

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Regular Meeting
February 23, 2018
12:30 p.m.
Kerckhoff Hall Staterooms**

PRESENT: Pouria Abbassi, Teni Adewumi-Gunn, Michaela Boster, Kevin Eagan, Nathan Glovinsky, Kevin Kato, Alexandra Latshaw, Lena Riess, Navi Sidhu, Lawrence Traylor, Agnes Warren, and Christine Wilson

ABSENT: Andrew Lewis and Jesse Torres

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
Cynthia Holmes, Licensing Director
Michelle Moyer, Director of Business Affairs and Compliance
Lisa Perez, Marketing Director

GUESTS: Aidan Arasasingham, UCLA Student
Deandra Du, Daily Bruin
Michael Skiles, GSA President

CALL TO ORDER

Mr. Glovinsky called the meeting to order at 12:38 p.m.

APPROVAL OF AGENDA

Mr. Glovinsky called for consent to approve the Associated Students UCLA Board of Directors' February 23, 2018 Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. Glovinsky called for consent to approve the Associated Students UCLA Board of Directors' January 26, 2018 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

PUBLIC COMMENT

Mr. Skiles thanked Mr. Williams for his commitment to the Association and welcomed Mr. Abbassi as the new Executive Director. Mr. Skiles also thanked the Board for addressing the coffee concerns around campus.

EXECUTIVE DIRECTOR'S REPORT

Mr. Abbassi updated the Board on the following topics:

1. The UCLA Store will feature an employee appreciation discount from March 14 through March 16.
2. UCLA Store's textbook section will host a textbook buyback event from March 12 to March 23 at various locations.
3. The Association will launch its spring catalog in March.
4. ASUCLA will complete renovating Ackerman Union's first floor dining area by the end of March.
5. Blaze Pizza will open in the Court of Sciences at the end of March.
6. ASUCLA will celebrate UCLA's centennial in May 2019. Mr. Abbassi believes the centennial will be a good opportunity for the Association to expand its marketing and outreach efforts.
7. ASUCLA is preparing its budget for the 2018-2019 fiscal year and will prioritize long-term growth factors.

EXECUTIVE COMMITTEE REPORT

Mr. Glovinsky stated the committee met on February 22 and the meeting was held in Executive Session.

FINANCE COMMITTEE REPORT

Mr. Sidhu explained that the committee met on February 16 and reviewed the current financial statements for the Student-Run Enterprises and the Communications Board. The committee also discussed the LuValle Draft Audit and reviewed the analysis of Under Armour and adidas. Finally, the committee approved and forwarded three action items to the Board that are on the agenda today.

SERVICES COMMITTEE REPORT

Ms. Boster stated that the committee met on February 16 and heard the Grand Challenge's presentation regarding plastic waste. The committee also moved forward to implement the new coffee flavors in a few key areas and also approved several items

that are on today's agenda.

PERSONNEL COMMITTEE REPORT

Ms. Latshaw stated that the committee will convene in executive session today.

ASUCLA AD-HOC COMMITTEE REPORT

Mr. Glovinsky stated the committee met earlier today, February 23 and updated Mr. Abbassi on the committee's progress. The committee has refocused itself to concentrate on branding instead of a student fee. Ms. Perez also presented the committee with its current in-house branding.

FINANCIAL STATEMENTS

Student-Run Enterprises January 2018 Financial Statements

Mr. Abbassi reported on the following:

1. January sales were \$2,475,000, an \$88,000 increase from last year's sales but \$7,000 below plan. Overall, sales are performing close to plan.
2. Food services sales are negative to budget by \$131,000 due to delays in opening Blaze Pizza and Veggie Grill.
3. Sales from course reader materials and the Computer Store have decreased.
4. The Association is projecting an increase in revenue from football games due to the positive impact Chip Kelly will have.
5. ASUCLA plans to utilize more data analytics to improve e-commerce traffic and revenue.

Ms. Baker reported on the following:

1. The Association reported a cash book balance of \$12,471,000 for the month. Of this balance, \$1,216,000 has been reserved for capital projects, leaving \$10,320,000 in uncommitted cash which is (\$4,483,000) less than the board-required cash reserve.
2. Past due accounts receivables were at roughly \$174,000 or 4%. Store inventories at cost were \$5,800,000; while inventory turns were at 4.5.

Student-Run Enterprises February Preliminary Sales

Mr. Abbassi reported on the following:

1. February sales figures in the Store are negative to plan by (\$7,774). Most of the

- negative sales were from new textbooks and the Computer Store.
2. The Health Science Store is positive to plan by \$55,339 due to dental kits.
 3. MTW is negative to plan by (\$8,349).
 4. Estimated Gross Margin for January is negative by (\$13,516).
 5. Food Service sales are negative to budget by (\$131,564).
 6. Catering and Concessions are negative by (\$9,494) and (\$2,350) respectively.
 7. Court of Science Student Center is (\$40,531) negative to plan due to the delay in opening Blaze Pizza.
 8. Veggie Grill is also negative to plan by (\$79,694) due to their delayed opening.

APPROVAL OF FY 18-19 TENTATIVE BUDGET ASSUMPTIONS

Mr. Abbassi briefly listed the key tentative assumptions which included:

- Minimum Wage Increase
- Wages of Non-exempt Employees Increase
- Due to CPI the Student Union Fee will Increase from \$63 to \$66
- Health and Insurance Premium Increases

Mr. Sidhu made a motion, seconded by Ms. Warren that the Associated Students UCLA Board of Directors approve of the FY 18-19 Tentative Budget Assumptions. Mr. Glovinsky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

ACKERMAN UNION FIRST FLOOR RESTROOMS

The project in the current fiscal year budget was approved at \$150,000. However the most recent quote for the completion of this project from UCLA Facilities is \$175,422 including a \$15,000 contingency.

Mr. Sidhu made a motion, seconded by Mr. Kato that the Associated Students UCLA Board of Directors' approve a \$175,422 capital expenditure to renovate the Ackerman Union First Floor Men's and Women's Restrooms. Mr. Glovinsky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

E6 CAFÉ PROPOSAL

In November 2017, the administration of Engineering asked ASUCLA to operate a café in the new Engineering VI Building. Based on preliminary estimates the project will require approximately \$150,000 of capital investment by ASUCLA. Management projects that direct contribution from this operation alone will be about \$16,000 a year. However, after considering various cannibalization models from other ASUCLA operations and taking advantage of the opportunity to shift costs from other operations, the net contribution to the Association will range between \$25,000 to (\$7,300).

Mr. Sidhu made a motion, seconded by Ms. Riess that the Associated Students UCLA Board of Directors' approve a capital expenditure of \$150,000 to build and operate a café in the new Engineering 6 Building. Mr. Glovinsky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

APPROVAL OF SWEET SPOT PRODUCT REPLACEMENT

Mr. Kato explained that management would like to remove the Sweet Spot yogurt machines that are inoperable and replace them with display freezers offering a wide variety of single serve frozen desserts from Nestle. This brand allows for flexibility in variety of products including high end ice cream, lower calorie frozen yogurt, fruit bars, non-dairy options, new candy flavors and traditional offerings.

Mr. Kato made a motion, seconded by Ms. Boster that the Associated Students UCLA Board of Directors' approve management to eliminate the frozen yogurt and add Nestle single serve frozen yogurt in Sweet Spot. Mr. Glovinsky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

EXECUTIVE SESSION

Mr. Glovinsky 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 1:23 p.m.

Mr. Glovinsky 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 2:12 p.m.

Ms. Wilson made a motion, seconded by Mr. Sidhu that the Associated Students UCLA Board of Directors approve all actions taken in Executive Session. Mr. Glovinsky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

ADJOURNMENT

Mr. Glovinsky called for consent to adjourn the Associated Students UCLA Board of Directors' February 23, 2018 Regular Meeting. There being no objections, the meeting was adjourned at 2:12 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