

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS
Regular Meeting
May 24, 2019
12:00 p.m.
Kerckhoff Hall Staterooms**

PRESENT: Pouria Abbassi, Paul Abramson, Aidan Arasasingham, Teni Adewumi-Gunn, Erika Bricky, Kevin Kato, Navi Sidhu, Jesse Torres, and Frank Wada

ABSENT: Kevin Eagan, Michelle Goodman, Avi Oved, and Lawrence Traylor

MANAGEMENT: Donna Baker, Finance Director
Ari Baron, Marketing Director
Cindy Bolton, Food Service Director
Sandi Gillespie, Association Affairs & External Affairs Manager
Patrick Healey, UCLA Store Director
Cindy Holmes, Trademarks & Licensing Director
Michelle Moyer, Business and Compliance Director
Jasmine Omidfar, Executive Office Assistant

GUESTS: Greg Goldman, UCLA Vice Chancellor and CFO
Zak Fisher, GSA President-Elect
Lily Shaw, UCLA Student
Lauren Valis, UCLA Student

CALL TO ORDER

Ms. Adewumi-Gunn called the meeting to order at 12:07 p.m.

APPROVAL OF AGENDA

Ms. Adewumi-Gunn called for consent to approve the Associated Students UCLA Board of Directors' May 24, 2019, Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Ms. Adewumi-Gunn called for consent to approve the Associated Students UCLA Board of Directors' April 26, 2019, Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

PUBLIC COMMENT

Vice Chancellor and CFO Greg Goldman introduced himself to the Board, gave a history of his credentials, and stated his commitment to continuing collaborations between UCLA and ASUCLA. Additionally, Mr. Zak Fisher introduced himself as the new GSA President-elect for the 2019-2020 academic year.

EXECUTIVE DIRECTOR'S REPORT

Mr. Abbassi updated the Board on the following topics:

Social Media

ASUCLA's social media was strong for the month of May with the Bruin Nights Centennial event and a Bruin Spirit Sale Giveaway.

UCLA Store

June 5 & 6: Employee Appreciation - ASUCLA employees and BOD members save 33% at the UCLA Store.

UCLA Sports

There are possible NCAA Championships in Softball (June 5) and Baseball (June 26); preparing contingency art, emails, and signage. The Store is also on alert for Rowing and Track & Field.

Email Campaign

The Store marketing emails have a high open-rate and June marketing campaigns will be utilizing this for various promotions.

Alternate Capital Project Funding

Finance is waiting on the results and review of submitted documentation to University Credit Union (UCU), to further additional opportunities outside of liquidity to fund long term capitals. Additionally, management has responded to a draft line of credit proposal by UCLA Treasurer's office.

Budget/Five Year Forecast

The Finance Committee unanimously approved the FY 2019-2020 Budget/Five Year Forecast which will be presented to the Board for approval today. In accordance with the provisions of the Advance Agreement, the budget will be sent to the Chancellor of approval.

UCLA Restaurants Mobile App

ASUCLA has received UCLA approval to use Single Sign-On to authenticate users. Beta testing, which includes placing test orders and using credit cards, will begin soon.

Campus Partnerships

In collaboration with UCLA Centennial Celebration Committee, the BearWear Department had a pop-up shop at the “UCLA 100th Birthday Celebration at Grand Park” on Wednesday, May 22. The shop consisted of an assortment of UCLA Centennial commemorative items.

Student Employee Engagement

In partnership with the Executive Leadership Team (ELT), and as a key initiative to improve the student employee experience at ASUCLA, Human Resources will lead the newly formed Student Employee Engagement Committee. The kickoff meeting was May 21.

New Applicant Tracking Software

Newton, the new applicant tracking software, has been launched and is being used in all the recruitment efforts. Hiring managers are now viewing online applications, resumes, and scheduling interviews. Additionally, both career and student employees can apply for jobs from their devices, eliminating the need for paper applications, and can view the status of their applications in real-time.

Catering department revitalization

ASUCLA Catering provided approximately 10,000 snack boxes and 10,000 boxed lunches to the attendees for College Signing Day with Michelle Obama at Pauley Pavilion on May 1. It was a massive undertaking that took several days and multiple assembly lines to produce the 20,000 boxes.

In addition to all the various Centennial events, Catering provided breakfast as well as appetizers for the Alumni Day reception for approximately 4,000 attendees in Wilson Plaza. Additionally, there were food trucks available dinner before the Centennial Festival in Dickson Plaza.

Anderson Update

Plans for the café renovation in the Anderson School are moving forward. In the interim, there is a limited coffee and grab & go packaged lunch service since Il Tramezzino vacated in April. Negotiations with a branded coffee vendor for this location has been finalized.

Food Service Kiosks

The self-serve register kiosk at Taco Bell went live on Monday, May 13. So far, about 11% of the total Taco Bell sales are being used on the kiosk. The taco bell kiosk has a significant increase from the volume seen on the Kerckhoff Coffeehouse kiosk, which is approximately 3% of the total transactions. The Food Service Division continues to make adjustments to improve the user interface.

Terasaki Cart

ASUCLA met with the Life Sciences Assistant Dean to discuss discontinuing operation of the Terasaki Cart. After meeting and explaining the mobile cart code requirements

and the low customer traffic, they agreed to end operations on June 14.

ASUCLA Student Governments

ASUCLA conducted the second year of a new approach to presenting resources and methods to the incoming student government officials. The session was well-attended and well-received.

ASUCLA App

The new Events feature on the ASUCLA App has been introduced. It features events both in the Student Union and other events presented by ASUCLA entities.

Trademarks & Licensing

A Trademarks & Licensing representative is attending CLC (IMG) seminars this week including an update on a new IT system that manages licensees' supplier disclosures and relational supply chain mapping features.

Brand Collaborations

ASUCLA has collaborated with Under Armour for Jackie Robinson t-shirts, Ebbets Field jerseys, and Original Retro Brand for Kevin Love and Lonzo Ball jerseys.

Under Armour

The Association continues to pursue outside expansion, enhanced merchandising efforts, and increased sell-through strategies of Under Armour.

Centennial Related Activities

On May 20 UCLA celebrated the centennial in Sacramento as well as LA City Hall on May 22.

EXECUTIVE COMMITTEE REPORT

Mr. Kato stated the committee met and discussed breakfast with the Chancellor and Board of Directors Retreat.

FINANCE COMMITTEE REPORT

Mr. Sidhu stated that the committee met on May 17 and approved the Student-Run Enterprises FY19-20 Budget and Five-Year Forecast, FY19-20 Communications Board Budget and approved the capital expenditure of the Anderson Café.

FINANCIAL STATEMENTS

April 2019 Financial Results

Gross income at \$6.3M (compared to March at \$5.7M) was (\$230K) below plan and (\$34K) below last year. Gross Margin at \$3.2M was \$100K better than last year and (\$140K) below plan. Contribution at \$1.1M was (\$144K) below plan and (\$35K) below last year. Combination of better than plan allocated expense performance and significantly higher than plan in other income categories resulted in net returns of \$373K (compared to a loss of \$124K in March) which was \$73K better than last year and \$36K better than plan.

It is important to note that while YTD Gross Income is (\$1.8M) negative to plan (mainly due to the first six months sales decline in retail and weaker food service operation), expense control, Licensing, Services, and other income categories have not only allowed for mitigation of unanticipated facilities expenses but have brought the plan deviation below \$50K or just ~0.2% of the budget.

Bearwear, E-commerce, Academic CRS, Used Text, and the continued backfill of dental kits were solid for the month. Graduation Etc. and the Portrait Studio posted below plan mainly due to timing and miscommunication of photography deadlines with Daily Bruin. The latter will be addressed with Daily Bruin to ensure clear communication of expectations and improvements on business terms for next year.

Restaurant sales have tracked better than last year, but the increase in the cost of operations, including wages and benefits, has outpaced the sales increase and reduced contribution to plan. The decline in customer counts on a YTD basis has hurt financial performance. Utilization of several survey results and better marketing of the variety of offerings will continue to be top priorities. Several initiatives have been or are in the process of being effectuated to increase contributions. Café Synapse customer count decline rate has continued to be stabilized from -22% in January to 2% by May.

While concessions has had a difficult year, mainly due to a weak basketball season, April posted strong sales results and ASUCLA expects a strong May in terms of catering.

Domestic Licensing revenue has been below target, but International Licensing continues to post strong results. It is expected that promotional royalties will pick up with centennial-related products. Revenues from the Wescom deal continue to deliver positive inflow for the organization.

Better than anticipated results in Other Income (exp.) categories including higher interest income and the LADWP rebate continue to help mitigate the below plan contribution performance of other areas, and the additional facilities repair and painting costs.

The Association reported a cashbook balance of \$16.2M. The required cash reserve is \$5M compared, leaving an \$11.2M surplus.

Past due accounts receivables were roughly \$97K or 2%. Store inventories at cost were consistent at \$5.5M; while inventory turns were 4.3.

HUMAN RESOURCES PRESENTATION

Ms. Moyer provided the Board with a Human Resources presentation that included the following projects and initiatives:

- Enhance Organizational Culture
- Student Employee Engagement Committee
- Augment Performance Reviews
- Conduct Compensation Study
- New Applicant Tracking System
- Revitalize New Hire Orientation
- UC Path Conversations and Negotiations
- Training and Development
- Sexual Harassment Prevention Training
- Strengthen Systems & Processes
- UC Travel Program Access for Career Employees
- Amplify Social Media and Branding to improve candidate attraction
- Improve Metrics and Reporting
- Refresh the HR Office Refresh and Customer Experience
- Replacement of camera and recording equipment
- New and Renewals of Occupancy Agreements and Leases
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STUDENT-RUN ENTERPRISES FY 19-20 BUDGET & FIVE-YEAR FORECAST

Mr. Sidhu made a motion, seconded by Mr. Kato that the Associated Students UCLA Board of Directors approve of the Student-Run Enterprises FY 19-20 Budget and Five-Year Forecast. Ms. Adewumi-Gunn called for a vote. The motion was approved by a vote of 7 yeas and 0 nays.

COMMUNICATIONS BOARD FY 19-20 BUDGET & FIVE-YEAR FORECAST

Mr. Sidhu made a motion, seconded by Ms. Brickly that the Associated Students UCLA Board of Directors approve of the Communications Board FY 19-20 Budget & Five-Year Forecast. Ms. Adewumi-Gunn called for a vote. The motion was approved by a vote of 7 yeas and 0 nays.

ANDERSON CAFÉ CAPITAL EXPENDITURE

Mr. Sidhu made a motion, seconded by Ms. Brickly that the Associated Students UCLA Board of Directors approve a \$300,000 capital expenditure to renovate the Anderson Café. Ms. Adewumi-Gunn called for a vote. The motion was approved by a vote of 7 yeas and 0 nays.

EXECUTIVE SESSION

Ms. Adewumi-Gunn 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 1:43 p.m.

Ms. Adewumi-Gunn 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 1:57 p.m.

ADJOURNMENT

Ms. Adewumi-Gunn called for consent to adjourn the Associated Students UCLA Board of Directors' May 24, 2019, Regular Meeting. There being no objections, the meeting was adjourned at 1:57 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.

Kevin Eagan
Board Secretary and Administrative Representative