



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, M Dining, Parking & 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. Beginning in 2003, Auxiliary Services units have annually implemented many cost cutting measures while maintaining high levels of customer 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 centric; 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 cost of attendance; and providing competitive, customer focused businesses and services

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 analyze, improve and streamline operations 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
- Residential Life Programs
- Off-Campus Listing Service

M Dining

- Residential Dining
- Retail Dining
- Markets (except SUA locations)
- Catering
- Athletic Concessions & Dining
- Arboretum Retail & Catering

Parking & 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

U Market Services (UMS)

- eProcurement
- Materials Management
- Logistics/Distribution

Printing Services (PRT)

- Printing Services
- Graphic Design
- Digital Print Centers

Addressing & Mailing Services (A&M)

U Card Office (U Card)

- Identity Management
- Online Declining Balance Program
- Contract Oversight

Contract Administration (CA)

- Contract Oversight & Coordination
- Contract Development & Vending Services



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 System 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. M Dining 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, digital 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. The general book department offers New York Times best sellers, faculty and local author titles and many eclectic selections. Bookstores is also the premier provider of Gopher wear, gifts and souvenirs.

Parking & 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 40% (26% public and 14% campus) taking transit; 21% walking; 10% riding a bicycle; 25% driving alone; and 3% carpooling (based on fall 2016 research). The free campus bus system provides more than four million rides annually. In fall of 2018, partnering with Metro Transit, PTS recorded sales of 14,136 U-Pass sales to students and 1,763 Metropass sales to faculty and staff. In addition, Fleet Services, a unit of PTS, provides and manages a variety of vehicles for the University's system campuses.

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, fully 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, to all campuses.

Since implementing this fully electronic procure-to-pay system, U Market Services has helped departments reduce transaction costs and realize savings on both products and shipment of goods. UMS also effectively consolidates deliveries from multiple vendors, eliminating over 30 commercial vehicles from campus each day, increasing campus safety and 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 support and has an award-winning support team with an 80% approval rating for exemplary service.



Other Auxiliary Services units including Printing Services, M Dining, Addressing & Mailing and the U Card Office support the academic enterprise by offering goods and services that “make the University work.” By providing approximately 1,800-2,000 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 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. The estimated value of these contracts includes:

- **Aramark – Twin Cities**
(\$96 million over 12 years);
- **Sodexo – Crookston & Morris Campus**
(\$7 million over 10 years);
- **Coca-Cola – system-wide**
(\$38 million over 10 years); and
- **Taher – Twin Cities & Rochester**
(\$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 M Dining on the Twin Cities campus.

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. 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 facing increased external competition
- 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 overall cost of attendance
- Continuing to assess and meet the demand for on-campus housing in conjunction with Enrollment Management goals and targets

Current Initiatives

- Identify and implement streamlined and cost effective programs, services and processes
- Reinvent/reengineer business models, pursue new growth opportunities and evaluate strategic partnerships
- 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 and security
- Develop and implement programs and services that enhance the student experience
- Provide value-added products and services others are unwilling or unable to provide



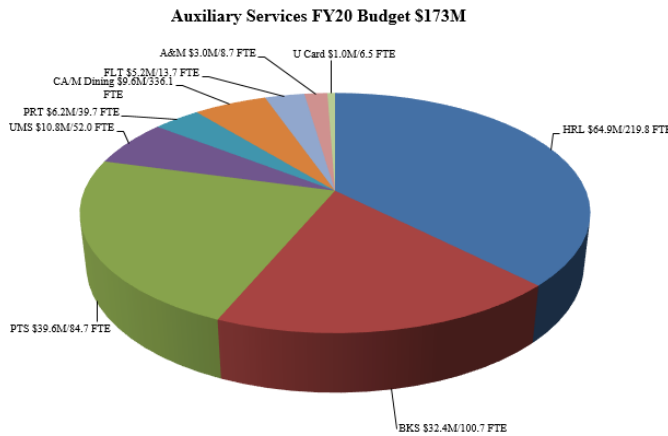
Financial Overview

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 and Fleet Services generate revenue from internal University customers. Housing & Residential Life, Parking & Transportation Services, M Dining, Bookstores and the U Card Office 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, U Market Services procurement and logistics activities, and portions of the U Card Office. Auxiliary Services has an estimated overall annual operating budget of \$173 million and supports an annual debt obligation of approximately \$8.2 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.



FY20 Budget	Total
Income	\$172,667,606
Cost of Goods Sold	\$ 34,375,086
Payroll	\$ 36,211,041
Building, Maintenance & Utility	\$ 34,904,868
Depreciation	\$ 27,106,406
Contracted Services	\$ 17,700,657
Operating Expense	\$ 10,225,439
Interest	\$ 7,617,776
Total Expenditures	\$168,141,273
Debt Obligation	\$ 8,195,204
ASU/OIT/Enterprise	\$ 4,325,661

Workforce

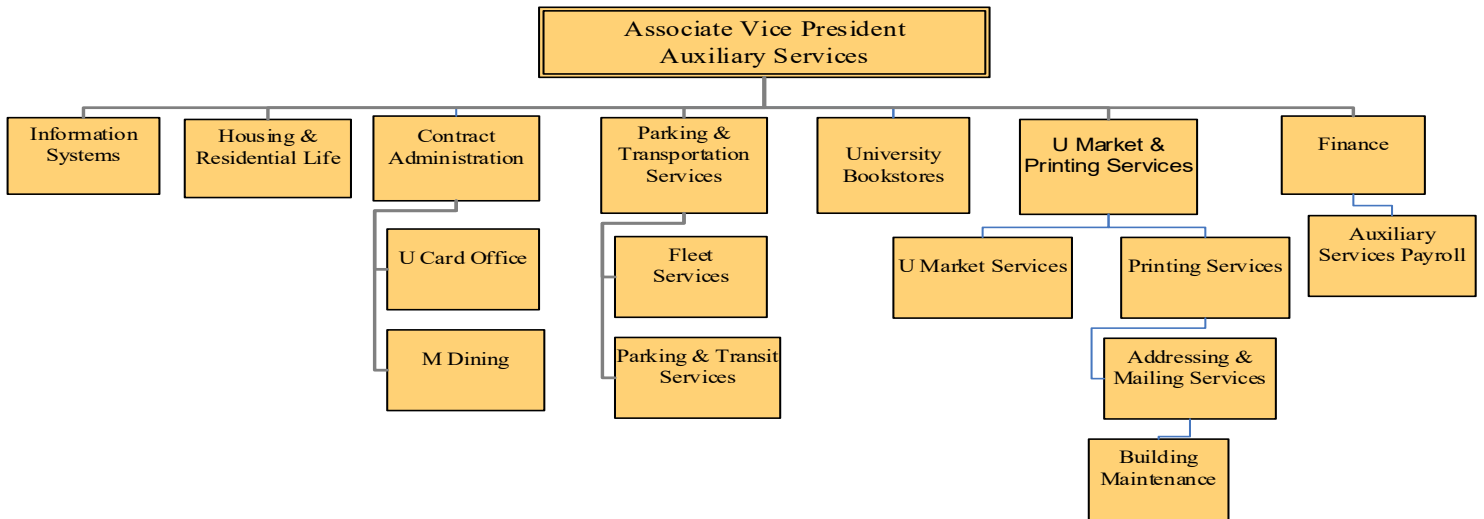
As of October 2019, Auxiliary Services units included 881.7 Full Time Equivalent employees with an actual headcount of 1,874. A breakdown of actual headcount is included in this table.

Auxiliary Services Personnel Data	Student	Union	Professional or Academic	Civil Service	Grand Total
Employee Headcount	1237	440	79	118	1874.0
Full Time Equivalents	288.9	407.3	75	110.5	881.7



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](#))
- Payment Card Industry Standards
- Federal Unrelated Business Income Tax
- Minnesota Sales Tax