



Claiborne Building | 1201 North Third Street | Suite 7-300 | Baton Rouge, LA 70802
P 225.342.6950 | F 225.342.6473
www.ULSystem.edu

**BOARD OF SUPERVISORS
FOR THE UNIVERSITY OF LOUISIANA SYSTEM**

**NOTICE OF MEETING AND AGENDA
11:00 a.m., Tuesday, January 9, 2018**
Room 100, "Louisiana Purchase Room"
Claiborne Conference Center
1201 North Third Street
Baton Rouge, Louisiana**

- A. Call to Order
- B. Roll Call
- C. Invocation
- D. Swearing In of 2018 Officers
- E. **University of Louisiana at Monroe's** request that the Board of Supervisors for the University of Louisiana System, on behalf of University of Louisiana at Monroe, initiate legal action against Turner Food Systems, LLC, seeking payment of all unpaid commissions due to the University for Fiscal Years 2015-17.
- F. System President's Report
- G. Board Chair's Report
- H. Other Business
- I. Adjournment

*** Executive Session Pursuant to R.S. 42:17 may be required.
Persons wishing to make public comment on any agenda item should complete a Public Comment Card and register with System Staff.*

**BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM**

January 9, 2018

Item E. **University of Louisiana at Monroe's** request that the Board of Supervisors for the University of Louisiana System, on behalf of the University of Louisiana at Monroe, initiate legal action against Turner Food Systems, LLC seeking payment of all unpaid commissions due to the University for Fiscal Years 2015-17.

EXECUTIVE SUMMARY

The University requests the Board approve initiating legal proceedings against Turner Food Systems, LLC for money due and owing under the Concessioner Services contract, including but not limited to filing suit to recover unpaid commissions due pursuant to the agreement. Turner was awarded the contract to provide athletic event concession services via public bid. Turner has not provided the full accounting of money received as required by the agreement and has failed to pay the agreed percentage due for those events properly reported. Turner is therefore in default of the agreement to provide concessioner services in certain on-campus athletic venues for Fiscal Years 2015-17. Despite amicable demands, Turner has not proceeded with either the reports or payments required.

RECOMMENDATION

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED,** that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe's request to initiate, in the name of the Board of Supervisors for the University of Louisiana, and on behalf of ULM, litigation seeking payment of past due commissions from Turner.*

***BE IT FURTHER RESOLVED,** that University of Louisiana at Monroe shall obtain final review from UL System staff and legal counsel prior to filing suit.*

***BE IT FURTHER RESOLVED,** that the President of the University of Louisiana at Monroe and/or his designee is hereby designated and authorized to execute any and all documents associated with said litigation by the University of Louisiana System on behalf of University of Louisiana at Monroe.*

***AND FURTHER,** that the University of Louisiana at Monroe will keep System staff apprised of the actions taken and will provide the System office with copies of all executed documents for Board files.*

University of
LOUISIANA
Monroe

Office of the President

700 University Avenue • Monroe, LA 71209-3000
Phone: 318 342.1010 • Fax: 318 342.1019

E

December 8, 2017

Dr. James B. Henderson, President
University of Louisiana System
1201 Third Street, 7-300
Baton Rouge, LA 70802

Dear Dr. Henderson:

Attached you will find a summary of the events leading to ULM's request to file suit against Turner Food Systems, LLC. (Turner). Turner was awarded the bid to provide athletic event concession services, via a public bid (Proposal 50006-31). As you will note, Turner is in default of their agreement to provide concessioner services in certain on-campus athletic venues, for Fiscal Year 2017. ULM has engaged DeCuir & Clark and is seeking guidance from the State of La. Office of the Attorney General. ULM's position is that Turner is in breach of the contract in two regards—(1) failure to provide summaries of Turner's collections, and the contractual calculated amounts owed to ULM, arising from concessions sold by Turner during athletic events held during certain periods of FY2017, and (2) failure to pay ULM for amounts due for several events, both in Fiscal Year 2017 and in certain previous fiscal years.

ULM's requests Board approval to file suit against Turner to release information summarizing all athletic events that Turner serviced while under contract with ULM, and to submit payment of all amounts due to ULM while under contract.

Thanks for your assistance with this matter. Please feel free to contact me with any questions that may arise.

Sincerely,



Nick J. Bruno, PhD
President

University of Louisiana Monroe

Chronology of Relationship with Turner Food Services, LLC

- In July 2013, Turner was awarded the initial contract to provide concessioner services for ULM events occurring in Malone Stadium, Fant-Ewing Coliseum, and Warhawk Field, for fiscal year 2014.
- Throughout FY2014, Turner provide summaries of cash and credit card collections, summaries of payments from third-party vendors, and detailed calculations of amounts contractually due to ULM for all sales.
- Payments were remitted from Turner for these services, though in a sporadic fashion.
- Turner was awarded the contract for concessioner services for FY2015 and FY2016. Through the course of these years, payments in full were not remitted for each year.
- Turner was again awarded the contract for FY2017, being the sole respondent.
- Turner provided ULM with game/event concessions collections and calculated amounts due to ULM, for games played in Fall 2016. However, full payments were not remitted to ULM.
- Athletic department staff and leadership maintained dialogue with Turner ownership during Fall 2016, but amounts due to ULM remained unpaid.
- Turner provided summaries of amounts concessions sales for events held in Fant-Ewing coliseum during FY2017, through February 13, 2017.
- Turner continued to provide concessioner services for the remainder of FY2017, but provided no documentation of amounts collected nor calculations of amounts due to ULM.
- Dialogue continued between Turner ownership (Trenton Turner) and ULM Executive Council leadership, with Mr. Turner providing continued assurance of his intent to provide detailed summaries and remit amounts due.
- On March 7, 2017, ULM issued formal demands for payment, for FY2015, FY2016, and FY2017, with additional demands for all calculations of amounts due for events subsequent to February 13, 2017. The total estimated amounts due, based on information for events February 13, 2017 and prior, total approximately \$70,000.
- ULM received no response from Turner.
- On April 27, 2017, ULM issued a formal breach notice, allowing Turner 30 days to respond. Again, ULM received no response from Turner.
- Documents were turned over the State of Louisiana Attorney General's office throughout the Summer of 2017, a part of ULM's efforts to pursue appropriate legal recourse.
- Based on guidance obtained from DeCuir & Clark, ULM seeks formal authority to initiate a legal claim and action against Turner, with two demands:
 - Turner is to provide a full accounting of all collections, and the contractual calculated amounts owed to ULM, arising from concessions sold by Turner during events held during certain periods of FY2017, and
 - Turner is to pay ULM for all amounts due for several events, both in Fiscal Year 2017 and in certain previous fiscal years.