

**ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS**

**Regular Meeting**

July 27, 2012

12:00 p.m.

Kerckhoff Hall Staterooms

**PRESENT:** John Bollard, Jacob Ferrari, Karleen Giannitrapani, Mike Jedlicka, Robert Kurtzman, Monet LeMon, Amy Liu, Joel Ontiveros, Adam Swart, Maggie Thornton, Michael Weismeyer, Dorothy Wiley and Bob Williams

**LATE:** Agnes Warren

**MANAGEMENT:** Cindy Bolton, ASUCLA Director of Food Operations  
Roy Champawat, ASUCLA Student Union/Student Support Services Director  
Rich Delia, ASUCLA Chief Financial Officer/Finance Director  
Sandra Gillespie, ASUCLA Association Affairs Manager  
Patrick Healey, UCLA Store General Manager/Director  
Apparel/Accessories/LuValle Commons/Health Sciences Store  
Karen Noh, ASUCLA Special Projects Director  
Neil Yamaguchi, UCLA Store General Manager/Director of Academic Support

**GUESTS:** Andrew Alexah, UCLA Academic Planning and Budget  
Antonio Gonzales, Daily Bruin  
Dave Lowenstein, ASUCLA BOD Executive/Nominating Committee Member  
Mark Reyes, ASUCLA BOD Executive/Nominating Committee Member  
Ryan Roberts, ASUCLA BOD Finance Committee Member  
Mikaela Saelua, ASUCLA BOD Services Committee Member

**CALL TO ORDER**

Ms. Giannitrapani called the meeting to order at 12:11 p.m.

**APPROVAL OF AGENDA**

Ms. Giannitrapani called for consent to approve the Associated Students UCLA Board of Directors July 27, 2012, Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

## **ELECTION OF OFFICERS**

Mr. Reyes stated that the Nominating Committee is recommending that the Associated Students UCLA Board of Directors approve the following officer nominations for the 12-13 Board term:

Chair	Maggie Thornton
Vice-Chair	Karleen Giannitrapani
Secretary	Mike Jedlicka

Ms. Giannitrapani called for a secret ballot. The motion was approved by a vote of 9 yeas and 0 nays.

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

Mr. Reyes 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 12-13 Board 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:**

Joel Ontiveros	Undergraduate Representative
Robert Kurtzman-Chair	Graduate Representative
John Bollard	Non-Student Representative
Agnes Warren	Non-Student Representative
Adam Swart	At-large Member
Rich Delia	Finance Director
Robert Williams	Executive Director

### **Services Committee:**

Jake Ferrari-Chair	Undergraduate Representative
Adam Swart	Undergraduate Representative
Amy Liu	Graduate Representative
Michael Weismeyer	Graduate Representative
John Bollard	Non-Student Representative
Monet LeMon	Non-Student Representative
Roy Champawat	Student Union Director
Robert Williams	Executive Director

**Personnel Committee:**

Jake Ferrari	Undergraduate Representative
Michael Weismeyer-Chair	Graduate Representative
Agnes Warren	Non-Student Representative
Dorothy Wiley	Non-Student Representative

**Real Food Ad-hoc Committee:**

Joel Ontiveros-Chair	Undergraduate Representative
Maggie Thornton	Undergraduate Representative
Karleen Giannitrapani	Graduate Representative
Robert Kurtzman	Graduate Representative
Dorothy Wiley	Non-Student Representative
Dave Lowenstein	At-large Member
Cindy Bolton	Food Service Director
Robert Williams	Executive Director

Ms. Giannitrapani called for a secret ballot. The motion was approved by a vote of 9 yeas and 0 nays.

Ms. Giannitrapani passed the responsibilities of Chair to Ms Thornton.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Williams offered the Executive Director's Report to the Board.

A. Financial/Operational Items

1. June

Overall financial results for the Association in June were ahead of plan in net income by \$10,000 despite continued slower than budgeted sales in the Store.

For the Store, the Apparel Division fell short of plan with slower than anticipated sales in Bearwear and Graduation Etc. However, for Graduation Etc. this is mostly a timing issue as year-to-date sales are ahead of plan. The Supply Division was solid compared to budget in all areas with the exception of the Computer Store. The Computer Store continues to see significant sales shortfalls as compared to both plan and last year. June was a relatively good month for the Academic Materials Division in sales. APS was behind plan for the month but for the year they are well ahead of both plan and last year. Both the LuValle Store and the Health Sciences Store made their contribution budgets for the month.

Food Service had a strong overall financial performance in June and exceeded budgeted contribution by \$24,000. The third party operations continued to show good results for June. Several ASUCLA operated units exceeded plan by large margins including LuValle, Jimmy's, Kerckhoff Coffee House, the Cooperage, and Catering. Areas seeing shortfalls include North Campus, Northern Lights, Café Synapse, and Concessions.

The Services Division was ahead of plan for the month due to positive results in both Domestic and International Licensing and a good month in Photography. The Student Union Division also made plan with small shortfalls in Events and Recreation, and Games being offset by a strong month in the Post Office.

Saving in A&SS costs, offset to some degree by higher than anticipated utility costs, helped lead to a positive net income results for the month of June.

### July

July sales trends are similar to June when compared to budget. A shortfall versus plan in the Computer Store accounts for virtually all of the negative variance. Bearwear is also tracking behind plan for the month. It should be noted that sales compared to last year are actually ahead for the month.

Food Service sales are ahead of last year but behind their aggressive budget. Customer distribution and cannibalization still represent a concern.

## B. \*Our Independent Bookstore

### 1. Electronic Readers

Efforts to have electronic course readers for all courses (approved by publishers and faculty) for fall quarter are moving forward.

### 2. Textbooks

The very popular Passport for Savings booklets will be available again this year for students purchasing textbooks. The coupon books will be ready to go in time for the professional schools with early start dates.

## C. \*Campus Partnerships

### 1. Farmers Classic Tennis

ASUCLA continues its long-standing partnership with the SCTA in the food concessions service at this year's tennis tournament. Management designed a new food court layout this year and will also be operating the modified club house buffet. This year for the first time food service will be also providing catering for the corporate suites.

### 2. Kaplan

The Kaplan lease for the lower level LuValle space is complete and they expect to be operational by September 1.

## D. \*Championship Service

### 1. Greenhouse Healthy Hot Section

A new station has been added to the Greenhouse next to the beverage area which has six steamed vegetables daily along with tofu, chicken (or other proteins as available) with rice,

pasta, and a selection of sauces. This section allows people to build a healthy hot vegetable dish similar to how they build a salad.

2. Computer Store

The computer store is sending a direct mail oversized postcard to approximately 8,000 freshmen and new transfer students and will also have back-to-school promotions from Apple, Dell and HP. In addition, there is Apple MacBook Pro close-out pricing available on select 13" and 15" models.

3. BearWear Catalog

This year's BearWear catalog is ready to be shipped although the merchandize will not be online until August 10. Over 219,000 catalogs will be delivered to homes August 9-15 with a free shipping offer attached through August 31.

E. \*Your Student Association

1. Faculty and Staff Brochure

Management has been working on a new Faculty and Staff outreach brochure that will have additional information on other areas of the Association than the last version.

2. Graduate Students Welcome Brochure

The new Graduates Student Orientation Brochures are ready to go. These continue to be designed to address specific needs of graduate students.

F. \*ASUCLA Benefits U

1. The ASUCLA Benefits U team will be working hard to sign up new members at orientation. There will be a promotion this year where you can win a 13" MacBook Pro and an email will be sent to new sign-ups confirming that they are entered to win.

G. \*Building Towards the Future

1. Court of Sciences Student Center

Food Service continues to make adjustments to their operating labor and product presentations. Management is collecting data on customer traffic and purchasing patterns to see if any adjustments in operating procedures or hours should be considered for fall.

2. Ackerman Interior Design / Patio Project

Management has been waiting for the architects to be prepared to give a presentation designed to bring many of the separate project elements together under a design template. There has been some rescheduling while cost estimates are completed. The next step will be to give feedback and to study cost estimates to determine which if any elements of the project should be considered for further design or execution.

3. Pauley Pavilion

The Food Service team is working to finalize third party agreements and finalize equipment purchase orders. Finding interested third party operations has proved to be challenging.

4. Casual Dining

Exterior plans for the casual dining project are in final plan check. Management is expecting to remove the Terrace Food Court platform and put up the construction barrier wall before the start of fall quarter. There will be a meeting to discuss interior design plans and review the budget. Final cost estimates for the exterior plans have come in over budget; therefore, management will conduct value engineering.

5. North Campus

Mr. Williams and Ms. Bolton met with the food service designer to discuss potential layout and menu designs for a North Campus Project. While this is only in an initial planning phase, management will bring any ideas to the Services Committee in August for discussion.

H. \*Employee Investment

1. Store Director Retirement

Jan Griwach-Ronci, Supply Division Director, will be retiring in October this year. While Jan can never truly be replaced, management will begin developing new Store operational plans to keep the store operating in her absence.

I. Board of Director Priorities

1. E-commerce

The E-commerce planning team has been meeting throughout the summer to begin plans to increase web sales. The initial focus has been on the existing commercial web site to increase product selection, begin defining the brand segmentations, and utilize existing tools to improve web site speed and search engine optimization. The team has been reviewing competitive sites and collecting data on in-store versus web sales to guide the development of new marketing strategies.

In addition, the team is meeting with potential vendors to provide additional functional and marketing strategies and studying best practices for marketing approaches.

J. Food Services-Next Steps

1. Healthiest Campus Initiative

A few Board members along with management met to discuss areas of agreement that ASUCLA could commit to for an initial draft MOU with the Partnership for a Healthy America group. The proposal centered around adding options and putting together nutritional information for the customers rather than on restricting or limiting options.

The healthy foods working group which includes management from ASUCLA, UCLA Dining, Medical Center, Faculty Center, and the HCI team met to discuss points of intersection between

the organizations that can be coordinated. The group discussed the possibility of adding some language in the pouring RFP that referenced the Healthy Campus Initiative. Mr. Williams volunteered to draft something which is currently under review by the group. Once finalized, it will be recommended to the purchasing RFP team that it be considered for inclusion.

2. New Strategies

The Food Service team has been developing various new programs and strategies to respond to changes in traffic patterns. Management is looking at a new menu and labor structure at Café Synapse, adding product to the Greenhouse and developing a northern campus strategy to streamline North Campus and LuValle menus for better efficiency. These will also be important topics for the Real Foods Ad Hoc meeting.

3. Corporate Chef

Management has been interviewing final candidates for the Corporate Chef position who will oversee the development of many of the “Real Food” initiatives. The top three candidates come in next week to prepare some sample meals.

K. Campus Student Space Initiatives

Management continues to move forward on the Ackerman Interior and Patio project to get to the cost estimate and initial design phase.

ASUCLA is a critical component of any larger student campus space initiative or planning. We will bring the new Services Committee up to speed on the Brailsford and Dunlavy report that the Association participated in and help fund two years ago. We should discuss what planning efforts ASUCLA should undertake to meet the needs of the report during the coming year to coordinate with work being done in other groups including SACBOG, Student Affairs and WCBOG.

L. Social Responsibility

Management has developed some proposals to add to continuing Fair Trade options on campus to be discussed at Services next month.

Management has a presentation regarding the bag legislation and how it impacts ASUCLA. Ms Noh and the Store staff have put together some alternative bag options and strategies along with cost estimates for review at Services in August.

### **EXECUTIVE COMMITTEE REPORT**

Mr. Reyes stated that the Committee met on June 29 and drafted the Nominating Committee’s officer and committee structure that was voted on at the beginning of the meeting.

### **FINANCE COMMITTEE REPORT**

Mr. Ferrari stated that the Committee met on July 20 and approved the Graduated Students and Undergraduate Students Association’s 12/13 budgets that have been forwarded to the Board today.

## **SERVICES COMMITTEE REPORT**

Ms. Liu stated that the Services Committee did not meet in July.

## **PERSONNEL COMMITTEE REPORT**

Mr. Okahana was not present and Mr. Ferrari stated he would give a report on his behalf in Executive Session

## **FINANCE DIRECTOR'S REPORT**

### May Financial Results

In May gross income for the Association was \$549,000 less than planned due to a \$604,000 negative variance in sales in the Store, which in turn resulted from decreased sales in the Computer Store, which were \$740,000 less than planned; and decreased sales in Bearwear, which were \$50,000 less than planned.

These results combined with a \$10,000 positive variance in wages and benefits and a \$23,000 negative variance in other controllable expenses allowed for contribution that was \$52,000 less than planned. Allocated expenses for the month were \$51,000 higher than planned due primarily to a \$40,000 negative variance in utilities that resulted from increased expenses in the Court of Sciences Student Center, and this in turn allowed for a \$94,000 negative variance in terms of net income for the Association as a whole.

Mr. Delia reported that at May month-end the cash book-balance for the Association was \$9,910,000, of which \$1,219,000 was earmarked for capital projects, leaving \$7,825,000 in uncommitted cash, which is \$55,000 greater than the \$7,770,000 Board-required cash reserve.

Mr. Delia also reported that spending on capital projects would be \$1,571,500 less than planned by the end of the fiscal year, due primarily to the postponement or cancellation of projects.

In May past due accounts receivable rose to 3%, from 2% in April; and both Store inventories at cost and inventory turns fell in comparison with the prior month.

### June Financial Results

Mr. Delia reported that in June gross income for the Association was \$591,000 less than planned due to a \$629,000 negative variance in Store sales. As in May, this variance resulted from decreased sales in the Computer Store, which were \$497,000 less than planned; decreased sales in Bearwear, which were \$89,000 less than planned; decreased sales in Graduation Etc., which were \$41,000 less than planned; and in Academic Publishing Services, which were \$33,000 less than planned.

These negative variances in the Store were partially offset by higher sales in the Restaurants Division, which were \$24,000 greater than planned. .



Both the Services and Student Union divisions reported \$7,000 positive variances in gross income for the month.

A \$49,000 positive variance in wages and benefits and a \$26,000 positive variance in other controllable expenses allowed for contribution for the Association as a whole that was only \$35,000 off plan and net income being only \$10,000 off plan..

In June the Association reported a cash book-balance of \$9,760,000 which, despite being roughly \$1 million less than the book-balance at this time last year, still allows for a cash reserve that is \$522,000 greater than the \$7,931,000 Board-required reserve, even after one considers the \$1,194,000 that has been dedicated to capital projects.

Mr. Delia reported that past due accounts receivable rose in June to roughly 4% of total accounts due, a level that is higher than both the prior year and FY 09/10.

#### July Preliminary Sales

Mr. Delia reported that to-date in July Store sales were \$442,694 less than planned due several large negative variances:

1. Sales in the Computer Store were \$420,213 less than planned;
2. Sales in the Apparel Division were \$132,130 less than planned; and
3. Sales in LuValle Commons were \$31,030, less than planned.

However, the impact of these negative results was offset by positive variances in other areas:

1. Sales in Ackerman Academic Support were \$31,070 greater than planned;
2. Sales in the Health Sciences Store were \$53,411 greater than planned;
3. Sales in Hilltop Shop were \$21,418 greater than planned;
4. Sales in the Mail, Telephone and Web division were \$15,560 greater than planned.

Given these results and the mix of products sold, management anticipated that the Store would report a \$67,055 negative variance to plan in terms of gross margin by month-end.

To-date in July sales in the Restaurants Division were \$16,593 less than planned.

1. Sales in North Campus were \$23,345 less than planned;
2. Sales in Concessions were \$17,245 less than planned;
3. Sales in Café Synapse were \$14,327 less than planned.

Sales in Panda Express are \$18,526 better than plan and the Court of Sciences Student Center is greater than planned by \$15, 298.

**APPROVAL OF GRADUATE STUDENTS ASSOCIATION FY 12/13 BUDGET**

Mr. Ferrari made a motion, that the Finance Committee is recommending that the Associated Students UCLA Board of Directors approve the Graduate Students Association FY 12/13 Budget. Ms. Thornton called for a vote. The motion was approved by a vote of 10 yeas and 0 nays.

**APPROVAL OF UNDERGRADUATE STUDENTS ASSOCIATION FY 12/13 BUDGET**

Mr. Ferrari made a motion, that the Finance Committee is recommending that the Associated Students UCLA Board of Directors approve the Undergraduate Students Association FY 12/13 Budget. Ms. Thornton called for a vote. The motion was approved by a vote of 10 yeas and 0 nays.

**EXECUTIVE SESSION**

Ms. Thornton 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 2:00 p.m.

Ms. Thornton called for consent to adjourn the Associated Students UCLA Board of Directors Executive Session. There being no objections, the motion was approved by unanimous consent.

The Board adjourned Executive Session at 2:40 p.m.

**ADJOURNMENT**

Ms. Thornton called for consent to adjourn the Associated Students UCLA Board of Directors July 27, 2012 Regular Meeting. There being no objections, the meeting was adjourned at 2:41 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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Michael Jedlicka  
Board Secretary and Alumni Representative