

ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Finance Committee  
July 22, 2016  
9:00 a.m.  
Kerckhoff Hall 417

**PRESENT:** Mike Anderson, Alumni Representative  
Donna Baker, Finance Director  
Kirk Koenig, Alumni Representative  
Arielle Mokhtarzadeh, Undergraduate Representative  
Apsara Perera, Undergraduate Representative  
Bob Williams, Executive Director

**ABSENT:** JC De Vera, Graduate Representative

**MANAGEMENT:** Cindy Bolton, Food Service Director  
Roy Champawat, Student Union Director  
Sandi Gillespie, Association Affairs Manager  
Michelle Moyer, Director of Business and Legal Affairs

**GUESTS:** Michaela Boster, ASUCLA Board of Director  
Nathan Glovinsky, ASUCLA Board of Director  
Jazz Kiang, ASUCLA Board of Director  
Andrew Lewis, ASUCLA Board of Director  
Lena Riess, ASUCLA Board of Director

**CALL TO ORDER**

In the absence of Mr. De Vera, Ms. Perera called the meeting to order at 9:12 a.m.

**APPROVAL OF AGENDA**

Ms. Perera called for consent to approve the Associated Students UCLA Board of Director's Finance Committee, July 22, 2016 Agenda. There being no objections, the motion was approved by unanimous consent.

**APPROVAL OF MINUTES**

Ms. Perera called for consent to approve the Associated Students UCLA Board of Directors Finance Committee May 13, 2016 Minutes. There being no objections, the motion was approved by unanimous consent.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Williams reported on the following items:

Summer sales are good in most areas of the Store except for computers. June net income is \$3,000 below budget; however, the Association is positive \$700,000 for the year.

The Chancellor has approved the Association's FY 16-17 Budget and Five-year Forecast. The Chancellor has indicated that he is concerned about ASUCLA's ability to invest in its facilities in the long term.

The loading dock tunnel is almost complete and is larger than expected; however, the hauling of trash and cooking oil through the tunnel will be a challenge.

The conference center will include an ASUCLA segment in their in-room videos as well as in the printed material in the lobby.

Mr. Williams meet with the University regarding the loading dock space. Mr. Williams has begun drafting an initial plan for what could be built in that location and will share it with the various committees in the next few months.

The pharmacy has started paying rent; however, they are still working on their design plan.

The Transfer and Veterans Center is moving forward and we anticipate that they will begin to start paying rent on September 1.

Mr. Williams meet with Campus Facilities regarding the first floor dining room project. The first design plan should be completed by mid-August. The construction may have to be completed in stages over the fall quarter. The goal is to have project completed by January.

Some of printing kiosks have been installed in several locations across campus.

## **FINANCIAL STATEMENTS**

### Services & Enterprises May 2016 Statements

Gross income is \$134,000 positive to plan for the month. Net income for the Association was positive to plan by \$11,000. The Association is \$699,000 positive for the fiscal year and \$324,000 better than last year.

Bearwear was above plan due to strong attendance at Transfer Day which brought better than expected traffic to the Store. The portrait studio was below plan mostly due to timing. Wetzel's/RX are below plan due to a decline in customer traffic as a result management will be reevaluating that area. Catering also continues to be an area of concern. Concessions had a positive month due to strong softball sales throughout the month.

Services & Enterprises June 2016 Statements

Gross income was \$591,000 negative to plan for the month. Net income for the Association was negative to plan by \$3,000. The Association is \$699,000 positive for the fiscal year and \$279,000 better than last year.

Bearwear was above plan due to stronger than anticipated foot traffic in connection with commencement. Computer Store is behind plan due to a significant decrease in institutional fiscal year-end spending. Court of Science Student Center is below plan due to soft summer traffic and Catering is below plan because of continuing erosion of general catering event baseline. Utilities have a large savings in electricity and chilled water.

In terms of cash, the Association reported a book balance of \$12,426,000 for the month. Of this balance, \$3,010,000 has been reserved for capital projects, leaving \$8,955,000 in uncommitted cash which is \$2,103,000 less than the board-required cash reserve.

Past due accounts receivables were at roughly \$143,000 or 4% of total accounts. Store inventories at cost were \$4,700,000; while inventory turns were at 4.7.

July Month-to-Date Preliminary Sales

Current month-to-date sales are \$246,396 negative to plan primarily due to the Computer Store. The Health Science Store is positive to plan by \$26,678 which is due to dental kits. Hilltop Shop is negative to plan by \$3,631 and positive by \$79,357 compared to last year. E-commerce is negative to plan by \$22,469 in July.

Due to these results, management is expecting the gross margin to be negative by \$28,126.

The UCLA Restaurants are currently positive to plan by \$69,141. Catering is positive to plan by \$14,217 and Concessions is positive by \$101. North Campus is negative by \$2,955 and Court of Sciences Student Center is negative by \$11,505. All third parties are positive to plan.

Communications Board April 2016 Financial Statements

The Communications Board net revenue for April was positive by \$13,317 and positive \$47,487 year-to-date.

Communications Board May 2016 Financial Statements

The Communications Board net revenue for May is negative by \$27,013 and positive \$20,474 year-to-date. Print and Digital Display Advertising is lower than plan and printing is higher than plan due more Daily Bruin pages printed.

**APPROVAL OF UNDERGRADUATE STUDENTS ASSOCIATION FY 16-17 BUDGET**

The Undergraduate Student Association FY 16-17 Budget has been reviewed by the ASUCLA Student Government Services Division to ensure fiscal soundness in accordance with proper accounting and budgeting principles. The Undergraduate Students Association Council approved this budget at their July 12, 2016 meeting.

There are significant new fees in this budget representing 50% more resources. The expansion of resources is a little more \$2.25 million in new fees.

The budget presented for approval, although fiscally sound, is an unfinished product and will be amended by USA throughout the 2016-2017 fiscal year. More specifically, USA will amend this budget to reflect the needs and priorities of the 2016-2017 USA Council (USAC) and Registered Student Organizations.

Mr. Koenig made a motion, seconded by Mr. Anderson to approve and forward to the ASUCLA Board of Directors the FY 16-17 Undergraduate Students Association Budget. Ms. Perera called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **APPROVAL OF GRADUATE STUDENTS ASSOCIATION FY 16-17 BUDGET**

The Graduate Students Association FY 16-17 Budget has been developed by the leadership of the Graduate Students Association, and has been reviewed by ASUCLA staff for fiscal soundness in conformance with proper accounting and budgeting principles. GSA Forum approved this budget at its meeting on June 1, 2016.

The last increase in general fees were enacted in the 2002 GSA elections and provided for annual fee increases of \$1 per quarter (up to the 2005-2006 fiscal year) ultimately resulting in quarterly mandatory fees of \$13 (\$7.25 and \$5.50 for Central Office and the Councils respectively). GSA passed a referendum in April 2010 discontinuing a \$.25 fee for support of the UC Student Association.

In addition to the quarterly membership fee, graduate students in spring 2006 approved the assessment of a fee of \$3 which funds the Graduate Student Writing Center (GSWC). In spring 2013 an additional fee in the amount of \$1.50 per quarter was approved for the GSWC, as was an annual CPI adjustment on the entire GSWC fee each fall beginning in 2014. The GSWC, overseen by a graduate-student majority committee appointed by GSA, serves the academic and professional writing needs of all members of the GSA, including but not limited to: academic writing (all graduate levels), thesis and dissertation writing, professional presentations and public speaking, grant and fellowship writing, and writing for publication.

Mr. Mokhtarzadeh made a motion, seconded by Ms. Perera to approve and forward to the ASUCLA Board of Directors the FY 16-17 Graduate Students Association Budget. Ms. Perera called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **DOOR LOCKS CAPITAL EXPENDITURE**

The Locknetics brand locks that allow BruinCard swipe entry, currently used by the Student Union are failing and the software that supports the system is being phased-out. This \$75,000 capital expenditure to upgrade the current electronic door locks was approved by the Board of Directors in the FY 15-16 budget.

Management would like to increase the capital expenditure by \$17,000 to include a wireless function. The value of a wireless control enhancement was realized during the recent campus shooting. Wireless control of these locks would allow staff members, from their office, lock all of these locks remotely without having to change the setting of each lock individually.

Ms. Perera made a motion, seconded by Ms. Mokhtarzadeh to approve and forward to the Associated Students UCLA Board of Directors an increase of \$17,000 to the budgeted capital (\$75,000) for the door lock replacement to include a wireless functionality. The revised capital expenditure will be \$92,000. Ms. Perera called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **EXECUTIVE SESSION**

Ms. Perera called for consent for the Associated Students UCLA Board of Directors Finance Committee to enter into Executive Session. There being no objections, the motion was approved by unanimous consent.

The Committee entered into Executive Session at 10:35 a.m.

Ms. Perera called for consent to exit the Associated Students UCLA Board of Directors Finance Committee Executive Session. There being no objections, the motion was approved by unanimous consent.

The Committee exited Executive Session at 11:24 a.m.

Mr. Koenig made a motion, seconded by Ms. Mokhtarzadeh that the Associated Students UCLA Board of Directors Finance Committee approve all actions taken in Executive Session. Ms. Perera called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

### **ADJOURNMENT**

Ms. Perera called for consent for the Associated Students UCLA Board of Directors Finance Committee to adjourn the July 22, 2016 Meeting. There being no objections, the meeting was adjourned at 11:25 a.m.