

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Regular Meeting

December 7, 2012

12:00 p.m.

Kerckhoff Hall Staterooms

PRESENT: John Bollard, Jacob Ferrari, Karleen Giannitrapani, Mike Jedlicka, Robert Kurtzman, Amy Liu, Monet LeMon, Joel Ontiveros, Adam Swart, Agnes Warren, Michael Weismeyer, and Bob Williams

ABSENT: Maggie Thornton and Dorothy Wiley

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
Lisa Perez, ASUCLA Director of Marketing
Neil Yamaguchi, UCLA Store General Manager/Director of Academic Support

GUESTS: Andrew Alexah, UCLA Academic Planning and Budget
Erin Donnelly, Daily Bruin
Stephanie Herrera, Daily Bruin

CALL TO ORDER

In the absence of Ms. Thornton, Ms. Giannitrapani called the meeting to order at 12:06 p.m.

APPROVAL OF AGENDA

Ms. Giannitrapani called for consent to approve the Associated Students UCLA Board of Directors December 7, 2012 Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Ms. Giannitrapani called for consent to approve the Associated Students UCLA Board of Directors October 26, 2012 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

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

A. Financial/Operational Items

1. October

Financial results in October came in behind plan by \$143,000 in net income. Overall for the year, the Association is tracking \$88,000 behind plan, but November is expected to be a stronger month.

The majority of the shortfall was seen in the Store. Bearwear contribution was \$92,000 behind plan although year-to-date contribution is only slightly behind last year. E-commerce results are ahead of plan due to the management team strategy and the associated labor savings. The Academic Materials areas were off plan in Ackerman by approximately \$10,000 in contribution, but LuValle and the Health Sciences Store were on plan. There is a continued shift to course readers occurring where results are tracking ahead of plan and last year. The Supply Division was off plan by \$76,000 in contribution. The majority of the shortfall was seen in the Computer Store which was off \$361,000 in sales and \$75,000 in contribution. Finance Committee is planning to do a complete analysis of the Computer Store in the coming months. The LuValle Store and the Health Science Store both missed plan by a small margin overall.

The Food Service Division was on plan for the month. Several units had strong months including Wetzels/RX, the Greenhouse, and the Cooperaage. There is still a lack efficiency in the north part of campus where North Campus, Northern Lights, and LuValle all missed plan. The Real Food Ad Hoc Committee will address North Campus at its next meeting. Café Synapse continues to struggle due to the opening of the Court of Science Student Center. Catering again turned in the best results for the division exceeding planned contribution by over \$15,000.

The Services Division was off plan for the month primarily due to the timing reversal of the positive September results in Trademarks and Licensing. The Student Union Division had a solid performance exceeding budget by close to \$6,000 in contribution due to added event income and additional other student event income. A & SS saw a positive variance and depreciation continues to show a positive variance as all capital expenditures are carefully examined.

Overall financial performance was good across the Association with only two areas (Bearwear and Computer Store) showing any sizable shortfalls. Utilities for October were also better.

November

November financial results should be very strong. Sales in the Store are excellent in Bearwear and MTW which was \$225,000 over its projected contribution. The Computer Store is still behind both last year and this year's plan. Overall, the Store will have a very strong month. Sales of t-shirt and sweatshirts commemorating the win over USC in football are very strong.

Food Service is also having a very strong month. Sales are tracking ahead of plan by over \$160,000 and are well ahead of last year.

B. *Campus Partnerships

1. Lab School

The store staff has been working with the Graduate Lab School to facilitate the sale of packaged cards as a fundraiser. The cards feature artwork that was created by the students.

2. Mattel UCLA Holiday Cards

The Store will again support the Mattel Children's Hospital at UCLA by selling the Mattel UCLA Holiday cards where a portion of the sales benefit the hospital.

C. *Championship Service

1. Alumni Association Appreciation

On December 15 UCLA Alumni Association Members will save 20% on Bearwear and in the Bookzone. This event will be held on the same day as the basketball game against Prairie View A&M.

D. *Your Student Association

1. 24-Hour Study Lounge

Study lounges and dining rooms will be open again this year for 24 hours beginning 10th week in Ackerman Union and Kerckhoff Hall.

E. ASUCLA Benefits U

As part of the New Media Ad Hoc Committee last year, management has been working to introduce the ASUCLA Benefits U Store Loyalty program. This new program has a winter quarter launch date and will be retro-active to fall quarter. Ms. Noh explained that members who register their cards get one benefit point for every dollar spent at the UCLA Store (some exclusions apply). Rewards will be awarded as UCLA Store credit, e.g. for every 300 points, members will receive a \$5 store credit and then will receive an additional \$1 credit for every additional 100 points earned thereafter. The balance of reward points will be printed on the member's store receipt. The program will be for Store purchases only and will not be available for the restaurants.

F. *Building Towards the Future

1. Ackerman Interior Design / Patio Project

Management is beginning to look at portions of this project and ways to implement ideas at lower costs. Initial ideas will be presented to the Services Committee.

2. Pauley Pavilion

Pauley Pavilion sales for the first basketball game were \$75,000. Attendance at events is the key to staffing and production; therefore, management will be adjusting scheduling and products based on initial customer distribution.

3. Casual Dining

The project is now under construction. Demolition is finished and the ventilation ducts are being installed.

Mr. Weismeyer suggested that signage be posted on Avenue A regarding the outside stair closure due to the engineering building construction as well as the casual dining construction.

G. Employee Investment

The annual Employee of the Year/Holiday event will be on December 20 from 2-4 p.m. in the Charles E. Young Grand Salon. Awards will be given to 14 career employees with one receiving the top honor. After the awards, there will be a holiday gathering to thank the staff for all their hard work and dedication.

H. Board of Director Priorities

1. E-commerce

The first e-commerce informational session was held on November 16. Several initiatives were discussed including; search engines, retargeting ads, and split testing. The group opened up dialogue about several other ideas including organic search and social media. Instagram and Pinterest were suggested as an option for social media marketing and management will develop both these programs.

The management team is also continuing its work to improve the UCLA Store website both in the product variety and usability.

2. Healthiest Campus Initiative

The HCI food group met at Covell Commons to talk about various ideas that would work best in the residential environment. Mr. Williams and Ms. Bolton provided a tour for the Partnership for a Healthier America representatives to show them ASUCLA's sales environment and how it relates to any MOU that might be developed.

3. Campus Student Space Initiatives

The Entities Committee met and discussed the space needs of primarily the undergraduate student population. Representatives from USAC helped clarify some of the needs of students and student groups.

4. Campus Outreach and Relationships

ASUCLA has been meeting with several campus groups including HCI, the Hospital, the Residence Halls, DIA, CRA and Purchasing on several coordinated programs.

EXECUTIVE COMMITTEE REPORT

Ms. Giannitrapani stated that the Committee met on November 9 and discussed the opening of Pauley Pavilion, the downward trend of the Computer Store, and the pending adidas issue. The Committee also prepared for the Entities Committee meeting. Finally, the Committee voted on the election of officers and prepared today's Board agenda.

FINANCE COMMITTEE REPORT

Mr. Kurtzman stated that the Committee met on November 16 and heard a presentation from the Ashe Center regarding an optometry store in Ackerman Union. The Committee also had several action items in Executive Session that have been forwarded to the Board for approval today.

SERVICES COMMITTEE REPORT

Mr. Ferrari stated that the Committee met on November 16 and had several presentations. The first presentation was from Ark Broadcasting who would like to broadcast community based content on the screens in the Terrace Food Court. The second presentation was from the Ashe Center regarding the optometry store, and the final presentation was regarding installing charging tables on the Terrace patio from TGIF. Ms. Noh also gave a brief sustainability update and there were action items taken in Executive Session.

PERSONNEL COMMITTEE REPORT

Mr. Weismeyer stated that the Committee has not met.

REAL FOOD AD HOC COMMITTEE REPORT

Mr. Ontiveros stated that the Committee postponed its meeting until January 18, 2013.

ENTITIES COMMITTEE REPORT

Ms. Giannitrapani stated that the Committee met on November 9 and discussed space issues primarily with the undergraduate students.

FINANCE DIRECTOR'S REPORT

October Financial Results

Mr. Delia stated that that at October month-end, the Association as a whole reported a \$143,000 negative variance to plan in terms of net income, thus allowing for a year-to-date negative budget variance of \$88,000 and \$291,000 year-to-date.

Mr. Delia explained that the current-month's negative variance resulted primarily from decreases in gross income from the Store, which was partially offset by savings in wages and benefits and allocated expenses.

Sales in the Store were \$671,000 less than planned with a \$398,000 negative variance appearing in the Computer Store; a \$165,000 negative variance in Bearwear; and a \$53,000 negative variance in the sales of used text.

Sales in the Restaurants Division were very close to plan, with positive budget variances appearing in the Greenhouse, where sales were \$11,000 greater than planned; and in Catering, where sales were \$42,000 greater than planned. Together these results offset negative variances in Café Synapse, Northern Lights and LuValle.

Gross Income from the Services Division was \$42,000 less than planned in October due primarily to timing of the receipt of royalties from both domestic and international licensing partners; conversely, income from the Student Union Division was \$18,000 ahead of plan for the month due to unplanned events related to Election Day, as well as two large corporate promotional tours.

Allocated expenses for the month were \$47,000 less than planned due to a \$24,000 positive variance in Administrative & Support Services, a \$12,000 positive variance in depreciation as well as smaller positive variances in maintenance and utilities.

Mr. Delia stated that past due accounts decreased slightly to just over 4% if the total accounts due. Store inventories and turns both fell from the prior month.

The Association's cash book balance was \$11,650,000 at month-end, \$3,755,000 of which is currently marked for capital projects, leaving \$985,000 in surplus over and above the \$5,920,000 Board-required cash reserve.

November Preliminary Sales

Mr. Delia reported that to-date in November the Store is \$139,536 positive to plan and YTD is \$987,888 negative to plan. MTW is positive by \$104,505 which is 110% better than plan.

Mr. Delia reported sales in the Restaurants Division are \$163,382 greater than planned due primarily to a \$20,669 positive variance in Catering and a \$47,866 positive variance in Concession sales.

ELECTION OF OFFICERS

Ms. Giannitrapani stated that the Nominating Committee is recommending that the Associated Students UCLA Board of Directors approve the appointment of Karleen Giannitrapani as Board Chair and Maggie Thornton as Board Vice Chair effective immediately. Ms. Giannitrapani called for a secret ballot vote. The nominations were approved by a vote of 9 yeas and no nays.

EXECUTIVE SESSION

Ms. Giannitrapani called for consent for the Associated Students UCLA Board of Directors to enter into Executive Session and include Rich Delia, Sandi Gillespie, and Cindy Bolton. There being no objections, the motion was approved by unanimous consent.

The Board entered into Executive Session at 1:09 p.m.

Ms. Giannitrapani 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 2:16 p.m.

Mr. Ferrari made a motion, seconded by Mr. Jedlicka that the Associated Students UCLA Board of Directors approve all actions taken in Executive Session. Ms. Giannitrapani called for a vote. The motion was approved by a vote of 9 yeas and 0 nays.

ADJOURNMENT

Ms. Giannitrapani called for consent to adjourn the Associated Students UCLA Board of Directors December 7, 2012 Regular Meeting. There being no objections, the meeting was adjourned at 2:17 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.

Michael Jedlicka
Board Secretary and Alumni Representative