### WELCOME

## 111TH CAMPUS CLUB ANNUAL MEETING

Learn about the Campus Club's fiscal health, membership, successes, challenges, and future plans.

#### MAY 16<sup>TH</sup> 2023

Begins at 4:30 pm in the West Wing or via Zoom

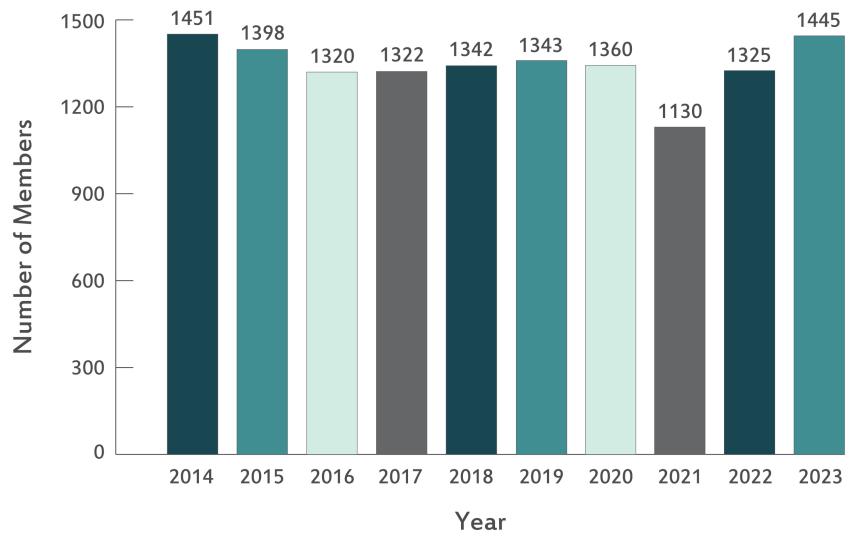


## PRESIDENT'S REPORT

- · The Last 12 Months
- · Funding
- · Mission Statement Process
- · 501c3 Process



#### **CURRENT NUMBERS\***



#### INCREASE REVENUE FROM MEMBERSHIP

- -Rebuilt membership by lowering the dues to \$88/year across the board (faculty, staff, alumni, departments)
- -Kept the \$50 special rate student membership
- -Implemented a tiered system for leadership gifts

#### THE RESULTS

- -Membership increased by over 100 new members
- -Members showed they are willing to support the Campus Club at a higher level



## TIERED OPTIONS LET YOU CHOOSE YOUR LEVEL OF SUPPORT

- · Basic // \$88 per year Receive a free lunch when you join
- · Friend of the Club // \$260 per year
  Receive a free lunch when you join plus a \$50 annual credit
  Receive a 10% discount on room rentals
- · Advocate // \$650 per year

  Receive a free lunch when you join plus a \$100 annual credit

  Receive a 10% discount on room rentals
- · Leader // \$1300 per year

  Receive a free lunch when you join plus a \$200 annual credit

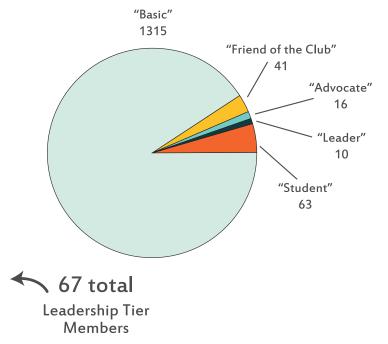
  Receive a 10% discount on room rentals



## TIERED MEMBERSHIP BEGAN AUGUST 2022

#### Total Membership - 1445

Member Count		Membership Tier	Membership Cost			
	1315	"Basic"	\$88 per year			
	41	"Friend of the Club"	\$260 per year			
	16	"Advocate"	\$650 per year			
	10	"Leader"	\$1300 per year			
	63	"Student"	\$50 per year			





The 67 Leadership Tier Members bring in \$34,060 total in income.

If these 67 Members were at the Basic Tier, they would only be bringing in \$5,896 total in income.

Their upgraded membership brings the Campus Club an additional income of

\$28,164

Thank you!

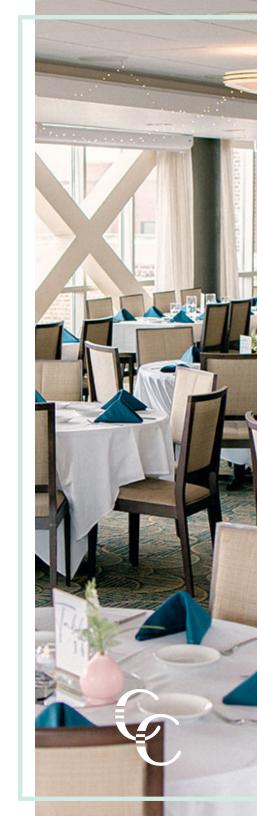
## MAKING THE CLUB VIABLE

#### INCREASE REVENUE FROM EVENTS

Explored increasing event revenue by renting out the West Wing Dining Room during lunch, mid-week

THE RESULTS

-6 new events brought in \$44,000 in new revenue



### **FUNDING**

#### MAKING THE CAMPUS CLUB VIABLE

WORKING WITH THE UNIVERSITY ADMINISTRATION ON FUNDING

- -August 2022: CC Executive Committee met with Provost Croson to discuss funding for the Campus Club
- -November 2022: CC Board of Directors received verbal confirmation that the subsidy would be reduced by 50% for FY24 (July 1, 2023), and would be completely cut to 0% for FY25 (July 1, 2024)
- -April 2023: CC Board of Directors made an appeal to senior leadership, apprising them of the situation

With no long term solution for either reducing rent or maintaining current subsidy, this may be devestating for the Club with implications for Coffman Union and the office of Student Affairs.

The Club is working hard to implement business model changes that will reduce the Campus Club's reliance on University subsidy.



## MAKING THE CLUB VIABLE

#### A CHANGE IN IRS STATUS

Started process to change IRS status from a 501c7 social organization (requiring 85% of sales to come from members) to a 501c3 charitable organization.

#### Benefits include:

- -No membership requirement allows for greater flexibility for sales. Membership would be voluntary, like public radio or a museum.
- -Ability to engage in fundraising. Donations to a 501c3 are tax deductible and donations to a 501c7 are not.
- -Charitable programs such as the Campus Club's work to feed food insecure students become mission-related

STEP ONE: Identify charitable purpose and functions of the Campus Club and write a new mission statement.

\*Committee chaired by board member Sue Chu from the College of Design drove this process and will give her report/recommendations



### MISSION STATEMENT

#### PROCESS AND HIGHLIGHTS

#### **COMMITTEE MEMBERS**

Sauman Chu, Chair · College of Design

Denise Young · Bell Museum

Debra Lawton · College of Design

Ann Holt · Campus Club

Rhonda Erickson · Campus Club

#### October 2022 | Meeting

- · Mission statement ideation
  - · "We exist to..."
  - · "We strive to..."
- · Review of mission statements from other faculty clubs and social clubs
- · Review of mission statements from top non profits



### MISSION STATEMENT

#### PROCESS AND HIGHLIGHTS

November 2022 | Survey of Campus Club Membership

· Developed survey questions for members regarding the Campus Club mission statement

Dear (name),

Last spring at the Annual Meeting of the Membership, I was charged with pursuing a change in IRS designation from the current 501c7 (social organization) to 501c3 (charitable organization). The first step in this process is to make sure that the Club's mission statement reflects the purpose and intent of the organization. You can help by taking a few minutes to answer four questions about what you believe the Club provides and how it should serve the University of Minnesota community.

- 1. When you think about all the Campus Club is, does, and represents, at its core the Campus Club is about \_\_\_\_\_, and \_\_\_\_\_.
- 2. If the Campus Club could only be defined by one value, what would it be, and why?
- 3. What do you consider most special about the Campus Club?
- 4. What do you think is the biggest opportunity for the Campus Club in the future? Why?
- · Received 130 responses from Campus Club members



### MISSION STATEMENT

#### PROCESS AND HIGHLIGHTS

#### December 2022

· Created three potential mission statement options which were reviewed and revised by the Board of Directors

#### January 2023

- · Three revised options were sent to the full membership for consideration, comment, and rating
- · Received ratings/input from 154 Campus Club members

#### **OUR PROPOSED MISSION STATEMENT:**

"The Campus Club is a gathering space at the University of Minnesota to exchange ideas, advance knowledge and nourish an inclusive community."

#### March 2023

· Organized a 'Day of Design' for UMN students



## DISCUSSION AND VOTE

Should the Campus Club pursue a change of IRS status from 501c7 social organization to 501c3 charitable organization?



### **NOMINATIONS**

2023 Board of Directors



### **NOMINEES**

#### **2023 BOARD OF DIRECTORS**

Additional Nominees from the floor may be added, but there must be 20 member signatures.



Regents and Distinguished McKnight University Professor, Medical School



Tim Lodge

Regents Professor, Department of Chemistry

Marc Jenkins



Bethanie Stadler

CSE Distinguished Professor, Erwin A. Kelen Professor in Electrical Engineering, Department of Electrical and Computer Engineering



Erin Zielinski

Director of Research Operations, Department of Obstetrics, Gynecology and Women's Health



Call for action to accept the slate of nominees.

### SERVICE AWARDS

#### PRESENTED WITH THANKS TO:

#### **UWE KORTSHAGEN**

Board of Directors 2017–2023 Treasurer 2019–2021 President 2021–2023

#### JOHN COLEMAN

Board of Directors 2018-2023



### TREASURER'S REPORT

#### FISCAL YEAR COMPARISON

#### **VALUES SHOWN IN THOUSANDS**

Revenue		FY18 Actual		FY19 Actual		FY20 Actual		FY21 Actual		FY22 Actual	1	Y23 Projection
Lunch sales	Ş	363	Ş	373	Ş	267	Ş	29	Ş	267	Ş	375
Catering/special events	Ş	771	Ş	804	Ş	472	Ş	62	Ş	452	Ş	711
Event Liquor	Ş	86	Ş	102	Ş	69	Ş	20	Ş	76	Ş	78
Conf room rentals	\$	189	\$	208	\$	153	\$	32	\$	170	\$	218
Service Fees	\$	143	\$	161	\$	97	\$	16	\$	98	\$	144
Bar sales	\$	75	\$	73	\$	50	\$	10	\$	62	\$	76
Bar Food	\$	36	\$	31	\$	24	\$	4	\$	37	\$	49
Gopher Express	\$	7	\$	5	\$	4	\$	1	\$	1	\$	2
Takeout and Delivery	\$	-	\$	-	\$	-			\$	13	\$	12
Membership dues	\$	272	\$	284	\$	270	\$	221	\$	132	\$	138
Member brunches/dinners	\$	30	\$	27	\$	11	\$	1	\$	15	\$	19
Misc. income	\$	3	\$	-	\$	-	\$	-	\$	-	\$	3
Government loans, grants, and fur	\$	-	\$	-	\$	-	\$	427	\$	626	\$	-
Second Harvest Heartland	\$	-	\$	-	\$	-	\$	158	\$	329	\$	353
Total Sales Income	\$	1,975	\$	2,068	\$	1,417	\$	981	\$	2,278	\$	2,178
Support from U of M (Rent*)	\$	132	\$	132	\$	132	\$	132	\$	132	\$	-
Support from U of M (CMU**)	\$	177	\$	177	\$	177	\$	177	\$	177	\$	-
Support from U of M (Debt Service	\$	250	\$	250	\$	250	\$	250	\$	250	\$	-
Support from U of M General	Ş	181	Ş	-								
One time, non recurring support fr	Ş	-	Ş	-	Ş	100	Ş	-	Ş	-	Ş	-
Month to Month Rent Support	Ş	-	Ş	-	Ş	-	Ş	-	Ş	-	Ş	500
Interest income	Ş	1	Ş	1	Ş	1	Ş	1	Ş	1	Ş	6
Total Revenue	Ş	2,716	Ş	2,809	Ş	2,258	Ş	1,722	Ş	3,019	Ş	2,684
Expenses												
Rent, Debt Service and Utility Cost	\$	836	\$	853	\$	856	-	829	\$	843	\$	520
All Operating Expenses	\$	1,820	\$	1,801	\$	1,325	\$	735	\$	1,700	\$	1,883
Administrative Expenses	\$	142	\$	179	\$	145	\$	99	\$	162	\$	184
Total Expenses	\$	2,798	\$	2,833	\$	2,326	\$	1,663	Ş	2,705	Ş	2,587
Net Income	\$	(82)	\$	(24)	\$	(68)	\$	59	\$	314	\$	97

<sup>\*</sup>Building Operations

<sup>\*\*</sup>Building Depreciation

# EXECUTIVE DIRECTOR'S REPORT

#### **BUILDING BACK**

Challenges and opportunities for restoring a consistent and profitable revenue stream

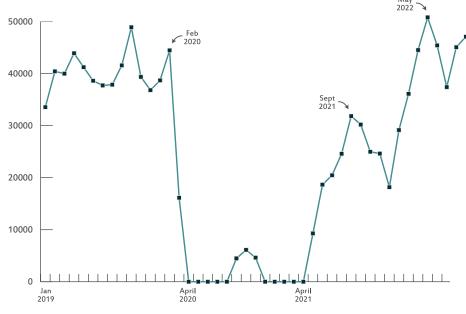


## REVENUE

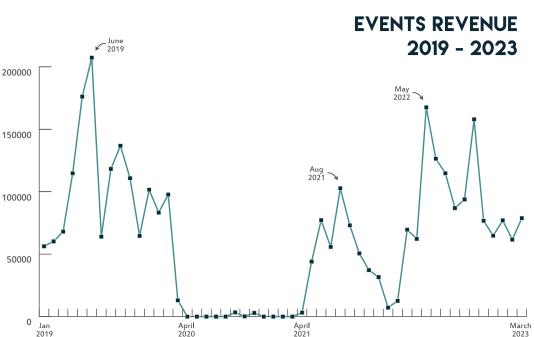
## WHAT WE ARE EXPERIENCING

March 2023





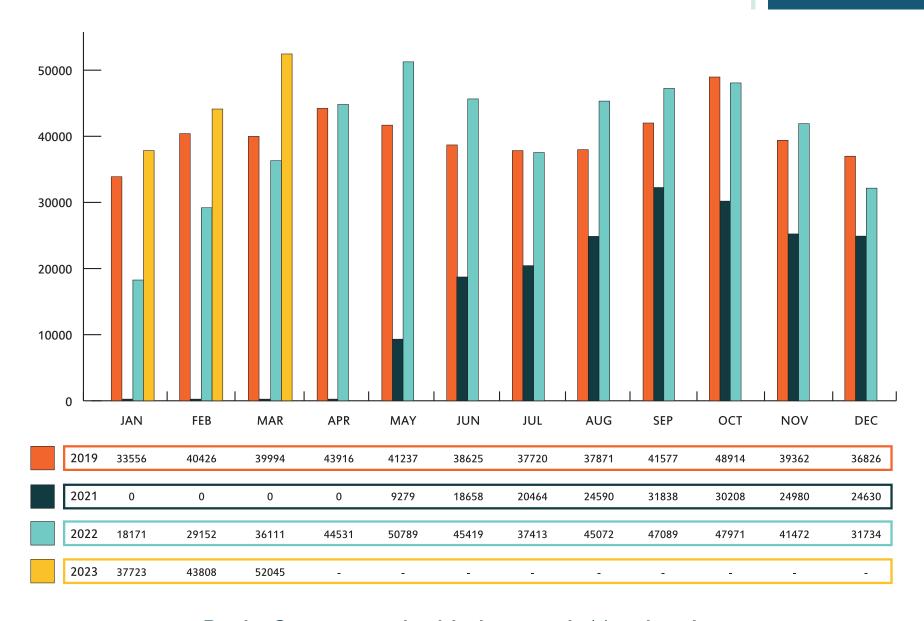
Club revenues have always been seasonal but in the past 18 months we have seen many more extremes.



## REVENUE

## DAILY OPERATIONS LUNCH & BAR

**COMPARING 2019 - 2023 (NOT 2020)** 

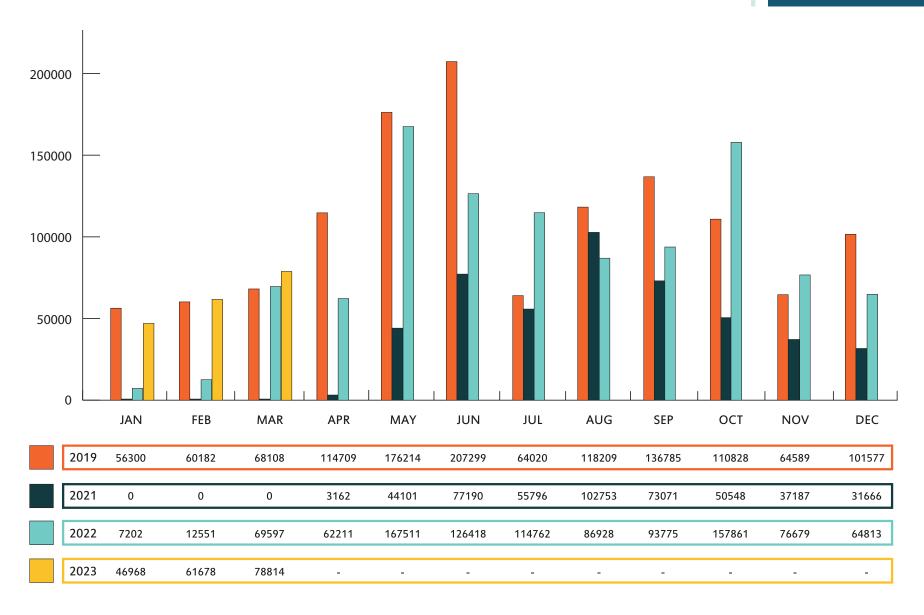


Daily Operations build along with Membership

## REVENUE

#### **EVENTS**

**COMPARING 2019 - 2023 (NOT 2020)** 



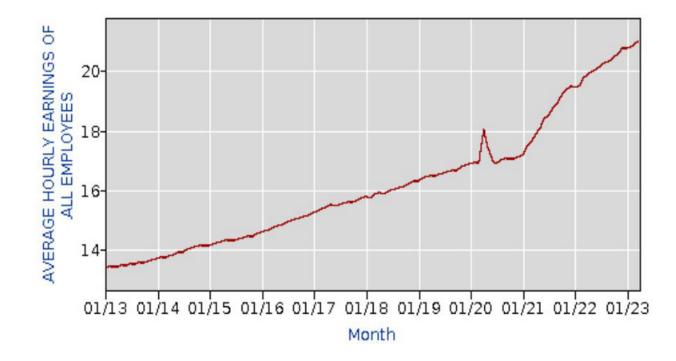
Events revenue still hasn't caught up with 2019

OPERATIONS ARE AFFECTED BY GREATER ECONOMIC ISSUES:

Inflation of 10% + in product and 10% - 20% in labor

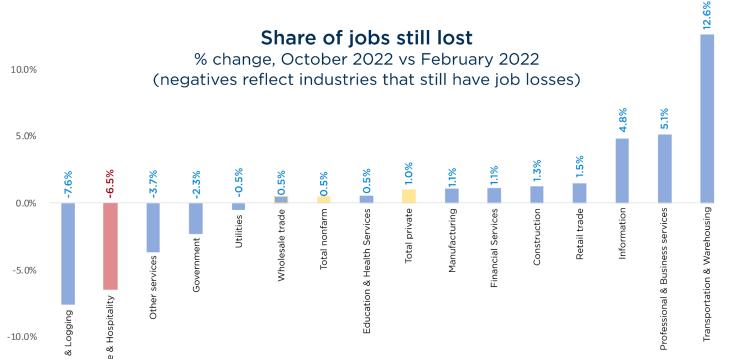
#### **BUREAU OF LABOR STATISTICS**

Employment, Hours, and Earnings from the Current Employment Statistics survey (National) — Leisure and Hospitality



TIGHT LABOR MARKET HAS HIT THE LEISURE AND HOSPITALITY INDUSTRY ESPECIALLY HARD

L&H is suffering from the second-highest share of jobs still lost of all major industries

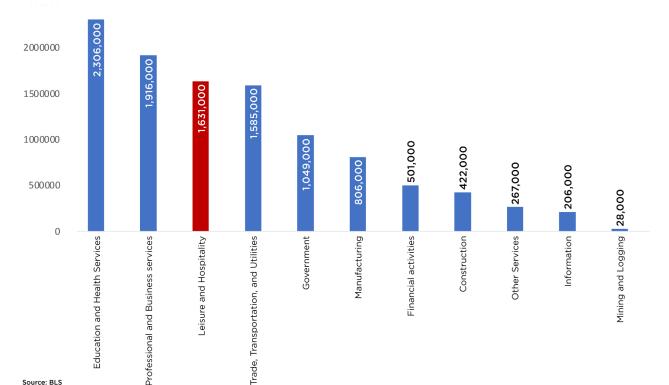


While L&H employment remained 6.5% below pre-pandemic levels, the overall economy has fully recovered (+0.5%) and the overall private sector, which includes L&H, was up 1.0%. Only mining & logging had a higher share of jobs still lost.

TIGHT LABOR MARKET HAS HIT THE LEISURE AND HOSPITALITY INDUSTRY ESPECIALLY HARD

But the problem isn't a lack of openings





With 1.6 million job openings in September (latest avail.), L&H accounts for a disproportionate 15% of all U.S. job openings (10.7 M).

But while many industries have now nearly or fully recovered and are posting job openings focused on growth, L&H is desperately seeking to fill jobs just to recover to where it was in 2019 (as it remained 1.1 million jobs behind). *Filling* these positions, however, has been a challenge.

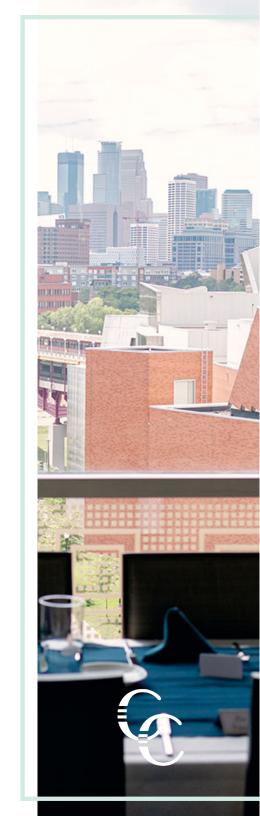
<u>Please Note:</u> Job openings and quits data lags the overall employment data released by BLS by one month. The latest data available, as of November 3, was for September 2022.

STAFF SHORTAGES MEAN THAT THE CAMPUS CLUB
MUST TURN DOWN BUSINESS AND PUT OFF EXPANSIONS

- -Few candidates for some management positions
- -More and faster turnover among servers and bartenders

#### TO ATTRACT QUALIFIED CANDIDATES WE MUST:

- · Offer competitive wages and benefits including PTO
- · Reduce the amount of labor required for basic tasks
  - -Invest in lightweight furniture that is easily moved and stored
  - -Invest in labor saving technologies

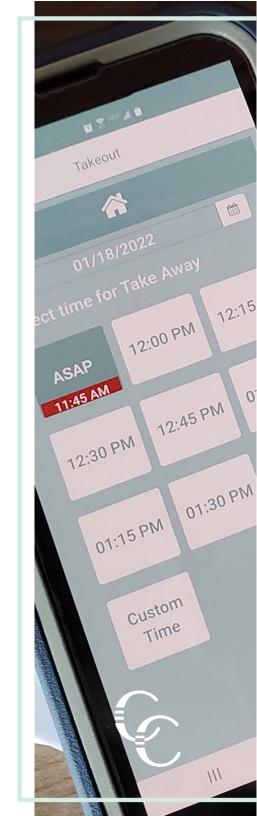


HARD TO PLAN, REBUILD REVENUES AND BUILD NEW PROGRAMS WHEN YOU DON'T KNOW IF YOU WILL STILL BE IN BUSINESS IN 12 MONTHS.

- -Prove our worth to the UMN and re-establish a long term relationship
- -The Campus Club is a unique and important part of University life: It is widely used for recruiting, fundraising, entertaining VIPs, business meetings, public engagement, and student support



- -How do we quantify this unique and important part of University life?
  - · Community building
  - · Relationship building
  - · Contribution to a positive work environment and career
- -Easy to show how the Club supports the University
  - · Support for Education
  - · Support for food-insecure students and members of the University community



## SUPPORT FOR EDUCATION

- -Support for major academic events through discounts or sponsorships of space to hold events
  - · Academic Meetings

- · Student Focused Events
- · Honors, Awards and Celebrations
- · Public Engagement

TOTAL OF 653 IN 2019 · TOTAL OF 452 IN 2022

-Support for academic events through providing free space for meetings and events

TOTAL OF 660 IN 2019 · TOTAL OF 371 IN 2022

- -Support for student projects
  - · Co-sponsor 'Day of Design' to give design students experience in branding for a professional organization
  - · Provide students from Industrial and Systems Engineering with business data for special projects



## SUPPORT FOR EDUCATION

- -Support for University-developed and grown food products
  - #1 purchaser of products from Cornercopia Student Organic Farm since its inception in 2007. Through our patronage and partnership the farm has grown from ¼ acre in 2007 to over 5 acres today.
  - · Support research on agricultural products (through direct purchase from CFANS)
  - · Sponsor Cornercopia farm stand
  - · Bring in farm classes for tours and instruction
  - · Sponsor events highlighting University-developed crops
  - · Consult with student groups on commercial use of University developed foods
  - · Create and distribute recipes for University developed products
  - · Teach students, faculty and staff to source and cook healthy food



## FIGHTING HUNGER IN OUR COMMUNITY

- -Campus Club kitchen staff have been busy since November of 2020 helping reduce hunger on campus and in the local community
- -Partnerships with Boynton Health Service, Second Harvest Heartland, and Kitchen Coalition allow us to produce and distribute up to 1800 free meals per week for students and community members
  - · 900 meals per week (during the regular school year) to students Coffman Union, Academic Health Center, St. Paul Campus graduate family housing
  - · Since 2020 the Campus Club has produced over 58,000 free meals for students and 194,000 free meals for our neighbors



## REALITIES & DEADLINES

The Campus Club is facing a deadline of July 1, 2023 when University support for the Club will be cut by 50%.

With no long term solution for either reducing rent or maintaining current subsidy, the Club is projected to run short of operating income and might need to close at the end of December, 2023.

University administration is aware of the deadline and has promised a response by July 1.



## DISCUSSION AND QUESTIONS



### THANKS!

TO OUR AMAZING
STAFF FOR MAKING
THIS YEAR GREAT



## WE INVITED THE UNIVERSITY COMMUNITY TO ENJOY OUR SERVERY AND BAR

**MONTHLY** 





## A NEW MEMBERSHIP DRIVE WITH TIERED MEMBERSHIP OPTIONS

FALL 2022



## WE HOSTED MANY WINE EVENTS WITH SOMMELIER JASON KALLSEN

**MONTHLY** 



## INCLUDING THE SUMMER ROSÉ WINE EXTRAVAGANZA

JUNE 2022 - RETURNING JUNE 2023

### Rosé Wine Extravaganza

Presented by the Campus Club, Solo Vino and Sommelier Jason Kallsen

June 15th . 6 - 9 pm . \$85/person

The Rosé Extravaganza, formerly the legendary Solo Vino Rosé Tasting, is now held at the Campus Club!

Don't miss this walk-around tasting with vendors from around the Twin Cities displaying the best pink dry wines from their summer portfolios.

- · Great wine samples with lively music
- · Delicious food from the Campus Club Kitchen
- · Pink Parade Costume Contest

#### Limited Tiekets, RSVP Today!

Campus Club Members can RSVP through their member account at CampusClubUMN.org

Non-members can RSVP at TwinCitiesWine.com





4th Floor Coffman Union · University of Minnesota







## WE HOSTED OTHER MISCELLANEOUS EVENTS

#### MONTHLY



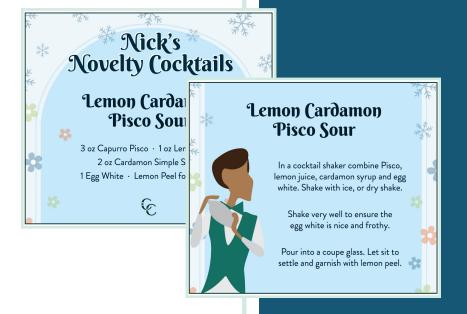
## AND EVEN HAD A COUPLE OF COCKTAIL CLASSES WITH NICK CALIANDRO

NOVEMBER 2022 & MARCH 2023



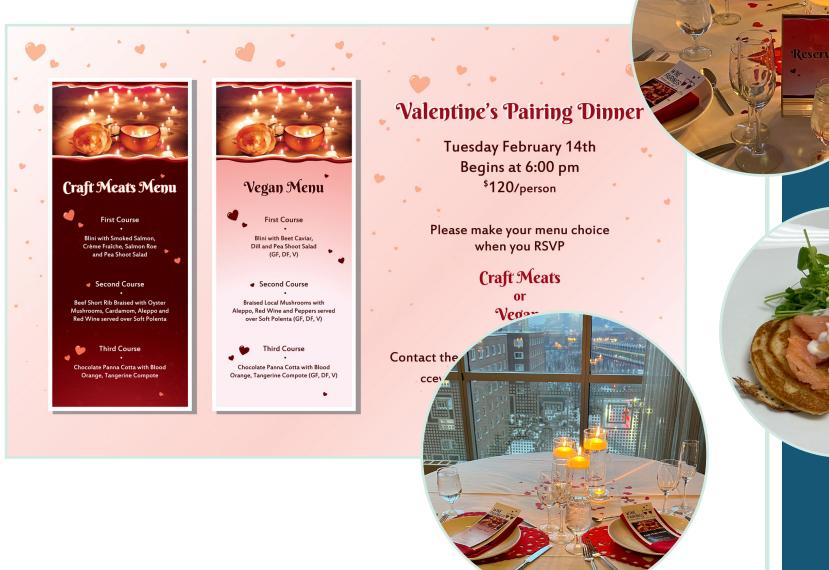






**OUR SECOND VALENTINE'S PAIRING DINNER TURNED OUT PERFECTLY!** 

FEBRUARY 2023





## WE REFRESHED OUR WEDDING MARKETING MATERIALS





The Campus Club is the perfect setting for wedding

The Campus Club is the pertect setting for wedding ceremonies, receptions, and rehearsal dinners

We have fantastic views from our outdoor terrace and floor-to-ceiling windows which feature panoramic scenes of downtown Minneapolis, the Mississippi river, and the University of Minnesota campus.

Included in the room rental:

- · Outdoor rooftop terrace
- · In-house catering featuring farm-to-table for
- Dance Floor, complimentary cake cutting and security
- Custom set-up including in-house linens, tableware and contemporary tables/chairs
- Built-in projector and screen, handheld wireless microphone, internet and sound system
- One year of Campus Club privileges



CampusClubUMN.org | @ CampusClubUMNweddings



@ Campus Club UMN Weddings

## OUR SERVERY SIGNAGE AND LAYOUT GOT A LIVELY UPDATE

**AUGUST 2022** 









## OUR KITCHEN KEPT BUSY FEEDING THE LOCAL COMMUNITY



The Campus Club began providing meals to our local food insecure community in November 2020

#### OVER 2,000 MEALS

are made in the Campus Club Kitchen every week!

#### OVER 25,000 MEALS

SERVED TO UMN STUDENTS by our Kitchen alone as of 8.15.2022

#### OVER 135,000 MEALS

SERVED TOTAL by our Kitchen alone as of 8.15.2022 Partnerships with Swipe Out Hunger, Second Harvest, MN Central Kitchen, Nutritious U Pantry, and Boynton Health have made this program possible.

#### You can help too!

Your Campus Club membership supports our Kitchen and this program. If you'd like to support the cause even more, you can donate at the link below.



www.2harvest.org/donate







# Thank you for supporting the campus club!



