



About BASC

Brockport Auxiliary Service Corporation (BASC) is a 501(c)(3) not-for-profit corporation governed by New York Not-for-Profit Corporation Law and managed by a Board of Directors comprised of the Vice President of Administration & Finance, the Vice President of Enrollment Management & Student Affairs, an Alumni representative, three College Senate representatives, one appointee by the College President, and four enrolled student representatives of the Brockport Student Government.

BASC's purpose is to provide necessary auxiliary services not provided by the College. As its mission states: BASC is an innovative and entrepreneurial organization that delivers key services with integrity and efficiency to foster student success, enhance the quality of life, and support the strategic initiatives of the College. More about BASC's vision, values, and employee promise is available at: <http://basc1.org/about/basc-overview>.

Primary Goals Include:

1. Support student recruitment and retention
2. Customer satisfaction
3. Employee satisfaction
4. Financial sustainability/College support

BASC's budget was approved by its Board of Directors on April 15, 2019. The narrative that follows and corresponding budget presentation is shared with the Joint Planning & Budget Committee for informational purposes only.

Service Utilization Overview

BASC provides a number of services to the campus including dining, bookstore, ID cards, vending, ATM, transportation, laundry, and conferences and events, with dining being the largest revenue generator. During the 2018-19 year BASC sold 3.3% more fall meal plans than budgeted.

A consultative approach is utilized in determining BASC's annual budget. In addition to internal departments, BASC utilizes data provided by Admissions and Residential Life & Learning Communities to forecast revenues for the next fiscal year. Information from peer Auxiliary Service Corporations (ASC) also helps inform decisions.

2018-19 Financial Review

BASC's 2018-19 budget was based on the sale of 2,671 fall meal plans. This budget was revised in September based on the actual number of fall meal plans sold (2,759) and to account for other variations not known in February 2018. Due to the additional meal plans sold and the successful management of food and labor costs, the forecast is that BASC will generate \$1.9 million in excess revenues from operations. Of that, \$970,000 will go to College Support and the remaining will go into reserves. BASC's contract with SUNY requires that reserves be maintained. Additionally, reserves fund future renovations and the replacement of aging equipment.

BASC is pleased to report continued success in achieving its primary goals:

1. Support student recruitment and retention
 - a. BASC is an active participant in Admissions events ranging from Open Houses to Accepted Student Days to Freshmen Orientations to Transfer Orientations to Ellsworth Scholars Sleepovers, and more.
 - b. BASC contributes over \$20,000 annually in student scholarships including the Barnes & Noble (\$10,000), Pepsi (\$5,000), Sandra Mason (varies), Empire Girls State (up to \$3,000), and REOC (\$2,500) scholarships.
 - c. BASC remains the largest student employer on campus with approximately 350 student employees earning over \$1.2 million in combined student wages annually.
2. Customer satisfaction
 - a. A team of BASC chefs competed in the American Culinary Federation (ACF) sanctioned competition at the annual UB Culinary Summit during the summer of 2018 and earned a Gold award. This prestigious award was the only gold awarded at this event and is a testament to the outstanding culinary expertise on the BASC team.
 - b. The Raj Madan Café (formerly Aerie Café) in the library earned a Bronze Loyal E. Horton Award from the National Association of College and University Food Services (NACUFS) during the summer of 2018 for the successful renovation of that space.
 - c. BASC launched the GET app in the fall that enables students to manage their meal plan, Dining Dollar, and Easy Money accounts, order food from TRAX, and utilize a pin for additional door access security in the residence halls.
 - d. A dining-wide 'Be Our Guest' Customer Appreciation Event was hosted in the fall that gave thanks to BASC's customers and also helped to educate about the importance of bees in food production. Foods incorporated local honey from Laura's Raw Honey in Hamlin, NY. BASC partnered with the student environmental club, ECOS, and with local bee keepers, Bee Organic Gold, to educate students about what can be done to protect and support the bee population.
 - e. Special dining events in all locations continue to enhance customer satisfaction and receive rave reviews from students. This year's favorites included the Best of the Best Chefs Competition, Pirates of the Port, Astronauts and Aliens, the Annual Food Fair, and much more.
 - f. Dining Services consistently achieves high customer satisfaction scores on the National Association of College and University Food Services (NACUFS) survey conducted each fall.
3. Employee satisfaction

BASC aims to uphold its Employee Promise, which states: We recognize that our people are our

single greatest asset in achieving our mission and vision. To our team members we promise to provide meaningful work, fair wages, the tools for success, and a supportive work environment that is reflective of our company values and provides opportunity for growth and development.

- a. BASC continues to expand its training programs to set team members up for success. Annual trainings include ServSafe, customer service, safety, and culinary. This spring the National Humane Society conducted a two-day training with our culinary team focused on introducing more plant-based menu items.
 - b. Ongoing programs are in place to recognize team members and their contributions.
 - c. Continuous improvement initiatives are embedded in the work that BASC does on an ongoing basis, and employees are a key component of these efforts.
4. Financial sustainability/College support
- a. BASC will contribute over \$1,000,000 in support of the College this year. This includes \$970,000 contributed directly to the campus, \$8,800 in athletic support through the pouring rights contract, over \$20,000 in student scholarships, and over \$7,000 in various donations. In addition, BASC paid the campus \$411,000 in rent and utilities.

2019-20 Budget Summary

BASC has limited ability to increase revenue as sales are tightly tied to enrollment. Strategies are in place to control costs to the extent possible. However, many expense increases are mandatory.

Expenses - Direct

- Food cost is being budgeted at 26% of dining revenues. This is a reduction from last year and a result of successfully leveraging buying power and rebate programs, and the talented culinary team's ongoing menu engineering. This is a significant accomplishment considering that the CPI for food away from home has gone up 2.9% in the past year.
- Labor and benefits is 53% of budgeted revenues. Student and part time wages are budgeted at a 7% increase due to the rise in minimum wage. Health insurance is anticipated to increase by 10%.

Expenses - Indirect

- BASC's utility expense allocated from the campus is \$370,000. This amount varies from year to year. BASC continues to work collaboratively with the College to better understand the allocation method for utility expenses and develop a more predictable model for future planning.
- BASC's bad debt expense is anticipated to increase, totaling \$150,000, largely due to the delay in funds from the Excelsior program and the resulting impact.
- All ASC's are now required by SUNY to comply with New York State's Article 15A of the Executive Law related to set purchasing goals from minority and women owned businesses. This has resulted in the need to hire a third party at a cost of \$20,000 to manage bid processes and compliance requirements.

Revenues

- BASC's 2019-20 budget is based on a 2% meal plan price increase on the Unlimited, Any 14, and Any 10 plans (other plans will remain flat) and the sale of 2,650 fall meal plans. Summer programs revenues are budgeted slightly higher than last year due to the addition of the International

Association for Great Lakes Research (IAGLAR) Conference this summer. Bookstore, laundry, vending, and pouring rights (Pepsi) revenues are budgeted to remain flat.

- The 2% increase in meal plan rates averages \$45-\$50 per plan per semester and will not even cover the additional labor expense for students and part-time employees due to the minimum wage increase and the anticipated bad debt. This budget will decrease BASC margins and is a short-term strategy aimed to help keep the total cost of attendance low for students, but is not a sustainable long-term solution.
- With the very modest meal plan price increase, Brockport's dining program remains a great value for students. In comparing this year's meal plan prices, Brockport is in the low to mid-range compared to other SUNY campuses.
- BASC's net after college support is budgeted at \$245,767. In September, BASC will revise its budget accordingly after the actual number of fall meal plans sold is known.

Future Planning

With the continued increases in expenses, most notably minimum wage over the next three years which will have significant budgetary impacts, BASC will continue to explore additional cost reduction strategies. As an example, BASC worked with the College and decided to close Kinetic Kafe at the end of the spring 2019 semester.

Other strategies include continuing to work with the campus: to develop a more predictable model for utility expense planning, to implement measures to limit bad debt exposure, and to offer work study jobs for students.

Similar to the BASC budget, the company capital plan must be approved by its Board of Directors as funding for all capital expenditures comes from company reserves. BASC's Board approved three-year capital expenditures totaling \$7,771,874 which includes a design update of TRAX, a remodel of Brockway Dining Hall, a refresh of Harrison Dining Hall, replacement of aging equipment, and an update to the Presidential Dining Room in Cooper Hall.