

**BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES**  
**ITEMS FOR DISCUSSION AND ACTION\FISCAL, FACILITIES AND AUDIT**

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**ACTION:** **Approve Amendment to Food Service Contract for Wayne State College**

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Wayne State College's food service operations is under contract with Compass Group USA, Inc. (Chartwells). The contract term is July 1, 2019 through June 30, 2024. Wayne State respectfully requests approval for an amendment to their agreement with Chartwells for the period of July 1, 2022 through June 30, 2023.

The Board approved the new contracts with food service providers in January and then set the food service rates in April. The increase approved for Chartwells, the food service provider at WSC, was a 6.5% increase. The food service rates were then increased by 3.7% to 3.9% in April to cover the increased cost to be paid the vendor.

Chartwells approached WSC administration in April about a revision to the contract terms for the upcoming contract year (July 1, 2022 to June 30, 2023). The rationale for the proposed change was cost increases, primarily in wages and food. The current contract termination provisions of only 90 days and the ability to negotiate emergency price adjustments provided an opening for Chartwells to renegotiate the terms of their contract.

Wayne State College worked with the System Office and then engaged in negotiations with Chartwells. Based on the negotiations between Wayne State and Chartwells, WSC is requesting approval of a revised contract amendment for FY23. The addendum includes the following changes:

- Adjusting the rates the College pays to Chartwells for meal plans to be approximately 15% over last year. This will not affect the previously approved meal rates for students.
- Giving the unused declining balance dollars to Chartwells.
- Supporting a minor adjustment to the operating hours.

Additionally, changes were made to remove the ability for Chartwells to negotiate a mid-year price change and the timeframe for notification of contract termination was extended from ninety (90) days to two hundred seventy (270) days.

Wayne State recommends approval of the continuation of the food services Agreement with Compass Group USA, Inc. through its Chartwells Division, and related amendment for 2022-2023, which is the fourth year of a five-year Agreement.

The System Office and Wayne State College recommend approval of the Amendment to Food Service Contract for Wayne State College.

**ATTACHMENTS:**

- WSC Chartwells - AMD 5 (PDF)

**AMENDMENT NUMBER FIVE TO  
FOOD SERVICES AGREEMENT**

This Amendment Number Five to Food Services Agreement is made as of June 16, 2022 between the Board of Trustees of the Nebraska State Colleges doing business as Wayne State College, with principal offices located at 1111 Main Street, Wayne, Nebraska 68787 (“College”) and Compass Group USA, Inc., a Delaware corporation, with principal offices at 2400 Yorkmont Road, Charlotte, North Carolina 28217, by and through its Chartwells Division (“Chartwells”) (collectively the “Parties”).

WHEREAS, College and Chartwells are parties to that certain Food Services Agreement dated March 22, 2019, as amended by that certain Amendment Number One to Agreement executed by College on January 14, 2020, by that certain Amendment Number Two to Agreement executed by College on June 10, 2020, by that certain Amendment Number Three to Agreement executed by College on January 18, 2021, and by that certain Amendment Number Four to Agreement executed by College on January 13, 2022 (collectively, the “Agreement”);

In consideration of the promises contained herein and for other good and valuable consideration, the Parties agree as follows:

1. Definitions. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. Amendment of Section 3. Effective immediately, Section 3 of the Agreement is amended by deleting subsections A and C thereof in their entirety and replacing them with the following, respectively:

A. The Agreement may be terminated by either Party giving written notice to the other Party of its intent to terminate at least two hundred and seventy (270) days prior other proposed termination date. If, however, Chartwells renders service pursuant to the Agreement during any part of the regular academic year, Chartwells shall continue to perform the terms of the Agreement through the end of the academic semester, unless the College agrees otherwise in writing, signed by the College.

C. In the event of a termination for any reason, all amounts outstanding shall become due and payable to the other party immediately upon termination.

3. Amendment of Exhibit A, Section B. Effective July 1, 2022, Exhibit A, Section B of the Agreement is deleted in its entirety and replaced with the following:

**B. Meal Plans, Casual Meal Rates, Conference Rates and Catering Guide**

The number of Board plan days per academic year will be two hundred twenty-five (225). The specific allocation of days will be mutually agreed upon prior to the beginning of each academic year.

The following meal plans shall be established for the 2022-23 academic year. College shall pay Chartwells the ‘Per Potential Meal Rate Including DB’ for each meal participant:

Meal Plan	Weekly/ Block	Mandatory/ Voluntary	# of Meals Per Semester	DB Per Plan	Transfers	Cost to College with DB	Per Potential Meal Rate Including DB
<b>Unlimited (price per swipe based on 21 swipes)</b>	Weekly	Mandatory	Unlimited	150	2 Meal Exchange/ Week	\$1,378	\$ 4.1014
<b>Block 225</b>	Block	Mandatory	225	350	2 Meal Exchange/ Week	\$1,437	\$6.3888
<b>Block 190</b>	Block	Mandatory	190	250	2 Meal Exchange/ Week	\$1,137	\$5.9855
<b>Block 100</b>	Block	Mandatory* Upper classmen only	100	300	2 Meal Exchange/ Week	\$814	\$8.1432
<b>Block 75</b>	Block	Voluntary	75	150	1 Meal Exchange/ Week	\$713	\$9.5040
<b>Block 50</b>	Block	Voluntary	50	0	1 Meal Exchange/ Week	\$324	\$6.4800

College shall pay Chartwells the following reimbursements for casual meal sales (which are subject to commissions as provided herein):

Casual Meal Rates 2022 – 2023

	College Employee/College Paid	External Guests
Breakfast	\$6.34	\$7.46
Lunch/Brunch	\$8.47	\$10.22
Evening/Special Dinner	\$9.37	\$10.81

College shall pay Chartwells the following reimbursements for conference meal sales (which are subject to commissions as provided herein):

Summer Conference Per Meal Rate 2022-2023	\$8.52
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Future year board plan days and meal rates shall be determined by written addendum each year, signed by the Parties.

4. Amendment of Exhibit A, Section E. Effective July 1, 2022, Exhibit A, Section E of the Agreement is deleted in its entirety and replaced with the following:

**E. Unused Meal Plan Declining Balance Dollars**

Effective July 1, 2022, unused meal plan declining balance dollars will be suspended and such meal plan declining balance (DB) dollars will not be credited to the College or the student but shall be credited to Chartwells, instead.

5. Amendment of Exhibit A, Section D. Effective immediately, Exhibit A, Section D of the Agreement is deleted in its entirety and replaced with the following:

**D. Adjustment of Board Contract Pricing**

The Board Contract Dining Program Agreement rates established for each contract year shall remain in effect for the entire Agreement year. Mid-year price changes for contract board services will not be considered. Rates may be reviewed annually should Chartwells wish to propose adjustments to the rates. Proposed rate adjustments must be provided to the College by November 1 of the Agreement year prior to the year in which the proposed rate adjustments are to take effect. The College reserves the right to review and approve all proposed price increases.

Board rates and prices for other Products and Services will be adjusted annually in an amount to be negotiated between the Parties taking reasonable industry expenses into consideration. Changes in board rates and prices negotiated hereunder will take into account the "CPI/Wage Adjustment." The "CPI/Wage Adjustment" means an adjustment to rates and prices based on (1) the increase over the prior year in labor costs (wages and benefits), operations at the Premises ("Labor Adjustment") and (2) the increase over the prior year in the "Consumer Price Index, U.S. All Urban Consumers Food and Beverage (CPI), published by the United States Department of Labor, Bureau of Labor Statistics, measured for the twelve-month period ending September 30. This adjustment will be accomplished by applying the Labor Adjustment percentage to the portion of Chartwells' operating costs related to labor, and the CPI to the remaining portion of Chartwells' operating costs.

6. Amendment of Exhibit A, Section M. Effective immediately, Exhibit A, Section M of the Agreement is deleted in its entirety and replaced with the following:

**M. Termination**

In the event of a termination for any reason, all amounts outstanding shall become due and payable in accordance with the Nebraska Prompt Pay Act.

7. Amendment of Exhibit B, DINING PROGRAM PROVISIONS, Serving Hours. Effective July 1, 2022, Exhibit B, DINING PROGRAM PROVISIONS, Serving Hours of the Agreement is deleted in its entirety and replaced with the following:

**DINING PROGRAM PROVISIONS**

**Serving Hours**

The residential dining program in the Kanter Student Center will offer service based on the following schedule:

Monday through Thursday	7:15 a.m. to 8:00 p.m.;
Friday	7:15 a.m. to 6:30 p.m.;
Saturday	10:15 a.m. to 1:00 p.m. and 5:00 p.m. to 7:00 p.m.;
Sunday	10:15 a.m. to 1:00 p.m. and 5:00 p.m. to 7:00 p.m.

The Main Cafeteria shall be open for the Board Contract Dining Program in accordance with the following minimum schedule. Serving hours may be adjusted with the agreement of the College.

Breakfast: Mon-Fri	7:15 a.m. to 10:59 a.m.
Lunch: Mon-Fri	11:00 a.m. to 3:59 p.m.
Evening Dinner: Mon-Thu	4:00 p.m. to 8:00 p.m.
Evening Dinner: Friday	4:00 p.m. to 6:30 p.m.
Brunch Sat/Sun/Non-Class	10:15 a.m. to 1:00 p.m.
Dinner Sat/Sun/Non-Class	5:00 p.m. to 7:00 p.m.

The Cat's Corner Lower Food Court shall be open with the following minimum schedule.

Monday - Thursday	7:30 a.m. to 9:00 p.m.
Friday	7:30 a.m. to 4:00 p.m.
Saturday/Sunday	Closed

The Library Coffee Shop shall be open with the following minimum schedule.

Sunday	7:00 p.m. to 10:00 p.m.
Monday – Thursday	7:30 a.m. to 10:00 p.m.
Friday	7:30 a.m. to 4:00 p.m.
Saturday/Library Closure	Closed

8. Confirmation and Integration. The Parties hereby confirm and ratify the original Agreement, Amendment Number One, Amendment Number Two, Amendment Number Three, and Amendment Number Four in conjunction with adopting this Amendment Number Five. The Agreement, as amended hereby, constitutes the entire agreement between the parties and their predecessors pertaining to the subject matter of the Agreement, as so amended, and supersedes all

prior and contemporaneous agreements and understandings of the parties and their predecessors in connection therewith.

9. Counterparts. This Amendment Number Five may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute but one and the same original document.

10. Headings. The section headings herein are for convenience only and do not define, limit, or construe the contents of such sections.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of the day and year first above written.

**BOARD OF TRUSTEES OF THE  
NEBRASKA STATE COLLEGES D/B/A  
WAYNE STATE COLLEGE**

By: \_\_\_\_\_  
Marysz Rames, President

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Paul Turman, Chancellor

Date: \_\_\_\_\_

**COMPASS GROUP USA, INC., BY AND  
THROUGH ITS CHARTWELLS  
DIVISION**

By: \_\_\_\_\_  
Lisa McEuen, Chief Executive Officer

Date: \_\_\_\_\_