

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Finance Committee
July 20, 2018
9:00 a.m.
Kerckhoff Hall 152**

PRESENT: Pouria Abbassi, Donna Baker, Kevin Eagan, Navi Sidhu, and Jesse Torres

ABSENT: Andrew Lewis and Alexandra Latshaw

MANAGEMENT: Roy Champawat, Student Union Director
Sandi Gillespie, Association Affairs Manager
Patrick Healey, UCLA Store Director

GUESTS: Aidan Arasasingham, ASUCLA Board Member

CALL TO ORDER

Mr. Sidhu called the meeting to order at 09:05 a.m.

APPROVAL OF AGENDA

Mr. Sidhu called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee, July 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 May 11, 2018 Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

Mr. Abbassi reported on the following items:

- The Ashe Center is looking for space in Ackerman Union to provide dental services.
- Rubio's is interested in exercising their lease option.
- The Centennial Committee released a RFP allocating \$150K for new centennial programming. ASUCLA will submit a proposal for consideration.
- The Store will produce new apparel and accessories for the School of Arts

and Architecture.

- The Association is moving forward with an e-commerce consultant to make recommendations for improvements.
- The Store will now sell Bruin Emergency Kits for \$49.95.

FINANCIAL STATEMENTS

May 2018 Financial Statements

ASUCLA overall gross income was \$5.76M which is \$76K better than budget. Contribution was (\$83K) behind budget and (\$115K) behind last year. Net income was (\$25K) behind budget and the net loss for the first 10 months is (\$352K). ASUCLA is ahead of budget by \$354K year-to-date and ahead of last year at this time by \$109K.

UCLA Store contribution was better \$11K better than plan and Restaurants were (\$67K) negative to plan mainly due to construction and closures in the North Campus area. Domestic licensing did not meet budget in May; however, they are positive in June. Student Union contribution was \$12K better than plan due to strong event planning.

June 2018 Financial Statements

ASUCLA total gross income was \$370K better than plan mainly led by the Store. Store was positive \$118K in gross margin as well as the Services Division by \$35K. Contribution in the Store and Student Union was positive by \$120K and \$31K, respectively. Total net income was \$520K better than budget; however, there was a one-time nonrecurring entry for \$463K which is a refund for faulty electrical meter readings.

The Association reported a cash reserve balance of \$15.2M for the month. Of this balance, \$1M has been reserved for capital projects, leaving \$13.4M in uncommitted cash which is (\$1.7M) less than the board-required cash reserve.

Past due accounts receivables were at roughly 3% or \$99K. Store inventories at cost were \$4.6M; while inventory turns were at 4.6.

July 2017 Month-to-Date Preliminary Sales

July sales figures for Blaze Pizza and Veggie Grill are strong; however, North Campus Restaurants are still negative. Food service in total is negative by (\$11K). The Store is negative by (\$324K) mainly due to the Computer Store.

Communications Board April and May 2018 Financial Statements

The Communications Board was positive in May by \$28K and \$32K in June. Year-to-date they are \$222K better than plan. They are planning to repay the \$200K line of credit to Student-Run Enterprises next fiscal year.

UNDERGRADUATE STUDENTS ASSOCIATION FY 18-19 BUDGET

The Undergraduate Student Association FY 18-19 Budget has been reviewed by the ASUCLA Student Government Services Division to ensure fiscal soundness in accordance with proper accounting and budgeting principles.

There are significant new fees in the budget representing 21% more resources, than two years ago. The # UCLA Wellness fee went from \$12 per quarter last year, to \$18 this year. The expansion of resources is a little more than \$1.5M in new fees versus two years ago. The Undergraduate Students Association Council approved this budget at their July 10, 2018 meeting.

Mr. Sidhu made a motion, seconded by Mr. Eagan that the Associated Students UCLA Board of Directors' Finance Committee approve and recommend to the Board of Directors the FY 18-19 Undergraduate Students Association Budget Mr. Sidhu called for a vote. The motion was approved by a vote of 3 yeas and no nays.

GRADUATE STUDENTS ASSOCIATION FY 17-18 BUDGET

The Graduate Students Association FY 18-19 Budget has been developed by the leadership of the Graduate Students Association, and has been reviewed by ASUCLA staff for fiscal soundness in conformance with proper accounting and budgeting principles. GSA Forum approved this budget at its meeting on May 30, 2018.

Mr. Sidhu made a motion, seconded by Mr. Eagan that the Associated Students UCLA Board of Directors' Finance Committee approve and recommend to the Board of Directors the FY 18-19 Graduate Students Association Budget. Mr. Sidhu called for a vote. The motion was approved by a vote of 3 yeas and no nays.

GENERAL BOOKS DIVISION DRAFT AUDIT

Mr. Healey explained that based on the results of the work performed within the scope of the audit, General Books Division has established adequate internal controls and business practices to help ensure that ASUCLA's business objectives are met. The audit identified the following area where internal controls could be further strengthened:

- Management should consult with ASUCLA Information Technology to ensure that access for separated employee is removed in a timely manner.

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 9:46 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 9:56 a.m.

ADJOURNMENT

Mr. Sidhu called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the July 20, 2018 Meeting. There being no objections, the meeting was adjourned at 9:56 a.m.