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

Wednesday, October 8, 2014
8 a.m.
BMU 205

Members Present: Nicole Lung, Amelia Lowry, Michael Wood, Kyler Newton, Michelle Korte, Pedro Douglas, Megan Odom

Members Absent: Stacie Corona

Others present: David Buckley, Mary Cox (recording), George Rankin, Susan Jennings, and Sarah Foisy

I. CALL TO ORDER – The Chair, Lung, called the meeting to order at 8:02 a.m.

II. AGENDA – No changes

III. APPROVAL OF MINUTES – Minutes of the regular meeting of 5/2/14. Motion to approve the minutes of the regular meeting of 5/2/14, as presented (Lowry/Newton) 6/0/0 MSC.

IV. ANNOUNCEMENTS – None

V. PUBLIC OPINION – Limited to items on the agenda – None

VI. OPINIONS – None

VII. BUSINESS

A. Action Item: Approval of Resolution for Establishing Time and Location for Associated Students Businesses Committee meetings for Fiscal Year 2014-15. Motion to approve Resolution for Establishing Time and Location for Associated Students Businesses Committee meetings for Fiscal Year 2014-15, as presented (Wood/Odom) 6/0/0 MSC.

B. Information Item: 6/30/14 Chico State Wildcat Store Financials – Jennings reviewed the financials for June 2014 since the AS was still operating the business at that time. Operating revenue was $718,000 less than projected. Cost of sales came in less than anticipated due to loss of sales. Payroll expenses were $86,000 better than anticipated. Operating expenses were about $70,000 better than budgeted.

C. Information Item: 6/30/14 Dining Services Financials – Rankin shared a PowerPoint presentation of the Dining Services financials ending FY 6/30/14. Cash Operations performed 29% better than budgeted. Top line sales growth was a substantial 13%. Rankin reported that the Marketplace struggles to approach budgeted numbers, especially in product cost. Rankin stated that with the current model in the Marketplace with multiple food outlets, it is not sustainable from a profit standpoint and he is studying alternatives. Rankin reported that implementing Tapingo and upgrading CS Gold have had a positive impact on queuing time and service delivery. He also reported that the new refrigerated merchandisers in the Marketplace and Creekside Café are driving prepared foods sales up. Rankin reported that cost of sales continues to be a challenge, but they will continue to try to offset with labor.

D. Information Item: Review of Investments:
   1. Local Agency Investment Fund – Quarter ending 6/30/14 – Jennings reviewed investments for quarter ending 6/30/14 (Douglas arrived at 8:20 a.m.).

E. Information Item: Chico State Wildcat Store Director’s Report – Foisy shared information regarding the Flash Sale results. She reported that there was a significant spike in clothing sales but other areas basically stayed flat. Foisy reported upcoming planned sales for October Madness, another unadvertised Flash Sale, Wildcat Wednesdays tentatively starting back up November 5th, and the Faculty/Staff Appreciation Days in early December. Foisy reported that they are asking faculty for book adoptions earlier than usual this year, mid to late October, rather than the first part of November.

VIII. DINING SERVICES DIRECTOR’S REPORT – Rankin reported that the tech upgrades have helped lines in the Marketplace and all areas, and the new deli boxes are highlighting product well. He reported that AS Dining
Services has joined a purchasing group. They've already purchased produce with the buying group, and then in January 2015 they will expand to all broad line purchasing. He reported that this should improve cost of sales. Rankin reported that for the first couple of months of the fall semester, sales are up over 10% of budgeted.

**IX. EXECUTIVE DIRECTOR’S REPORT** – Buckley reported that with the agreement with Follett, they will pay the AS a guaranteed amount this year, but future years the AS will be paid a percentage based on sales. In the past, AS employees and alumni received discounts through the Wildcat Store, but at the end of the changeover process, the Board decided to discontinue discounts for employees, but kept discounts for alumni. Buckley stated that the reasoning is because the discount is deducted from the commission to the AS. He reported that the University has agreed to deduct the amount of discounts for alumni from the amount the AS pays to the University. Buckley reported that Apple finally approved Follett as a vendor, so now Apple sales have returned in the Wildcat Store. Buckley reported that the Board is also dealing with health premiums for AS employees. He stated that at the next Board meeting, the Board will determine the split but Buckley was asked to provide a proposal for a 50/50 split. Buckley also reported that the Board is trying to determine what to do with the Wildcat Store reserves, which are about $3,000,000. He stated that there are several options for investment.

**X. VP APPOINTEE’S REPORT** – Lowry reported that BMUC decided SFAC funding will be postponed until spring due to Eli Goodsell’s absence. She also reported that income statements came in under budget for the WREC and Union.

**XI. CHAIR’S REPORT** – Lung reported that she is putting together a couple of ad hoc committees: one for the Wildcat Store to possibly start an enterprise for students to give them an opportunity to practice what they’re learning; and another committee to determine what to do with the $15,000 scholarship money given by Follett each year. She will keep the committee updated.

**XII. ANNOUNCEMENTS** – Odom announced that the Professional Networking Social event is next Wednesday, October 15, at 6:30 p.m. She announced that tickets are $5 and they have about 40 tickets remaining. Foisy announced that Thursday, October 9, there will be an Apple sale on new computer purchases. Lung thanked the committee and announced that she is excited for the year.

**XIII. PUBLIC OPINION** – None

**XIV. OPINION** – It was Buckley’s opinion that Lung did a great job!

**XV. ADJOURNMENT** – The Chair, Lung, adjourned the meeting at 8:49 a.m.