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

Monday, October 9, 2017  2 p.m.  BMU 205

Members Present: Taylor Rogers, Megan Odom, Dan Herbert, Stacie Corona, Roman Aguirre, Ethan Dilley, Isaiah Thurman
Members Absent: Michelle Korte
Others present: David Buckley, Karen Bang (recording), Corinne Knapp, Susan Jennings, Steve Novo, Christian Solis, Joelle Cabasa, Thang Ho, Dylan Gray

I. CALL TO ORDER – The Chair, Rogers, called the meeting to order at 2:01 p.m.

II. AGENDA – Motion to approve the 10/9/17 agenda (Aguirre/Odom) 6-0-0 MSC.

III. APPROVAL OF MINUTES – Minutes of the regular meeting of 9/25/17. Motion to approve the minutes of the 9/25/17 regular meeting, as presented (Corona/Aguirre) 6-0-0 MSC.

IV. ANNOUNCEMENTS – None

V. BUSINESS

A. Action Item: Approval of revisions to Associated Students Corporate Codes – Duties for Associated Students Vice President of Business and Finance. Motion to approve revisions to Associated Students Corporate Codes – Duties for Associated Students Vice President of Business and Finance, as presented (Odom/Aguirre) 6-0-0 MSC.

B. Information Item: Revisions to Associated Students Corporate Codes – Associated Students Businesses Committee Code – (Dilley joined the meeting at 2:07 p.m.) Rogers said this was updated to provide consistency between codes.

C. Information Item: Pouring Rights RFP – Buckley updated the committee regarding the Pouring Rights Request for Proposal (RFP). He said the five-year contract with Pepsi is up soon and RFP’s have been sent out to Pepsi, 7-Up and Coca-Cola for their response. He said whichever company is chosen is provided a five-year contract, exclusivity for vendor’s products, plus signage at Athletics events, as well as marketing. He explained that within the RFP it’s noted that 20% of products that are not theirs are allowed for us to be sold. In addition, the RFP requests financial support for AS and Athletics. Buckley explained that vending is included as an add-on as we may or may not stay with our current vending company. In addition, the RFP requires that vendors provide two bids - one with, and one without bottled water. He said two years ago students voted in a referendum to eliminate single use bottled water on campus and noted this was an advisory measure to the AS Board of Directors (BOD). Buckley said the amount the vendors might want to pay us could be effected by them not providing bottled water and explained what has happened at other campuses when single use bottled water was banned. He noted that Dining Services nets approximately $50,000/year in bottled water. Once RFP’s are submitted and the RFP committee, comprised of a mix of BMUC, Board members and staff have reviewed, the Board will need to decide which company to award the contract to. The timeline was provided: RFP’s due October 20, Presentations to the RFP Committee as well as a public presentation, will be held October 30-31. Approval by the BOD is scheduled for November 15. Buckley reviewed the current Pepsi contract, noting they paid us $20,000 at signing of the contract, plus $25,000 annual sponsorship. In addition, a $30,000 annual Marketing Fund is paid to the AS, with $45,000 paid annually to Athletics Support Fund. He said 20% of product is not Pepsi, and they do not provide vending. Odom asked if Follett would also switch out to a new company if Pepsi isn’t awarded the RFP and Buckley said yes, this effects all areas on campus.

D. Information Item: 8/31/17 Wildcat Store Financials – Jennings reviewed with the committee, noting income was at $296,027, with Follett commission income high because of the start of the semester. She said expenses and transfers were at $117,542.
E. **Information Item: Real Food Challenge Update** – Knapp reviewed the Real Food Challenge with the committee, explaining it’s a student led movement to shift 20% of college and university food purchases to “real food” by 2020. She noted the CSU Trustees approved language in their Sustainability Report regarding this. She reviewed the criteria for Real Food, from impact to planet, impact to communities, as well as economics, education, and overall connection between society and food. She said the Real Food Calculator is a tool they use to assess institutional purchasing. She said students review Dining Services food invoices noting total spent on food overall, then identify which individuals qualify as real food. She said our Real Food percentage is determined from this. Knapp said there are four categories: Local and Community Based, Fair, Ecologically Sound and Humane. She said one of the biggest ways we’ve achieved percentages is by purchasing fair trade coffee as well as 100% cage free eggs. She said the results for 2015-16 doesn’t include cage free eggs. In 2013-14, our baseline year, we came in at 9% Knapp said students were unavailable to do this study for 2014-15 so no information for that time period is available. She said 2015-16 came in at 16% overall and estimated 18-19% currently. She explained participating UC’s and CSU’s are looking to switch to Mary’s Chicken, as chicken is the number one purchase on all CSU campuses. She said she is running numbers to see what the financial impact would be to switch to this company; however, it looks like it would be a good switch and this could move us up to over 20%. Discussion was held. Herbert asked if we buy food from University Farm, and Knapp said yes, but they can’t provide us with the volume that is required. Buckley said the challenge with the certification is that there are many dairies in the area but they’re often tied in with big corporations such as Land O’Lakes, which wouldn’t count towards credit for this because they don’t want us tied to a large corporation.

VI. **DINING SERVICES DIRECTOR’S REPORT** – Knapp reported that they will be launching the annual NACUFS Customer Satisfaction Survey soon, which will run through Friday, November 17. Knapp introduced Joelle Cabasa, the new Dining Services Marketing Coordinator.

VII. **CHICO STATE WILDCAT STORE DIRECTOR’S REPORT** – Novo explained that he is the Operations Manager for the store. He reviewed Rush Weeks 1 and 2 Sales Comparison, noting Course Materials were down, and General Merchandise was up. He discussed the Open Books Source which some professors are going to, which provides cheaper books for students, which is good for students, but causes a drop in sales for the Bookstore. Course Materials Average Retail Analysis was reviewed and it was noted Text units were down 6% to last year. Sales were down 16.5% to last year. Novo reviewed the Course Materials Initiative, which is a Wildcat Payment Plan. He said a pilot of this began 8/21/17, there is a $15 fee, and there are currently 24 customers in this program. He said there are total sales of $5,800 and they plan to offer the program again. It was noted this is handled through Student Financial Services and any losses that occur are to Follett. He said a maximum of $500 can be charged by students. Novo reviewed current and upcoming Bookstore events.

VIII. **EXECUTIVE DIRECTOR’S REPORT** – Buckley said regarding the Pouring Rights RFP that part of the process included campus tours with all three companies last week, led by Jamie Clyde. He also noted the companies were given until October 6 to submit questions and Clyde then sent out all questions and answers to all three interested companies. Buckley said minimum wage will be increasing on January 1 from $10.50 to $11, and continue increasing over the next few years. He said the AS is strategically thinking about the effect, as this will cause an $850,000 hit to Dining Services over the next few years. He said they face the challenge of increasing costs to make up for wage increases. Buckley explained that one of the reasons our dining operation is different to those downtown is that we pay our employees benefits and retirement, unlike downtown competitors. In addition, we pay a large amount of rent to the University.

IX. **VP APPOINTEE’S REPORT** – Aguirre reported that at BMUC last week they talked about network refresh costs for the cameras around the BMU. He said they are reassessing the project and if they go forward with it and the cost has increased beyond what was previously approved they will go back to BMUC for additional approval. Aguirre said they are looking at a second floor lounge area refresh as the furniture in that area is almost 20 years old. It is hoped this update will be done during winter session. He said financials were reviewed with BMUC, and noted they saved approximately $500,000 by repairing BMU roof damage with a special sealant instead of replacing the roof.

X. **CHAIR’S REPORT** – Rogers thanked everyone for attending.

XI. **ANNOUNCEMENTS** – None
XII. PUBLIC OPINION – Limited to three minutes per speaker, five minutes for entire topic – None

XIII. ADJOURNMENT – The Chair, Rogers, adjourned the meeting at 2:54 p.m.