

**ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Finance Committee  
November 16, 2018  
11:00 a.m.  
Ackerman Union 2408**

**PRESENT:** Pouria Abbassi, Paul Abramson, Donna Baker, Erika Brickly,  
Lawrence Traylor Jr., and Frank Wada

**ABSENT:** Navi Sidhu

**MANAGEMENT:** Sandi Gillespie, Association Affairs & External Affairs Manager

**GUESTS:** Kristen Olko, KPMG

**CALL TO ORDER**

Mr. Traylor called the meeting to order at 11:03 a.m.

**APPROVAL OF AGENDA**

Mr. Traylor called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee November 16, 2018, Agenda. There being no objections, the motion was approved by unanimous consent.

**APPROVAL OF MINUTES**

Mr. Traylor called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee October 19, 2018, Minutes. There being no objections, the motion was approved by unanimous consent.

**EXTERNAL AUDIT**

Ms. Olko from KPMG stated that they are now completing their fieldwork for the external audit and will have a final report to present at the January Finance Committee meeting. At this point, there are no deficiencies reported.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Abbassi reported on the following items:

### **Distinguished Speaker Series**

The inaugural Distinguished Speaker Series with Coach Val went very well and management has begun preparing for the next event in February.

### **Computer Store**

Apple has launched two new products which should help boost sales. Staff will be reaching out to campus departments to promote the November 28 sales event.

### **Wescom Dining Terrace**

The patio renovation is moving forward and several meetings have been held with capital programs.

### **Outreach with Admissions**

The Admissions Office has agreed to include an informational computer store flyer detailing academic pricing of Apple product in the *Letter of Admission* packet.

### **Alumni Association**

The Alumni Association has provided the Association with a global heat map of alumni members. Surprisingly, the countries with a large number of alumni were Brazil and Canada.

## **FINANCIAL STATEMENTS**

### **October 2018 Financial Statements**

Gross income for October was \$6.3M. Gross margin at \$3.3M was \$160K ahead of last year and close to budget. Contribution at \$1.2M was practically at budget and last year's level. A combination of expense controls and better than anticipated performance in other income categories resulted in a net income of \$260K (compared to September at \$100K) which was \$22K better than budget.

The impact of below anticipated Store sales in merchandise across physical (inclusive of concession at Rose Bowl) and online continued through October. Other items to monitor are the fulfillment of the dental kit back orders allowing for the realization of revenues and the impact of new product line introduction for Apple.

The Restaurant collaboration with the Residence Halls provided additional support in late October and expense controls have mitigated the below plan activity in catering and concessions with contribution close to budgeting target for the month.

Domestic Licensing (inclusive of campus) was below plan but was more than mitigated through the financial agreement with Wescom. Leased operations revenue improved with the occupancy of CAPS and Student Union performed at plan.

Better than plan results in wages, interest income, and utilities more than mitigated the unanticipated expenses incurred for the LuValle HVAC failure. The replacement units have been installed and are awaiting sign-off from the campus.

The Association reported a cash reserve balance of \$12.6M for the month. Of this balance, \$1.8M has been reserved for capital projects, leaving \$9.3M in uncommitted cash which is (\$5.6M) less than the board-required cash reserve.

Past due accounts receivables were at roughly 3% or \$161K. Store inventories at cost were \$6M; while inventory turns were at 4.3.

#### November 2018 Preliminary Sales

Preliminary sales show that the Store is (\$237K) negative than plan; however, the (\$116) in dental kits will be realized in January. Online sales are negative due to the poor performance of the football team. Food Service negative (\$89K) plan due to slow overall slow sales.

#### September Communications Board Financial Statements

September Financial Statements show that the Communications Board is positive to plan by \$21K for the month and \$67K year-to-date.

### **ADJOURNMENT**

Mr. Traylor called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the November 16, 2018, Meeting. There being no objections, the meeting was adjourned at 11:30 a.m.