

ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Finance Committee  
May 12, 2017  
9:00 a.m.  
Kerckhoff Hall 152

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

**ABSENT:** Kevin Eagan

**MANAGEMENT:** Roy Champawat, Student Union Director  
Sandi Gillespie, Association Affairs Manager  
Neal Yamaguchi, UCLA Store Director-Academic Materials

**GUESTS:** Dori Deen, Interim Student Media Director  
Navi Sidhu, Undergraduate Student

**CALL TO ORDER**

Ms. Riess called the meeting to order at 9:04 a.m.

**APPROVAL OF AGENDA**

Mr. Williams made a motion, seconded by Ms. Boster to add a Discussion/Action Agenda item, Ackerman Union First Floor Expansion Joint Replacement. Ms. Riess called for a vote. The motion was approved by a vote of 4 yeas and no nays.

Ms. Riess called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee, May 12, 2017 Agenda as amended. 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 April 21, 2017 Minutes. There being no objections, the motion was approved by unanimous consent.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Williams reported on the following items:

- UCLA Store Summer Sizzlin' Sale is Wednesday, May 17.
- UCLA will host two Alumni Appreciation events on May 20 and June 5-7.
- The UCLA Store Market will coordinate and provide commencement flowers in tents around campus.
- The Store will take a full inventory over the course of three days, June 2-4.
- Management is moving forward with the First Floor Dining Room Project.

## **FINANCIAL STATEMENTS**

### Services & Enterprises April Financial Statements

April Financial Statements were not available at this time; however, page one from the statements was presented for review.

Gross income for the Association was negative to plan by (\$488,000); which was mostly due to textbook and computer sales. Textbook sales are down 17-18% this year. Net income for the month was negative by (\$113,000).

The Store was negative in gross income by (\$450,000) and (\$98,000) in contribution. UCLA Restaurants were negative by (\$20,000) in gross income and (\$50,000) in contribution.

The Services Division was negative to plan by (\$45,000) in gross income and (\$17,000) in contribution due to lower expectations for achieving application of royalty to internal campus orders.

The Student Union was positive by \$27,000 in gross income and \$16,000 in contribution due to a new client and many first time student events

### May Month-to-Date Preliminary Sales

May sales figures in the Store are positive to plan by \$252,217. The positive sales are due to the Health Science Store which is positive to plan by \$398,022 due to the dental kits sales. The Hilltop Shop is positive to plan by \$7,931 and MTW is positive by \$10,105. Estimated Gross Margin for May is positive by \$19,154.

Food Service is negative to budget in sales for May by (\$40,896). Panda Express is negative to plan by (\$14,347) and the Court of Science Student Center is negative by (\$9,291).

### Communications Board March Financial Statements

The Communications Board was negative to plan in March by (\$12,459) and positive year-to-date by \$22,403. Income is lower than plan due to fewer Bruin Life photo packages sold and Student Media office is high than plan due to the miscalculation of benefits.

### **ACKERMAN UNION FIRST FLOOR EXPANSION JOINT**

Subsequent to approval of this capital expenditure, additional areas of leak remediation have been identified. These areas on the north side of Ackerman experienced leaks during the recent rain season. Management is asking for Board approval of a revised capital expenditure of \$129,812 to address water leak related to the expansion joints on both the west and now north side of Ackerman Union.

Ms. Riess made a motion, seconded by Mr. Eagan that the Associated Students UCLA Board of Directors' Finance Committee approve and recommends to the Board of Directors a revised \$129,812 capital expenditure for an expanded scope of replacement of Ackerman Union expansion joint section

### **SERVICES & ENTERPRISES FY 17/18 BUDGET & FIVE YEAR FORECAST**

Mr. Williams stated that only change to the budget since the finance committee budget meeting on May 5 was the revision of the Referendum Projects which were pushed to the outer years. The committee agreed that the budget was fiscally sound.

Ms. Latshaw made a motion, seconded by Ms. Riess to approve and forward to the ASUCLA Board of Directors the Services & Enterprises FY 17/18 Budget and Five-Year Forecast. Ms. Riess called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **DRAFT AUDIT REPORT-COMPUTER STORE**

Mr. Yamaguchi explained that based on the results of the work performed within the scope of the audit, the Computer Store has established adequate internal controls and business practices to help ensure that ASUCLA's business objectives are met. The audit identified the following areas where internal controls could be further strengthened:

1. ASUCLA management should obtain a corporate procurement card for the Computer Store Buyer & Manager to purchase goods and services when a standard ASUCLA purchase order is not accepted by a vendor.
2. Inventory reconciliation procedures should be updated to reflect current business practices. This should also include documenting the weekly serialized inventory count process.

3. Records related to the serialized inventory counts should be adequately maintained for reference, variance identification, and resolution.
4. A security camera should be installed in the Laptop Stock room to monitor the store's theft sensitive inventory. Additionally, management should consider placing an additional security camera within the Computer Store's office to monitor the rear entrance/exit and theft sensitive inventory.

### **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 10:36 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 10:45 a.m.

### **COMMUNICATIONS BOARD FY 17/18 BUDGET**

The committee discussed the budget at length with Ms. Deen Communications Board budget as well as the student media staffing. The committee agreed that the budget for FY 17/18 was fiscally sound.

Ms. Riess made a motion, seconded by Ms. Boster to approve and forward to the Associated Students UCLA Board of Directors the FY 17/18 Communications Board Budget. Ms. Riess called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **ADJOURNMENT**

Ms. Riess called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the May 12, 2017 Meeting. There being no objections, the meeting was adjourned at 11:10 a.m.