

**Board of Directors
Meeting Minutes of January 25, 2019
Clark Hall Conference Room 540**

MEMBERS PRESENT: Bill Campsey
Patrick Day
Charlie Faas
Tanvi Kothari
Ariadna Manzo
Julie Stone
Sharon Willey

GUESTS: Ann Bui, Director of Accounting
Spyros Gravas, VP Operations Chartwells

I. CALL TO ORDER

Interim Board Chair Charlie Faas called the meeting to order at 12:15 PM

II. PUBLIC COMMENTS

No Public Comments.

III. APPROVAL OF AGENDA

MOTION: Bill Campsey moved to approve the Board of Directors meeting agenda for January 25, 2019 as presented. Julie Stone seconded the motion.

VOTE: Motion carried unanimously.

IV. APPROVAL OF MINUTES

a. Board Meeting Minutes of September 21, 2018

MOTION: Julie Stone moved to approve the September 21, 2018 Board of Directors meeting minutes. Bill Campsey seconded the motion.

VOTE: Motion carried unanimously.

V. INTERIM BOARD CHAIR'S REPORT – CHARLIE FAAS

Charlie rated relationship with Chartwells as a B+ with room for improvement. The biggest positive change is in the Dining Commons. Real quality improvements. Retail (Student Union) needs a few tweaks but overall doing well.

Last semester created a better price point with the availability of \$2 tacos, sandwich and salad at TuTaco and Paseo Fresh. This semester they are rolling out a Chipotle like experience at TuTaco and Build Pizza with the food up front to show food prepared. Feel this will resonate better. The Mediterranean restaurant has been changed and a ramen bowl has been added to the curry restaurant. The soda station was relocated over break in between Build Pizza and Steak n Shake to open the flow more.

We are down in meal plan numbers due to openings in housing leaving a shortage in revenue for the Dining Commons, this impacts housing as well. Retail sales are lower resulting in lower revenue and lower profits. We anticipate breaking even this year. Enrollment has been reasonably the same year by year. Hope word of mouth on better quality in Dining Commons gets out and housing numbers increase. Need to discuss on campus living policies and requiring a meal plan. We need to be clearer on what cannot be done. Our estimates are based on enrollment so need a plan. Chartwells has 2 years to have correct data before we go into a long term contract.

Regarding catering, service level of Chartwells is improving. Meeting with Spyros Gravas on a weekly basis. As for catering, the medium to high end is gorgeous. Most need low end and Chartwells missed that at the beginning. Goal is to expand menus. Chartwells also adjusting staff levels as they go along with catering menu changes. Chartwells will work with your budget.

Comments:

Bill Campsey: In past problems faced were at the President's house – so far so good. Number of events have dropped down and there are no complaints

Patrick Day: Need another look into working with student groups – students need to know how to communicate with Chartwells – what can Chartwells do for student groups in terms of making catering packages that are affordable. Seems an exclusive issue, as must use Chartwells – did we desire that.

Charlie Faas: Would like it exclusive. Would be better for students being on campus as well as we profit. Faculty likes to go off campus. Variety is not a bad thing – ethnic food

Patrick: As contractual, what service ask of people. Doesn't have to be all or nothing. Surprised wasn't some level of exclusivity

Charlie: Quality and reliability was not there before – needs to be shown to gain buy in

Julie Stone: High cost of catering is operational costs not the cost of food. Should implement a policy if under \$250, can go off campus, however if over must use Chartwells

Patrick: There should be ways to negotiate available when working with Chartwells

Tanvi Kothari: Many just do what they have always done in past. We need to educate your staff – have a more proactive approach and reach out to staff explaining the differences with on campus catering

Charlie: Chartwells held a few showcase events however they missed the mark – served sushi which is high end – most users are low end.

Julie: Maybe send out samples to department staff that order catering. Go to them.

Tanvi: agrees with Julie's idea need to get buy in

Charlie: need to get video out that shows the food

VI. OPERATIONAL REPORT

Spyros Gravas joined to give Q1 an update on Spartan Eats. Chartwells took over July 2018 and have embedded their 5 pillars (People, Cuisine, Community, Culture, and Ideas) for organization. They are open to ideas from team members. They have on-boarded over 800 students and provide on-going training and development. Through on-boarding they want employees to feel part of who Chartwells is, what they are, and what they do. They also go through safety and diversity training. Chartwells also has an inclusion and recognition program in place and utilize ambassadors to collect feedback.

Improvements in operations include:

- Compass Quality Assurance Program. "Waste-Not" program where production is controlled. They are solid in food safety.
- New concession menus
- New catering menus with seasonal options
- Financial and Productivity targets for all units
- Food truck availability with new menu concepts

Overall, the dynamics of operations ties to enrollment and the number of freshmen on campus. Less meal plans equal less revenue.

Marketing has rolled out a lot of new/continuing promotions for spring such as Foodie Friday, The Friday Fill Up, Tu Taco Tuesday...

Q1 Ariadna: Thanked for important information. Questioned the hours in the Dining Commons from 7-midnight and the fact that not all places are open. How accommodate all dietary needs?

Spyros: Have adjusted hours. All open until 9:30 with a few open beyond. All stations can accommodate dietary needs

Q2 Julie: Is there signage of food options

Spyros: Yes menus are always published

Q3 Julie: Are meal plans taxed

Spyros: No

Julie: Could be another marketing tool why students should buy meal plans, especially if they can use their card for purchases in the Student Union.

Patrick: Think about a conversation at Orientation. Begin talking about it at Orientation to get the information out at the beginning.

Q4: Patrick How is theft/loss an issue?

Spyros: Customers (Employee) shoplift (leakage) about 2%; perform weekly inventory. Put in a camera system that hopefully will deter people from doing stealing.

Q5 Sharon: What has the impact been with the minimum wage increase?

Spyros: We planned for it in our annual plan so it has not affected operations. No changes will be made on prices right now.

Comments:

Ariadna Manzo: Phillip's video was interesting. Need to play video on digital screens in the Student Union to reach a broad group of students. The more students that see this will be more aware.

VII. COMMITTEE REPORTS

- a. Administrative Committee – No report
- b. Audit Committee – No report

VIII. OLD BUSINESS

- a. No old business

IX. NEW BUSINESS

- a. Chartwells Contract Management – Associate Director Commercial Services - FYI
 - i. Located within Procurement.
 - ii. Salary will be charged back to SSI
 - iii. Member of BOD
 - iv. Get some economies of scale at meetings
- b. Beverage RFP - FYI
 - i. Need one common vendor for all Campus will not impact SSI
 - ii. Some Spartan Shops BOD are on committee
 - iii. Down to Coke and Pepsi

X. EXECUTIVE SESSION

- a. None

XI. GENERAL DISCUSSIONS

- a. None

XII. ADJOURNMENT

MOTION: Tanvi Kothari motioned to adjourn the Board meeting at 1:21 PM. Bill Campsey 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 May 3, 2019 at San Jose, California.



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

Date: 5/3, 2019

