

ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Finance Committee  
October 20, 2017  
11:00 a.m.  
Kerckhoff Hall 152

**PRESENT:** Donna Baker, Kevin Eagan, Alexandra Latshaw, Navi Sidhu,  
Jesse Torres, and Bob Williams

**LATE:** Andrew Lewis

**MANAGEMENT:** 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

**GUESTS:** Nathan Glovinsky, ASUCLA Board Member  
Kevin Kato, ASUCLA Board Member

**CALL TO ORDER**

Mr. Sidhu called the meeting to order at 11:01 a.m.

**APPROVAL OF AGENDA**

Mr. Williams made a motion, seconded by Mr. Eagan that the following revisions be made to the Agenda:

1. Delete the Executive Director's Report
2. Delete Draft Audit Report-ASUCLA Restaurants, North Campus
3. Add an International Licensing Presentation

Mr. Sidhu called for a vote to approve the Associated Students UCLA Board of Directors' October 20, 2017 Finance Committee Agenda as amended. The motion was approved by a vote of 3 yeas and no nays.

**APPROVAL OF MINUTES**

Mr. Sidhu called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee September 22, 2017 Minutes. There being no objections, the motion was approved by unanimous consent.

## **FINANCIAL STATEMENTS**

### **Student-Run Enterprises September 2017 Financial Statements**

Gross income for the Association was positive to plan by \$373,000. Net income for the month was positive by \$128,000.

The Store was positive in gross income by \$399,000 and positive \$59,000 in contribution due to strong BearWear sales both in-store and online. UCLA Restaurants were negative by (\$59,000) in gross income and positive \$9,000 in contribution due to a slow start to the fall quarter.

The Services Division was positive to plan by \$41,000 in gross income and \$35,000 in contribution due to domestic licensing specifically the Costco apparel program.

The Student Union was negative by (\$8,000) in gross income and (\$16,000) in contribution due to repairs and maintenance.

The Association reported a cash book balance of \$12,340,000 for the month. Of this balance, \$1,316,000 has been reserved for capital projects, leaving \$9,710,000 in uncommitted cash which is (\$4,696,000) less than the board-required cash reserve.

Past due accounts receivables were at roughly \$136,000 or 3%. Store inventories at cost were \$6,200,000; while inventory turns were at 4.4.

### **October 2017 Month-to-Date Preliminary Sales**

October sales figures in the Store are negative to plan by (\$223,569). The negative sales are mainly due to textbooks. BearWear is positive to plan by \$8,979. The Health Science Store is positive to plan by \$33,353. The Hilltop Shop is negative to plan by (\$5,310) and MTW is negative to plan by (\$52,601). Estimated Gross Margin for October is negative by (\$82,841).

The calendar adjusted Food Service sales are negative to budget by (\$104,123). Catering is positive to plan by \$1,126 and Concessions is positive by \$15,394. Court of Science Student Center is (\$30,702) negative to plan due to the delay in opening Blaze Pizza.

### **Communications Board August 2017 Financial Statements**

The Communications Board was positive to plan by \$31,495 due to higher than planned display advertising and an unplanned Daily Bruin donation.

## **FIRST FLOOR DINING ROOM ELECTRONIC WALL**

Mr. Champawat explained that the Services Committee approved to forward to the Board a capital expenditure of \$150,000 for the short-throw laser projectors; however, they raised questions regarding the life expectancy and warranty of the projectors.

The committee also raised the same concerns and asked Mr. Champawat to provide an analysis that indicates the installation costs, device costs, and repair costs to better determine which imaging is financially viable.

Mr. Eagan made a motion, seconded by Mr. Sidhu that the Associated Students UCLA Board of Directors' Finance Committee table the Ackerman Union Dining Room Digital Wall Capital Expenditure until more information is gathered. Mr. Sidhu called for a vote. The motion was approved by a vote of 4 yeas and no nays.

### **DRAFT AUDIT REPORT-TEXBOOKS**

Mr. Healey explained that based on the results of the work performed within the scope of the audit, the Textbook Division 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. Purchase transactions should have adequate supporting documentation that includes appropriate identification, descriptions, and explanations.
2. Access to the Visual Ratex system should be removed when an employee separated from the Textbook Division or transfers to another ASUCLA area.

### **INTERNATIONAL LICENSING**

Cindy Holmes, the ASUCLA Licensing Director, gave a presentation to the committee that covered the basics of the Association's International Licensing strategy and current status.

### **EXECUTIVE SESSION**

Mr. Sidhu 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 11:55 a.m.

Mr. Sidhu 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 12:59 p.m.

**ADJOURNMENT**

Mr. Sidhu called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the October 20, 2017 Meeting. There being no objections, the meeting was adjourned at 1:00 p.m.