

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Finance Committee
April 20, 2018
11:00 a.m.
Kerckhoff Hall 152**

PRESENT: Pouria Abbassi, Donna Baker, Kevin Eagan, Alexandra Latshaw, and Navi Sidhu

LATE: Andrew Lewis

ABSENT: Jesse Torres

MANAGEMENT: Cindy Bolton, Food Service Director
Sandi Gillespie, Association Affairs Manager
Patrick Healey, UCLA Store Director
Cindy Holmes, Trademarks & Licensing Director
Michelle Moyer, Director of Business Affairs and Compliance

CALL TO ORDER

Mr. Sidhu called the meeting to order at 11:05 a.m.

APPROVAL OF AGENDA

Mr. Sidhu called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee, April 20, 2018 Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. Sidhu called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee March 9, 2018 Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

Mr. Abbassi reported on the following items:

- Budget Meeting- Developing the presentations for the May 4 meeting
- Blaze Pizza- Excellent results for the first week of operation
- Bruin Day- Outstanding turnout and engagement, Gross sales were up 10%
- Engineering VI Café- Ongoing meetings

- Intelligentsia - The contract term and pricing negotiations have been completed
- Athletics/Under Armour- Discussing proposed marketing

FINANCIAL STATEMENTS

March 2018 Financials

ASUCLA completed the month at \$5.4M in gross income which is essentially at plan and \$150,000 ahead of last year. All operational divisions, with the exception of Restaurants, exceeded gross income targets both compared to budget and as compared to last year. Cumulative gross margin was slightly ahead of last year and below plan (driven by Restaurants operations). Overall contribution at \$812,000 was (\$30,000) below plan and \$53,000 ahead of last year. Restaurants income stream continued to be impacted by the delayed opening of Blaze Pizza and Veggie Grill and an overall drop in customer count.

The net income at \$58,000 for the month is \$143,000 better than budget and \$146,000 better than last year. The net income through the first 8 months of the fiscal year is \$395,000 better than budget and \$182,000 better than last year. Monthly net income for March was \$142,000 better than February.

The Association reported a cash book balance of \$14,361,000 for the month. Of this balance, \$1,383,000 has been reserved for capital projects, leaving \$11,620,000 in uncommitted cash which is (\$3,298,000) less than the board-required cash reserve.

Past due accounts receivables were at roughly \$123,000 or 3%. Store inventories at cost were \$5,900,000; while inventory turns were at 4.5.

April 2018 Preliminary Sales

April sales figures in the Store are negative to plan by (\$8,043). Bearwear is positive by \$42,634 and New Text is negative to plan by (\$128,534). Computer Store is positive to plan by \$118,258. The Hilltop Shop is positive to plan by \$6,219 and MTW positive by \$22,034.

Food Service sales are negative to budget by (\$84,092). Court of Science Student Center is (\$5,154) negative to plan and Veggie Grill is also negative to plan by (\$60,475). Overall, customer counts are down and management is addressing this issue.

Communications Board Financial Statements

February Financial Statements show that the Communications Board is on plan for the month and positive by \$143,071 for the year.

PRELIMINARY FY 18-19 BUDGET & FIVE YEAR FORECAST

Ms. Baker and Mr. Abbassi explained that the FY 18-19 budget reflects additional UC Path costs and the minimum wage increases and does not include any reduction in staff. A Student Union Fee is added beginning in FY 19-20.

FY 18-19 CAPITAL EXPENDITURES

The FY 18-19 Capital Expenditures include a \$125,000 Bearwear Refresh that will include new carpeting and counters. Food Service will install new coffee equipment and the Store will update its POS system. Also, in the budget is the remodeling of the North Campus Student Center restrooms.

CAFÉ SYNAPSE UPDATE

This item was moved into Executive Session.

NORTH CAMPUS UPDATE

Ms. Bolton stated that food sales at North campus are down as well as customer counts. She shared with the committee a limited-time \$3 coupon program which will be sent to ASUCLA Benefits U members to help boost sales. The committee also suggested a “tag a friend” on Facebook and receive a coffee or discount on Poké or a Panini.

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 12:28 p.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 1:06 p.m.

ADJOURNMENT

Mr. Sidhu called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the April 20, 2018 Meeting. There being no objections, the meeting was adjourned at 1: 06 p.m.