



## University Services Auxiliary Services

Auxiliary Services is a diverse group of service units offering goods and services to the University community that are essential to academic and administrative success. By providing convenient, user friendly, customer driven and cost-effective goods and services, Auxiliary Services supports the University's mission and enhances the student experience.

On all five campuses, Auxiliary Services supports the University community through Fleet Services, U Market Services, Contract Administration's oversight of food and beverage services and the U Card Office. On the Twin Cities campus, the efforts of Auxiliary Services support the University community through these units: Housing & Residential Life, University Dining Services, Parking and Transportation Services and Printing Services. Furthermore, the University of Minnesota Bookstores serves all campuses except Duluth.

Auxiliary Services, primarily self-supporting units, takes pride in making customer service the top priority, routinely exceeding customer expectations as evidenced in annual surveys conducted in all units. Advocating for the customer, Auxiliary Services units beginning in 2003 have implemented numerous cost cutting measures while maintaining high levels of satisfaction.



## Vision, Mission and Purpose

**Vision** – To become the service provider of choice for the University

**Mission** – To provide goods and services that are: 1) essential to academic and administrative success; 2) convenient; 3) user friendly; 4) customer driven; and 5) readily available at a quality-for-cost ratio that is not consistently available in the community

**Goal/Purpose** – To support the University’s education, research and outreach missions by enhancing the student experience; minimizing the impact of cost of attendance; and providing competitive, customer focused businesses

## Strategic Objectives

**Customer Perspective** – Provide quality goods and services at market competitive prices that meet customers’ needs and exceed their expectations

**Continuous Improvement & Innovation** – Continuously improve and streamline performance to create more efficient and effective processes and services

**Learning & Growth** – Create a respectful and inclusive workplace that supports the recruiting, hiring, developing and retaining of exceptional employees

**Accountability** – Align and leverage resources with strategic goals and plan



## Primary Services

### **Housing & Residential Life (HRL)**

- Single Student Housing
- Family/Faculty Housing
- Business Operations
- Conference & Event Services
- Off-Campus Listing Service

### **University Dining Services (UDS)**

- Residential Dining
- Retail Dining
- Catering
- Concessions/Athletic Dining
- Arboretum Dining and Catering

### **Parking and Transportation Services (PTS)**

- Parking Services
- Transit Services
- Fleet Services
- Transportation Alternatives
- Transportation Infrastructure

### **University of Minnesota Bookstores (BKS)**

- Course Materials
- Educational Supplies
- Computers and Electronics
- Collegiate Apparel and Gifts
- Trade and Reference Books

### **Printing Services (PRT)**

- Printing Services
- Graphic Design
- Campus Copy Centers

### **U Market Services (UMS)**

- eProcurement
- Materials Management
- Logistics/Distribution
- Addressing & Mailing Services

### **U Card Office (U Card)**

- Identity Management
- Campus Access
- Online Declining Balance Program

### **Contract Administration (CA)**

- Contract Oversight & Coordination
- Contract Development & Negotiation
- Campus Vending
- Alcohol Oversight



## Academic Enterprise Support

**The array of business units within Auxiliary Services supports a diverse campus community** including students, staff, faculty, visitors and various entities external to the University. To maximize the value of services and products, Auxiliary Services collaborates with many partners seeking to optimize each other's core competencies. Internal partners include the Office of Student Affairs, Purchasing Services, Admissions Office, Office of Information Technology, Office of General Counsel, University Libraries, Intercollegiate Athletics, the Coordinate Campuses and all other University Services units.

**Housing & Residential Life serves the University community** by providing students housing and living learning opportunities on or near the campus. Research has shown that incoming first-year students who live on campus have higher GPAs than their off-campus peers. Research has also shown that students who live on campus are more likely to be involved in and connected to the University, therefore having higher retention and graduation rates. University Dining Services enhances and compliments the on-campus living experience by providing students with nutritional meals in an educationally oriented community environment.

**The University of Minnesota Bookstores provides students** a one-stop opportunity to acquire all required course materials through its new, used, rental, e-book and course packet offerings. Multiple delivery options allow students to acquire required course materials at a cost point that meets their individual financial needs. The technology needs of campus are served through its Apple-authorized M-Tech computer store.

**Parking and Transportation Services serves the transportation needs of the Twin Cities campus.** PTS serves approximately 84,000 students, staff, faculty and campus visitors each day. The Twin Cities campus community utilizes a variety of transportation modes with 36% taking transit; 17% walking; 10% riding a bicycle; 33% driving alone; and 4% carpooling (based on fall 2014 research). The free campus shuttle system provides more than 3.5 million rides annually. In fall of 2014, partnering with Metro Transit bus/light rail system, PTS recorded sales of 18,643 U-Pass sales to students and 1,738 Metropass sales to faculty and staff. In addition, Fleet Services, a division of PTS, provides and manages a wide-variety of vehicles for the University's system campuses.

PTS is regularly recognized for its programs, initiatives and leadership. In 2014, PTS received Better Buildings Alliance's Lighting Energy Efficiency in Parking (LEEP) award for its energy-saving LED lighting project. In 2014, the University of Minnesota was designated a Gold Bicycle Friendly University (BFU) by the League of American Bicyclists due in large part to PTS' industry-leading bicycle commuter tracking system. PTS partners with multiple external agencies and vendors to provide services to the community.

**U Market Services (UMS) provides complete supply chain services for the University community.** UMS partners with Purchasing Services and others to offer U departments the most cost-effective electronic shopping, procurement and payment system. U Market's online marketplace provides desktop access to more than 40 suppliers and 4 million competitively priced products for all campuses. Since implementing its fully electronic procure-to-pay system, U Market Services has helped departments reduce transaction costs and realize savings in both product cost and



shipment of goods. UMS also effectively consolidates deliveries from multiple vendors, eliminating over 20 commercial vehicles from campus each day, increasing campus security, and reducing the U's carbon footprint. The UMS Materials Management unit operates an automated inventory restocking system in over 300 locations on campus. UMS is dedicated to superior customer service and has an award-winning customer support team with an 80% approval rating for exemplary service.

**Other Auxiliary Services units including** Printing Services, University Dining Services, Addressing & Mailing and the U Card Office support the academic enterprise by offering goods and services that “make the University work.” By providing approximately 1,600 student employment opportunities, Auxiliary Services units assist students in financially supporting the cost of their education in a student development environment that supports the University's Student Outcomes Initiative.

**Auxiliary Services units participate in** University governance and Twin Cities subcommittees. Auxiliary Services staff are members of the Council of Academic Professionals and Administrators (P&A) and serve on U advisory committees including: Twin Cities Sustainability Committees; Traffic Safety Workgroup; Compliance Partners; Occupational Health & Safety Advisory Committee; Provost's Committee on Mental Health; Advisory Board for Orientation & First-Year Programs; U Enrollment Management Strategy Coordinating Group; U International Enrollment Committee; Disability Services Committee; Alcohol License Oversight Committee; Student Experience Strategic Work Team; Housing Strategy Committee; and Safety & Security Steering Committee.

**Auxiliary Services also maintains partnerships** with numerous national and local external entities and many vendors and

suppliers of goods and services. In July 2008, the University entered into four new food and beverage contracts as a result of a two year comprehensive Food & Beverage RFP process that demonstrated the University's advancement of its single enterprise, culture of excellence and best business practices goals. The estimated value of these contracts includes:

- **Aramark - UMTC** (\$96 million over 12 years);
- **Sodexo – UMC & UMM** (\$7 million over 10 years);
- **Coca-Cola – system-wide** (\$38 million over 10 years); and
- **Taher – UMTC, UMM, & UMR** (\$2.7 million over 10 years).

Providing consistent contract oversight and direction through Auxiliary Services' Contract Administration unit allows the University to maximize contractual financial and programmatic benefits while creating operational efficiencies across several of its campuses and Twin Cities departments.

Currently, Aramark provides the administrative, management and supervisory staff required to operate University Dining Services on the Twin Cities campus. Thermo Fisher Scientific supports a University-wide lab supply contract with two on-site customer service representatives operating out of U Market Services to maximize the quality of service to science related customers.

**Auxiliary Services units are funded by the sale of competitive goods and services.** All units in the department adjust workforce levels to ensure a high quality customer experience while delivering the greatest value. Looking ahead, the economy will continue to impact the demand for goods and services and Auxiliary Services will continue to adjust workforce levels to meet the University's changing needs and funding levels.



## Current Challenges

- Providing market-competitive products and services and meeting customer demands in the University's living wage environment
- Maintaining a critical level of business activity in certain lines of business during this period of decreased funding levels across the University
- Aligning campus accessibility, safety and product delivery requirements with evolving campus transportation trends
- Addressing customers' increased expectations for electronic, mobile and/or web based versions of products and services
- Increasing student satisfaction while working to control the cost of attendance
- Continuing to assess and meet the demand for on campus housing in conjunction with Enrollment Management deliberations

## Current Initiatives

- Identify and implement streamlined and cost effective programs, services and processes
- Create a work environment that supports diversity, employee engagement and individual employee growth and development
- Identify programs and services that meet or exceed customer demand and expectations
- Support the University's sustainability initiative
- Leverage and develop technology that supports business requirements and meets customer needs and expectations
- Identify and implement services and programs that enhance and improve campus safety
- Develop and implement programs and services that enhance the student experience



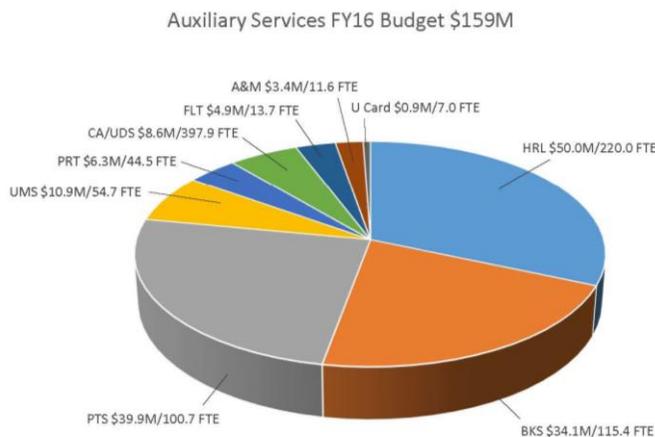
## Financial Overview

Auxiliary Services is primarily a self-supporting department, generating more than 98 percent of its revenue from the sale of goods and services to internal and external customers. Internal Service Organizations including U Market Services, Printing Services, Fleet Services and the U Card Office generate revenue from internal University customers. Housing & Residential Life, Parking and Transportation Services, University Dining Services and Bookstores

operate as auxiliary units, primarily serving customers external to the University funding system. Auxiliary Services receives less than two percent of its funding from the central Operations & Maintenance pool in support of Campus Mail operations. Auxiliary Services has an estimated overall annual operating budget of \$160 million and supports an annual debt obligation of approximately \$8.8 million.

## Budget

The following chart identifies Auxiliary Services departments and notes their comparative size relative to budget. The accompanying grid details overall Auxiliary Services expenditures, debt and contributions to the University.



FY16 Budget	Total
<b>Income</b>	<b>\$158,892,225</b>
Cost of Goods Sold	\$ 36,222,765
Payroll	\$ 34,035,289
Building, Maintenance & Utility	\$ 21,560,457
Depreciation	\$ 21,168,403
Contracted Services	\$ 16,936,035
Operating Expense	\$ 11,021,007
Interest	\$ 4,472,586
<b>Total Expenditures</b>	<b>\$149,891,744</b>
Debt Obligation	\$ 8,822,509
ASU/OIT/Enterprise	\$ 4,155,899

## Workforce

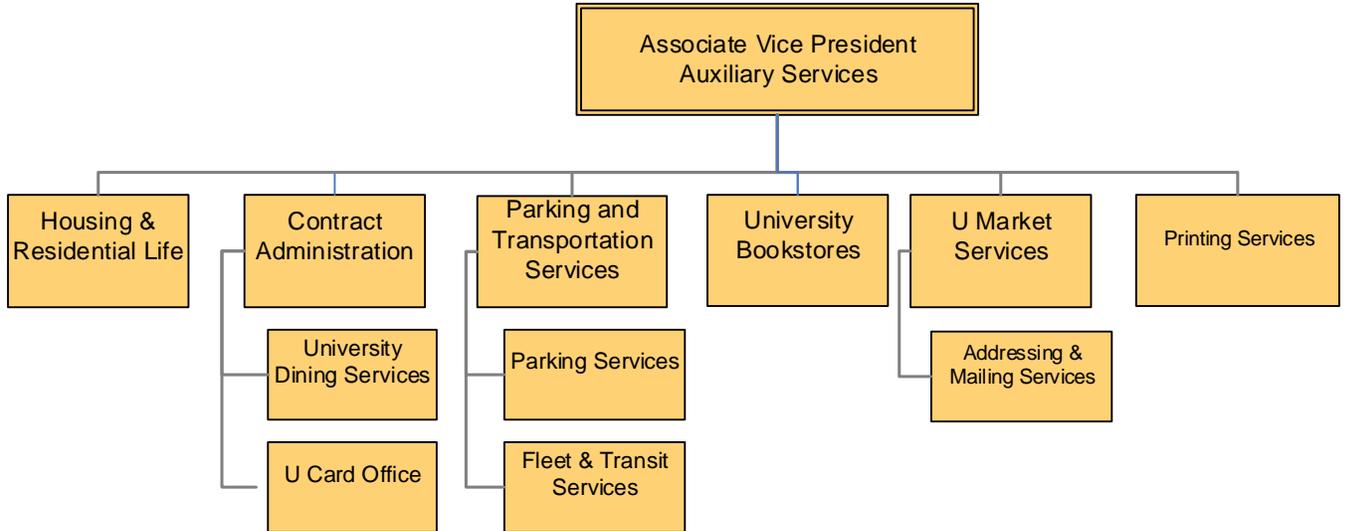
As of October 2015, Auxiliary Services units included 987.8 Full Time Equivalent employees with an actual headcount of 2,218. A breakdown of actual headcount is included in this table.

Auxiliary Services Personnel Data	Student	Union	Professional or Academic	Civil Service	Grand Total
Employee Headcount	1560	448	82	128	2218
Full Time Equivalents	366.0	429.6	71.1	121.2	987.8



## Organizational Chart

### Auxiliary Services





## Regulatory Responsibilities

Auxiliary Services business units are subject to a multitude of regulatory requirements due to the complexity of operations. Auxiliary Services is the responsible unit for these U-wide policies:

- [Using Vehicles for University Business](#)
- [Acquiring a U Card](#)
- [Tailgating on Football Game Days: Twin Cities](#)

In addition, Auxiliary Services ensures compliance with the following regulatory requirements:

- Access for political candidates to campaign in University/College residence halls/apartments ([MN Statute 211B.20](#))
- [Copyright Law](#)