



Auxiliary Services Corporation

Annual Report

Fiscal Year 2003-04

A collage of images and text promoting dining services. At the top left, the word 'Sushi' is written in a green, cursive font above several pieces of sushi. To the right, a sign reads 'Coming Soon The Bookmark Library Cafe' in green and red text. Below this, a blue sign with white and red text says 'GET FREE FOOD - THAT'S RIGHT... FOOD FOR FREE FROM US TO YOU.' and 'Here's how it works. \$500 or more in your account by Friday... 50 dining spending points at any one of our dining facilities. There you go - FREE FOOD!'. To the right of the sign is a 'Dell' logo with the text 'Easy as Dell'. The bottom section features several group photos: one of staff in red shirts for 'Cortland Dining Open House '04', one of staff in white shirts and red hats, one of staff in yellow shirts, and one of staff in red shirts and green skirts. At the bottom, a purple banner contains the text 'The FISH!™ Philosophy' with yellow fish icons.

AUXILIARY SERVICES CORPORATION FY04 ANNUAL REPORT

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2003-04 Board of Directors

| | | | |
|-----------------|----------------|----------|----------------|
| President | Joanne Barry | Director | Matthew Barone |
| Vice President | Danielle Vegas | Director | Julie Lenhart |
| Secretary | Raymond Franco | Director | Meg Nowak |
| Treasurer | William Shaut | Director | Henry Steck |
| Asst. Treasurer | Eunice Bang | | |

2003-04 Management Team

| | |
|--------------------------------------|---------------------|
| Executive Director | Dana Wavle |
| Controller | Eugene Cvik |
| Executive Administrative Assistant | Craig Biviano |
| Human Resources Manager | Michelle Brackin |
| Director of Dining Services | William McNamara |
| Director of College Stores | Emily Gray |
| Assistant Director of College Stores | Edward Lenkiewicz |
| Book Department Manager | David Brower |
| Convenience Store Manager | Georgian DeForest |
| Marketing Specialist | Christine Applegate |
| Maintenance Manager | Michael Tubbs |
| Unit Manager, Corey Union | Judy Haese |
| Unit Manager, Corey Union | Dixie Latimer |
| Unit Manager, Commissary | Steve Hammond |
| Unit Manager, Old Main & Creamery | Carole Lathrop |
| Unit Manager, Neubig Hall | E. Scott Jackson |
| Unit Assistant Manager, Neubig Hall | Helena Winchester |
| Unit Manager, Poolside, Concessions | Nancy Hartford |
| Unit Manager, Raquette Lake | Dan Kelly |
| Unit Manager, Campus Catering | Kathy Scheffler |
| Assistant Manager, Campus Catering | Marty Haugh |

2003-04 Supervisors

| | | |
|------------------|----------------------|-------------------|
| Bryan Booth | Debra Grant-Maarberg | Darleen Schmidt |
| Barbara Brong | Kathy Homan | Brenda Scutt |
| Mary Beth Coats | Nancy Lieber | Chrissy Stevens |
| Jaqueline Conger | Matt Mahoney | Brenda Tario |
| Jane Corsi | Leatha Mikitiuk | Michelle VanAuken |
| Virginia Dehner | Douglas Nadge | Gordon Watrous |
| Robert Evans | Rosemary Russell | Leslie Zogg |

ASC Mission Statement

ASC, a not-for-profit corporation, provides campus dining services, college stores, vending and other essential auxiliary services to the students, faculty, and staff of SUNY Cortland. It is our goal to provide excellent service and exceptional value in a caring and professional manner, and to meet or exceed the needs and expectations of our diverse customer community.

We believe that students come first at SUNY Cortland.

We manage our affairs in accordance with sound, ethical and economic business principles and strive for continuous improvement in all areas of our responsibility. Recognizing that our employees are our greatest resource, we invest in their personal and professional development as well as in the facilities and technologies that will ensure the highest quality of service.

We, the staff, management, and directors of the Board are committed to fulfilling our responsibilities in partnership with the College, to promote the quality of student life, and to support the educational goals and mission of SUNY Cortland.

General Accomplishments

- Continued to revitalize and activate ASC's Core Values to create a sense of purpose and mission for all ASC employees.
- Continued to improve the relationship between ASC management and CSEA Local 631, based upon (1) the productive and cooperative nature of labor-management meetings, and (2) the progressive interaction between the two parties when special situations arise (such as grievances, MOA's, and labor agreement addendums).
- Conducted a variety of bids to reduce acquisition costs and improve service levels (paper, food, chemicals, bags, equipment, capital projects, etc.).
- Continued to support and advance the College's mission at Raquette Lake by funding the Assistant Director of Outdoor Education position in FY04 and FY05.
- The ASC Board of Directors increased the program grant pool from \$130,000 in FY04 to \$140,500 in FY05. The increase was based upon the projected need for additional funds to support presidential outreach initiatives and other growth-related programs in the upcoming year.

DIVISIONAL REPORTS

| |
|------------------------|
| DINING SERVICES |
|------------------------|

ASC prides itself on providing the highest quality of dining services to the campus community. In FY04, ASC operated eleven dining units: Dragon's Court, Raquette Pizza, Dunkin' Donuts, Crossroads Café, Neubig Dining Center, Dragon's Den, Colloquium Room, Creamery, Poolside, Caleion Room, and Campus Catering. The following table summarizes dining unit sales for the twelve months ended 6/30/04, compared to the prior year:

| Dining Unit | FY04 Sales | FY03 Sales | % Variance |
|---------------------------|--------------------|--------------------|-------------------|
| Neubig | \$1,696,000 | \$1,592,700 | +6.5% |
| Dragon's Den | 467,400 | 454,800 | +2.8% |
| Dragon's Court/Raq. Pizza | 3,364,900 | 3,240,700 | +3.8% |
| Creamery | 839,100 | 766,700 | +9.4% |
| Colloquium Room | 39,700 | 41,900 | -5.3% |
| Campus Catering | 541,900 | 419,100 | +29.3% |
| Caleion Room | 36,400 | 20,700 | +75.8% |
| Crossroads Café | 27,100 | 28,100 | -3.6% |
| Dunkin' Donuts | 613,300 | 566,500 | +8.3% |
| Poolside | 166,200 | 164,600 | +1.0% |
| Miscellaneous/Concessions | 46,500 | 56,600 | -17.8% |
| TOTAL | \$7,838,500 | \$7,352,400 | +6.6% |

The following table summarizes the number of meal plans on file as of 12/01/03, compared to the prior year:

| Fall Meal Plans | FY04 | FY03 | Variance |
|------------------------|--------------|--------------|-----------------|
| Flexplan | 905 | 819 | +86 |
| Flexplan Plus | 224 | 225 | -1 |
| Declining Balance | 1,173 | 1,159 | +14 |
| Declining Balance Plus | 230 | 251 | -21 |
| Major League | 4 | 6 | -2 |
| Core Plan | 1 | 6 | -5 |
| TOTAL | 2,537 | 2,466 | +71 |

The following table summarizes the number of dining plans on file as of 5/01/04, compared to the prior year:

| Spring Meal Plans | FY04 | FY03 | Variance |
|--------------------------|--------------|--------------|-----------------|
| Flexplan | 888 | 792 | +96 |
| Flexplan Plus | 173 | 157 | +16 |
| Declining Balance | 1,091 | 1,099 | -8 |
| Declining Balance Plus | 183 | 189 | -6 |
| Major League | 6 | 2 | +4 |
| Core Plan | 3 | 0 | +3 |
| TOTAL | 2,344 | 2,239 | +105 |

ASC Dining Services Survey

During the fall semester, we conducted the ASC dining services survey, which measures customer satisfaction with 23 service attributes on a scale of 1 (very poor) to 10 (excellent). The results of the 2003 survey are summarized in **Attachment A**. We are pleased to report that our aggregate rating increased from 7.79 in 2002 to 8.12 in 2003. This is the first time we achieved a rating over 8, with increases in every service attribute. Overall, our customers appear to be very satisfied with our current dining services program. We congratulate the entire Dining Services division for achieving unprecedented levels of customer satisfaction in FY04.

Dining Services Master Plan

On March 19, 2004, Porter Consulting Worldwide delivered and presented a comprehensive dining services master plan to representatives of the Operations Committee, Board of Directors, and ASC management. This presentation was the culmination of six months of market research that included surveys, focus groups, meetings, conference calls, data analysis, and strategic planning. The following three bullets from Porter's presentation provide a general assessment of ASC dining services:

- Both Porter & NACUFS research showed that customers are very satisfied with ASC service and employees.
- Satisfaction is based upon the following factors:
 - Friendly, accommodating staff
 - Multiple dining locations
 - Take-out food is available at all dining locations.
 - Vegetarian options
 - Flexible meal plans
 - Extended hours of operation
 - Faculty/student interaction
 - 85% faculty and staff participation rate
 - Customer-friendly retail brands
- Meal Plans:
 - 80.7% of overall respondents agreed or strongly agreed that the current selection of meal plans offers flexibility and meets their lifestyle needs.
 - 63.1% of overall respondents agreed that the current meal plans are a good value.
 - 76.7% of overall respondents agreed that the current hours of operation allow them to use their meal plan when they want to.

We will continue to review and use Porter's final report as we look to the future of dining services at SUNY Cortland. A hard copy of the report and the corresponding PowerPoint presentation are on file and available in the ASC office in Neubig Hall.

NACUFS Northeast Regional Conference 2004

ASC, representing SUNY Cortland, co-hosted the NACUFS Northeast Regional Conference at Syracuse University in March 2004. Our first planning meeting was held in 2002, and the Cortland team worked continuously with Syracuse University and SUNY Oswego to assemble and coordinate numerous logistical details. The Cortland team focused primarily on the registration process. Dana Wavle and Chris Applegate presented an interest session entitled "Growing Vegetarian" (featuring the Veggie Patch). The conference was a huge success, based upon the feedback we saw on the

NACUFS list serve. Congratulations to the entire Cortland team for doing a great job and for working tirelessly to represent SUNY Cortland at one of the best regional conferences NACUFS has seen in the Northeast!

Other Accomplishments and Activities

- Reopened the Caleion Room after two years of closure in response to feedback from the campus community. Prior to its closure, the Caleion Room provided tableside lunch service to the campus community for 33 years.
- Created The Veggie Patch and introduced Jump Asian Cuisine in 2003. Both service concepts were in response to poor survey ratings in the vegetarian and ethnic categories. As a result of these and other dining programs and initiatives, our internal survey ratings increased from 7.65 in Fall 2001 to 8.12 in Fall 2003, with notable increases in the following categories: variety of ethnic food (17% increase), variety of vegetarian food (14% increase), and overall satisfaction with meal plan (15% increase).
- Directed the implementation of special dinners and promotional events in 2003 to improve meal plan utilization and menu variety.
- Implemented monthly business review meetings for the Campus Catering department to identify opportunities for improvement and implement positive changes in a careful, thoughtful, and deliberate manner. In 2002-03, we suspected that we had an internal control exposure related to our cash bar operations. In July 2003, we redeployed our Micros 2700 cash registers in catering and implemented new cash control procedures. As of May 31, 2004, cash bar revenue is \$12,000 with registers, compared to \$4,700 without registers. The results of the implementation of internal controls appear to be conclusive, especially given the fact that this year's events are comparable to last year's events. We will continue our work with Campus Catering in 2004-05.
- SUNY Cortland's first freshman convocation was held on August 25, 2003. The event went very well from ASC's standpoint. We served approximately 1,200 students, faculty, and administrators in about 20 minutes.

Bill McNamara, Director of Dining Services, submitted the following list of additional accomplishments and notable activities for FY04:

Financial:

Following services went to bid:

- Paper: changed vendors from Johnston Paper to Maines
- Milk: changed vendors from Byrne to Upstate Farms
- Eggs: changed vendors from Merrifield Farms to Maines
- Chemicals: changed vendors from Johnston Paper to Maines
- Paper, chemicals, and eggs all switched to Maines to improve acquisition costs, quarterly and yearly rebates, and service levels. Maines included a \$10,000 up-front rebate for a two-year commitment on the paper business.

Other:

- Worked with Campus Catering to understand and identify the underlying reasons for this department's financial performance over the last five years and beyond.
- Reviewed and modified the non-bargaining unit staffing plan in selected areas to improve efficiency, productivity, and financial performance.

Services:

- WebFood: introduced to Raquette Pizza and the Caleion Room.
- Caleion Room: introduced a new menu to increase participation and to create a different environment.
- Continued and expanded special dinners and promotions in all dining locations.
- Formed a relationship with Country Inn Suites for off-campus catering.

Production:***New in-house products introduced:***

- Granola cups, dried fruit mixes, yogurt parfaits, gourmet sandwiches, grab and go salads, rice krispie treats, low-carb breads, and specialty breads.

Value Added:

- Introduced new international and native American foods (sushi, Indian)
- Frozen smoothies, bottled smoothies
- Themes and décor for Campus Catering functions
- Meal deals
- New summer session meal plan featuring “all you care to eat” dinner
- Introduction of STARBUCKS
- Increased distribution of Veggie Patch throughout campus
- Increased the frequency of special dinners from one per month to two (chicken BBQ, steak dinners, seafood dinners, prime rib special, etc.)
- Implemented a Lean Cuisine program at Neubig

Programs:

- Introduced Dunkin’ Donuts espresso beverages (in conjunction with chain-wide implementation)
- Assisted with revision of selected marketing brochures (Hugs, Dining)
- National Nutrition Month – onsite presentations
- First annual food fair at Dragon’s Court

People-Related Projects and Activities (new and ongoing):

- Implementation of FISH philosophy and ongoing FISH activities
- Assisted with service awards dinner in May 2004
- Perfect attendance program(s)
- Supported organizational efforts to create “team environment”
- Started the search process for two managers (1 retirement, 1 resignation)
- Held regularly scheduled managers meetings

Development:

- Porter Study (Dining Services Master Plan)
- Brockway design and development
- Bookmark Café

COLLEGE STORES

The following table summarizes major category sales and textbook prepacks for the twelve months ended 6/30/04, compared to the prior year:

| Category | FY04 | FY03 | Variance |
|--------------------------|--------------------|--------------------|-----------------|
| Text & Trade Books | \$2,545,800 | \$2,240,600 | +13.6% |
| Soft Goods / Apparel | 607,800 | 604,400 | + .6% |
| Computer & Electronics | 340,900 | 348,500 | -2.2% |
| Academic Supplies | 107,400 | 111,400 | -3.6% |
| Gifts & Greeting Cards | 158,200 | 156,800 | + .9% |
| C-Store | 319,600 | 329,900 | -3.1% |
| Other | 109,800 | 108,700 | +1.0% |
| TOTAL | \$4,189,500 | \$3,900,300 | +7.4% |
| | | | |
| Textbook Prepacks Fall | 1,600 | 1,300 | +23.1% |
| Textbook Prepacks Spring | 735 | 640 | +14.8% |

Customer Satisfaction Survey

During the spring semester of 2004, the College Store conducted its bi-annual customer satisfaction survey created by the National Association of College Stores. A total of 596 usable surveys were returned in 2004, compared to 465 usable surveys in 2002. 48% of this year's surveys were collected online, whereas 2002's survey was entirely paper-based. The survey results are summarized in the table below. The bolded lines highlight notable trends and ratings. Once again, our college store staff received high ratings in the "warm and friendly" and "knowledgeable" categories. All of our main textbook categories are in line with or better than industry averages (no industry data available for prepack service and bonus bucks).

| <u>General Customer Trends and Preferences</u> | <u>2004</u> | <u>2002</u> |
|-------------------------------------------------------------------|--------------------|--------------------|
| | | |
| % of students who generally buy textbooks at College Store | 74.2% | 69.5% |
| % of students who generally sell textbooks to College Store | 69.7% | 63.6% |
| % of students who use posters/signs as information source(s) | 47.4% | 54.4% |
| % of students who use e-mail as information source(s) | 65.6% | 43.0% |
| % of students who have purchased textbooks from internet | 12.5% | 3.9% |
| | | |
| <u>Customer Satisfaction Ratings (1=Low to 5=High)</u> | <u>2004</u> | <u>2002</u> |
| | | |
| Textbooks available when classes start (2004 industry = 3.72) | 3.79 | 3.87 |
| Communication about arrival of textbooks (2004 industry = 3.54) | 3.65 | 3.65 |
| Availability of used textbooks (2004 industry = 3.43) | 3.65 | 3.63 |
| Convenience of selling back textbooks (2004 industry = 3.44) | 3.45 | 3.47 |
| Competitively priced textbooks (2004 industry = 3.07) | 3.20 | 3.18 |
| Satisfaction with prepack service | 4.05 | 3.74 |
| Fair prices when selling back textbooks (2004 industry = 2.64) | 2.59 | 2.72 |
| Bonus Bucks at Buyback | 3.41 | --- |
| Warm and Friendly bookstore staff | 4.01 | 4.02 |

| | 2004 | 2002 |
|-----------------------------------------------------|-------------|-------------|
| Knowledgeable bookstore staff | 4.05 | 4.08 |
| Adequate number of staff on hand | 4.08 | 4.05 |
| Speed of service first week of classes | 3.86 | 3.81 |
| Speed of service (non-rush) | 4.11 | 4.03 |
| Resolution of problems | 3.98 | 3.90 |
| Responsiveness to special orders/requests | 3.88 | 3.92 |
| Fair refund/exchange policies | 3.67 | 3.63 |
| Convenient store hours | 3.72 | 3.67 |
| Selection of general and reference books | 3.88 | 3.86 |
| Selection of school supplies | 4.03 | 4.10 |
| Selection of apparel/insignia items | 4.08 | 4.09 |
| Selection of computer products/software | 3.81 | 3.90 |
| Selection of non-insignia gifts, cards, and posters | 4.08 | 4.05 |
| Ease of locating items | 4.16 | 4.11 |
| Attractive displays | 3.98 | 3.98 |
| Helpful in-store signs | 3.97 | 3.93 |
| Pleasant shopping atmosphere | 4.11 | 4.08 |
| Convenient location | 4.19 | 4.05 |
| Convenient parking | 2.63 | 2.56 |
| Good source for "one-stop shopping" | 3.65 | 3.63 |
| Competitive prices overall | 3.07 | 3.08 |
| Communication about store special events | 3.87 | 3.77 |
| Store involvement in campus activities | 3.66 | 3.46 |
| Good value compared to competition | --- | 3.22 |
| Efficient and pleasant telephone service | --- | 3.86 |
| Store's web presence | 3.95 | --- |

Emily Gray, Director of College Stores, submitted the following list of additional accomplishments and notable activities for FY04:

- Increased consolidated sales by 7.4%, which includes 13.6% increase in text and trade books.
- Reduced regular full-time staff expenses through attrition and partial year layoff, reducing payroll and the % of benefits to payroll. Freed up monies to help fund ASC Systems/Network Administrator position.
- Came in \$1,000 under budget on overtime, reducing FY04's total by \$5,000 compared to FY03.
- Reduced travel and educational expenses to improve financial performance.
- Managed to end FY04 with other operating expenses in line with budget (excluding administrative allocation). Researched bag prices and obtained for next year the quality of bags we need at the lowest possible price.
- Continued to reduce freight costs through use of NACS freight program.
- Improved gross profit in the soft goods category through excellent buying, purchase of manufacturers' closeout items at low costs, systematic periodic markdowns during the year, negotiating for credits or deep discounts on damaged, incorrect orders and product shortages.

- Increased FY04's "bottom line" net excess revenue for the College Stores by \$34,600, compared to FY03.
- Fully implemented storewide computerized inventory management program. Installed new Windows POS server.
- Continued to increase used book buyback volume and used book percentage of total text sales, resulting in increased overall text sales, a higher margin and customer satisfaction.
- Increased number of buyback bonus bucks issued and redeemed.
- Increased number of prepacks to record level of 1,600 for fall semester, in large part due to promotion of online option.
- Initiated buyback of prepack boxes to reduce cost of boxes and recycle and reuse them for following semester.
- Improved relations with our main text competitor, improving service to our customers while increasing our market share.
- Better managed textbook inventory, watching order quantities, soliciting and receiving more requisitions from faculty by due date, obtaining more used books, getting books on shelves by first day of classes, having fewer out of stocks, getting returns to vendors done before time limits expire, and selling off obsolete inventory before it decreases to no value.
- Continued campus outreach initiatives to improve and strengthen relationships with faculty, staff, and administration.
- Reduced number of vendors and SKU's for clothing, gifts, and supplies.
- Decreased inventory and markdowns, improved turns, increased margins, and achieved higher return on investment.
- Completely re-merchandised general merchandise sales floor including trade books, supplies, clothing, gifts, electronics, cards and posters, making sales floor more spacious, convenient and pleasant to shop, and maximizing impulse purchases. Made electronics dept. more self-service oriented and cross-trained staff to assist customers with simple electronics questions. Acquired new CD and DVD fixtures to update dept. appearance and changed product mix to more DVD's & fewer CD'S.
- Held many successful promotions, including FISH promotions, Customer Appreciation Week, Cortaca Jug Guess the Score contest, 12 Days of Christmas, Grad Finale, Halloween Pumpkin Decorating Contest and Admissions Open House.
- Improved and streamlined off-site sales events procedures and operations.
- Hosted a successful 2nd annual Grad Finale which received very high ratings by attendees.
- Worked to implement the FISH Philosophy for the purpose of improving customer service and employee morale.
- Improved College Store marketing program in conjunction with the "Get Connected" theme, including improved brochures and web pages, more College Store information in the summer orientation PowerPoint presentation, hosting information tables at open houses and orientations, adding a computer table adjacent to Administrative Computing during Open House, and giving out imprinted refrigerator magnets at the above events. Got word out earlier to prospective students and their parents about our computer sales.
- Improved floor layout and product mix at C-Store. Implemented marketing program with monthly specials, e-mails, and posters. Increased sales of Freshens Smoothies.

- Formed partnership with Dining Services and F&T Distributors for the upcoming year to develop a comprehensive plan for the C-Store, with the goals of increasing retail sales, obtaining rebates, offering and distributing coupons, having a food fair, getting advertising and marketing help from vendors, etc.
- Partnered with Dining in having them sell some of our goods at off-site event concessions, thus benefiting both divisions.
- Conducted NACS Customer Satisfaction Survey both online and on paper during spring semester to learn what our customers want and to benchmark against 2002 survey results.
- Strengthened our partnership with Dell, adding 3 new programs for the coming year: a new buying option, new delivery and setup by certified Dell technicians, and a new Dell provided optional additional desktop support plan.
- Requested and received almost \$2,500 in coop monies from vendors for events such as Admissions Open House and Return to Work Day, helping to reduce advertising expenses.
- Arranged for year-end vendor review meeting with Nebraska Book Company.
- Continued staff training and development, including hiring and training new textbook and clothing/gift department staff.
- Continued learning about new products and best practices through reading articles, joining association list serves, attending professional meetings and buying shows. Emily attended SASA meeting with Dana and Super Regional. Ed attended Super Regional and D & H Buying Show.
- Visited stores, heard presentations, and spoke with store managers and consultants to begin preliminary renovation planning.
- Emily served on CSANYS Board of Directors and was elected Vice President (and President-Elect). She is also chairing the Membership Committee. She served on the Super-Regional Education Committee this past year. Emily and Ed both served on educational panels at the Super Regional and received excellent survey ratings for their sessions.
- Georgie DeForest, C-Store Manager served on the NACUFS program committee helping to plan and host the Syracuse regional meeting.
- Participated in NACS Financial Survey and ordered customized report benchmarking our data against that of similar college stores. Did very well in all categories.
- Implemented internal controls to guard fixed assets and inventory, manage payroll, reduce waste, reduce operating expenses, reduce theft, and implemented an office supplies cabinet for supplies to be purchased for employee use.
- Seven staff members from division attended annual Service Awards dinner, a first!
- Helped to successfully negotiate a successor agreement with CSEA.
- Partnered with New Student Program to list ASC info and dates in COR 101 required Student Planner.
- Helped to develop a cooperative team, working across divisional boundaries for the good of the corporation.

ANCILLARY SERVICES

The Ancillary Services division includes the SUNY Card program, network printing/copying, beverage and snack vending, MicroFridge rentals, student health insurance, and the Taylor Leadership House. The following table summarizes the total pieces of equipment that support this division:

| Building Name/Area | Beverage Vendors | Snack, Candy, Food Vendors | Printers & Copiers | MicroFridge, Safe Rentals |
|--------------------------------|-------------------------|-----------------------------------|-------------------------------|----------------------------------|
| Academic/Administrative | | | | |
| Miller Building | 1 | 1 | | |
| Old Main | 4 | 3 | 5 | |
| Moffett Center | 1 | | 2 | |
| Dowd Fine Arts | 1 | 2 | | |
| Sperry Center | 4 | 2 | | |
| Bowers Hall | 1 | 1 | 1 | |
| Memorial Library | 3 | 2 | 9 | |
| Middle Region | | | | |
| Cornish Hall | 4 | 3 | | |
| Van Hoesen Hall | 2 | | 1 | |
| Corey Union | 1 | 1 | 1 | |
| Neubig Hall | 1 | 1 | | |
| Residence Halls Upper | | | | |
| Cheney Hall | 2 | 1 | | 40 |
| DeGroat Hall | 2 | 1 | | 44 |
| Residence Halls Lower | | | | |
| Alger Hall | 2 | 1 | | 30 |
| Bishop Hall | 1 | 1 | | 51 |
| Casey Tower | 2 | 1 | | 47 |
| Smith Tower | 2 | 2 | 1 | 44 |
| Clark Hall | 1 | 1 | | 31 |
| Fitzgerald Hall | 1 | 1 | | 37 |
| Hayes Hall | 2 | 1 | | 46 |
| Hendrick Hall | 1 | 1 | | 39 |
| Higgins Hall | 2 | 1 | | 19 |
| Randall Hall | 2 | 1 | | 52 |
| Shea Hall | 1 | 1 | | 39 |
| Whitaker Hall | 2 | 1 | | 7 |
| Lower Region | | | | |
| Studio West | 2 | 2 | | |
| Park Center | 5 | 3 | 1 | |
| Lusk Field House | 1 | | | |
| Other | | | | |
| Service Group | 1 | 1 | | |
| West Campus Apartments | 1 | 1 | | |
| McDonald Building | 1 | | | |
| TOTAL MACHINES | 57 | 38 | 21 | 526 |
| MicroFridge Rentals FY03 | | | | 528 |

Craig Biviano, Manager of Ancillary Services and Executive Administrative Assistant, submitted the following list of additional accomplishments and notable activities for FY04:

- Upgraded online vending services at Whitaker, Hayes, Randall, Clark, Cheney, DeGroat, Shea, Hendrick, Alger, and West Campus.
“Bringing us to 95% completion within the Residence Halls”
- Arranged for additional network printing units at Smith Towers and West Campus (in progress as of 8/20/04).
“First residence hall network printing sites”
- Arranged for installation of copy machine at Studio West.
- Arranged for upgraded vending services at Cheney and DeGroat Halls to include food vendors and a new dining lounge located within each hall (in progress as of 8/20/04).
- Continued the installation of vending misers to academic and non-academic buildings.
“Campus is approximately 80% completed”

Craig also assisted with and coordinated the completion of several capital projects (see **Capital Projects** section).

RAQUETTE LAKE

In August 2003, we received a letter from William R. Stevens from O’Shea, McDonald, Panzone & Stevens, LLP, in Rome, NY. The O’Shea law firm represents Antlers of Raquette Lake, Inc. (Dean and Donna Pohl), and the letter advised ASC that “the corporation has decided to place on the market for sale the beach parcel which is 175’ of frontage reached by a 50’ right of way.” The beach parcel is adjacent to the Antlers Center parking and turnaround area. The ASC Board of Directors discussed this situation at several meetings throughout the year. An appraisal was conducted in January 2004 and the value of the parcel was estimated to be \$59,000 to \$79,000. After reviewing the appraisal, the Board decided that the asking price for the property (\$250,000) was too high and placed the matter in abeyance. In June 2004, Mike Shafer sent a letter to the O’Shea law firm stating “For the immediately foreseeable future Auxiliary Services Corporation of SUNY Cortland will not be in a position to acquire additional landholdings” based upon the new SUNY guidelines that will be attached to the 2004-05 contract.

In October 2003, Resource Associates submitted a property condition report on the Antlers Center based upon a site inspection in July 2003. The report included a summary of capital projects that need to be completed over the next twelve years. The estimated cost of the combined projects is \$212,000 -- this includes \$23,700 for the Assistant Director’s apartment and the second floor bathrooms.

In April 2004, we received a letter from Antlers of Raquette Lake, Inc., stating “This letter is to advise you of the fact that Antlers of Raquette Lake, Inc., has formally petitioned the Public Service Commission for permission to abandon the [water supply] system and cease service. It is our intention to cease service in October of 2004.” We have been working diligently since April to identify alternatives and possible solutions to this problem. As of the date of this writing, the alternatives are as follows: (1) request that the abandonment plan be rescinded in exchange for an agreement from all users of the water supply system to pay higher rates, (2) delay the abandonment for a temporary, short-term solution, (3) pursue an independent water supply system (drill on the property or draw from the lake).

Other Accomplishments and Activities

- Completed a major renovation to the Assistant Director’s apartment and second floor bathrooms in the Casino Building at the Antlers Center (see also **Capital Projects**).
- Recruited a new cook for Camp Huntington and continued to work on the staffing situation at the Antlers Center. We were unable to find a replacement for the Antlers cook who resigned at the end of 2003. Similar to last year, we were able to re-deploy one of our Neubig cooks (Al Perreault) for the entire 2004 season.

HUMAN RESOURCES

In May 2004, we completed our negotiations with CSEA for a successor agreement to the 2000 contract and the 2002 extension. The details of the contract are summarized in **Attachment B**.

Employee Newsletter

One of the more significant accomplishments at ASC in 2003-04 was the development and introduction of the new ASC Employee Newsletter. The Human Resources department oversaw this initiative and produced four issues throughout the year. The newsletter highlights the people of ASC, divisional and departmental news and updates, and interest-based articles on employee benefits, personal health and fitness, and other relevant topics. The new ASC Employee Newsletter was a huge hit among employees!

“Fish” Philosophy

At Return to Work Day 2003, we introduced and implemented the “Fish Philosophy” at ASC. “Fish” is a cutting-edge and innovative customer service program that originated at the Pike Place Fish Market in Seattle, Washington. The “Fish Philosophy” encourages each and every ASC employee to have fun with their customers and to make their day. It also encourages employees to “be there” and to choose their attitudes. In short, the “Fish Philosophy” has transformed ASC, as evidenced by the overwhelming number of “Fish” activities reported in the Employee Newsletter, combined with the dramatic increase in customer satisfaction ratings mentioned above (ASC Dining Services Survey). We believe that the “Fish Philosophy” greatly helped to make the Cortland campus more user-friendly to students and to various internal and external constituents.

ASC Family Fund

At its May 2004 meeting, the ASC Board of Directors approved the establishment of The ASC Family Fund for the benefit of ASC employees, dependents, spouses, domestic partners, and qualified retirees. The ASC Family Fund will provide financial assistance to ASC employees in need due to family emergencies, medical emergencies, significant life events, catastrophic events, or other similar events that create a financial hardship. ASC's attorneys are currently working on the required paperwork, applications, and filings. After we receive the appropriate approvals from New York State and the IRS, and final approval by the ASC Board of Directors, the fund will be open for contributions and disbursements, possibly as soon as January 1, 2005.

Diversity

When recruiting for executive and management level positions, ASC seeks a diverse pool of applicants by using a variety of local, regional, and national sources that target or serve diverse populations. Recruitment for most non-exempt positions is done on a local level through the limited diverse sources available in Cortland County. Much of the diversity in our staff is achieved by hiring student employees that reflect the diversity in the student population. These diverse student employees contribute ideas and suggestions to our services during their entire employment.

Presently, all new employees are given an introduction to ASC's culture of respect at a mandatory orientation program. In the upcoming fall semester, all employees will receive formal training in this area, covering the following topics: respect in the workplace, understanding diversity, harassment and discrimination, organizational expectations, and handling disrespect.

Michelle Brackin, Human Resources Manager, submitted the following list of additional accomplishments and notable activities for FY04:

Safety:

- ✓ Attended and documented 3 Safety Committee meetings
- ✓ Created a report on the past three years of accidents by type of injury and presented to the Safety Committee
- ✓ Revised draft policy for Vehicle and Driver Safety
- ✓ Assisted with the EPA Audit and Oil Spill Policy
- ✓ Assisted a committee to review various training options for knife handling safety (ongoing)

Training:

- ✓ Provided Chemical Safety, Customer Service, and Harassment/Discrimination training for two new employee orientation classes
- ✓ Developed and presented Union Negotiations 101 for the Management Negotiating Team in preparation for the CSEA negotiations
- ✓ Provided one-on-one professional communications training to one supervisor

Administrative:

- ✓ Distributed updated Bargaining Unit and Non-Bargaining Unit Handbooks to all employees
- ✓ Pursued financial savings with the purchase of time clocks versus continue leasing
- ✓ Assisted with the negotiation of a new five-year ASC/CSEA contract

- ✓ Managed the ASC management website including adding several new articles and PowerPoint presentations; developed and implemented online completion of the Student Application to the ASC employment website
- ✓ Hired 39 full-time employees including processing applications, testing, orientations, and benefit counseling

Compensation:

- ✓ Reviewed several positions for compliance with new amendments to the Fair Labor Standards Act
- ✓ Performed salary market research for Maintenance Worker, Network Specialist, and Janitorial Supervisor

Benefits:

- ✓ Conducted extensive joint labor-management exploration of health insurance savings, working collaboratively with vendors, brokers, and union specialists
- ✓ Transitioned all retirees to alternative health insurance coverage after the cancellation of the Blue Cross traditional retiree coverage
- ✓ Managed the process to bring the Employee Health Insurance Plan and the Student Health Insurance Plan into compliance with HIPPA, including complete restatement of the Health and Welfare Plan Document
- ✓ Wrote four benefit articles for the employee newsletter
- ✓ Conducted pension discrimination testing

Employee Relations:

- ✓ Attended three Labor-Management meetings and assisted with the development of a Memorandum of Understanding related to the closing of the Creamery
- ✓ Oversaw the production of and contributed several articles to four Employee Newsletters
- ✓ Led nine Ocean Committee meetings including overseeing 18 ASC wide events

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| ADMINISTRATIVE SERVICES |
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ASC's annual independent audit was conducted in July 2004 by the CPA firm Ciaschi, Dietershagen, Little, & Mickelson, LLP. Upon completion of the audit, the firm rendered an unqualified opinion of our financial statements for the period ended June 30, 2004. An unqualified opinion is the highest level of assurance that the financial statements are free of material misstatement and are presented fairly, in all material respects, in conformity with generally accepted accounting principles.

During the Spring semester, the Finance Committee reviewed 51 program grant applications totaling \$321,400 and allocated \$140,500 to 41 programs and projects. ASC program grants continue to provide crucial funding for programs and projects that enhance the quality of student life at SUNY Cortland.

Gene Cvik, Controller, submitted the following list of additional accomplishments and notable activities for FY04:

- ✓ Coordinated and prepared for the FY03 year-end audit in July 2003
- ✓ Coordinated and prepared the FY05 operating and capital budgets
- ✓ Documented the budget process

- ✓ Chaired the search committee for ASC's new Dining Director
- ✓ Upgraded the financial system to ACCPAC Pro Series Enterprise Edition 6.5
- ✓ Coordinated ASC's response to the January power outage
- ✓ Implemented GoToMyPC for remote access to selected workstations and servers
- ✓ Assisted with the FY05 program grants allocation process
- ✓ Coordinated the technical implementation of CBORD's Webfood
- ✓ Enhanced month-end process to incorporate year-end activity
- ✓ Negotiated a new five-year contract for on-campus banking services with M&T Bank
- ✓ Negotiated for 3rd ATM with M & T Bank as part of the new contract
- ✓ Coordinated the installation and conversion of new ASC administrative server
- ✓ Coordinated the installation of "new" web server (redeployed the "old" admin. server)
- ✓ Developed an annual checklist of all financial activities, deadlines, obligations, etc.
- ✓ Prepared FY04 year-end projections for Bill Shaut, starting February 2004
- ✓ Developed spreadsheet to reconcile monthly investment income and gains/losses
- ✓ Developed cash flow tool
- ✓ Chaired the Web Development Team (ongoing)
- ✓ Chaired Disaster Recovery Committee (ongoing)
- ✓ Completed and presented Connections analysis for various users
- ✓ Assisted with the acquisition of new refrigerated truck
- ✓ Developed accounting procedure for 50 free dining points
- ✓ Develop capital justification worksheets
- ✓ Purchased new CBORD photo ID system (negotiated down from \$23K to under \$10K)
- ✓ Resolved 94 Prospect tax exempt status - FINALLY- with City Assessor
- ✓ Coordinated the installation of video security system for Commissary
- ✓ Resolved matter with M&T on burglarized ATM at Park Center
- ✓ Purchased new computer equipment (2 laptops, PowerPoint projector, PIX firewall)

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| MISCELLANEOUS REPORTS |
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Get Connected!

ASC's marketing and customer service theme in 2003-04 was "Get Connected," which had an appropriate dual meaning. On one hand, we asked our customers to *Get Connected* to SUNY Cortland by enjoying the vast array of ASC services that are accessible with the *Connections* debit account. The "flip side" of *Get Connected* relates to our employees, who provide better customer service when they *get connected* to ASC, SUNY Cortland, co-workers, and customers. In conjunction with the *Get Connected* theme, we updated the following brochures: Dining Services, College Stores, Hugs From Home (special orders), Raquette Pizza Delivery, and Campus Catering. We also updated the corresponding web pages to create a uniform look for the organization and its divisions.

In January, the ASC Administrative Office reached the "Million Dollar Milestone" with the *Connections* debit account. As of January 31, 2004, students deposited over \$1 million into the *Connections* account, which is more than the entire amount deposited in FY03. The dramatic increase in *Connections* deposits was directly related to the *Get Connected* marketing campaign, and all divisions benefited from the increased utilization of this account.

Parking Lot

In February 2004, after twelve months of negotiations and discussions, ASC reached a verbal tentative agreement with the Cortland Rural Cemetery (“CRC”) to lease approximately 1 acre of land from the CRC for a surface parking lot. We are still trying to work out the final details of the formal written agreement – we are down to one “sticking point.” On July 28, 2004, Mike Shafer sent a letter to the CRC with a proposal regarding the last contract item. We have not received a response as of the date of this writing. Given the history of our dealings with the CRC, the possibility of “no agreement” (and “no parking lot”) is still quite real. Regardless, we will continue our efforts to move this project forward to completion. If a contract is not signed by the October 31, 2004, we may miss the window of opportunity for Fall 2005 completion due to the large amount of work that remains (engineering, zoning approval, equipment specification and procurement, project bidding, etc.).

Capital Projects

In November 2003, Michael May Construction completed a porch and entry construction project at 94 Prospect (the Leadership House). The project included construction of a rear porch with stairs and railing, enlargement of the entry foyer with new exterior door, removal of one kitchen wall, and installation of a support beam. The total cost of the project was \$12,400, and the new rear door will greatly improve safety and accessibility.

In April 2004, J. R. Risley Sales & Service, Inc. (Inlet, NY) completed a major renovation to the Assistant Director’s apartment and second floor bathrooms in the Casino Building at the Antlers Center (Raquette Lake). The total cost of the project was \$29,000, which includes the cost of engineering services performed by Resource Associates.

We continued our work on the new Library Café, which is scheduled to open in September 2004. Woolley Morris Architects was awarded the design development and construction administration contract for this project. This same firm designed the Alger Hall renovation.

We started work during the spring semester on the new Creamery dining facility, which will be renovated in conjunction with Brockway Hall. Porter Consulting Worldwide will be doing the conceptual development, and DeWolff Partnership Architects will be handling the design development and construction administration components of this project.

In October 2003, Barton & Loguidice (“B&L”) submitted their final report on the Corey Union Gas Service Evaluation. ASC currently operates two pizza ovens and two fryers in Raquette Pizza (“R/P”) – the ovens and fryers are powered by electricity rather than natural gas. The conventional power supply for this type of equipment is natural gas, which is considerably less costly than electricity. B&L’s evaluation determined that it would cost \$20,000 to \$25,000 to run a gas line to the R/P kitchen, and the estimated annual savings would be \$12,400 per year (2-year payback). This project remains in the queue until a project coordinator can be assigned.

Finally, the exterior doors to Neubig Hall and the interior doors to the ASC administrative office will be replaced in June 2004. The combined project will greatly improve the physical appearance and overall aesthetics of this 46-year old building.

FY05 GOALS & OBJECTIVES

Dining Services

1. Continue to review and modify, as needed, the Campus Catering and Caleion Room service plans to simultaneously improve financial performance and customer satisfaction.
2. Reopen Raquette Pizza as a stand alone dining unit and re-establish the delivery and pick-up business with CBORD's WebFood; seek and respond to student feedback.
3. Coordinate the final pre-opening activities for The Bookmark and introduce this new dining unit to the campus community before October 31, 2004.

College Stores

1. Rejuvenate the C-Store by remerchandising the sales floor, introducing new items, collaborating with Dining Services, and establishing a prime vendor relationship with a qualified business partner; analyze peak periods of demand in conjunction with staffing.
2. Solicit proposals from college store design firms for store renovation, with special emphasis on textbook department; develop plan to redesign, re-merchandise, and re-fixture the textbook department sales floor, customer service counter, and workstations.
3. Ensure that all product lines are consistent with style manual and official college logos; assist with college efforts to trademark the "SUNY Cortland" name and all authorized variations.

Ancillary Services

1. Expand network printing and copying to Smith Towers, West Campus, and Studio West; continue to work with Ikon to simultaneously improve the financial performance of and customer satisfaction with this service; actively promote color copies.
2. Monitor monthly transaction activity for all vending machines on campus and use this data to optimize the placement of vending machines and product mix; develop vending center at West Campus Apartments.
3. Assist with the completion of the Bookmark, the renovation of the Creamery, and other projects that may arise (parking lot, Sperry Center, Winchell Hall, etc.).

Raquette Lake

1. Continue to work on the staffing situation at the Antlers Center in response to the difficulty recruiting dining staff for this remote facility.
2. Continue to explore historic designation of the Antlers Center.
3. Engage Barton & Loguidice to conduct a preliminary water supply source assessment.

Human Resources

1. Review the current retiree health insurance reimbursement for the purpose of developing short-term and long-term plans to deal with program variables beyond ASC's control.
2. Develop and implement a workable performance evaluation system.
3. Conduct Respect in the Workplace training for all ASC employees.

Administrative Services

1. Streamline and improve the menu item pricing process for Dining Services; conduct an audit of the CBORD system to ensure accuracy of transaction processing and reporting.
2. Continue to increase accessibility of management information for decision-making purposes (Pro Series, CBORD, financial reporting, monthly and quarterly financial reviews); continue to streamline the budget and year-end closing processes to achieve organizational goals.
3. Conclude the search for a Systems/Network Administrator and develop and an organizational action plan that will prioritize the demands on this new position.

Conclusion

This annual report represents the combined hard work, dedication, and commitment to excellence of every ASC employee in the organization. We extend a sincere and heartfelt "thank you" to each and every member of the ASC family of employees who serve the campus daily. ASC management would also like to express its thanks and appreciation to the Board of Directors for continued guidance, support, and leadership.



We thank our vendor partners for supporting ASC's annual Return to Work Day on August 10, 2004.



Aqua Valley
Austin & Co.
Campus Specialties

Houghton-Mifflin Co.
Ikon Office Solutions
Keybank

Napa Auto Parts
Nebraska Book Co.
McGraw Hill

Royal Motor Co.
Sysco Foods
Thomas Learning

ASC - A Winning Team in 2005



Attachment B
ASC/CSEA Contract Summary
Major Changes 2004-2009

1. The new contract will cover 5 years (7/1/04 through 6/30/09).
2. Wages:
 - a. \$150 lump sum payment on 6/30/04 (ratification incentive)
 - b. \$.25 per hour increase on 7/1/04 (equates to approx. 2.8%)
 - c. \$.30 per hour increase on 7/1/05 (equates to approx. 3.3%)
 - d. 3.25% increase on 7/1/06
 - e. 3.50% increase on 7/1/07
 - f. re-open contract in year 5 for wages only
3. Minimum wages increase \$.10 per year for the first 4 years of the contract (year 5 TBN). Wage maximums were eliminated for all employees hired before 12/1/87.
4. Voluntary payroll deductions expanded to include CSEA sponsored programs not offered by ASC.
5. Overtime threshold reduced from 10.5 hours per day to 10 hours per day.
6. Added second 10-minute break for shifts over 8 hours.
7. Temporary employees may now work up to 6 months if covering for a regular employee who is on long-term or extended leave of absence. Temporary status in the current contract is limited to 6 weeks, regardless of the reason.
8. Recall period increased from 180 days to 1 year.
9. Health Insurance: No major changes. However, the following paragraph was added to the contract:

The Union agrees to work with ASC management in the selection of an appropriate Health Insurance Plan and/or Provider that meets the following objectives: comparability, affordability, availability, service excellence, and reputability.

10. We added an attendance clause to the contract stating “Any incident of unpaid absence, except for medically documented Family Medical Leaves or prior approved leave without pay, will be considered unauthorized absence subject to disciplinary action. Management may approve certain incidents of unpaid time off based on business necessity and these incidents will not be subject to disciplinary action.”
11. Sick Time renamed “Emergency Paid Time Off” (or “EPTO”) with expanded use and an increase in the accrual rate from 10% of scheduled weekly hours every month to 20%. In return, the payout provision was changed from 10 years of employment to retirement (55 years old and 15 years of service if hired on or before 6/30/92, 80 years combined age/service for all other employees).
12. We added a new provision in the contract allowing employees to apply for a leave without pay for periods ranging from 30 days to 6 months, subject to Executive Director approval.
13. Union President will be allowed release time to attend conferences or conventions of CSEA or AFSCME (no change). Such leave shall not exceed 6 workdays in any one year, and up to 3 days (or 24.0 hours) shall be paid release time. The current contract limits such release time to 5 days, all unpaid.
14. We added ASC’s Emergency Closing Policy to the contract (with minor modification).
15. Section 13.4.2 was modified to eliminate the possibility that employees would seek parking privileges in the proposed new parking lot (current contract language is ambiguous). We took care of this on day 1 in return for granting paid leave time to the Union for negotiating sessions.