

**ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Finance Committee  
January 17, 2020  
12:00 p.m.  
Ackerman Union 2412**

**PRESENT:** Pouria Abbassi, Adewunmi Adelaja Donna Baker, Siena Villegas, Alexis Wells, and Steve Yu

**LATE:** Frank Wada

**MANAGEMENT:** Roy Champawat, Student Union Director  
Carly Goldman, Assistant to the Executive Director  
Michelle Moyer, Director of Business Compliance & Legal Affairs  
Vuong Tran, Student Government Accounting Manager  
Kamran Mehdian, Director of Information Services

**GUESTS:** Doria Deen, Student Media Director  
Kristen Olko, KPMG  
Frank Wimer, KPMG  
Alex Tchekanov, Finance Division Student Employee  
Feodora Kosasih, Finance Division Student Employee  
Kezia Putrali, Finance Division Student Employee

**CALL TO ORDER**

Ms. Villegas called the meeting to order at 12:02 p.m.

**APPROVAL OF AGENDA**

Ms. Villegas called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee January 17, 2020 Agenda. There being no objections, the motion was approved by unanimous consent.

**APPROVAL OF MINUTES**

Ms. Villegas called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee November 18, 2019, Minutes. There being no objections, the motion was approved by unanimous consent.

## **INTRODUCTION OF FINANCE DIVISION STUDENT EMPLOYEES**

Ms. Baker introduced finance division student employees Alex Tchekanov, Feodora Kosasih, and Kezia Putrali to the committee. The students shared their experiences working in the finance department.

## **EXTERNAL AUDIT**

Mr. Wimer from KPMG reviewed the required communications to the Finance Committee, including auditors' responsibility under Generally Accepted Auditing Standards, Management's Judgments and Estimates, and any pertinent findings - such as potential audit adjustments, material uncertainties or disagreements with management.

Mr. Wimer explained the only change in the financial statements is the adoption of ASUCLA 2014, which made changes to presentations of restricted and non-restricted net assets. Operationally there are no issues or disagreements with management in being able to execute the audit.

At this point, as is standard practice during the report of audited financial statements, management exited to allow the committee time to consult privately with the auditors.

Ms. Villegas 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 12:18 p.m.

Ms. Villegas 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 12:30 p.m.

## **FINANCIAL STATEMENTS**

### November 2019 Financial Statements

Gross Income at \$6M was (\$500K) below plan and (\$250K) below last year with the Store and Restaurants below budget at comparable levels. Licensing and Services are \$60K better than plan. Gross margin at \$3.1M was (\$280K) below budget. Contribution at \$830K was (\$330K) below plan, but comparable to September output. Net income at (\$117K) was (\$300K) below budget.

October was a difficult month for store sales, inclusive of concessions at the Rose Bowl, and it continued into November, in particular with the low attendance at the home games.

Food Service Division continues to be impacted by the decline in customer counts and several initiatives have been implemented to help build up the number of transactions.

The November cash position is \$11.7M, and it is lower than last month due to the downturn in net revenue for the month.

The Association reported a cashbook balance of \$11.7M. The required cash reserve is \$6.2M leaving a \$5.4M surplus.

Store inventories at cost were \$6.8, while inventory turns were at 4.3. Past due accounts receivable were roughly at \$186K, or 4%.

#### December 2019 Preliminary Statement

For the month of December, Gross Income was \$5M, (\$500K) below plan in terms of gross sales. Gross Margin was at \$2.1M, (\$380K) below plan. Wages, Benefits, and controllables posted a cumulative \$150K better than budget. The net position was (\$43K) below plan.

#### October and November 2019 Communication Board Financial Statements

October is head of the bottom line \$10K due to strong income results. Printing classified did very well. Year-to-date ahead \$56K. Year-to-date is positive by \$47K.

### **APPROVAL OF FY 18-19 AUDITED FINANCIAL STATEMENTS**

Ms. Villegas made a motion, seconded by Mr. Adelaja that the Associated Students UCLA Board of Directors Finance Committee approve and recommend to the Board of Directors the approval of the FY 18-19 Audited Financial Statements for Student-Run Enterprises, Communications Board, Graduate Students Association, and Undergraduate Students Association. Ms. Villegas called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

### **APPROVAL OF POLICY ON FINANCE**

The two changes Ms. Baker introduced are: (1) any project exceeding \$50,000 in which there is a material change in the cost estimated in the budget, be increased to \$75,000; and (2) any project exceeding \$100,000 that had been included in the approved budget, due to its magnitude, be increased to \$150,000.

Mr. Yu made a motion, seconded by Ms. Villegas that the Associated Students UCLA Board of Directors Finance Committee approve and recommend to the Board of

Directors the approval of the amended Policy on Finance. Ms. Villegas called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

### **EXECUTIVE SESSION**

Ms. Villegas 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 1:06 p.m.

Ms. Villegas 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 1:18 p.m.

### **FINANCIAL DASHBOARD PRESENTATION**

Mr. Mehdian shared a presentation from IT and the Finance Division on a new product to better manage financial tools. Mr. Mehdian introduced the dashboard, which will be available to each department to be able to identify trends easier and more efficiently.

### **EXECUTIVE SESSION**

Ms. Villegas 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 1:25 p.m.

Ms. Villegas 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 2:00 p.m.

### **ADJOURNMENT**

Ms. Villegas called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the January 17, 2020, Meeting. There being no objections, the meeting was adjourned at 2:00 p.m.