

Annual Report

2010-2011

Auxiliary Services Corporation

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July 18, 2011

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Annual Report 2010-2011

Auxiliary Services Corporation

Introduction

Fiscal year 2010-11 was highly productive for ASC as we accomplished several goals and continued work on a number of initiatives intended to enhance our contribution to the mission of SUNY Cortland. Some of this year's highlights include:

- Continued to maintain fiscal stability and accrue needed funds for our \$6.5 million residential dining hall construction project
- Established the SUNY Cortland Emergency Reserve Fund to provide a source of contingency funding for the campus
- Engaged with dining consultants to develop schematic plans for the Student Life Center dining facility
- Installed and began operation of our Shop24 automated convenience store
- Began implementation of a Continuous Quality Improvement program
- Entered into a new campus banking services agreement with Summit Federal Credit Union
- Serviced the 2010 New York Jets Training Camp
- Selected as a Gold Medal winner for Residential Dining – Special Events for medium schools by the National Association of College and University Food Services for our Black History Month “Taste of Africa” event
- Expanded our sustainability efforts by increasing our use of biodegradable products and entering into a composting agreement with a local farm
- Instituted a textbook rental program in the college store

Financial Summary

Note: Due to the timing of this report, all financial information presented is unaudited and subject to change

ASC's financial position remains very strong. Total revenues were \$19,880,184 for the year ended June 30, 2011, an increase of 7.3%. Net operating income was \$1,565,754 (prior to funding the SUNY Cortland Emergency Reserve), or 7.9% of total revenues. We continue to operate without debt and have been able to accumulate sufficient assets to make the initial payment for construction of our second residential dining facility in the Student Life Center. The anticipated payment of \$4.25 million to the SUNY Construction Fund in the fall of 2011 will be covered entirely from accumulated savings. A summary of financial performance for the past three years appears below.

Three-Year Financial Summary			
Dollars in thousands (000's)	FY09 Actual	FY10 Actual	FY11 Actual
Revenue	\$17,206.8	\$18,520.9	\$19,880.2
Cost of goods sold	(7,203.8)	(7,406.3)	(7,664.5)
Gross margin	10,003.0	11,114.6	12,215.7
Salaries and wages	(3,790.5)	(3,764.4)	(4,081.2)
Employee benefits	(1,767.3)	(1,783.4)	(1,823.6)
Depreciation	(575.4)	(729.0)	(1,150.2)
Utilities and rent	(580.4)	(654.7)	(756.0)
Supplies and materials	(631.3)	(599.0)	(623.8)
Contracted services	(275.0)	(205.8)	(210.7)
Other direct operating expenses	(413.5)	(417.0)	(571.9)
Administrative Expenses	(1,210.8)	(1,319.2)	(1,343.4)
Total operating expenses	(9,244.1)	(9,472.5)	(10,560.8)
Change in net assets from operations	759.0	1,642.1	1,654.9
Miscellaneous revenue	35.1	316.0	74.7
Change in net assets before other program expenses and contributions to SUNY Cortland College Foundation	794.1	1,958.1	1,729.6
Other college program expenses	(161.3)	(145.4)	(163.8)
Contributions to Cortland College Foundation	(980.0)	0.0	0.0
Net Surplus/Deficit	(\$347.2)	\$1,812.7	\$1,565.8
SUNY Cortland Emergency Reserve Fund Allocation			(156.6)
Net Surplus/Deficit after Emergency Reserve Allocation	(\$347.2)	\$1,812.7	\$1,409.2
Current assets	4,351.5	7,449.7	6,902.4
Investments	1,734.3	102.8	105.3
Intangible assets	340.5	318.8	7.2
Fixed assets	6,148.8	5,982.9	6,095.1
Total assets	\$12,575.1	\$13,854.2	\$13,110.0
Current liabilities	3,505.5	3,231.7	1,141.1
Promises to give (net of current portion)	1,047.5	770.0	560.0
Postretirement benefits (net of current portion)	735.2	752.9	743.6
Total liabilities	5,288.2	4,754.6	2,444.7
Net assets:			
Designated for equipment replacement	2,280.2	1,607.0	1,811.6
Designated for working capital	690.3	462.2	473.6
Designated for capital assets	6,148.8	5,982.6	6,095.1
SUNY Cortland Emergency Reserve			156.6
Designated for uninsured losses	200.0	200.0	200.0
Other unrestricted, undesignated	(2,032.4)	847.8	1,928.4
Total net assets	7,286.9	9,099.6	10,665.3
Total liabilities and net assets	\$12,575.1	\$13,854.2	\$13,110.0

Note that we incurred an extraordinary depreciation expense of \$310,000 this year which represents the undepreciated “goodwill” from the former purchase of the laundry business from the Alumni Association. New accounting rules require that “goodwill” be restated to current market value on an annual basis rather than depreciated. We determined that the “goodwill” from the laundry business acquisition has a fair market

value of \$0 and that entire undepreciated amount would need to be expensed in the current year.

The ASC Board of Directors approved an average increase in board rates (net of laundry “free play” assessment) of 1.71% for on-campus plans for the FY 2011-12 budget year. This is substantially lower than the 5.67% increase for 2010-11.

We continue to provide significant levels of financial support to SUNY Cortland as summarized below:

**Auxiliary Services Support for SUNY Cortland
FY 2010-11**

Rent & utility payments	\$794,091
Pledge payments to the SUNY Cortland Foundation	\$277,500
Pouring rights agreement support payments to the SUNY Cortland Foundation	\$34,000
Direct grant support	\$163,790
Other support	\$1,387
Discounts	\$66,420
Raquette Lake operations (net operating losses)	\$52,101
Antlers capital expenditures	\$2,032
SUNY Cortland Emergency Reserve Fund	\$156,574
Total support	\$1,547,895

Scheduled payments on both pledges to the Cortland College foundation over the next four years are as follows:

2012	210,000
2013	280,000
2013	280,000
2014	280,000
Total:	\$1,050,000

The number of on-campus meal plans on file at the midpoint of the fall and spring semesters was 3,006 and 2,816, respectively. Total on-campus meal plans in FY11 increased by 4.58% from the prior year. Total on-campus meal plans were 252 more than budgeted. Off campus meal plans increased from 812 in FY10 to 1,115 in FY11, an increase of 37.3%.

Connections debit account deposits decreased by 9.97% in FY11 to \$2,052,016 compared to \$2,279,290 in FY10. This is likely due to the implementation of our laundry “free play” program. Prior to the fall semester, Connections was the only tender that could be used in the laundry machines. “Free play” has removed this incentive for students to make deposits to their Connections accounts.

Board of Directors and Executive Team

The Board of Directors and membership of ASC were generous with their time and talents during this past academic year. Members of the campus community serving as board members include:

Joanne Barry, President
Jesse Campanaro, Vice President
William Shaut, Treasurer
Mary Kate Boland, Secretary
Jena Curtis, Assistant Treasurer
Greg Sharer, Director
Anne Marie Rossi, Director
Henry Steck, Director
Ashley Aurillio, Director

The 2010-11 Executive Management team was as follows:

Pierre Gagnon, Executive Director
Michelle Brackin, Assistant Executive Director
Jeffrey Johnson, Controller
William McNamara, Director of Dining Services
Terry Cahill, Director of College Stores
Daniel Davis, Director of Facilities, Equipment and Planning

Personnel

ASC welcomed several new managers and professional staff:

Marcie Barden – Supervisor Bookmark
Rick Caballero- Executive Chef
Matt Edwards – Supervisor, College Store – Shop 24
Scott Gilbertson – Supervisor, Essential Services
David McIntyre – Quality Improvement and Training Coordinator
Chris Pecone – Supervisor, Concessions – Poolside
Yan Salcedo – Assistant Dining Manager – Neubig
Robert Sager – Assistant Dining Manager – Corey Union

Quality Initiatives

ASC conducted three separate customer satisfaction surveys this past year.

During the fall semester, we participated in the NACUFS (National Association of College and University Food Services) national survey. This instrument provides valuable insights on customer perceptions and allows comparison to national results as well as a designated set of peer schools. Some of the highlights of that survey are summarized below:

NACUFS Satisfaction Survey			
	Mean Scores		
	ASC	National	Peer Set*
Overall Satisfaction with Dining Services	4.00	3.82	3.85
Taste	4.14	3.83	3.91
Freshness	4.03	3.75	3.85
Value	3.69	3.40	3.46
Variety of Menu Choices	3.89	3.61	3.73
Hours of Operation	3.67	3.79	3.88
Cleanliness – Eating Areas	4.11	4.01	4.09
Availability of Seating	3.75	3.95	4.03
* Peer set: SUNY Albany, SUNY Buffalo, SUNY Oswego, SUNY Potsdam, Holy Cross, Concordia			

This spring, ASC conducted its annual dining services survey which measures customer satisfaction in four main areas: food, service, environment (facilities), and meal plans. The 25-question survey instrument is based upon a rating scale of 1 (very poor) to 10 (excellent). Survey results for the past several years are summarized below.

Dining Survey Summary

Question	2011	2010	2008	2007	2006	2005	2004	2003	Diff
1. Taste of food	7.95	8.04	8.20	8.35	8.19	7.98	7.94	8.10	-0.09
2. Appearance of food	7.82	7.84	8.03	8.21	8.12	7.78	7.89	7.95	-0.02
3. Variety of food	7.30	7.20	7.56	7.66	7.48	7.16	7.06	6.94	0.10
4. Variety of ethnic food	5.70	5.65	6.19	6.27	6.20	5.78	5.80	5.92	0.05
5. Variety of vegetarian food	6.63	6.65	6.85	6.84	6.87	6.58	6.51	6.61	-0.02
6. Hot food served hot	8.32	8.23	8.48	8.64	8.57	8.28	8.22	8.21	0.09
7. Cold food served cold	8.56	8.56	8.65	8.76	8.74	8.54	8.40	8.28	0.00
8. Consistency of food quality	7.82	7.84	8.11	8.31	8.24	7.91	8.13	8.16	-0.02
9. Friendliness of servers	8.08	8.13	8.40	8.44	8.70	8.47	8.47	8.90	-0.05
10. Friendliness of cashiers	8.40	8.65	8.54	8.44	8.69	8.43	8.24	8.79	-0.25
11. Responsiveness of management	8.10	7.97	8.38	8.26	8.32	8.14	8.01	8.42	0.13
12. Appearance of personnel	8.27	8.27	8.45	8.45	8.58	8.38	8.36	8.71	0.00
13. Speed of service- servers	7.79	7.78	8.04	8.10	8.31	8.02	8.09	8.54	0.01
14. Speed of service- cashiers	8.41	8.56	8.52	8.52	8.53	8.27	8.26	8.58	-0.15
15. Consistency of service	8.22	8.22	8.42	8.41	8.53	8.27	8.40	8.60	0.00
16. Appearance of serving area	8.31	8.41	8.45	8.53	8.57	8.47	8.51	8.72	-0.10
17. Appearance of dining area	8.24	8.22	8.16	8.32	8.29	8.34	8.50	8.71	0.02
18. Cleanliness of serving area	8.40	8.52	8.46	8.51	8.62	8.45	8.61	8.81	-0.12
19. Cleanliness of dining area	8.03	8.04	7.97	8.15	8.25	8.23	8.51	8.72	-0.01
20. Room comfort (temperature)	8.30	8.42	8.38	8.48	8.45	8.43	8.36	8.43	-0.12
21. Convenience of hours	7.33	7.32	6.92	7.35	7.13	7.43	7.56	7.59	0.01
22. Overall satisfaction - this facility	8.11	8.12	8.29	8.29	8.12	8.00	8.17	8.33	-0.01
Average: Questions 1-22	7.91	7.94	8.07	8.15	8.16	7.97	8	8.18	-0.03
23. Overall satisfaction - meal plan	7.89	7.94	8.17	8.03	7.72	6.68	7.36	7.37	-0.05
24. Overall value of the meal plan	7.33	7.56	7.95	7.94	7.48	6.64	7.11	7.22	-0.23
25. Overall satisfaction - Dining Services	7.97	7.91	8.18	8.2	7.99	7.69	7.93	8.08	0.06
Average: Questions 23-25	7.73	7.8	8.1	8.06	7.73	7	7.47	7.56	-0.07
Average: Questions 1-25	7.89	7.92	8.07	8.14	8.11	7.85	7.94	8.11	-0.03
Response Counts	722	707	1069	1433	591	1323	508	428	15

Finally, we participated in the NACS (National Association of College Stores) national survey in May of this year. This survey compares satisfaction ratings with rated importance to identify service gaps. Institutional gaps are then compared to industry gaps measured nationwide. Some highlights from this instrument are summarized below.

NACS Survey Highlights

Criterion	Importance	Satisfaction	Gap	Industry Gap
Course materials available when classes start	4.78	4.05	0.73	0.75
Availability of used textbooks	4.73	3.83	0.90	1.16
Confidence that textbooks will be the correct edition	4.73	4.41	0.32	*
Knowledgeable bookstore staff	4.69	4.42	0.27	0.37
Speed of Service during first week of class	4.64	4.09	0.55	0.58
Resolution of problems	4.54	4.34	0.20	0.32
Inviting shopping atmosphere	4.36	4.43	-0.07	-0.11
Adequate number of staff	4.35	4.39	-0.04	0.22
Communication about store special events	4.30	4.29	0.01	0.24
Selection of apparel/insignia items	4.28	4.44	-0.16	-0.43
Speed of service at other times	4.25	4.45	-0.20	-0.21
* New attribute on survey this year. Insufficient data to calculate national average.				

While customer satisfaction surveys are very helpful in assessing our effectiveness in meeting the needs of the campus community, they only provide a snapshot of performance. In order to be truly effective at delivering quality products and services, we must view quality improvement as a continuous process. We took a significant step forward in developing a formal Continuous Quality Improvement program this year with the addition of David McIntyre as our full time Quality Improvement and Training Coordinator. David’s focus this year has been to assist managers to begin continuous measurements of quality indicators in each unit. In addition, he has been engaged in documenting work processes and developing formal training programs in several areas.

Dining Services

Dining Services celebrated Black History Month with a special event in Neubig Dining. Our “Taste of Africa” dinner provided the campus community an opportunity to experience food and culture from across the African continent. The event earned SUNY Cortland a Gold Medal in the Special Events – Residential Dining category for medium schools from the National Association of College and University Food Services (NACUFS).

We completed the first full academic year of accepting credit and debit cards at all dining units. This resulted in \$109,000 in new sales in dining.

This year, Dining Services continued to leverage our investment in our Chef Tech program by beginning monthly inventories in each dining unit. This provides us accurate monthly reporting of cost of sales by unit which has helped us to better monitor and control our food costs. Chef Tech has been expanded to include all recipes in use and will provide nutritional information on all menu items beginning in the fall of 2011. Standardized recipes will allow us to insure consistency and control food costs.

ASC's commitment to the College's sustainability initiatives continued this year. We began composting of organics collected from Hilltop and the Commissary in conjunction with Little York Farms. In addition, we expanded our use of biodegradable products to include the Dragon's Court. Finally, ASC was represented on the SUNY Cortland Climate Action Planning Committee which is expected to release its Climate Action Plan in the near future.

There was work on three capital projects in dining this year:

- We have been actively engaged with our dining consultants, Cini Little, to complete the schematic design of the Student Life Center residential dining facility.
- A redesigned and expanded pay station was installed at Hilltop which has significantly improved service.
- A major kitchen project in Neubig Dining has begun and will be completed over the summer of 2011. This project involves a replacement of all steam equipment to allow the campus satellite boiler project to proceed. In addition, the cook stations were redesigned, several older pieces of equipment will be replaced, and new combi ovens installed. These improvements will significantly enhance our ability to service a very busy dining hall.

Financial results for Dining Services are summarized below:

	Residential Dining	Retail Dining	Catering	Dining Administration	Consolidated Dining
Revenues	\$6,891,539	\$7,404,182	\$609,707	\$0	\$14,905,428
Cost of Sales	1,452,630	2,786,667	156,865	0	4,396,162
Cost of Sales %	21.08%	37.64%	25.75%	N/A	29.49%
Total Labor	886,921*	1,664,260	220,868*	239,121	2,790,302
Total Fringes	368,469	816,222	92,267	64,964	1,341,922
Labor/Fringe %	18.22%	33.50%	51.36%	N/A	29.20%
Other Expenses	729,725	912,507	104,818	70,779	1,817,829
Net Income	\$3,453,794	\$1,222,526	\$34,789	(\$374,865)	\$4,336,244
* Note: Does not include costs of Executive Chefs which are included in Dining Administration					

College Store

In Fiscal 2010-11, the staff of the College Store faced a number of challenges and continued to position the store to meet the evolving needs of our students.

Among the challenges faced this year . . .

- a flood on the first day of rush in the spring semester that resulted in considerable loss of sales
- a rash of textbook thefts by members of the local community (non-student) and additional on campus competition during our buyback season.
- a change in policy by Apple Computers resulted in the loss of a product line that has been very popular with students

In order to provide better in-store service to our students, a Windows based Point of Sale system was installed this year. This completes an upgrade that began last year with the installation of a new inventory control system. Hand-held wireless devices were added to better track inventory. These devices will also be used during rush as 'line-busters' to insure students are able to move through register lines more rapidly.

Beginning in the spring semester, the College Store introduced an in-store textbook rental system in response to increased student interest in this alternative to purchasing. Approximately 100 students took advantage of the program which will be expanded to include more titles for the fall semester.

Sales remained relatively flat compared to last year which we see as good news given the changing landscape in the textbook marketplace. New textbook sales decreased by 2.1% or \$44,298. Sales of general merchandise categories remain strong as the store has adapted marketing practices to better utilize email and social media, such as Facebook, to reach our students.

The most significant addition to the many services offered by the College Store was the introduction of our Shop 24 fully automated convenience store in January. This service was introduced in response to student's requests for an on campus convenience store. With this solution, students are able to make convenience store purchases safely on campus at any time of day or night. We initially experienced several glitches in performance while working out some programming issues, but these have since been resolved and we anticipate improved reliability and increased student activity in the coming year.

Financial results for the College Store are summarized below:

Revenues	\$4,357,605
Cost of Goods Sold	3,131,050
Gross Profit	1,226,555
Expenses	918,920
Net Income	\$307,635

Essential Services

Network Print and Copy Services

ASC operates printing and copy services in partnership with Information Resources (IR). We successfully negotiated a new, one year agreement which better defines roles and provides additional funding to support the program.

This past year, we replaced several printers in a number of buildings. During the fall semester, we encountered several issues with the print management server which led to service disruptions in the labs. Working with IR, we eventually resolved all outstanding issues. We have since developed a strategy for backup printing and will be looking to replace the current print management solution with a more reliable system in the coming year.

Laundry Services

We completed the first full year of our laundry “free play” model. Under this plan, on-campus students are assessed an additional fee under their board plan to cover the cost of laundry services. This assessment is being phased in over a three year period with the final \$15/plan increase due with the FY2012-13 plan year. Residential Services advises us that this change has been extremely popular with our students.

Vending Services

We began the first year of our ten year pouring rights agreement with Coca Cola this year. As part of this agreement, several older vending machines were replaced. Next Generation continues to provide snack vending services. Total vending commissions earned for the year were \$60,512.

Microfridge & Safe Rentals

We continue to operate the Microfridge and safe rental program which generated \$10,720 in revenues for the year.

Raquette Lake

Last year, we were approached by a party interested in purchasing our Antlers property at Raquette Lake. This information was presented to the President’s Cabinet, and with their advice and consent, we entered into negotiations to determine whether a sale could be completed while still meeting the needs of the Outdoor Education Program at Raquette Lake. During this process, several stakeholders expressed their deep concerns that a sale of Antlers was not in the best interest of the campus in the long run.

In response to this feedback, President Bitterbaum asked the ASC Board of Directors to suspend any decision on a potential sale of Antlers pending a review of the matter. A task force was established (The Center for Environmental and Outdoor Education Task Force) which conducted its work over the course of the academic year. Michelle Brackin represented ASC as a member of that group. We are awaiting a review of their findings and direction from the President’s Cabinet.

Operations at Huntington generated net revenues of \$18,014 while operations at Antlers generated net losses of \$70,114. Overall, ASC incurred losses of \$52,101 from its operations at Raquette Lake.

Off-Campus Partnerships

The number of off-campus partners increased by 3 to a total of 17 partners. This program allows students to use their Connections dollars at eateries in the Cortland area. ASC receives a commission on each sale. Total commissions received increased by 10.6% from \$22,174 in FY2010-11 to \$24,521 for this year.

For the first time this year, we allowed our off-campus partners to make deliveries to campus and accept Connections as payment.

Accounting and Finance

Work began on a major renovation of the ASC Offices in Neubig Hall. The accounting and ID offices were temporarily relocated to surge space in the former Caleion Room. The renovation project includes replacement of windows, asbestos abatement, improvements to the HVAC system and construction of new spaces to improve work flow.

Several new internal controls were introduced to better monitor cash handling in all units. This was coupled with extensive training for cashiers to insure consistent implementation of best practices between units. As part of these procedures, random cash drawer audits are now conducted on a regular basis. In addition, accounting staff began tracking of inactive Connections and Gift Card accounts as well as financial aid payments by student.

Human Resources

ASC designated an additional \$12,775 towards its postretirement benefit obligation. The actuarial postretirement benefit cost at year end was \$846,331.

New policies were developed and approved by the Board of Directors governing pension and education reimbursement, telecommunication, employee meals, and professional and ethical work performance.

We completed a competitive review of our employee benefits brokerage services which resulted in consolidating all ASC insurance services with Austin & Company.

A comprehensive external wage study for Non-Bargaining Unit Positions was completed. This involved developing a process to evaluate positions internally to effectively determine compensation based on skills and responsibilities.

We reopened the CSEA union contract and negotiated an increase in wages and changes in schedules and trial periods. The new wage structure will help us with recruitment and retention while the schedule and trial period changes will provide us with more operational flexibility.

We made significant strides in improving communications with our employees. A new digital messaging system employing digital picture frame technology allows us to share relevant information with our staff at each time clock. In addition, we launched a Facebook page for student employees to find substitutes that was amazingly successful.

Our Safety Committee reinstated Internal Safety and Sanitation Audits, consolidated our MSDS program, and implemented changes to our procedures for the disposal of hazardous bodily fluid material.

Facilities, Equipment and Planning

The Facilities, Equipment and Planning department coordinated the Neubig office renovation and Shop24 projects and completed the recent Neubig kitchen improvements. In addition, the director has been actively involved in reviewing the Student Life Center dining facility designs.

Several pieces of equipment were replaced throughout the year. As part of our ongoing sustainability efforts, all new acquisitions were reviewed for “Energy Star” rating and NYSERDA compliance.

Staffing has remained stable in both the Maintenance and Janitorial areas. This was the first full year of operation following restructuring of the department in FY10. The changes have resulted in significantly lower operating costs and improved efficiencies.

All members of the Maintenance department recently completed the OSHA 10 hour course.

Executive Management Team Annual Reports

Annual reports from each member of ASC’s executive management team are included in this report as appendices. The reports are presented as submitted to the Executive Director.

Divisional Area	Submitted By	Appendix
Asst. Executive Director (HR)	Michelle Brackin	A
Dining Services	Bill McNamara	B
College Store	Terry Cahill	C
Accounting & Finance	Jeff Johnson	D
Facilities, Equipment, Planning	Dan Davis	E

Acknowledgements

I would like to extend my thanks to members of the ASC executive team and managers for their efforts and continued support. I would also like to thank Annette O’Hara for her

efforts as she continues to coordinate all Board activities, assists me on a daily basis and brings her creative talents to our marketing program.

We could not accomplish all that we do without a truly dedicated and highly motivated work force. Our employees are second to none and we greatly appreciate all that they do to provide outstanding service to our students, faculty and staff.

Finally, we would also like to express our sincere appreciation to the ASC Board of Directors and the Bylaws, Finance, Operations and Personnel committees for their support and leadership throughout the year.

Appendix A

Assistant Executive Director's Annual Report 2010-2011

1. Created direction and development for the new Quality Improvement and Training Coordinator role within the organization
2. Researched, developed, and communicated policies regarding pension and education reimbursement including corresponding documents including the plan document, summary plan description, benefit summary, and employee handbook
3. Updated Employee Handbook polices for Telecommunication and Employee meals, and Professional and Ethical Work Performance
4. Completed competitive review of our Employee benefits broker services, which resulted in consolidating all ASC insurance broker services with Austin & Company
5. Completed a comprehensive external wage study for Non-Bargaining Unit Positions. Created a process to evaluated NBU positions internally to effectively determine compensation based on skills and responsibilities
6. With staff, documented a retention schedule for all human resources and payroll documents and files. A significant purge of old documents took place
7. Spread headed the transition of the product mix and order process for Hugs from Home
8. Served as a member of the Center for Environmental and Outdoor Education Task Force, College for Change, and the SUNY Cortland Labor Management Environment Health and Safety Committee
9. Reopened the CSEA Union contract to provide an increase in wages and changes in schedules and trial periods
10. Lead the ASC Marketing Committee to transition to Constant Contact for email distribution. Organized a professional photo shoot for all ASC locations. Launched a Dining Services web page to market to students
11. Developed digital picture frame program to effectively deliver employee information.
12. Launch a Facebook page for student employees to find substitutes that was amazingly successful
13. Chaired ASC Safety Committee to reinstitute Internal Safety and Sanitation Audits, consolidation of MSDS program, and changes to the disposal of hazardous bodily fluid material

Appendix B

Annual Report Dining Services FY 2011

Operations:

- Increased off campus partners by 2 (16 total). Added delivery option. Increased ASC gross profit 28.7%.
- Participated in NACUFS benchmarking Survey and ASC survey – showing above national and regional averages on the NACUFS survey as well as an increase from last year to this year in most all categories.
- Successfully reprogrammed the micros cash registers and implemented/documentated a programming procedure
- Serviced the NYJETS training camp food needs including player, coach, media, hospitality meals. In addition, concessions.
- National GOLD medal – Neubig’s “Taste of Africa”. This event was collaboration with the Africana studies department and held during Black History week.
- Implemented and used monthly chef tech inventory reporting
- Implemented and used vendor interfaces for pricing and inventory items
- Catering recreated “Carmines NYC restaurant” as a theme for the Partner in Leadership dinner
- Input all ASC recipes into chef tech recipe management system for standardization and costing
- Implemented Safety and sanitation audits - conducted each semester
- Collaborated on:
 - Student Manager program
 - Employee training
 - Quality measures

Capital Projects:

- Planning and development phase of the SLC
- Neubig Kitchen equipment
- Hilltop cashier station

Financial Measures:

- Catering
 - Catering Cost of Goods reduced from 26.6% in FY10 to 25.7% in FY11
 - Catering Labor held at 36.2% of sales
 - 13.4% decrease to the bottom line
- Dining YE
 - Cost of goods - \$4,328,439.05
 - Labor - \$3,305,893
 - Overall bottom line - \$3,519,340

Key Hires:

- Rob Sager – Corey asst. mgr.
- Rick Caballero – Catering Chef
- Yan Salcedo – Neubig asst. mgr

Greening:

- Created composting program with Little York Farms
- Presented ASC sustainability initiatives and successes during sandwich seminar on Earth Day
- Began using compostable product in Corey Union operations

Department Training and Development:

- Attended NACUFS Regional
 - Director of Dining, Bill McNamara
 - Executive chef, Kelley Neville
 - Catering Manager, Megan Munson
- Attended NACUFS National
 - Director of Dining, Bill McNamara

Appendix C

College Store Annual Report Fiscal Year 2010/2011

In Fiscal 2010/2011 the staff of the College Store faced a number of challenges and also continued to position ourselves to meet the evolving needs of students.

Among the challenges we experienced in the past year were; a flood on the first day of Rush in the Spring Semester that resulted in considerable loss of sales, a rash of textbook thefts by members of the local community (non-student) and additional on campus competition during our buyback season. In addition, we, along with numerous other college stores of a similar size, were “downsized” by Apple Computer Company resulting in the loss of a product line that is very popular among students.

In order to provide better in-store service to our students, we installed a windows based POS system this year that complements the windows based inventory system that we installed last year. Along with this improvement we introduced hand-held wireless devices which we use to better track inventory and also will be used during Fall Semester rush as ‘line-busters’ to insure students are able to move through register lines more rapidly.

Beginning in the Spring Semester, the College Store introduced an in-store textbook rental system in response to increased student interest in this textbook option. We started with a handful of titles and marketing in store only in order to test and assess our system before offering it on a large scale. We had a positive experience with about 100 students opting to rent and based on this we will be increasing rentals in the fall of 2011 in order to extend this option to as many students as would like to take advantage of it.

In a climate of increased competition in all areas of our operations, the College Store’s sales remained relatively flat to last year which we see as good news when many other comparable college stores experienced dramatic decreases in sales, particularly in textbooks. Our General Merchandise categories have maintained strong sales and have been helped by moving our marketing practices away from the general email blast to a more targeted email audience as well as making better use of social websites such as Facebook.

The most significant addition to the many services the College Store offers was the introduction of Shop 24, the 24 hour fully automated convenience store. This service was introduced in response to student’s requests for an on campus

convenience store. With this solution, students are able to make convenience store purchases safely on campus at any time of day or night. We experienced several glitches in performance while working out some programming issues but these have been solved and we anticipate much increased student activity in the coming year.

In the spring, the College Store conducted a customer survey and found that students and others in the SUNY Cortland community were pleased with both the selection of goods we offer, and the service provided by our staff. In the coming year we look to increase the variety of services we offer as well as to determine how best to meet the needs of our students in a rapidly changing environment.

Appendix D

AUXILIARY SERVICES CORPORATION

SUNY Cortland

MEMORANDUM

TO: Pierre

FROM: Jeff

DATE: June 2, 2011

RE: Tasks completed by ASC admin office in the past 12 months

- Admin staff did another great job creating a welcoming atmosphere for new students and their parents during a flawless Opening and Orientation.
- Timely completed the annual FY10 audit and subsequent reporting to Albany.
- Timely completed the FY12 budget using a revised accounting structure and submitted to Albany.
- Continued the process of updating internal control policies & procedures to comply with I.R.S. and SOX regulations.
- Continued the ongoing office staff duties reorganization and paper use & cost control measures.
- Implemented several internal audit procedures including cash control and cash drawer audits.
- Implemented tracking of inactive Connection and Gift card accounts.
- Developed and implemented a new ASC charge system for large dining groups visiting campus.
- Implemented meal plan and bookstore financial aid tracking by person.
- Assisted the New York Jets with ID cards and associated campus activities & services.
- Various Admin staff actively participated on the following committees:

- SUNY Cortland Parking Committee-writing recommendations to the FPMOC to ease campus parking problems
- Strategic Plan committee
- ASC Marketing Committee
- ASC Brochure Design Committee

Appendix E

ASC Corporation – Annual Report – Facilities, Equipment, and Planning - 2011

Capital Projects:

- ASC Main Office Renovation – The ASC Main Office in Neubig Hall has had cosmetic renovations performed over the years, but, essentially has been the original configuration since the building was completed in 1958. Working with an architect and the SUNY Cortland facilities department, a comprehensive design was developed which included asbestos abatement, a new store front window system, carpet, finishes and systems furniture along with new lighting and the addition of a large conference room space.
- SHOP 24 - The installation of ASC’s new automated vending kiosk required electrical, data, and concrete work to prepare the site for the unit’s installation.
- Neubig Hall – New Kitchen Equipment – Neubig Hall Dining underwent a utility upgrade in preparation for new cooking equipment that was partially installed before the end of the budget year.

Facilities/Maintenance:

- Maintenance Department – The maintenance department has remained stable as far as staffing, and, has focused on tracking work order completion along with measuring the performance of the systems as work is completed. The Maintenance Department completed the OSHA 10 hour course and found the information learned helpful in many areas of our operation.
- Janitorial Department - The janitorial department has remained stable as far as staffing, and, has worked to simplify the amount and types of chemicals being used along with implementing a process for the units to order chemicals from the Commissary.

Equipment:

- Miscellaneous Equipment - Many smaller pieces of equipment throughout the dining units to build reliability into the operation. Additionally, all new equipment purchased was “Energy Star” rated and “NYSRDA” researched for compliance.
- Camp Huntington – Dishwasher Replacement - The dishwasher at Camp Huntington was replaced with a new model.

Planning:

- Future Projects – Neubig ASC Main Office Renovation Completion, Install the balance of the New Neubig Equipment, Replace Exhaust Fan at Raquette Pizza, Replace Pass Through Heated Cabinet at Raquette Pizza, Replace Griddle at Dragon’s Court. Continue involvement in the planning for the New Dining Facility.

Development – By providing appropriate equipment and monitoring work schedules along with providing more comprehensive directive to reduce assignment anxiety, the Maintenance

and Janitorial Departments will be afforded training opportunities to keep them current with industry standards.