

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

ACTION: **Approve FY24 Food Service Contract Amendments**

Board Policy 9015 addresses food service contracts. If the food service operation is to be outsourced, contracts are to be solicited every five years and approved by the Board. The annual renewals and contract amendments (or addendums) are approved by the Board. The Colleges are requesting approval of the contract amendments for FY24.

Chadron State College's food service operations is under contract with Aladdin Food Management Services, LLC. The contract term is July 1, 2019 through June 30, 2024.

Peru State College's food service operation is under contract with Fresh Ideas Management LLC. The contract term is July 1, 2019 through June 30, 2024.

Wayne State College's food service operations is under contract with Compass Group USA, Inc. The contract term is July 1, 2019 through June 30, 2024.

The approval of the contract amendments foreshadow the likely increases we will see for board rates when we approve rates in April. There are a number of factors that are driving up the contract (agreement) costs for food service. The difficulty in hiring workers and the pressure on wages for most service positions, as well as substantial increases in food costs are major factors. The 12-month CPI for the all items index ending November 2022, rose 7.1%, and food away from home rose 8.5%.

The food service cost increases proposed are within the contract term limits and the related caps on increases.

Chadron State College

Chadron State is requesting the extension of their food service agreement with Aladdin Food Management Services, LLC, for the period of July 1, 2023 through June 30, 2024. There is no increase in the management fee over the FY23 contract; the management fee is \$128,873. CSC assumes all cost increases under their current agreement for labor and food costs. CSC will be assessing the impact of the current rise in food costs, labor and other operating costs when determining their food service increase to students for the coming year.

Peru State College

Peru State is requesting approval of an amendment to their agreement with Fresh Ideas for the period of July 1, 2023 through June 30, 2024. The agreement provides for a payment to

the vendor based on a per meal sliding/scale. It also provides that "Fresh Ideas will limit all annual rate increases to 5% per year or the Consumer Price Index, whichever is less." The amendment provides for a 5% increase across the scale for all board meal reimbursement rates.

Wayne State College

Wayne State requests approval for an amendment to their agreement with Compass Group USA (Chartwells) for the period of July 1, 2023 through June 30, 2024. The agreement provides that Compass Group will receive revenues based on a per meal reimbursement rate. The costs for all meals under the amendment are increasing 8.0% in the amendment, including meals for guests and employees. The CPI is used as a guide but does not cap the rate increases.

The System Office recommends approval of the FY24 Food Service Contract Amendments.

ATTACHMENTS:

- CSC Addendum to Food Service Agreement (PDF)
- PSC Dining Service Agreement Amendment (PDF)
- WSC Chartwells - AMD (PDF)

ADDENDUM #6

FOOD SERVICE AGREEMENT

The Food Service Agreement between the Board of Trustees of the Nebraska State Colleges doing business as Chadron State College (College) and A'viands, LLC (Company) dated April 5, 2019 shall be amended. The College and Company will be singularly referred to herein as a "Party" and collectively as the "Parties."

Whereas, the Company's legal name changed to Elior, Inc. dba Aladdin Food Management Services, LLC on Addendum #2 dated April 1, 2020.

Now therefore, the Parties agree to a management fee of \$128,873 effective July 1, 2023 – June 30, 2024 pursuant to the Agreement page 11, section 6.6.

In WITNESS WHEREOF, the parties have caused this Addendum to the Agreement to be executed by the following authorized officials:

Aladdin Food Management Services, LLC:

Chadron State College:

By: Paul Kowalczyk
Title: Managing Director
Dated: _____

By: Kari Gaswick
Title: Vice President Administration & Finance
Dated: _____

Board of Trustees of the Nebraska State Colleges:

By: Paul Turman
Title: Chancellor
Dated: _____

Cost Center:

Note: Contracts for Services are public records which are generally subject to statutory public disclosure and public website posting requirements.

Dining Service Agreement Amendment

(Short Form)

Board of Trustees of the Nebraska State Colleges

Chadron State, Peru State, and Wayne State Colleges

It is the intent of The Board of Trustees of the Nebraska State Colleges doing business as Peru State College (College) and Fresh Ideas Management LLC, a Missouri limited liability company (Fresh Ideas) to amend the Dining Service Agreement dated March 22, 2019, and Amendments dated October 1, 2019, April 1, 2020, July 1, 2020, November 13, 2020, July 1, 2021, and July 1, 2022. The amendment terms are identified below and will be effective on July 1, 2023.

Both College and Fresh Ideas agree that this Amendment shall abide by all standards and specifications detailed in the original Contract and shall conduct business at Peru State College pursuant to all requirements in the original Contract including all previous amendments unless otherwise designated in this Amendment.

Amended Contract Terms.

The 2022 version of Exhibit A has been deleted and replaced with the attached amended Exhibit A dated July 1, 2023.

Signatures:

FRESH IDEAS MANAGEMENT LLC:	BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES DBA PERU STATE COLLEGE	BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES:
_____ Signature	_____ Signature	_____ Signature
_____ Dennis Owens Printed Name	_____ Jennifer Rieken Printed Name VP for Administration and Finance	_____ Paul Turman Printed Name
_____ President Title	_____ Title	_____ Chancellor Title
_____ Date	_____ Date	_____ Date

Effective July 1, 2023



Exhibit A

Peru State College Daily/Sliding scale Fall 2023 & Spring 2024

FLEX: MEALS:		\$150 265 Block	\$125 210 Block	\$100 130 Block	\$50 Unlimited
Meal Plan Participants					
401	410	\$ 18.40	\$ 16.95	\$ 15.28	\$ 19.16
411	420	\$ 18.12	\$ 16.67	\$ 14.99	\$ 18.89
421	430	\$ 17.88	\$ 16.41	\$ 14.74	\$ 18.65
431	440	\$ 17.63	\$ 16.16	\$ 14.49	\$ 18.41
441	450	\$ 17.39	\$ 15.93	\$ 14.25	\$ 18.16
451	460	\$ 17.17	\$ 15.70	\$ 14.02	\$ 17.91
461	470	\$ 16.97	\$ 15.48	\$ 13.81	\$ 17.71
471	480	\$ 16.76	\$ 15.28	\$ 13.60	\$ 17.50
481	490	\$ 16.56	\$ 15.08	\$ 13.40	\$ 17.30
491	500	\$ 16.39	\$ 14.91	\$ 13.23	\$ 17.14
501	510	\$ 16.21	\$ 14.72	\$ 13.04	\$ 16.96
511	520	\$ 16.03	\$ 14.54	\$ 12.87	\$ 16.78
521	530	\$ 15.87	\$ 14.37	\$ 12.69	\$ 16.60
531	540	\$ 15.73	\$ 14.21	\$ 12.54	\$ 16.47
541	550	\$ 15.64	\$ 14.05	\$ 12.38	\$ 16.39
551	560	\$ 15.57	\$ 13.90	\$ 12.22	\$ 16.31
561	570	\$ 15.49	\$ 13.75	\$ 12.07	\$ 16.23
571	580	\$ 15.41	\$ 13.61	\$ 11.94	\$ 16.16
581	590	\$ 15.35	\$ 13.47	\$ 11.80	\$ 16.06
591	600	\$ 15.28	\$ 13.35	\$ 11.67	\$ 16.00
601	610	\$ 15.21	\$ 13.22	\$ 11.54	\$ 15.93
611	620	\$ 15.16	\$ 13.09	\$ 11.41	\$ 15.88
621	630	\$ 15.11	\$ 12.97	\$ 11.30	\$ 15.82
631	640	\$ 15.05	\$ 12.85	\$ 11.18	\$ 15.77
641	650	\$ 14.99	\$ 12.75	\$ 11.07	\$ 15.71
651	660	\$ 14.94	\$ 12.63	\$ 10.96	\$ 15.66
661	670	\$ 14.89	\$ 12.53	\$ 10.86	\$ 15.60
671	680	\$ 14.83	\$ 12.43	\$ 10.72	\$ 15.55
681	690	\$ 14.77	\$ 12.33	\$ 10.66	\$ 15.49
691	700	\$ 14.72	\$ 12.23	\$ 10.55	\$ 15.43

COMMUTER 75 BLOCK PLAN RATES

MEAL	RATE
Breakfast	\$5.05
Lunch	\$6.24
Dinner	\$6.24
Steak Night	\$7.43
Daily Rate	N/A

CASUAL MEAL RATES

MEAL	GUESTS	EMPLOYEES
Breakfast	\$7.09	\$5.77
Lunch	\$8.40	\$5.77
Brunch	\$8.66	\$6.82
Dinner	\$8.92	\$8.92
Premium Night	\$12.60	\$11.55
Admissions/ Enrollment	\$6.82	N/A

SUMMER CONFERENCE/CAMP RATES

MEAL	RATE
Breakfast	\$7.61
Lunch	\$8.40
Dinner	\$8.66
All Day (3 Meals)	\$23.10

**AMENDMENT NUMBER SIX TO
FOOD SERVICES AGREEMENT**

This Amendment Number Six to Food Services Agreement is made as of January 13, 2023, 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, by that certain Amendment Number Four to Agreement executed by College on January 13, 2022, and by that certain Amendment Number Five to Agreement executed by College on June 19, 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 Exhibit A, Section B. Effective July 1, 2023, 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 2023-24 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
Unlimited (price per swipe based on 21 swipes)	Weekly	Mandatory	Unlimited	150	2 Meal Exchange/ Week	\$1,488	\$ 4.43

Block 225	Block	Mandatory	225	350	2 Meal Exchange/ Week	\$1,555	\$6.91
Block 190	Block	Mandatory	190	250	2 Meal Exchange/ Week	\$1,229	\$6.47
Block 100	Block	Mandatory* Upper classmen only	100	300	2 Meal Exchange/ Week	\$880	\$8.80
Block 75	Block	Voluntary	75	150	1 Meal Exchange/ Week	\$770	\$10.27
Block 50	Block	Voluntary	50	0	1 Meal Exchange/ Week	\$350	\$7.00

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

Casual Meal Rates 2023 – 2024

	College Employee/College Paid	External Guests
Breakfast	\$6.85	\$8.06
Lunch/Brunch	\$9.15	\$11.05
Evening/Special Dinner	\$10.13	\$11.68

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

Summer Conference Per Meal Rate 2023-2024 \$9.21

Future year board plan days and meal rates shall be determined by written addendum each year, signed by the Parties.

3. Confirmation and Integration. The Parties hereby confirm and ratify the original Agreement, Amendment Number One, Amendment Number Two, Amendment Number Three, Amendment Number Four, and Amendment Number Five in conjunction with adopting this Amendment Number Six. 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.

4. Counterparts. This Amendment Number Six 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.

5. 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: _____