



## Office of the Chancellor

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DATE: September 2, 2020

TO: All NMSU employees

FROM: Dan E. Arvizu, Chancellor

A handwritten signature in blue ink that reads 'Dan E. Arvizu'.

SUBJECT: New agreement with Sodexo

New Mexico State University and Sodexo have signed a master collaboration agreement – an overarching, umbrella agreement where NMSU and Sodexo agree to work together to find innovative solutions to benefit both entities. Areas that could potentially fall under the agreement include NMSU’s Auxiliary Services unit, Facilities and Services unit and NMSU administration, in general. Terms of any potential individual agreements would be negotiated by both parties at a future time.

The mission of the NMSU system is to serve the diverse needs of the state through comprehensive programs of education, research, extension and outreach, and public service. For areas of university operations that fall outside of those key functions, there is an opportunity for NMSU to work with entities who are world-leaders in their fields, such as Sodexo, to find improved service at lower costs.

I want to highlight what NMSU President John Floros said regarding our collaboration with Sodexo: “Now more than ever, it’s important for us to make bold decisions. This agreement is a unique approach to cooperating and working with the private sector, and allows us the potential to conduct the university’s business in a new way. We believe this will benefit our students, faculty, staff and our entire university. In the future, a lot more universities will be doing these things.”

NMSU has worked with outside business entities to conduct a number of university services in the past. Sodexo has handled campus dining services for more than a decade, while Barnes and Noble and Follet have handled the NMSU bookstore for a number of years. In each of these cases, jobs were kept local and services were delivered in a student-centric fashion. No current jobs are expected to be lost as part of this new agreement.

NMSU values everyone who works for the university. The status of individual employees will not change at this time. Any potential changes to employment status in the future will be examined closely by the university, with communication and input sought from everyone affected. We believe that many potential changes in status could be achieved through attrition, or in ways that would reduce any negative impacts to those involved.

The university’s strategic plan, NMSU LEADS 2025, will provide a foundation for our discussions going forward. Any potential future agreements must 1) improve one of the four goals for NMSU’s strategic

plan, 2) provide a high-quality experience for students, faculty, staff and the public, and 3) illustrate a savings of resources that NMSU could then invest into priorities to better serve students and the community. Any agreements must also include pre-determined key performance indicators to demonstrate success and opportunities to enhance our support and contributions to the community, including small businesses.

When we began this process, we had no idea the COVID-19 crisis would change the landscape so dramatically. What's clear is that the world has changed, and we need to be able to operate in a new set of circumstances. We need to accelerate our progress on what we've outlined in our strategic plan. Whatever changes come our way, we'll need to be nimble during this process. Thank you to everyone who put so much work toward this project.

The decision to work with Sodexo is the culmination of an 18-month procurement process. The university has worked to communicate with stakeholders during that process and plans to continue those efforts going forward.