

ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Finance Committee
November 18, 2016
9:00 a.m.
Kerckhoff Hall 152

PRESENT: Michaela Boster, Donna Baker, Kirk Koenig, Alexandra Latshaw,
Lena Riess, and Bob Williams

ABSENT: Kevin Eagan

GUESTS: Andrew Lewis, ASUCLA Board of Director
Keith Pew, KPMG

MANAGEMENT: Sandi Gillespie, Association Affairs Manager
Michelle Moyer, Director of Business and Legal Affairs
Neil Yamaguchi, UCLA Store Director-Academic Support

CALL TO ORDER

Ms. Riess called the meeting to order at 9:07 a.m.

APPROVAL OF AGENDA

Ms. Riess called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee, November 18, 2016 Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Ms. Riess called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee October 21, 2016 Minutes. There being no objections, the motion was approved by unanimous consent.

EXTERNAL AUDITOR REPORT

Mr. Pew from KPMG stated that they are now completing their fieldwork for the external audit and will have a final report to present at the January Finance Committee meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. Williams reported on the following items:

Sales numbers for November are down significantly. Textbooks did not have positive sales for fall rush and BearWear sales are lagging. Food sales are negative; however, they have a very aggressive budget.

UCPath efforts are accelerating and are on track.

Pharmacy construction is ongoing and is on schedule to open at the end of winter quarter.

Transfer/Veteran's Center project is moving forward.

Management is still waiting for cost estimates for the first floor dining room project. However, will the additional electrical needs as well as other needs, the project will most likely exceed the budget of \$750,000.

Bruin Custom Print is moving forward and is scheduled to open winter quarter.

TEXTBOOK/BOOK BUYBACK REPORT

Mr. Yamaguchi presented a historical review of textbook sales over the last several years, which demonstrated the decline in textbook sales.

FINANCIAL STATEMENTS

Services & Enterprises October Financial Statements

Gross income for the Association was negative by (\$108,000); which was mostly due to e-commerce and textbooks. Net income for the month was positive by \$80,000.

The Store was negative by (\$214,000) in gross income and (\$15,000) in contribution. UCLA Restaurants were positive by \$43,000 in gross income and \$5,000 in contribution.

The Services Division was positive to plan by \$49,000 in gross income and \$32,000 in contribution. The positive results were mainly due to Licensing.

The Student Union was positive by \$14,000 in gross income and \$22,000 in contribution due the timing of events that were originally scheduled for August.

The Association reported a cash book balance of \$11,800,000 for the month. Of this balance, \$1,688,000 has been reserved for capital projects, leaving \$8,915,000 in uncommitted cash which is \$3,842,000 less than the board-required cash reserve.

Past due accounts receivables were at roughly \$146,000. Store inventories at cost were \$5,700,000; while inventory turns were at 4.4.

November Month-to-Date Preliminary Sales

November sales figures in the Store are negative to plan by (\$457,641); however, \$60,000 in sales from the Rose Bowl have not been included. Most of the negative sales are in BearWear and the Computer Store. The Health Science Store is positive to plan by \$9,664 due to dental kits. Estimated Gross Margin for September is negative by (\$145,334).

Food Service is negative to budget in sales for November by (\$75,250). Catering is negative to plan by (\$38,748) due to a very aggressive budget and Concessions are negative to plan by (\$1,483).

Communications Board September 2016 Financial Statements

The Communications Board's net revenue for September was positive by \$30,285. Kiosk Advertising is higher than budgeted due more local and national advertising and student fee income is higher than plan due to the summer PLEDGE fee.

EXECUTIVE SESSION

Ms. Riess 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 10:54 a.m.

Ms. Riess 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 11:16 a.m.

ADJOURNMENT

Ms. Riess called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the November 18, 2016 Meeting. There being no objections, the meeting was adjourned at 11:16 a.m.