

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Regular Meeting
October 27, 2017
12:00 p.m.
Kerckhoff Hall Staterooms**

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

ABSENT: Kevin Eagan

LATE: Alexandra Latshaw and Andrew Lewis

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: Rupan Bharanidaran, Daily Bruin
Parshan Khosravi, GSA External Vice President
Arielle Mokhtarzadeh, USAC President
Josh Mayer, GSA Administrative Affairs Director
Terri Mouton, Executive Director Candidate
Michael Skiles, GSA President

CALL TO ORDER

Ms. Riess called the meeting to order at 12:05 p.m.

APPROVAL OF AGENDA

Ms. Riess called for consent to approve the Associated Students UCLA Board of Directors' October 27, 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' September 29, 2017 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

PUBLIC COMMENT

Arielle Yael Mokhtarzadeh, USAC President, said some students are concerned the ground outside Wolfgang Puck Express is unstable and thinks it is a safety hazard. Ms. Mokhtarzadeh added some students are frustrated that ASUCLA staff sometimes does not open meeting rooms on time. She also thanked the Board for its continued funding and encouraged more interaction with USAC and BOD.

EXECUTIVE DIRECTOR'S REPORT

Mr. Williams updated the Board on the following topics:

September Financial Results

ASUCLA financial results for September were very strong with a positive net income variance versus budget of \$128,000. The Store was ahead of its plan in contribution primarily due to strong BearWear and E-commerce sales and a strong month for the Computer Store. Food Service made its contribution target despite slower self-operated sales with a strong Greenhouse results and wage and controllable savings. Domestic Licensing saw strong results and promotional royalties are up, but International Licensing continues to see challenges. The Student Union was off due to some added repairs and some lost event income. A&SS had a positive variance due to lower benefit costs and savings in various controllable areas.

October Sales Trends

October sales trends are sluggish in both the Store and in Food Service. In the Store, BearWear has fallen a bit behind plan over the past few weeks in both in store and online. Textbooks continue to be behind plan but it is expected that much of this will be recovered in "other income" as students shift to in-house rental. Food Service sales are behind plan without Veggie Grill and Blaze Pizza open. Several units both ASUCLA operated and third parties are struggling to fill all their shifts.

UC Path

A great portion of the management staff is focused on the transition to UCPath. This will impact all four ASUCLA entities and requires several members of the team to work during the break to insure that files have converted correctly. The Association is getting some better testing results but there is a great deal of work to do on to insure that everything can link to the General Ledger.

Concessions

The first Men's Basketball game is next Wednesday, November 1. There are a few minor additions to the traditional concessions menu but the biggest change this year will be in-seat service for a few sections in the stands. The Athletic Department asked management to provide food ordering and delivery to the seats on the floor and their new "Pauley Perch" areas on the main concourse. There will be servers assigned to these areas and service will be available from when the gate opens until the end of half time. There are only a select number of items that will work well for delivery. This will be a pilot program and management will review how it goes throughout the season. Also, ASUCLA Catering has been selected to be one of the high-end caterers in the Pavilion Club for three games.

Under Armour

Management has been tracking Under Armour sales in comparison to last year's adidas sales and has provided sales data to UA and DIA. There is approximately a 32% increase in this fiscal year on sideline product sales.

Sustainability Fair

The Store participated in Sustainival, sustainability fair hosted by Team Green on October 17. Representatives from the Market, Computer Store, and Essentials were on hand with displays of both products and services that contribute to the goal of target zero waste. Overall, it was very well received and was one of the better attended booths.

Storewide Monster Sale

Thursday, October 26 was the annual Monster Sale. The Store was \$4,300 better than budget and \$24,000 better than last year.

Faculty and Staff Appreciation Sale

November 28–December 1, is the next Faculty & Staff Appreciation Sale. Faculty & Staff save 20% off storewide. The sale will be announced through Staff Assembly newsletter.

T-Shirt Design Contest

As of October 26, 1144 shirts have been sold making 2017 the second most successful design since the contest began.

Bruin Print Stations

The print stations throughout campus are getting a high use rate. In addition, the tree planting program is also seeing results.

Ackerman Union First Floor Dining Room

Management has updated the project calendar to account for the basketball games during the holiday closure. This may require having a small section of the dining room closed in phases during the end of November and beginning of December.

Student Union Timeline/Message/Mural Wall

The Services Committee asked management to do additional research regarding the life of the projectors versus the LCD's. Mr. Champawat has been doing research on a longer term cost projection including replacement costs. The Finance Committee tabled the item so management could develop this projection.

North Campus Shop

Reroofing the North Campus Shop with a waterproof membrane will start October 30.

Daily Bruin Darkroom

To support the Daily Bruin's consolidation of its space to accommodate the Transfer Student Center and Veterans Resource Center, ASUCLA is converting a former darkroom into office space for the Daily Bruin.

Employee Appreciation Sale

November 17–22 will be the next Employee Appreciation Sale. BOD and ASUCLA staff save 33% off storewide.

Coffee Experience

The Services Committee continued its discussion about the coffee experience. The committee looked at various coffee cup and sleeve designs to determine in what general direction the design group should start. Management plans to continue to taste coffees next month while working on design ideas.

Branding/Social Media

The RFP is out to get bids for the potential of using some outside marketing support. Thirteen requests were sent out and eight firms have confirmed that they will be submitting a proposal.

Licensing

Cindy Holmes gave another presentation at the October Finance Committee meeting. The focus of this presentation was the history and volatility of the International Licensing market.

Store Website

Management continues to convert the Store website to the Ratex upgraded system. This should be completed before winter quarter. This upgrade will make the site work across various devices including smartphones, tablets, etc. It will also allow for future plug-ins and new features.

Greenhouse

While management had planned to open a satellite grab-and-go stand in the 1st floor dining room, construction issues made this more complex than planned. As a result, this product has been added into the Greenhouse where the sales have been good. New salad varieties and ingredients have also been added and the Coke machine has been converted to a freestyle machine.

Poke at North Campus

There have been a few delays with equipment and staff for the new Poke concept at North Campus. Management expects it to be opened in a few weeks.

Blaze Pizza

Construction is underway and management is hopeful they can make the winter quarter opening target.

Taco Bell

The re-imaging design has been finalized and the work is scheduled to be completed the week of December 18-22. Taco Bell will be closed for this week but it should be completed in this time.

EXECUTIVE COMMITTEE REPORT

Mr. Glovinsky stated the committee met on October 6 and the meeting was held in Executive Session.

FINANCE COMMITTEE REPORT

Mr. Sidhu explained that the committee met on October 20 and reviewed the current financial statements for the Student-Run Enterprises and the Communications Board. Ms. Holmes provided the committee with an international licensing presentation that outlined the current strategies and challenges. The committee tabled the electronic wall capital expenditure agenda item until further information could be gathered regarding life expectancy and warranties of the laser projectors.

SERVICES COMMITTEE REPORT

Ms. Boster stated the committee met on October 13 and discussed the coffee experience and approved the capital expenditure for the electronic wall in the dining room. The committee also discussed ASUCLA Benefits U and now has a better understanding of the program.

PERSONNEL COMMITTEE REPORT

Ms. Latshaw stated that the committee has not met.

ASUCLA STUDENT FEE REFERENDUM AD-HOC COMMITTEE REPORT

Mr. Glovinsky stated the committee met earlier today, October 27 and agreed to meet

twice a month. Mr. Glovinsky invited all board members to attend if they were available.

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 (\$351,544). The negative sales are mainly due to BearWear and textbooks. BearWear is negative to plan by (\$120,606); however, \$65,000 from the Rosebowl has not been included and textbook rentals will appear in "Other Income." The Health Science Store is positive to plan by \$62,200 due to dental kit sales. The Hilltop Shop is negative to plan by (\$4,348) and MTW is negative to plan by (\$70,702). Estimated Gross Margin for October is negative by (\$138,184).

The calendar adjusted Food Service sales are negative to budget by (\$177,721). Both Catering and Concessions are negative to plan. Court of Science Student Center is (\$44,000) negative to plan due to the delay in opening Blaze Pizza and the first floor dining area is negative to plan due to the delay in opening Veggie Grill.

ACKERMAN UNION FIRST FLOOR DINING ROOM PROJECT UPDATE

Mr. Champawat provided the Board will an updated calendar for the dining room project. There were some adjustments to allow for the dining room to be open for a few

important basketball home games.

ACKERMAN UNION FIRST FLOOR DINING ROOM DIGITAL WALL

Ms. Riess made a motion, seconded by Ms. Adewumi-Gunn that the Associated Students UCLA Board of Directors table Agenda Item VIII.B, the capital expenditure for the Ackerman Union First Floor Dining Room Digital Wall until December 8 to allow more time to gather information regard the life expectancy and analysis of the product. Ms. Riess called for a vote. The motion was approved by a vote of 10 yeas and no nays.

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 1:32 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 1:54 p.m.

ADJOURNMENT

Ms. Riess called for consent to adjourn the Associated Students UCLA Board of Directors' October 27, 2017 Regular Meeting. There being no objections, the meeting was adjourned at 1:54 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