

SOUTH DAKOTA BOARD OF REGENTS

Full Board

AGENDA ITEM: 3
DATE: January 27, 2022

SUBJECT

System-Wide Food Service Contract

CONTROLLING STATUTE, RULE, OR POLICY

[BOR Policy 5:3 - Agreements and Contracts](#)

BACKGROUND/DISCUSSION

The state legislature passed Senate Bill 55 (SB 55) during the 2020 legislative session. The bill required the Board of Regents to assemble a Task Force to examine possible program and administrative efficiencies at the six public universities. The SB 55 Task Force met collectively six times – five times in face-to-face meetings and once virtually. In addition to the face-to-face meetings of the full Task Force, nearly twenty subcommittee meetings occurred virtually.

IMPACT AND RECOMMENDATIONS

The final SB 55 Task Force Report and Recommendations was presented to the Board of Regents at its October meeting and submitted to the Governor and state legislature.

The Task Force recommended that the Board of Regents issue a request for proposals (RFP) for a system-wide food contract. Each institution currently has their own food service contract with a vendor of their own selection. The vendors typically provide food service to students in addition to providing campus catering functions. The food service vendors work with institutions to include customizable supplemental food options on campus as supported by student requests or votes, such as chain restaurants (e.g., Chick-fil-A) or coffee shops (e.g., Einstein Brothers). Consolidation of food service contracts through a single provider would drive a lower total cost to institutions and to students.

The Task Force further recommended that the process for selecting a system-wide food service provider include:

1. Maintaining options for customizable student-supported specialty shops on individual campuses.

(Continued)

DRAFT MOTION 20220127_3:

I move to authorize the Executive Director to enter into a Master Services Agreement with Sodexo America, LLC, commencing June 1, 2022. The agreement shall be for a period of five years with the option of four additional one-year terms.

2. Assuming any financial obligations of existing food service contracts at individual institutions by the selected vendor.
3. Appointing a committee comprised of representatives from each institution and the central office to review proposals received from the RFP.
4. Selecting the appropriate vendor from the RFP process should be based on the vendor's financial commitment, efficiency, organizational philosophy, and accountability.

A committee was appointed, as recommended above, and the RFP was issued on September 13, 2021. Proposals were submitted by three vendors, with the top two finalists being interviewed in Pierre on November 30, 2021. Sodexo America, LLC, (Sodexo) was the vendor recommended by the committee and negotiations have begun to execute a Master Services Agreement (MSA) with the Board of Regents. Individual Statements of Work (SOW) specifying details of service at each individual campus are also being negotiated.

Transition plans have begun, and Sodexo has been to each campus to discuss employment opportunities with current employees. The MSA and SOWs are expected to be fully negotiated by March 1st and service will commence in June/July of 2022. The term of the agreement shall run through June 30, 2027, with the option of four additional one-year terms.

Since the MSA and SOWs are still being negotiated, specific details are not available to share with the Board. However, we can say that there will be savings directly to students with their 2022-2023 meal plan options.

ATTACHMENTS

None