

June 8, 2016.

Open Letter to the Eastern Michigan University Board of Regents:

The Eastern Michigan University Board is considering privatizing dining services. We believe that this action will significantly hurt students, their families, university employees, and the university. We are asking that the Board put off the decision on privatization for at least a year so that there is time for full consideration, discussion, and broad input of the positives and negatives of the potential privatization of dining services. Our concerns are as follows:

- The EMU administration admits that dining services is currently a cost-effective unit of the university, bringing in a surplus of several million dollars per year, an amount that has increased in the last several years. Since this is the case, why is there a move to privatize? After a 7.8 percent tuition increase in 2016 -- does EMU really need to impose another increase in costs on students and their families?
- Who will really benefit by the privatization of dining services? How is it possible that a private company will be able to come in, make substantial investments in new equipment and updating facilities, double the profit payout of dining services to the university, make additional profit for the private company itself, cover higher administration costs, and still maintain the current quality and cost of food to students and the broad university community?
- The bidding and RFP process used was entirely out of line with good business practices. The RFP went out online at 4:23 PM, and any bidders to be considered had to respond by 5 PM and be at a mandatory meeting the following morning! This strange process -- allowing just 47 minutes for vendors to respond -- again makes us ask "Who will really benefit by the privatization of dining services?" And why was such a strange process used? Was it to guarantee that only an already pre-selected company would be able to respond?
- Common sense tells us that it is highly likely that students will pay more for food services on campus. In addition, these students will wind up paying more for an inferior product. In our state of Michigan, the record of public entities privatizing food services is not strong (such as the prison food fiasco).
- Common sense also tells us that it is highly likely that private company taking over dining services will hire workers at much lower wages, with dramatically reduced benefits, and far less job protections. This lowering of wages and benefits will harm our community and the many small business that rely on workers making decent wages to buy their products and services. The university will be creating greater inequality rather than being a part of reducing inequality.
- We are also very concerned that student employees and graduate assistants currently working in dining services will lose these jobs and important learning opportunities.
- The privatization of dining services demonstrates that numerous employees and students at EMU are the newest victims of the overspending on athletics. The administration claims that they are privatizing to save money, but the first place the administration should look for savings is the out-of-control spending on football. It has been demonstrated that there was a \$27 million subsidy from academics to athletics in 2015; this situation must be addressed, as it leads to students paying more for tuition, and now will lead to numerous hard-working employees losing their jobs.
- There is solid evidence that the quality of food will very likely decline with privatization. The firm likely to get the contract, Chartwells Inc., is a subsidiary of the Compass Group, a British company, and has had many complaints in the past, as per the articles below:

- Chartwells confronts food issues at Oakland University
http://www.oaklandpostonline.com/campus/article_f957f4b6-c6ce-11e4-8854-9797dfce9fde.html
- Moldy hot dogs, human hair and other cafeteria nightmares prompt students to boycott school lunches:
<https://www.washingtonpost.com/news/post-nation/wp/2014/11/05/moldy-hot-dogs-human-hair-and-other-cafeteria-nightmares-prompt-students-to-boycott-school-lunches/>

Going forward, we request the following action by the EMU Board of Regents:

- Direct the EMU administration to put off the decision to privatize for at least a year.
- Direct the EMU administration to conduct a fair and inclusive process where students, faculty, workers and their unions are consulted before a decision is made.

We believe that with appropriate consultation and input, a decision can be made that will benefit the entire campus community.