

# Brockport Auxiliary Service Corporation

Joint Budget & Planning Committee

April 26, 2018





# ABOUT BASC

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- Primary Goals
  - Recruitment/Retention
  - Customer satisfaction
  - Employee satisfaction
  - Financial sustainability/College support



# SERVICE/UTILIZATION OVERVIEW

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- Budget Process
  - Consultative (December – March)
    - Internal - Departments
    - External – A&F, F&P, Res Life, Admissions, EMSA, Peer ASC's
- Service/Utilization Overview
  - Sold more plans than budgeted (2,775 vs 2,671)
  - Customer satisfaction remains high



# 2017-2018 FINANCIAL REVIEW

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- 2017-18 base budget built on 2,671 meal plans
- Revised in September
  - Based on actual number of meal plans sold
  - Accounted for other variations not known in February 2017
- Net profit after College Support goes to reserves
  - Required as part of contract
  - Fund renovations
  - Replace aging equipment

# 2017-2018 FINANCIAL REVIEW

	FORECAST 2017/2018	BUDGET 2017/2018	ACTUAL 2016/2017
<u>Total Revenues from Operations</u>	\$ 16,831,807	\$ 15,538,319	\$ 16,620,608
<u>Indirect Sales</u>	\$ 29,500	\$ 29,500	\$ 33,450
<u>Total Cost of Goods</u>	\$ 3,937,010	\$ 3,717,687	\$ 3,779,759
<u>Salary &amp; Benefits</u>	\$ 8,260,945	\$ 8,554,361	\$ 7,992,335
<u>Operational Expenses</u>	\$ 2,435,635	\$ 2,321,885	\$ 2,311,875
<u>Total Expenses</u>	\$ 14,633,590	\$ 14,593,933	\$ 14,083,969
<u>Excess Revenues from Operations</u>	\$ 2,227,717	\$ 973,886	\$ 2,570,089
<u>College Support</u>	\$ 970,000	\$ 970,000	\$ 970,000
<u>Net</u>	\$ 1,257,717	\$ 3,886	\$ 1,600,089

2016-17 actuals were 2,792 fall meal plans.  
 2017-18 budget based on 2,671 fall meal plans.  
 2017-18 actuals were 2,775 fall meal plans.

# 2017-2018 FINANCIAL REVIEW

## • BASC Goals & Accomplishments

- Recruitment/Retention
  - Participation in Admissions events
  - Student scholarships
  - Largest student employer
- Customer satisfaction
  - Aerie Café
  - Sante station at Harrison Dining Hall
  - Pizzaz at The Square
  - Fiesta article in Spring 2017 issue of *Campus Dining Today*
  - Special dining events
  - Achieved highest dining satisfaction scores to date!
- Employee satisfaction
  - Expanded onboarding and training programs
  - Recognition programs
  - Continuous improvement initiatives
- Financial sustainability/College support
  - Over \$1,000,000 in College support

### *LIFE IS BETTER WITH BURRITOS*

The College of Brockport community is going loco over Brockport Auxiliary Service Corporation's new retail shop, Fiesta!

By Kelly Bodine, Marketing Manager, Brockport Auxiliary Service Corporation

THE COLLEGE AT BROCKPORT



In the fall of 2014 Brockport Auxiliary Service Corporation (BASC) refreshed their main food court, The Square at the Union. New décor, furnishings, and shop concepts were introduced and the overall redesign proved to be successful. One particular shop, The Port, was designed to give students and administration a one-stop shop where customers could customize their own meal, with rotating weekly themes, all for under \$6! While BASC saw this as a great value, it just didn't stick. With the beautiful redesign of the food court and hard work that went into menu design, nobody wanted to see this shop prove to be unsuccessful, but something needed to change.

Surveys and focus groups tell us repeatedly that price is most important to customers, but value is not about price alone. It's a combination of your goods and services for

which your customers are willing to pay. BASC decided to look deeper and conduct some market analysis to determine how value is defined and articulated among the Brockport campus population and use this knowledge to make the necessary improvements to The Port, whether that meant updating the existing shop or doing another creating a new concept.

Through the use of custom questions on the annual NACUFS Customer Satisfaction Benchmarking Survey it was discovered that over 50 percent of the survey participants were seeking a Mexican concept on campus, similar to that of a Moe's or Chipotle. A Mexican shop had previously existed in the food court before the redesign and proved unsuccessful, so it was unclear why that shop hadn't met customer needs.

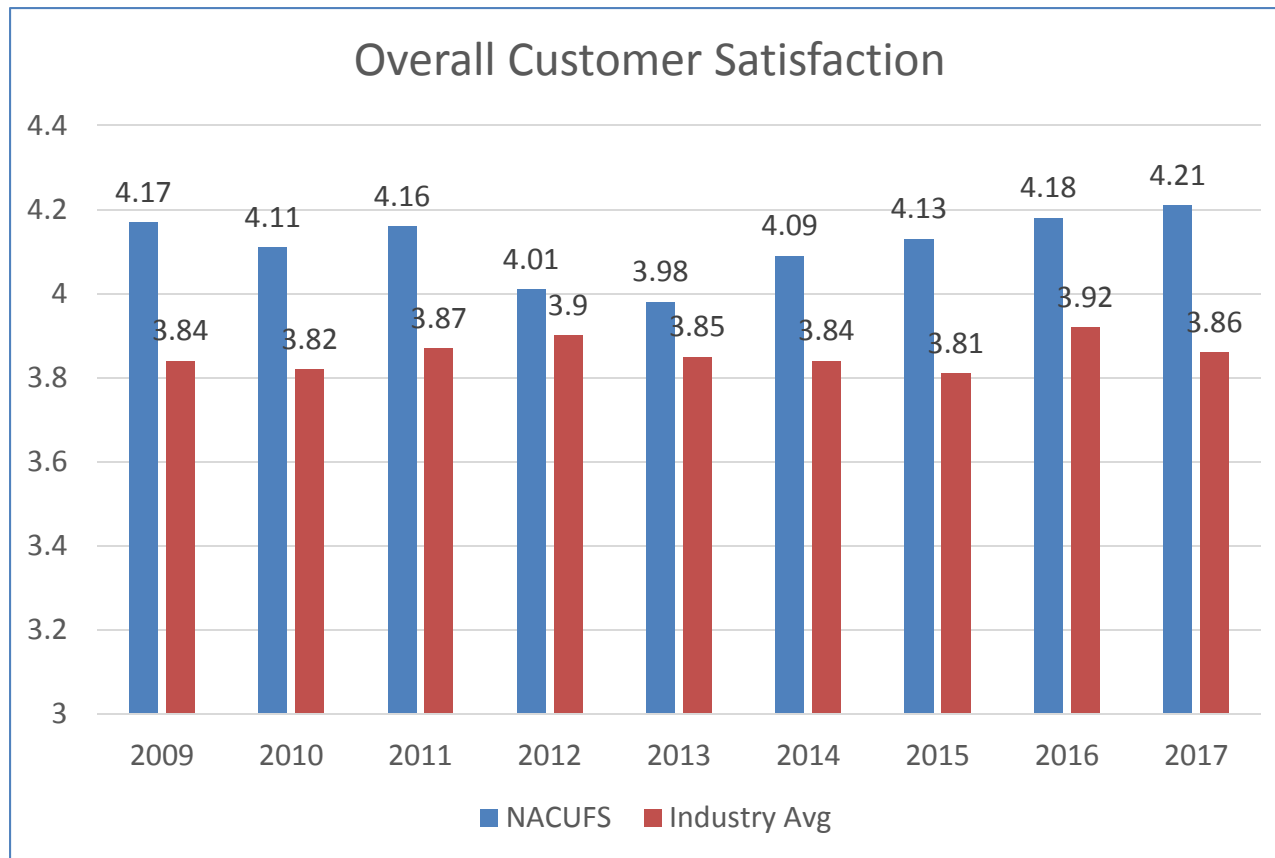
# 2017-2018 FINANCIAL REVIEW

## Financial Contributions to the College

• College Support	\$970,000
• Athletic Support (Pepsi)	
– Funding	\$ 7,000
– Gatorade Sideline Kits	\$ 1,800
• Student Scholarships	
– B&N	\$ 10,000
– Pepsi	\$ 5,000
– Sandra Mason	\$ 1,000 – varies
– Empire Girls State	\$ 3,000 - varies
– REOC	\$ 2,500
• Donations	
– Winter Gala	\$ 5,000
– Student “Swipe”	\$ 710 – varies
<b>Total</b>	<b><u>\$1,006,010</u></b>

**In addition**, as the largest student employer on campus, BASC employs approximately **350 students** and pays nearly **\$1.3 million** in student wages. BASC also paid the campus **\$300K** in overhead (rent and utilities).

# 2017-2018 FINANCIAL REVIEW



*BASC utilizes the National Association of College & University Food Service (NACUFS) Customer Satisfaction Benchmarking Survey. Scale is 1-5.*

# 2018-19 BUDGET SUMMARY

## Expense Assumptions

### Direct Expenses

- **Food**
  - **COG** = 27% of dining budget revenues
  - **CPI** +2.5% food away from home
- **Labor & Benefits** = 53% of budgeted revenues
  - Student and part-time labor +7%
  - Union labor
- **Benefits**
  - Health Care + 10%

### Indirect Expenses

- **Utility expense** +\$105K
  - +34% (\$306K→\$411K)
- **Bad debt expense** +\$80K
- **MWBE Compliance** +\$20K

Total Increase = \$205,000



# 2018-19 BUDGET SUMMARY

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- Meal Plan Rates      Unlimited, Any 14, Any 10,      +3%  
   Any 7, Any 5
- Enrollment              2,571 Mandatory plans  
   100 Optional plans  
   2,671 total
- Summer Revenues      ↓\$15K
- Bookstore                \$400,000
- Laundry                 \$45/per resident occupancy per semester
- Vending                 \$40,000 guarantee
- Pepsi                     \$44,000



# **2018-19 MEAL PLANS**

# 2018/19 BUDGET SUMMARY

		2017/2018		Proposed 2018/19	
Plan	Meals/week	Price	Dining Dollars	Price	Dining Dollars
Unlimited	19	\$ 2,465	\$225	\$ 2,540	\$225
14 per week	14	\$ 2,185	\$175	\$ 2,250	\$175
10 per week	10	\$ 2,410	\$475	\$ 2,480	\$475
7 per week	7	\$ 2,100	\$550	\$ 2,165	\$550
5 per week	5	\$ 1,745	\$500	\$ 1,795	\$500

# 2018-19 BUDGET SUMMARY

	Average Wage		Hours	Labor Expense		Increase
	Fiscal 2018	Fiscal 2019		Fiscal 2018	Fiscal 2019	
Student	\$10.05	\$10.75	130,000	\$1,306,500	\$1,397,500	\$91,000
Part-Time	\$12.27	\$13.15	40,000	\$490,800	\$526,000	\$35,200
<b>Total</b>						<b>\$126,200</b>

To cover minimum wage increase for fiscal 2019

**\$25/plan/semester**

To cover rent & utilities, bad debt, and MWBE compliance increase (\$205k) for fiscal 2019

**\$40/plan/semester**

**Total**

**\$65/plan/semester**

# 2018-19 BUDGET SUMMARY

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## Rank by Cost per Meal Plan 2017-2018

New Paltz	\$2200	<i>UL + \$250 DD</i>
Cortland	\$2455	<i>UL + \$425 DD</i>
<b>Brockport</b>	<b>\$2465</b>	<b><i>UL + \$225 DD</i></b>
Oswego	\$2575	<i>UL + \$80 DD</i>
Fredonia	\$2565	<i>17/wk + 225 pts</i>
Geneseo	\$2662	<i>- \$300 OH = \$2362 (Straight DB)</i>
Binghamton	\$2776	<i>- \$1595 OH = \$1181 (Straight DB)</i>

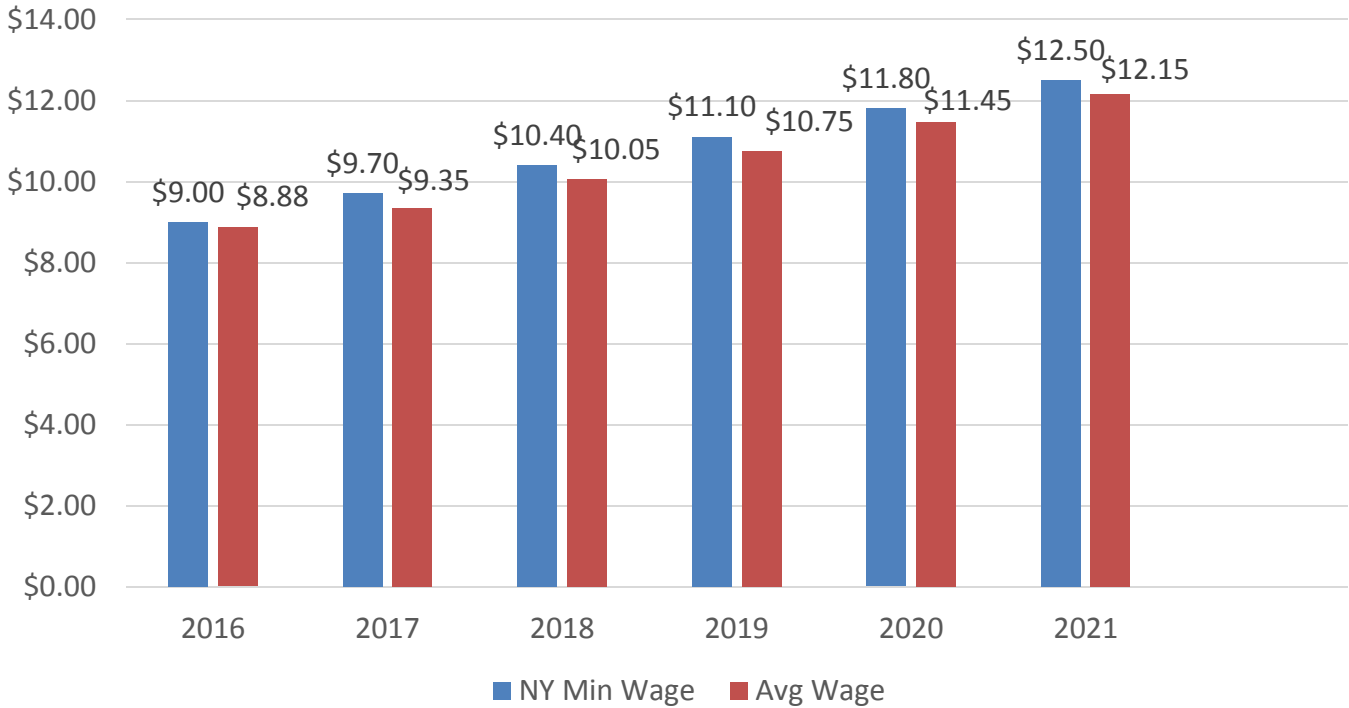
# 2018-19 BUDGET SPREADSHEET

	<u>BUDGET 2018/2019</u>	<u>FORECAST 2017/2018</u>	<u>BUDGET 2017/2018</u>	<u>ACTUAL 2016/2017</u>
<u>Total Revenues from Operations</u>	\$ 16,527,360	\$ 16,831,807	\$ 15,538,319	\$ 16,620,608
<u>Indirect Sales</u>	\$ 29,500	\$ 29,500	\$ 29,500	\$ 33,450
<u>Total Cost of Goods</u>	\$ 4,166,625	\$ 3,937,010	\$ 3,717,687	\$ 3,779,759
<u>Salary &amp; Benefits</u>	\$ 8,748,622	\$ 8,260,945	\$ 8,554,361	\$ 7,992,335
<u>Operational Expenses</u>	\$ 2,510,126	\$ 2,435,635	\$ 2,321,885	\$ 2,311,875
<u>Total Expenses</u>	\$ 15,425,373	\$ 14,633,590	\$ 14,593,933	\$ 14,083,969
<u>Excess Revenues from Operations</u>	\$ 1,131,487	\$ 2,227,717	\$ 973,886	\$ 2,570,089
<u>College Support</u>	\$ 970,000	\$ 970,000	\$ 970,000	\$ 970,000
<u>Net</u>	\$ 161,487	\$ 1,257,717	\$ 3,886	\$ 1,600,089

2016-17 actuals were 2,792 fall meal plans.  
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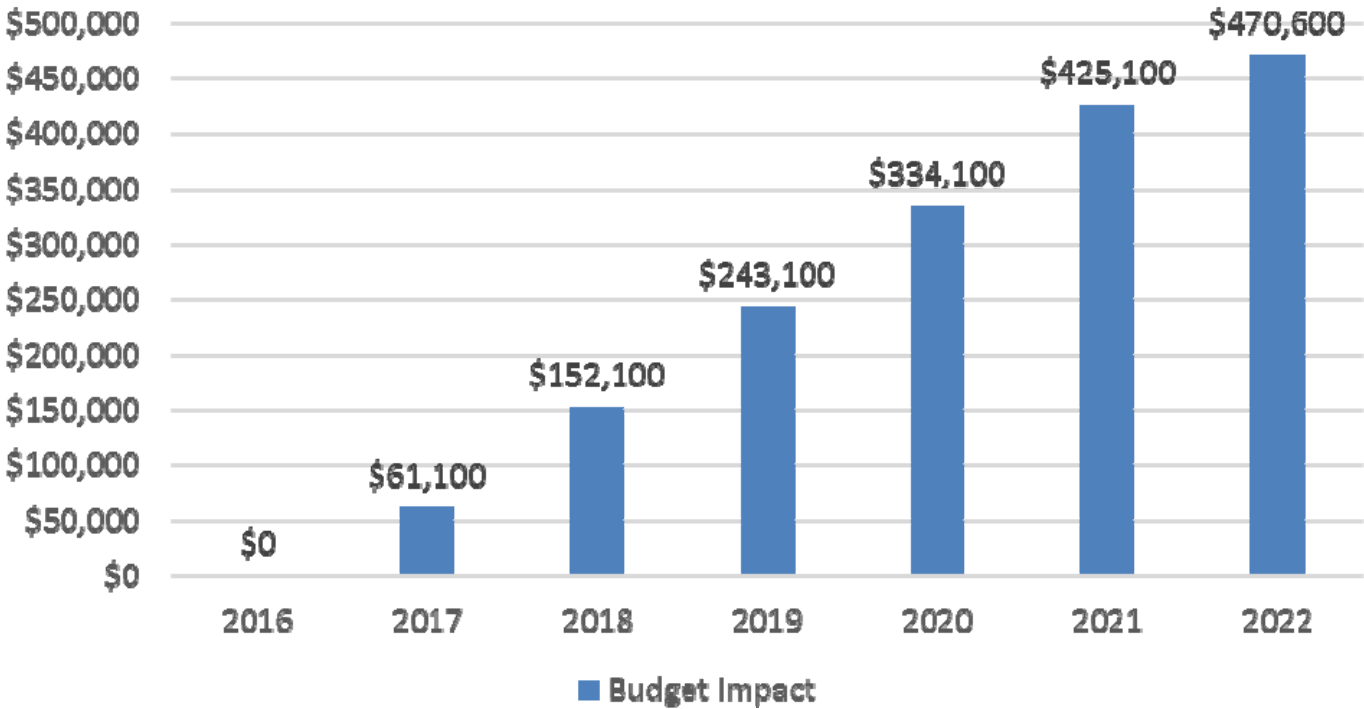
# FUTURE PLANNING

New York State Minimum Wage



# FUTURE PLANNING

### Impact of NYS Minimum Wage on Student Labor



*Dollars represent increase over fiscal 2016 when average wage rate = \$8.88. Based on 130,000 student hours per year. Does not include impact of wage compression.*

**To cover minimum wage increase for fiscal 2022... \$100/plan/semester**



# FUTURE PLANNING

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- BASC Goals
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