAND RECOGNITION** – The meeting began with the reading of the Mechoopda Land Recognition statement.
- III. **AGENDA** – **Motion to approve the 5/10/21 regular meeting agenda, as presented (Young/Corona) 7-0-0 MSC.**
- IV. **APPROVAL OF MINUTES** – Minutes of the 4/19/21 regular meeting. **Motion to approve the minutes of the 4/19/21 regular meeting, as presented (Herbert/Smith) 7-0-0 MSC.**
- V. **MINDFUL MINUTE** – Lopic led everyone through a mindful minute of meditation.
- VI. **ANNOUNCEMENTS** – Lopic said Happy Monday and said he was glad to see so many at the meeting in person. He said the University Budget Committee meets today. Young said he's very happy to be at an in-person meeting.
- VII. **BUSINESS**
  - A. **Discussion Item: 3/31/21 Dining Services Financials** – Rider said Income was at \$209,267, Other Operating Expenses at \$98,590, Net Income at (\$2,602). He advised that they haven't collected any Pepsi or vending money.
  - B. **Discussion Item: 3/31/21 AS Wildcat Store Financials** – Jennings noted Income at \$14,968, Expenses and Transfers at \$64,624, Net Decrease of (\$49,656) for the month, and Commission Income of \$235,297 YTD. Commission income was discussed and explained.
  - C. **Discussion Item: 3/31/21 Follett Wildcat Store Financials** – Lathrop said March is traditionally a very slow month for textbook sales (Korte joined the meeting at 10:16 a.m.). She said although they had a large influx of traffic of prospective students during spring break, overall, the store ran down 51%. Corona asked what April and May are looking like for the store. Lathrop said April was better though still down 50% compared to the year before. She said due to the upcoming graduation ceremonies they are hoping for much better numbers for May.
  - D. **Discussion Item: 3/31/21 Auxiliary Activities Fund Capital Expenditure Report** – Jennings said the only purchase during the third quarter was a hot dog cart and in revisions, the only additional item added was the online ordering system for the Marketplace and other Dining retail areas.
  - E. **Discussion Item: Local Agency Investment Fund (LAIF) and Certificates of Deposit (CDs) for quarter ending 3/31/21** – Jennings reviewed the LAIF Auxiliary Business line, noting \$7,197 in interest was earned. Rate of Return of 0.44%. Regarding CDs, the Wildcat Store (Auxiliary Business) earned \$1,985 in interest with a Rate of Return of 2.012%.

F. Discussion Item: 2020-21 Reflection – Lopic requested everyone's thoughts on the past year. Korte said the virtual meetings went well and were effective. Young said this is one of the most efficient committees he has sat on. Herbert said he enjoyed participating in ASBC and announced he is retiring in two weeks after having worked six years on campus. Lopic said he will be missed. Rider said it was a tumultuous year for Dining and feels lucky to have such a supportive group here. Lopic gave a shout out to Hammond, Fenton and Bang for their behind the scenes help, being prepared and adapting. Jennings thanked Lopic for being such a great leader of ASBC this past year. She said it has been an interesting year from a financial perspective and expressed appreciation for the committee's understanding. Lopic said this year has allowed the AS to reinvent all that we do and we're now more efficient, both for the corporation and the students.

VIII. **DINING SERVICES DIRECTOR'S REPORT** – Rider said Dining Services just came to an agreement with University Housing and it will still be a net zero agreement. He said they are expecting 1,900 students in University Housing in the fall and all Dining Services locations will be opening in the fall. He also noted that Butte Station will open on June 7. Rider said there is some anxiety with his crew regarding being understaffed and Dining Services being put back together differently than what it looked like in the past. He said he is looking to hire career staff as soon as possible. • Regarding Pepsi, Rider said a demand letter was sent to them for payment as they are delinquent for their 2020 payments. • Rider said he and Clyde met with Mike Guzzi regarding the Butte 2 building to discuss ideas regarding food service in the building, such as a coffee shop. He noted appreciation for the AS being invited in during the design phase.

IX. **CHICO STATE WILDCAT STORE DIRECTOR'S REPORT** – Lathrop said focus at the store right now is getting through graduation and the last minute announcement of in-person graduations has been chaotic for them. She said Herff-Jones and Jostens are way behind and a lot of campuses weren't staffed for last minute in-person graduations. Lathrop explained that Herff-Jones is prioritizing in order of ceremony date, not when orders were placed, which poses a large customer service issue as Herff-Jones will deliver one to two days before graduation. She said they've received their order in the Bookstore which will help. Lathrop updated the committee regarding their new extended hours of operation due to graduation. She noted they are also putting a tent in front of the BMU with sales items and grad items to pull people into the store. Lathrop said they are looking forward to the fall semester, and hopefully a normal year next year and normal 2022 graduation.

X. **EXECUTIVE DIRECTOR'S REPORT** – Clyde said the Follett Bookstore contract will be going to the Board this Friday for approval, noting there will be a reduction in commission by 2%, the contract will be extended four years, and there will be loss of the minimum guarantee until campus comes back to full capacity. She said we agreed to these terms but they're not sustainable so will have to make changes next year unless we see significant sales. Young asked if the contract would be renegotiated next year and Clyde said yes, noting there's a 90 day clause for getting out of the contract. She said Follett has been a great partner with us and hopefully next year will be a lot better. • Clyde explained the RFP between Coke and Pepsi, noting Pepsi won the bid because of their sponsorship dollars. She said now that they're taking away their sponsorship dollars, they actually cost us more than Coke does, so it's not in our best interest to stay with them if they want to change the contract to what they're now proposing. Clyde explained the sponsorship dollars and said Pepsi is frustrated because they haven't had a lot of marketing this past year due to campus being closed. Rider said Pepsi is trying to tie all the risk back on us, trying to get us to agree to pay by volume, trying to get rid of last year and trying to tie it to our bonus. Clyde said the current contract is not tied to volume. She said banks also wanted to pay less for their ATM contracts but those agreements are not tied to head count. Clyde said on the flip side, the UKG (Kronos) payroll quote was based on the number of staff we had at the time the contract was signed and the number of staff are significantly down. Discussion was held. Lopic said it has been interesting to go through this from pre-COVID, to COVID, to the beginnings of a return to normalcy. • Clyde said she's not a

good reflector, she moves forward and is not good at looking at the past. She explained that she had to write her evaluation and said that although it felt like a year where there was not a lot of control, when she started to write about all that was accomplished, she realized there was a lot of control as individuals and how we decided to step up and handle this crisis. She said she is very proud of everyone and there was an extreme amount of business that was done, noting this speaks a lot to everyone's characters, and it was a really good year. • Clyde said she has known Lopic since he was a freshman and is looking forward to seeing what he'll continue to do. Lopic said it has been interesting to see Clyde move from Associate Executive Director, to Executive Director, then handling all the issues with COVID and said and she has done a great job.

- XI. VP APPOINTEE'S REPORT** – Barron said BMUC meets this afternoon. He said at their last meeting they approved the budget. He provided an overview of upcoming projects. Barron said WREC 2.0 will be closing on the last day of the semester, and then the WREC will reopen on June 7. He thanked the committee, noting this was a great experience. He said the Wellness Center will be completed by spring of 2022. Clyde explained reopening plans and noted they're waiting for guidance from OSHA. She said the designs for the Wellness Center are looking really good and she likes the direction it's going.
- XII. CHAIR'S REPORT** – Lopic said Chico State beer is on hold pending further discussions with Ann Sherman and Ahmad Boura. • Young asked about the Student Management Investment Fund presentation at last week's Board meeting. Lopic said it is being brought back as a Discussion item at Friday's Board meeting and will be a continuing discussion into next year. He said they are asking for \$1 million in start-up funds from the AS. Clyde said a lot of research will need to go into this before a decision will be made. Jennings said we'd have to consider operational cash that we need to have on hand and there would be a lot of research and questions.
- XIII. ANNOUNCEMENTS** – None
- XIV. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic – None
- XV. ADJOURNMENT** – The Chair, Lopic, adjourned the meeting at 11:17 a.m.