

**ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS  
Regular Meeting  
July 26, 2019  
12:00 p.m.  
Kerckhoff Hall Staterooms**

**PRESENT:** Pouria Abbassi, Paul Abramson, Adewunmi Adelaja, Noreen Ahmed, Aidan Arasasingham, Ernesto Arciniega, Erika Brickly, Kevin Eagan, Jesse Torres, Siena Villegas, Frank Wada, Alexis Wells, and Steve Yu

**ABSENT:** Avi Oved

**MANAGEMENT:** Donna Baker, Finance Director  
Ari Baron, Marketing Director  
Cindy Bolton, Food Service Director  
Sandi Gillespie, Association Affairs & External Affairs Manager  
Cindy Holmes, Trademarks & Licensing Director  
Kamran Mehdian, Information Services Director  
Michelle Moyer, Business and Compliance Director

**GUESTS:** Guy Adams, Publishing & Outreach Manager  
Teni Adewumi-Gunn, Outgoing Board Member  
Marisa Cordola, Student Union Events Division Manager  
Kevin Kato, Outgoing Board Member  
Raidis Maypa, Special Events Division Manager  
Kristina Miller, UCLA Retail Brand Director  
Navi Sidhu, Outgoing Board Member  
Patricia Zimmerman, Student Union Division Manager

**CALL TO ORDER**

Ms. Adewumi-Gunn called the meeting to order at 12:03 p.m.

**APPROVAL OF AGENDA**

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

## **ELECTION OF OFFICERS**

Mr. Kato stated that the Nominating Committee is recommending that the Associated Students UCLA Board of Directors approve the following officer nominations for the 19-20 term:

Chair	Avi Oved
Vice-Chair	Erika Bricky
Secretary	Kevin Eagan

Ms. Adewumi-Gunn called for a secret ballot. The motion was approved by a vote of 10 yeas and 0 nays.

## **ELECTION OF STANDING AND AD-HOC COMMITTEES**

Mr. Kato stated that the Nominating Committee is recommending that the Associated Students UCLA Board of Directors approve the following standing and ad-hoc committee nominations for the 19-20 term:

### **Executive Committee:**

The newly elected officers of the Associated Students UCLA Board of Directors were appointed as members of the Executive Committee by virtue of their positions as outlined in Bylaw 4.5.

### **Finance Committee: (From August 1 until July 31)**

<b>Siena Villegas-Chair</b>	Undergraduate Representative
Adewunmi Adelaja	Graduate Representative
Steve Yu	Non-Student Representative
Frank Wada	Non-Student Representative
Alexis Wells	At-Large Member
Pouria Abbassi	Executive Director & CEO (ex officio)
Donna Baker	Finance Director (ex officio)

### **Services Committee: (From August 1 until July 31)**

<b>Alexis Wells-Chair</b>	Undergraduate Representative
Erika Bricky	Undergraduate Representative
Ernesto Arciniega	Graduate Representative
Adewunmi Adelaja	Graduate Representative
Paul Abramson	Non-Student Representative
Frank Wada	Non-Student Representative
Pouria Abbassi	Executive Director & CEO(ex officio)
Roy Champawat	Student Union Director (ex officio)

**Personnel Committee: (From August 1 until July 31)**

<b>Noreen Ahmed-Chair</b>	Graduate Representative
Aidan Arasasingham	Undergraduate Representative
Steve Yu	Non-Student Representative
Kevin Eagan	Non-Student Representative

**Development Ad-hoc Committee (July 1-June 30):**

<b>Aidan Arasasingham-Chair</b>	Undergraduate Representative
Siena Villegas	Undergraduate Representative
Ernesto Arciniega	Graduate Representative
Noreen Ahmen	Graduate Representative
Avi Oved	Graduate Representative
Paul Abramson	Non-Student Representative
Jesse Torres	Non-Student Representative
Pouria Abbassi	Executive Director & CEO (ex officio)

Ms. Adewumi-Gunn called for a secret ballot. The motion was approved by a vote of 10 yeas and 0 nays.

Ms. Adewumi-Gunn passed the ASUCLA Board of Directors' Chair responsibilities to Ms. Bricky, who will chair the Board in the absence of Mr. Oved.

Mr. Abbassi thanked Mr. Kato and Ms. Adewumi-Gunn for all their efforts and support throughout their board term.

Mr. Abbassi also expressed the Association's sympathy for a former employee, Brian Ferguson who recently passed away. Brian had retired a month before his passing and was an employee of ASUCLA in various roles for 14 years.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Abbassi updated the Board on the following topics:

**ASUCLA App Update**

The latest version, 2.0.6 of the ASUCLA app was made available for download on July 8, 2019, and the app was downloaded more than 200 times over the first two days of ASUCLA Summer in the Union-Orientation. Promotional coasters with "download the app" messaging are being distributed throughout all ASUCLA restaurants.

**UCLA Student Union**

New marketing materials are being developed to promote event spaces in the Student Union, including a pocket folder, venue guide, enlarged brochure, and price lists. Catering and Bruin Custom Print will also have printed promotional items in the folder.

### New Store Logo

New Store signs are in the final approval stage for all locations; the target installation date is September 16. The Store is currently ordering new tents, tablecloths, shirts, etc. featuring the new Store logo.

### Angel City Games

The Angel City Games took place on campus on June 22. The games are the premier adaptive sports festival in the Western United States offering clinics, competitions, and special events for people of all ages and skill levels who have a physical disability or mobility impairment. It is a family-friendly event with a wide array of activities and special events throughout the week for all to enjoy. The goal is to celebrate the talents and strengths of adaptive athletes and create a community of support and understanding around sports. ASUCLA provided both catering and concessions to the event, and while concessions sales were modest, catering sales were substantial, generating over \$23K in sales and \$5K in Other Income. There was also charity celebrity basketball game in Pauley Pavilion on July 8 and concessions made over \$7K in sales and a modest catering VIP Party in the Pavilion Club. This event will continue to grow if it continues to be held in Pauley Pavilion.

### Mobile Ordering App

The final stage of testing the mobile app is being completed and barring any system problems a soft launch will go live on July 30 at North Campus. If it is determined that the program is successful, it would be extended to Northern Lights and the Anderson Café.

### Ackerman Solar Panel Expansion

A significant expansion of the solar panel array atop Ackerman Union has been completed, funded-fully by our partners, The Green Initiative Fund. This expansion adds 45 kilowatts of generation capacity, essentially doubling the output. This expansion has a grant value of \$265,000. In the photo, the expansion area is to the right, the original array to the left dates to an earlier TGIF/ASUCLA partnership in 2010.

### Centennial Promotions

As part of the Centennial Celebration activities, Food Service launched a limited edition Centennial travel mug. The retail price for this item is \$19.19 and customers can refill this mug with drip coffee or soda for only \$.19 and \$.29 for Fair Trade Coffee for the year of the centennial celebration. Since the beginning of June, 464 mugs have been sold and there have over 4,900 refills! There will be another modest inventory of cups for sale at the beginning of Fall Quarter. Also, on Friday, July 19, \$1.19 beverage promotion started that offers any small dispensed beverage or coffee for \$1.19 on the 19th of each month.

### Centennial Merchandise

ASUCLA/Bruin Custom Print is the authorized provider for centennial merchandise, and Mr. Abbassi took a moment and expressed the Association's appreciation to Guy

Adams and team for their extraordinary efforts regarding the creating and production of the centennial merchandise.

#### Anderson Cafe

The Anderson Café will open for service on Monday, August 5. Logistics for the opening are in full swing. Due to cost and timing, the major facility improvements to the serving line will be postponed for a winter project. Phase one includes replacing all the front counter display equipment and coffee equipment. The contract with the new coffee vendor is finalized and is working on the setup and training as well as other operating details. Menus, small equipment, employee staffing, marketing plans, IT support, and other details are coming together. Arrangements are being developed for an opening celebration in late August.

#### Supply Chain Transparency

Trademarks and Licensing Retail Brand Director, Kristina Miller attended the International Collegiate Licensing Association (ICLA) seminar in June and participated in a corporate responsibility round table. Unsolicited feedback from an industry organization representative with significant expertise as to ethical labor/corporate responsibility matters acknowledged Kristina's knowledge and leadership. Ms. Miller was also featured in the June edition of NACDA's "*Athletic Administration*" magazine regarding the topic of ethical labor/social responsibility in collegiate licensed product supply chains

#### ASUCLA Summer in the Union

Working in conjunction with UCLA New Student and Transition Programs Office, new student orientations are underway for the Fall '19. These sessions are an exceptional opportunity to introduce new Bruins to their Student Association. This both familiarizes them with ASUCLA services and introduces them to the community.

This year the Activities Fair and dinner was moved to the Kerckhoff Patio, which has proven to be an outstanding space for the multi-faceted activities. These activities include student group tabling, performances (including the UCLA Band), ASUCLA outreach, and an ASUCLA BBQ.

#### Alternate Funding Capital

We have been pursuing additional opportunities outside of liquidity to fund long-term and working capital. ASUCLA has met with the University Credit Union (UCU) and has presented to Finance Committee on July 19 a request to continue negotiations for a Line of Credit (LOC). Also, a draft Line of Credit (LOC) with the UCLA Treasurer's office was discussed with Executive Committee on July 18, 2019, and presented to the Finance Committee on July 19.

#### Financial Dashboard

After loading nine years of historical information, the first version of the Dashboard/Report was presented to the EMG Group. It is expected to release the

Dashboard to EMG after completion of data validation and implementation of additional comparison features by the middle of August 2019.

#### Budget/Five Year Forecast

Prior to today's meeting, Mr. Abbassi received an email from the Chancellor approving the Association's FY 2019-2020 Budget/Five Year Forecast.

Mr. Abbassi distributed the ASUCLA FY18-19 list of Accomplishments as well at the FY19-20 Priorities.

### **EXECUTIVE COMMITTEE REPORT**

Mr. Kato stated besides acting as the Nominating Committee for today's elections; the committee discussed two additional items that will be discussed in Executive Session.

### **FINANCE COMMITTEE REPORT**

Mr. Sidhu stated that the committee met on July 19 and recommended the action items that will be discussed later on the agenda.

### **FINANCIAL STATEMENTS**

#### May Financial Results

Gross Income at \$6.2 was practically at the plan and \$471K ahead of last year. Gross Margin at \$3M was \$200K ahead of last year and \$51K below plan. Food Service sales were ahead of budget and better than last year. Contributions at \$700K were \$80K better than last year and (\$90K) below plan. Net income was \$30K better than last year and only (0.7%) below budget.

#### June Financial Results

Gross income at \$6.95M (compared to May at \$6.2M) was \$1M ahead of plan and \$1M ahead of last year. Gross Margin at \$3.1M was \$174K better than last year and \$184K better than plan. Contribution at \$950K was \$855K better than plan and \$100K better than last year. Combination of better than plan Allocated Expenses and Other Categories resulted in net returns of \$329K, which was \$500K better than plan.

It is important to note that in spite of a large Gross Sales gap for the first six months, YTD Net Income through May was at only (0.2%), (\$100K) deviation from the plan. This led to a significantly better than budget, \$400K result in YTD Net Income through June 2019.

### Retail Operations

Solid results in Bearwear (partially due to Centennial related efforts), Graduation Etc., Academic Support such as CRS, Textbook Rentals, Computer Store, and BookZone allowed for Retail Operations to end the month with (28%) better than plan Gross Sales and (16%) better than plan Contribution.

### Food Service

Restaurant sales tracked better than last year, but increases in the cost of operations have outpaced the sales increase and reduced contribution to plan. For the month, Wages & Benefits and Other Controllables were managed to better than plan results. The discussion on Terasaki Café and Stage Canteen resulted in mutual agreement to close both locations. This will result in the elimination of an ongoing deficit at each location and more efficiency in supporting guests at surrounding facilities.

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.

### Services and Student Union

Domestic Licensing revenue was better than plan and revenues from the Wescom deal continues to deliver positive inflow for the organization. The Student Union posted strong results in terms of event revenues.

### Other Income

Better than anticipated results in Other Income (exp.) categories including higher interest income, lower utility costs, and completion of various cost savings initiatives provided for a very positive June outcome.

The Association reported a cashbook balance of \$12.2M. The required cash reserve is \$4.9M leaving a \$7.4M surplus.

Past due accounts receivables were roughly \$164K or 4%. Store inventories at cost were consistent at \$4.4M; while inventory turns were 4.6.

### July Preliminary Sales

The Association is \$919K better than last year in gross sales and \$29K better than plan in July.

In February 2019, the \$929K positive was (\$1.2M) below plan compared to last year. The Association was able to reverse those losses in five months.

Food Service is negative to plan by (\$122K); however, with the loss of the Terasaki and Stage Canteen Carts, the non-opening of the E6 café, and the gain of the Anderson Café should all be positive going forward.

### **SUMMER IN THE UNION**

Ms. Zimmerman shared a recap video of the Summer in the Union activities. This year the Activities Fair and dinner was moved to the Kerckhoff Patio, which has proven to be an outstanding space for the multi-faceted activities. These activities include student group tabling, performances (including the UCLA Band), ASUCLA outreach, and an ASUCLA BBQ.

This activity is followed by the rebranded **Bruin Nights – Summer in the Union**, where there are casino games, giant board games, dance party, and new partnerships with USAC and The Green Initiative Fund for activities and outreach. A primary focus was to increase downloads of the ASUCLA App, which included prizes and incentives for students who downloaded the app during the events.

### **CUSTODIAL CONSULTANT RECOMMENDATIONS**

Ms. Zimmerman shared the custodial consultant recommendations, which include:

1. Employees and Training
  - a. Additional Staffing and absentee replacement
  - b. ISSA annual conference
2. Supplies and Equipment
  - a. Streamline and standardize cleaning supplies and chemicals
  - b. High productivity equipment replacement and repairs
3. Public Areas
  - a. Inspect cross-section of major buildings, weekly
  - b. Smart Inspect™ app assessment tool

Next steps will be to implement a Custodial Master Plan, Attend the ISSA Conference in the Fall, and creating an online work order request process with the ASUCLA IT department.

### **CATERING AND EVENTS ENHANCEMENTS PRESENTATION**

Ms. Cordola and Ms. Maypa gave a presentation on *Complete Event Offerings*. The objective is to have a one-stop-shop for events/meetings. This would include developing a venue and food package such as Meeting Room Snack Services and Wedding Packages. Another strategy will consist of catering spending level discounts as well as developing an off and on-campus outreach marketing plan.



### **UNDERGRADUATE STUDENTS ASSOCIATION FY 19-20 BUDGET**

Mr. Sidhu made a motion, seconded by Mr. Abramson that the Associated Students UCLA Board of Directors approve of the Undergraduate Students Association FY 19-20 Budget. Ms. Brickly called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

### **GRADUATE STUDENTS ASSOCIATION FY 19-20 BUDGET**

Mr. Sidhu made a motion, seconded by Mr. Abramson that the Associated Students UCLA Board of Directors approve of the Graduate Students Association FY 19-20 Budget. Ms. Brickly called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

### **LINE OF CREDIT WITH UCLA INTERNAL BANKING CENTER**

Managing cash flow is essential for the short and long-term success of a company. Monitoring the components that affect cash is critical to the day-to-day operations of a prosperous business. One such element that provides financial efficiency includes maximizing available funding opportunities and resources for capital requirements

The proposed agreement with UCLA's Internal Banking center provides for loans (through a LOC) to an aggregate amount of \$5,885,000. The interest rate (subject to annual reset) is excellent at 3.25%. The amount of the Line of Credit is supported by projected costs to complete specific short-term, designated capital projects. Time for the execution of the LOC is of the essence to ensure that the aforementioned favorable terms are fully leveraged.

The approval process for the projects to be funded through this funding (fund expenditures) will be consistent with the Board approval guidelines currently in place.

Mr. Sidhu made a motion, seconded by Mr. Abramson that the Associated Students UCLA Board of Directors approve management to complete negotiations and execute a Line of Credit (LOC) agreement with the UCLA Internal Banking Center. Ms. Brickly called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

### **LINE OF CREDIT WITH UNIVERSITY CREDIT UNION**

ASUCLA has been exploring several financing alternatives, one of which has been a systematic collaboration with the University Credit Union for the provision of a Line of Credit.

The proposed revolving line of credit limit is up to \$1,000,000 with an annual renewal. The interest rate is the Wall Street Journal (WSJ) Prime plus 3% floating and is paid monthly. The line has a security agreement against various business assets, and a loan fee of 1% of the LOC limit is to be paid outside of closing. If the line is drawn upon the funds would be used to assist with working capital and provide for essential short-term purchases.

Mr. Sidhu made a motion, seconded by Mr. Abramson that the Associated Students UCLA Board of Directors approve management to complete negotiations for a Revolving Line of Credit or LOC agreement with the University Credit Union. Ms. Bricky called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

**EXECUTIVE SESSION**

Ms. Bricky 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 2:06 p.m.

Ms. Bricky 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.

Ms. Bricky made a motion, seconded by Mr. Eagan that the Associated Students UCLA Board of Directors approve all actions taken in Executive Session. Ms. Bricky called for a vote. The motion was approved by a vote of 10 yeas and 0 nays.

The Board exited Executive Session at 3:15 p.m.

**ADJOURNMENT**

Ms. Bricky called for consent to adjourn the Associated Students UCLA Board of Directors' July 26, 2019, Regular Meeting. There being no objections, the meeting was adjourned at 3:16 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.

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Kevin Eagan

Board Secretary and Administrative Representative