



About BASC

Brockport Auxiliary Service Corporation (BASC) is a 501(c)(3) not-for-profit corporation governed by New York Not-for-Profit Corporation Law and managed by a Board of Directors comprised of the Vice President of Administration & Finance, the Vice President of Enrollment Management & Student Affairs, an Alumni representative, three College Senate representatives, one appointee by the College President, and four enrolled student representatives of the Brockport Student Government.

BASC's purpose is to provide necessary auxiliary services not provided by the College. As its mission states: BASC is an innovative and entrepreneurial organization that delivers key services with integrity and efficiency to foster student success, enhance the quality of life, and support the strategic initiatives of the College. More about BASC's vision, values, and employee promise is available at: <http://basc1.org/about/basc-overview>.

Primary Goals Include:

1. Support student recruitment and retention
2. Customer satisfaction
3. Employee satisfaction
4. Financial sustainability/College support

BASC's budget was approved by its Board of Director's on March 28, 2018. The narrative that follows and corresponding budget presentation is shared with the Joint Planning & Budget Committee for informational purposes only.

Service Utilization Overview

BASC provides a number of services to the campus including dining, bookstore, ID cards, vending, ATM, transportation, laundry, and conferences and events, with dining being the largest revenue generator. During the 2017-18 year BASC sold 3.9% more fall meal plans than budgeted. In addition, there was a year over year increase in the number of subscriptions to the Unlimited Meal Plan which continues to be very popular among students.

A consultative approach is utilized in determining BASC's annual budget. In addition to internal departments, BASC utilizes data provided by Admissions and Residential Life & Learning Communities to forecast revenues for the next fiscal year. Information from peer auxiliary service corporations also helps inform decisions.

2017-18 Financial Review

BASC's 2017-18 budget was based on the sale of 2,671 fall meal plans. This budget was revised in September based on the actual number of fall meal plans sold (2,775) and to account for other variations not known in February 2017. Due to the increase in meal plan sales and the successful management of food costs, the forecast is that BASC will generate over \$2 million in excess revenues from operations. Of that, \$970,000 will go to College Support and the remaining will go into reserves. BASC's contract with SUNY requires that reserves be maintained. Additionally, reserves fund future renovations and the replacement of aging equipment.

BASC is pleased to report continued success in achieving its primary goals:

1. Support student recruitment and retention
 - a. BASC is an active participant in Admissions events ranging from Open Houses to Accepted Student Days to Freshmen Orientations to Transfer Orientations to Ellsworth Scholars Sleepovers, and more.
 - b. BASC contributes over \$20,000 annually in student scholarships including the Barnes & Noble (totaling \$10,000), Pepsi (totaling \$5,000), Sandra Mason (varies), Empire Girls State (up to \$3,000), and REOC (totaling \$2,500).
 - c. BASC remains the largest student employer on campus with approximately 350 student employees earning nearly \$1.3 million in combined student wages annually.
2. Customer satisfaction
 - a. Dining Services achieved its highest customer satisfaction score to date on the National Association of College and University Food Services (NACUFS) survey in November – a 4.21 out of a possible 5.
 - b. Aerie Café in the library was renovated over the summer increasing the number of seats and enabling an expanded menu to be offered. Overall feedback has been very positive and sales at Aerie Café have increased year over year.
 - c. Other menu enhancements aimed to increase satisfaction include continued development of the Sante station at Harrison Dining Hall that features plant-based and gluten friendly options, Pizzaz at The Square with made-to-order flatbreads, and Fiesta at The Square with made-to-order burritos, bowls, and salads. The success of the Fiesta concept was featured in the Spring 2017 issue of *Campus Dining Today*, a national industry publication.
 - d. Special dining events in all locations continue to enhance customer satisfaction and receive rave reviews from students. This year's favorites included a Campus Crunch event featuring local New York State apples, Greek Life dinner, Smoke & Mirrors dinner, Food Fair, and much more.
3. Employee satisfaction

BASC's Employee Promise states: We recognize that our people are our single greatest asset in achieving our mission and vision. To our team members we promise to provide meaningful work, fair wages, the tools for success, and a supportive work environment that is reflective of our company values and provides opportunity for growth and development.

 - a. BASC continues to expand its onboarding and training programs to set team members up for success. Annual trainings include ServSafe, customer service, safety, and culinary.
 - b. Ongoing programs are in place to recognize team members and their contributions.

- c. Continuous improvement initiatives are embedded in the work that BASC does on an ongoing basis, and employees are a key component of these efforts.
4. Financial sustainability/College support
 - a. BASC will contribute over \$1,000,000 in support of the College this year. This includes \$970,000 contributed directly to the campus, \$8,800 in athletic support through the pouring rights contract, over \$20,000 in student scholarships, and close to \$6,000 in various donations. In addition, BASC paid the campus \$300,000 in rent and utilities.

2018-19 Budget Summary

BASC has limited ability to increase revenue as sales are tightly tied to enrollment. Strategies are in place to control costs to the extent possible. However, many expense increases are mandatory.

Expenses - Direct

- Food cost is being budgeted at 27% of dining revenues. This is a reduction from last year and a result of successfully leveraging buying power and rebate programs, and the talented culinary team's ongoing menu engineering. This is a significant accomplishment considering that the CPI for food away from home has gone up 2.5% in the past year.
- Labor and benefits is 53% of budgeted revenues. Student and part time wages are budgeted at a 7% increase due to the rise in minimum wage. Health insurance is anticipated to increase by 10%.

Expenses - Indirect

- BASC's utility expense allocated from the campus is \$105,000 higher than the current year, a 34% increase. BASC is working collaboratively with the College to better understand the allocation method for utility expenses and develop a more predictable model for future planning.
- BASC's bad debt expense is anticipated to double, totaling \$80,000, largely due to the delay in funds from the Excelsior program and the resulting impact.
- All ASC's are now being required by SUNY to comply with Article 15A of the Executive Law related to set purchasing goals from minority and women owned businesses. This has resulted in the need to hire a third party to manage bid processes and compliance requirements, adding \$20,000 in expense.

Revenues

- BASC's 2018-19 budget is based on a 3% meal plan price increase and the sale of 2,671 fall meal plans. Summer programs revenues are budgeted slightly less than last year due to the cyclical nature of some recurring groups. Bookstore, laundry, vending, and pouring rights (Pepsi) revenues are budgeted to remain flat.
- The 3% increase in meal plan rates averages roughly \$65 per plan per semester and will just cover the additional labor expense for students and part-time employees due to the minimum wage increase and the additional indirect expense increases.
- With the modest meal plan price increase, Brockport's dining program remains a great value for students. In comparing this year's meal plan prices, Brockport is in the low to mid-range compared to other SUNY campuses.
- BASC's net after college support is budgeted at \$161,487. In September, BASC will revise its budget accordingly after the actual number of fall meal plans sold is known.

Future Planning

With the continued increases in expenses, most notably minimum wage over the next three years which will have significant budgetary impacts, BASC will be exploring additional cost reduction strategies. As an example, BASC worked with the College this spring to once again accept Federal Work Study and to do so in a way that is seamless for students. Participation in this program benefits the students, the College, and BASC.

Other strategies include: working with the campus to develop a more predictable model for utility expense planning, and working with the campus to implement measures to limit bad debt exposure.

Similar to the BASC budget, the company capital plan must be approved by its Board of Directors. BASC's Board approved capital expenditures totaling \$278,500 for 2018-19 which includes replacement of some aging equipment, an update to the Presidential Dining Room in Cooper Hall, and an update to TRAX on the first floor of Harrison Hall.

Plans for future capital expenditures include a Subway refresh projected for 2020 and a Brockway Dining Hall renovation projected for 2021. These and all future capital expenditures require approval by the BASC Board of Directors as funding for all capital expenditures comes from company reserves.