

Center for Meeting & Learning (CML)

December 2018 Board Update and Recommendation

As of November 2018, significant progress has been made in the Center for Meeting and Learning (CML). As suggested at the summer Board retreat in July, we have refocused the mission of the CML and made adjustments that have positively impacted both revenues and expenses. The elimination of external catering contracts with DataLogic and Oak Hill School have helped the CML realize significant improvements in its finances and operating schedule. The CML will also offer fewer services at the Mary Spilde Center and partner with our Continuing Education Department to provide cost-effective services for community use. The CML has made significant moves in staffing and has controlled cost in both part-time expenditures and materials and services. The CML is currently posting revenues higher than expenses, and has consistent revenue booked for the remainder of the fiscal year.

Full time contracted staffing will need to be adjusted to maintain revenue-positive results in the full fiscal year.

Center for Meeting and Learning

Fiscal Year	2019
Sales Revenue	457,114
Personnel	345,940
Materials & Services	100,586
Operating Income	\$10,588

FY18 Ending Fund Balance (1,228,307)

Fund Balance as of 11/28/2018 \$ (1,217,719)

Est. Contracted Staff FTE 9.2

Est. Part-Time Staff FTE 5.1

Recommendations

Retain the CML as a vital college and community service that provides an integral part of the College's Culinary Arts and Hotel/Restaurant/Tourism Management Program (CAHRTM) by providing meaningful learning and work experiences for CAHRTM students.

Reduce total FTE in the department by 2.0 - 3.0 FTE.

4-E-1

Titan Store

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The Titan Store continues to be financially impacted by enrollment declines, strategic growth in open education resources, and changes in our full- and part-time student ratios. The Titan Store has been a valuable partner in saving students money by partnering with faculty and our OER librarian. The store has worked to control labor cost, has not replaced vacant positions, and has reduced inventory. Unfortunately, due to reduced enrollment levels and activity on campus, sales have continued to struggle. Expenses continue to outpace revenue for the fourth year straight.

Titan Store*

Fiscal Year	2019
Sales Revenue	934,176
Personnel	302,540
Materials & Services	740,358
Operating Income	\$ (108,722)
FY18 Ending Fund Balance	\$ 524,455
Fund Balance as of 11/28/2018	\$ 415,733

*The FY19 \$500K administrative recovery will be transferred in Spring 2019.

Recommendations

Consider proposal from Barnes and Noble. Existing staff would be retained in proposal. Restructure Printing and Graphics and mailroom under new design (these services share a retail service director).

4-E-2

Food Services

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College Food Services has made significant efforts to control food cost and part-time labor. Food was offered in fewer outlets, hours were reduced and adjusted to meet needs during peak times, and Food Services partnered with the Titan Store convenience store to provide food options during slower hours. Unfortunately, due to enrollment declines, sales have continued to struggle. Food Services expenses continue to outpace revenue for the fifth straight year. Despite the hard work and efforts of the Food Services team, the current cost of staffing and benefits will not support an operation with this low level of revenue.

Food Services

Fiscal Year	2019
Sales Revenue	177,387
Personnel	222,144
Materials & Services	115,739
Operating Income	\$ (160,496)
FY18 Ending Fund Balance	\$ (1,890,142)
Fund Balance as of 11/28/2018	\$ (2,050,638)
Est. Contracted Staff FTE	5.4
Est. Part-Time Staff FTE	5.2

Recommendations

Collaborate with LCCEF to find placement for eligible employees. Cease operation of college-operated, campus-based food service on June 30, 2019. Begin vendor negotiations and/or RFP process upon Board approval to eliminate service.

4-E-3

Food Services - Projection as of November 30, 2018

Revenue & Expenditures - All Funds

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Sales Revenue	2,683,571	2,531,849	2,328,560	1,845,406	1,275,932	980,963	696,705	731,409	550,000
Personnel	932,746	1,008,445	1,145,527	1,060,069	938,452	801,704	626,711	705,352	600,000
Materials & Services	1,459,714	1,494,461	1,409,711	1,197,128	861,736	571,041	478,561	522,853	475,000
Operating Income	291,111	28,943	(226,678)	(411,791)	(524,256)	(391,782)	(408,567)	(496,796)	(525,000)

* The FY19 figure is a projection as of 11/30/2018.

Center for Meeting & Learning - Projection as of November 30, 2018

Revenue & Expenditures - All Funds

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Sales Revenue	761,332	910,509	962,328	793,128	857,514	1,387,457	1,369,837	1,131,494	1,208,500
Personnel	689,470	726,478	800,030	720,820	917,920	1,141,005	1,127,233	935,110	926,000
Materials & Services	204,139	209,212	240,543	216,930	193,135	469,868	442,807	324,760	265,000
Operating Income	(132,277)	(25,181)	(78,245)	(144,622)	(253,541)	(223,416)	(200,203)	(128,376)	17,500

* The FY19 figure is a projection as of 11/30/2018.

4-E-4

Titan Store - Projection as of November 30, 2018

Revenue & Expenditures - All Funds

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Sales Revenue	9,405,406	8,981,837	8,048,752	7,307,762	5,119,981	4,540,269	3,767,507	3,122,678	2,600,000
Personnel	1,186,770	1,337,302	1,430,204	1,390,232	1,423,610	1,244,868	1,165,254	1,015,896	950,000
Materials & Services	7,145,708	8,055,182	6,341,602	5,443,581	4,165,525	3,474,339	2,850,186	2,422,146	2,000,000
Operating Income	1,072,928	(410,647)	276,946	473,949	(469,154)	(178,938)	(247,933)	(315,364)	(350,000)

* The FY19 figure is a projection as of 11/30/2018.