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**UAS Board Meeting Minutes
Thursday, December 5, 2024**

Chair Armstrong calls the meeting to order at 11:03am

No Public Comments

Chair Armstrong requested approval of the minutes from September 26th Board Meeting. Prof. Andrea Grove made a motion to approve, Dave Press Seconds, Minutes carry unanimously.

Update on Chartwells experience. Board agreed to able that to a point when Andrew has joined us. If he ends up joining us. This is an information item. Board agreed to defer.

Chair Armstrong requests the board to elect Dr. Bradley Olin as Board Secretary and Treasurer. Bradley believes it is his responsibility from an ex-officio perspective and agrees to serve. Dave Press made a motion, Andrea Grove seconded. Motion carried unanimously.

John Lazarus reviewed the Q1 financials.

- The bottom line went from \$4.2M to \$3.3M and so about \$1m less in cash which is what we thought we would be doing.
- Everything's booked on the balance sheet and on the P&L and then there's a true up at the end of each month, and it goes in one direction or another depending on if there's more revenue than expenses or the opposite because of the way we're we've contracted out food service.
- Suggests that it may be worth having the Board consider no longer going through footnotes verbally
- P&L is radically different because meal plan sales and retail sales gets booked by Chartwells.
- Dave Press asked for Financials to be divided up by location or future Board Meetings and John and Jeff replied that they will.
- Chair Armstrong asked about our cash position understanding this new model. How do we know that we're on the right track and we projected certain burn rates. When does that run out?
- Dave Press asked for a comparison of labor, COGS and Revenue by location before COVID to this current FY and Jeff and John said they would have that for the February Board Meeting.
- Stephanie replied that some preliminary supplementals have been done in the meantime.

Jeff presented a forecast for the current FY.

- As of November 8th, fall 2024 enrollment is down 4.80% compared to last year. It's down to 4,670 headcount.
- This isn't too far off what we were anticipating in the budget.

- Bradley Olin shared that a big piece of understanding for most of us is that the business models and operations of pretty much everything that we do within the umbrella of UAS depends on physical presence and foot traffic on campus. It's also not just a question of enrollment, but also modality. If students are virtual, that's less people frequenting our dining operations as well as vending & bookstore. It's not only just the story of enrollment, but it's also how we're delivering our educational services and programs.
- Chair Armstrong asked if the changes year over year on the modalities are like the drop in head counts? Bradley said that he'll need to check with HR and Academic Affairs and bring that back to the board.
- Bradley provided a brief update on the Bookstore and that the current model isn't sustainable but if the bookstore were to move out of that location, could we repurpose that space
- Bradley also stated that there's opportunities for Chartwells to reach into the residential community and market Islands Meal Plans to residents specifically targeting families and older people.
- Jeff shared that we're holding that to budget from last time. We presented an operating loss of \$1M after adjusting for lease cost, debt service and back and apple cash items, which was an improvement over the prior year, losing \$1.4 million dollars, and an improvement over the projected loss of 1.6 million dollars if we had continued to self-op this year. So even though we're holding the forecast flat to budget, there's some variability.
- On the revenue side we are seeing slightly stronger retail. There's nothing significant, but strong retail sales that are being offset by lower catering and board sales.
- We are working through the month end process. It is keeping them accountable to what they proposed, and just tracking to see if that is realistic or not. We raised the alarm and have implemented new controls and they provide a revised 12 month forecast every month for the rest of the fiscal year.
- Last month we did receive \$700k bonus payment. So that's that was the positive effect that's with us.
- Dave Press asked about Food Costs. They are about 30% - 32% now compared to high 30s previously.
- Bradley shared that there is a set of 8 key performance indicators that we're monitoring that do have a financial incentive tied to them. We will include them in the February Board Packet.
- Wild Blue is opening in Spring and proposing to kind of keep the current offerings in addition to the additional service.
- Chartwells Survey is done, and data is being compiled and we'll see our data and be able to compare it to other CSU campus. This will be used to make recommendations to improve operations.
- We are exploring increasing meal plan pricing. We had talked about this in the last several board meetings that, knowing that we need to explore that. Campus leadership is very engaged and planning for a multi-year increase aligned with housing.
- Bradley shared that we need to review our entire business model financially.

Bradley discussed options for Bookstore moving forward including virtual, management fee, etc. and those are being explored and will be brought back to the Board.

Director's Report

- Update on the Sublease to American Pie Company. Grand Opening occurs this afternoon and they are operating well and a decent value for the product. The Sublease is for a year and will be renegotiated based on business when up for renewal.
- Follett has paid us, and they expect to be able to do so moving forward. We meet monthly and are looking at options as Bradley discussed earlier.
- Update on the ABC License and that will be submitted in the next couple of days. And all documents have been signed.
- The 4 class Cooking series Cooking on a Cal Fresh Budget. 2 have occurred and the other 2 are coming in February and late Spring Semester. All is going well.
- Swipe Out Hunger event occurred, and 416 Swipes were donated and will be going to Basic Needs.
- John suggested that the Board Vice Chair position remain vacant until May 2025 since there is little risk and the Board agreed that the Vice Chair position remain open until the May 2025 meeting.

Next Meeting is on February 20, 2025

11:52am Chair Armstrong adjourned the Meeting