

## CDS examines expenses from operating budget

*Rollins dining hall will use smaller sized trays to curb food waste.*

By [Jared Grafman](#) Apr. 16, 2010

Smaller trays will replace regular sized trays in Rollins dining hall next semester in an effort by Campus Dining Services to reduce food waste and, as a result, cut expenses from its general operating budget.

General operating expenses accounts for 82.5 percent of CDS revenue and the remaining 17.5 percent goes to a contingency fund, a capital pool for other student programs and services, CDS Marketing Specialist Andrew Lough said.

These three categories mimic a savings account, in that the money is saved and used for unexpected and miscellaneous expenses.

The contingency fund is used for unforeseen expenses.

"This can be pretty substantial when dealing with equipment for commercial conditions," Lough said. "For example, if a dishwasher breaks you can be talking about potentially tens of thousands of dollars in repair."

Lough said all departments in Student Affairs work with a capital pool.

"What it allows us to do is set money aside for future projects," Lough said. "An example with using the capital pool would be Johnston Hall's roof, which is scheduled for renovation. We're able to put money away to help pitch in and pay for those costs."

Lough said without a capital pool, customers would see large swings in cost from year to year.

The remaining money goes to other student programs or services.

"At the end of the year, if there is any money left above zero, that money goes to fund student services," Lough said.

If CDS were to cut expenses, Lough said they would first look at operational expenses.

"We would look at internal operating expenses and possibly make further limitations on training and travel expenses, like sending people to training and conferences," Lough said.

CDS' '21 Dining Plan' price divides to \$5.12 per meal, and the '7 Dining Plan' costs \$8.75 per swipe.

Lough said the reason for the variation is in the difference between fixed and variable costs for CDS.

"We are a fully self-sufficient department," Lough said. "We receive no funding from the university or state or federal government. All of our money comes from the prices we charge."

Lough said CDS believes it is unfair to vary prices for fixed costs.

"Just because a student buys less meals doesn't mean we can spend less money on things like air conditioning," Lough said. "It doesn't seem fair to us to vary those costs."

Buying breakfast food is cheaper than buying lunch or dinner food and this is reflected in door prices, Lough said.

"Typically what we find is people who buy smaller dining plans usually use the meals for lunch or dinner, which is more expensive," Lough said.

CDS Associate Director Steve Simpson said the money per point used in Take-Out locations go toward many expenses factoring into the final cost of production, such as labor and machine maintenance, in addition to the cost of raw food.

"At CDS Take-Out locations, like Time Out at Dobbs or Plaza Emporium, one meal point is worth 19 cents cost to CDS for the raw food," Simpson said.

Lough said all CDS chefs get together to review products and determine which are bought and sold.

CDS Executive Chef Eric Cartwright is part of the group involved in determining what products are sold from CDS. He said food selection involves a three level approach.

"The largest factor is quality, though this is closely balanced with cost and labor implications," Cartwright said.

Cartwright said the process ultimately leads to a "cost neutral" improvement in quality.

Every fall, CDS plans a budget five years ahead and confirms the next year's budget.

"We budget five years out every fall," Lough said. "What we are doing in the fall before is locking in the budget. This allows us to look ahead and make sure we're not surprised by anything."

Lough said CDS looks at general food industry prices to prepare its budget. Then the budget is presented to the UM system Board of Curators in the beginning of the spring semester. Confirmed prices are sent out to students along with ROAR contracts.

"There are no fees for Campus Dining Services like there are for (the Missouri Students Association) whether you are involved with it or not," Lough said. "If we don't generate the revenue to cover our costs, the money is not there."