

**Board of Directors
Meeting Minutes of October 4, 2019
Clark Hall Conference Room 540**

MEMBERS PRESENT: Bill Campsey
Patrick Day
Charlie Faas
Julie Stone
Branden Parent
Daniella Carrera

GUESTS: Spyros Gravas, VP Operations Chartwells, Ann Bui, Ninh Pham-Hi, Raymond Luu

I. CALL TO ORDER

Interim Board Chair Charlie Faas called the meeting to order at 12:05 PM

II. PUBLIC COMMENTS

No Public Comments.

III. APPROVAL OF AGENDA

MOTION: Julie Stone moved to approve the Board of Directors meeting agenda for October 4, 2019 as presented. Patrick Day seconded the motion.

VOTE: Motion carried unanimously.

IV. APPROVAL OF MINUTES

a. Board Meeting Minutes of May 3, 2019

MOTION: Bill Campsey moved to approve the May 3, 2019 Board of Directors meeting minutes. Julie Stone seconded the motion.

VOTE: Motion carried unanimously.

V. INTERIM BOARD CHAIR'S REPORT – CHARLIE FAAS

Update on Spartan Shops Properties. Funds have been allocated for renovating the units. The project has been slow and as a result management for properties will now report to FD&O. This way we will have more oversight. Recently found out 2 tenants are no longer affiliated with SJSU have they have been given notice to move out.

Faculty/Staff housing project moving along, won't spend the money until have the land.

Looking to update SSI Bylaws. Quorum = 1 Faculty, 1 Administrator and 1 Student. The Associated Student President is the student representative. In the past we have had 2 students. New this year is Dani who has volunteered to be on the Board.

VI. COMMITTEE REPORTS

- a. Administrative Committee – No report
- b. Audit Committee – (Ann Bui on behalf of Tanvi Kothari, and Ninh Pham-Hi)
 - i. Year-end Financials – page 10-12 are the highlights. Differences are due to the change from SSI to Chartwells. There was a drop in sales due to drop in students in housing. Charlie stated surveys show better quality of food in Dining Commons, also that students wanted Taco Bell back. There was a significant drop in revenue when Taco Bell was replaced with Tu Taco. So far this year, the number of sales of meal plans is up. Branden Parent stated that students are happy that Taco Bell is back, mainly due to affordability
 - ii. Discussion – Charlie discussed with Chartwells the responsiveness of the Chartwell folks. We need better data. The Auditors had a very difficult time obtaining the needed data for the Audit. Ninh commented that next year we will ask for data earlier so we have it before the Audit. There are questions regarding that local Chartwells reps cannot access the data from National HQ. Patrick Day does not feel this is a small issue. They are a large company with many clients, do they do this to everyone? Concerned about a disconnect here. The Management comment in the Audit needs to be addressed. Charlie to have a conversation with Lisa McEuen – CHE. Raymond Luu and Ann Bui stated working with Paul Cingolani - CHE. We need to set our expectations – meeting quarterly now. Raymond and Ann are working on a process with Chartwells regarding receiving the information requested from us. We need to set the tone and get what we need. Patrick feels it is an issue of responsiveness which is an indication of functionality (local + national disconnect)

MOTION: Charlie Faas moved to approve Audit Report. Bill Campsey seconded the motion.

VOTE: Motion carried unanimously.

VII. OLD BUSINESS

VIII. NEW BUSINESS

- a. FY 2019-20 Budget – Charlie stated two year look at how the business is being run should be extended to a three year look. We are ½ through 2nd year and didn't get baseline last year so do not have a full year of working data. Consensus is a three year look rather than a two year look would be more accurate. The \$500K management fee is down to \$400K. We will extend to 3 years then negotiate a 10 year. Also Chartwells thought CV3 would be in the works sooner but currently it is at least a year out. Patrick spoke of the challenge with enrollment predictions. Need an enrollment plan. Also could enforce first year housing requirement.

Spreadsheet shows loss, most due to depreciation and shared services on campus. Other auxiliaries spread cost around. Bill suggested adding a Cash Flow line to better understand

MOTION: Bill Campsey motioned to approve. Julie Stone seconded the motion.

VOTE: carried unanimously

- b. Bill Campsey and Julie Stone's term serving on the BOD is ending. Would we like to extend Bill and Julie's appointment?

MOTION: Charlie Faas motioned to approve. Patrick Day seconded the motion.

VOTE: Motion carried unanimously.

IX. OPERATIONAL REPORT

Spyros Updates

2019-20 Meal Plan sales for freshmen is up 7%. Voluntary meal plan purchases are up 12% and continues to grow. Declining dollars use all over campus 41% of meal plans are flex plans. Dining Commons increased seating 200 seats

Received positive feedback from the football team - Ben the Ops manager said there are two reasons SJSU beat Arkansas: 1) new locker room confidence and 2) the dining commons where all football players eat. They are much bigger than

have been in past years due to the better quality food and the fact that they are eating healthy balanced meals

Branden Parent questioned stations closing too early such as “Rooted”. Spyros stated different stations have different hours. When a station is closed, you can still get those food options in other locations in the DC. Need to do a better job at communicating to patrons about this and to put signs regarding food ingredients. Retail – Taco Bell is back and sales are up. The new Ginger Market is very popular with sales up 44% overall up 27%.

Technology has been upgraded and have implemented 15 kiosks for self-order/self-pay. This speeds up the process. “Boost” – took over from Tapingo and saw a 7.5% growth in mobile transactions. Why is Boost doing better – because it is only on campus (Tapingo set # transactions per hour) Boost manages orders better and informs you of wait time. You also can pay with your tower card (dining dollars) to take advantage of tax free purchases.

Continue to Onboard employees; will have 2 catering showcase events in October/November; the Powerhouse Mobile Kitchen is at the stadium now but look forward to utilizing for events on and off campus. Annual dining service survey will go out in October.

Branden Parent commented on sustainable measures in place. Daniella Carrera commented that to go boxes need to be sustainable, currently the SU, Library and Macquarie Hall food locations use single-use containers. Might also think about having patrons bring their own containers.

Patrick Day commented that the food quality and options in the DC is much better - superb job, and the refresh in the SU is strong. The challenge is communication. Patrick did not know about the change at Macquarie Hall and was unfamiliar with the self-order/pay kiosk. Need to communicate to Faculty/Staff/Students about the changes happening. Post more on the Sammy App and also communicate via the AS monthly newsletter. Word needs to get out so there is not a lack of knowledge on available options.

X. EXECUTIVE SESSION

a. None

XI. GENERAL DISCUSSIONS

a. None

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XII. ADJOURNMENT

MOTION: Bill Campsey motioned to adjourn the Board meeting at 1:45 PM. Patrick Day seconded the motion.

VOTE: Motion carried unanimously.

We hereby certify that the foregoing meeting minutes were duly presented and approved by the Board of Directors of Spartan Shops, Inc. at a regular meeting held on June 24, 2020 at San Jose, California.



**Charlie Faas,
Interim Board of Directors Chair
Spartan Shops, Inc. Board of Director**

Date: 6.24.20

