

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Regular Meeting
August 25, 2017
12:00 p.m.
Kerckhoff Hall Staterooms**

PRESENT: Teni Adewumi-Gunn, Michaela Boster, Kevin Kato, Lena Riess, Jesse Torres, Lawrence Traylor, Agnes Warren, Bob Williams, and Christine Wilson

LATE: Kevin Eagan, Andrew Lewis, and Navi Sidhu

ABSENT: Nathan Glovinsky and Alexandra Latshaw

MANAGEMENT: Donna Baker, Finance Director
Cindy Bolton, Food Service Director
Roy Champawat, Student Union Director
Sandi Gillespie, Association Affairs Manager
Patrick Healey, UCLA Store Director-General Merchandise
Michelle Moyer, Director of Business Affairs and Compliance
Karen Noh, Special Projects Director
Lisa Perez, Marketing Director

GUESTS: Malik Flournoy-Hooker, USAC Cultural Affairs Commissioner
Michael Skiles, GSA President

CALL TO ORDER

Ms. Riess called the meeting to order at 12:04 p.m.

APPROVAL OF AGENDA

Ms. Riess called for consent to approve the Associated Students UCLA Board of Directors' August 25, 2017 Regular Meeting 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' July 28, 2017 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

Approved: September 29, 2017

EXECUTIVE DIRECTOR'S REPORT

Mr. Williams updated the Board on the following topics:

July Financial Results

ASUCLA Financial Results for July were strong with a positive variance in net income of \$122,000 compared to plan. The Store had the strongest performance during July with a sizable positive variance in both gross income and contribution. Food Service was slightly ahead of budget but International Licensing results were behind plan.

2016-2017 Fiscal Year Results

Overall 2016-2017 Financial Results for ASUCLA show a net income of a negative (\$857,000), but this represents a positive variance to plan of \$336,000. The UCLA Store had a strong final quarter although year-end results were still behind plan. Most areas showed strong trends with the exception of the Academic Materials area. Both Textbooks and General Books saw steep declines and the Computer Store continues to see shrinking margins and sales behind 2015-2016 results. Food Service is coming off several very strong record years but fell back this year with new service and operational value dynamics. This division has been impacted a great deal by the increased minimum wage. These results were offset by additional efficiencies throughout the organization leading to positive variances in A&SS costs, utilities, and lower depreciation.

Due to the positive variance versus budget there will be a small incentive compensation pool.

August Sales Trends

August sales trends are positive to plan in the Store and Food Service is slightly behind its sales goals with lower Catering and Concessions sales.

Passport to Savings

Passport to Savings coupon booklets will be distributed with textbook purchases.

BearWear Score Big

BearWear Score Big promotions are scheduled for Tuesday, September 5 and Monday, September 11. Customers receive a 5% discount for every touchdown the Bruins score at the Rose Bowl (up to 25% off).

Computer Store

Computer sales have been very positive during the summer due to some department sales and also as a result of some good promotions. The Apple campus promotion expires September 25 (free Beats headphones with any Mac purchase). Dell eGift Card promotion continues through October 15.

Summer in the Union

The *Summer in the Union* program has been ongoing throughout the summer. This year's program Snapchat activity has been very successful.

ASUCLA Job Fair

ASUCLA will be having its annual Job Fair on Tuesday, September 26 from 11:00 a.m. – 3:00 p.m. in Bruin Plaza. ASUCLA managers and lead Student Supervisors will be on hand for on-the-spot interviews. Many new student employees are hired at this event.

UCLA Store after Hours Sale

The UCLA Store after Hours Sale will be Tuesday, September 26 from 7:00 p.m. – 9:00 p.m. After normal hours, the UCLA Store reopens with an exclusive student sale featuring 20% off storewide (almost everything except computer hardware & software). There will be free samples and tastings.

ASUCLA Prize Wheel

The ASUCLA Prize Wheel will be in front of the Store on Thursday, September 28 from 11:00 a.m. – 2:00 p.m.

AU 1st Floor Dining Room

The Services Committee discussed a tentative scheduling strategy focused on finishing the installation of the flooring over winter break. This will require some demolition early in the quarter, but the plan is to keep all areas of the dining room open.

Student Union Timeline/Message/Mural Wall

Services Committee also discussed various approaches to the electronic information wall. There were three approaches using different sizes and display methods. One approach used new projection technology that the committee would like to see before a final recommendation. The Finance Committee will be looking at the financial aspects of the project in September.

Expansion Joint Repair

Work on the expansion joint continues on the Ackerman Union first floor patio. The work is being performed in sections to keep disruption to a minimum.

Employee of the Year Awards

The ASUCLA annual Employee of the Year Awards Ceremony is on September 13, 9:00 a.m. - 11:00 a.m. in the Charles E. Young Grand Salon. At this event, approximately 20 awards are presented to career employees with great 2016-2017 performances with one award to the overall Employee of the Year.

Employee Appreciation Days

September 19 and 20 will be the next Employee Appreciation Day Sale. On these days, all ASUCLA employees including BOD members, USAC and GSA members receive 33% off on the items that are normally a 20% discount.

Coffee Experience

Management had a great preliminary discussion regarding various aspects of the *Coffee Experience* goals with the Services Committee. The committee gave management some great insights into key areas of focus. In future months, Ms. Bolton and her team will be presenting different product, packaging, and marketing ideas.

Branding/Social Media

The Association is in the process of changing various signs and marketing pieces into the ASUCLA Student Run format. The Services Committee delayed discussing next steps in branding until next month.

Ms. Perez and her team have been running a UCLA Store Facebook campaign to support the catalog launch.

Licensing

There are several licensing initiatives underway including working very closely with DIA on Under Armour, UCLA Store, and new international programs. Ms. Holmes will reschedule her presentation until the September Finance Committee meeting.

Veggie Grill

The Veggie Grill contract has been approved and signed by Veggie Grill. Signs have been installed announcing that they are coming. Management is working on a plan to add some Grab and Go products in that area to help service customers during construction.

Blaze Pizza

The Blaze Pizza project for the Court of the Sciences Student Center is progressing. Last month the Board approved funding and Mr. Williams has already approved some equipment purchases and the project construction team is moving ahead.

Taco Bell

The Taco Bell extension is moving forward. They have approved the additional menu items that were requested and Ms. Bolton and her team continue to develop plans to make the physical changes required to the unit.

Poke Concept

The food service team continues to move forward on a new poke concept at North Campus. Marketing is working on a potential name and logo.

EXECUTIVE COMMITTEE REPORT

Ms. Riess stated the committee met on August 15 and the meeting was held in Executive Session.

FINANCE COMMITTEE REPORT

Mr. Sidhu explained that due to a lack of quorum the committee did not meet in August.

SERVICES COMMITTEE REPORT

Ms. Boster stated the committee met on August 11 and discussed the electronic wall for the first floor dining room as well as agreed to the schedule for dining room remodel. The committee also chose a new recipient for the donation box which is The Conservation Fund. Finally, the committee reviewed the calendar for the T-shirt Design Contest.

PERSONNEL COMMITTEE REPORT

Mr. Eagan stated that the committee did not meet in August.

FINANCIAL STATEMENTS

Services & Enterprises July 2017 Financial Statements

Gross income for the Association was positive to plan by \$426,000 mostly due to BearWear which was positive by \$377,000. Gross income for the Restaurants were positive by \$5,000 and the Services Division was positive by \$59,000.

Gross Margin was positive by \$209,000 for the Association and Contribution was positive by \$101,000. Net Income for the entire Association was positive to plan by \$122,000 and year-to-date by \$336,000.

The Association reported a cash book balance of \$12,191,000 for the month. Of this balance, \$944,000 has been reserved for capital projects, leaving \$11,731,000 in uncommitted cash which is (\$2,932,000) less than the board-required cash reserve.

Past due accounts receivables were at roughly \$150,000 or 3%. Store inventories at cost were \$4,900,000; while inventory turns were at 4.5.

August 2017 Month-to-Date Preliminary Sales

August sales figures in the Store are positive to plan by \$85,117. The positive sales are due to Bearwear which is positive to plan by \$85,493. The Health Science Store is negative to plan by (\$213,716) due to dental kits and MTW is positive by \$17,829. Estimated Gross Margin for July is positive by \$55,180.

Food Service is positive to budget in sales for July by \$12,973. Catering is positive to plan by \$1,400 and Concessions is negative by (\$2,365).

EXECUTIVE SESSION

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

The Board entered into Executive Session at 1:04 p.m.

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

The Board exited Executive Session at 2:08 p.m.

ADJOURNMENT

Ms. Riess called for consent to adjourn the Associated Students UCLA Board of Directors' August 25, 2017 Regular Meeting. There being no objections, the meeting was adjourned at 2:08 p.m.

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Pursuant to Bylaw 3, section 3.6(d) of the ASUCLA Board of Directors Bylaws, I have reviewed these Minutes and hereby attest to their accuracy.

Agnes Warren
Board Secretary and Administrative Representative