

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Regular Meeting

January 30, 2015

12:00 p.m.

Kerckhoff Hall Staterooms

PRESENT: Mike Anderson, John Bollard, Carly Calbreath, Kevin Eagan, CJ Gabbe, Karleen Giannitrapani, Monet LeMon, Katrina Vō, Agnes Warren, Bob Williams, Jordan Wong, and David Zeke

LATE: Precious Elam and Denea Joseph

MANAGEMENT: Donna Baker, ASUCLA Financial Planning and Treasury
Cindy Bolton, ASUCLA Director of Food Operations
Roy Champawat, ASUCLA Student Union Director
Sandi 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 Marketing Director
Neil Yamaguchi, UCLA Store General Manager/Director of
Academic Support

GUESTS: Sam Hoff, Daily Bruin
Andrew Knab, UCLA Academic Planning and Budget
Joel Ontiveros, UCLA Admissions Officer

CALL TO ORDER

Mr. Wong called the meeting to order at 12:06 p.m.

APPROVAL OF AGENDA

Mr. Wong called for consent to approve the Associated Students UCLA Board of Directors January 30, 2015 Regular Meeting Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. Wong called for consent to approve the Associated Students UCLA Board of Directors December 5, 2014 Regular Meeting Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

Mr. Williams updated the Board of the following topics:

January Financial Summary

Overall results for the Association in November and December are very positive. Initiatives undertaken in the past year, including the expanded Computer Store, new food operations, new menus, and staff adjustments are now reaping operational and financial benefits. Overall, the Association's results for the first five months of the fiscal year are ahead of plan.

Kareem Abdul-Jabbar

Kareem Abdul-Jabbar will be in the Store on February 25 from 5:30-7:30 p.m. signing his new children's book, *Stealing the Game*.

Chancellor's Gift Program

Five pieces of student union art are in production for the Chancellor's student art reproduction dignitary's gift program.

UCLA Law Review

The UCLA Law Review's annual symposium was relocated to the Ackerman Grand Ballroom (AGB), largely due to Attorney General Kamala Harris having agreed to give the keynote address.

Valentine's Day Sale

The Valentine's Day sale has been rebranded to the "#OneSweetSale" and it will take place on Thursday, February 12.

Budget Process

The annual budget process for the 2015-2016 Budget and 5-year Forecast has begun. This process takes several months and will lead to the annual budget meeting in May.

Global Viewpoint Lounge Project

The Space Committee has reviewed preliminary estimates on what it would require to build out the space to meet the needs of Student Affairs.

Student Space Projects

Management is having discussions with Student Affairs regarding their potential need for space in additional areas. The Space Committee will also begin to look at potential options for the loading dock space that will become available in a few years.

Engineering Construction

The project is progressing and Ackerman Union A-level should see better traffic flow when the Portola steps reopen.

Kikka Sushi Project

New engineering drawings have been approved and construction is progressing.

All Gender Bathroom

The Space Committee's project for an all gender bathroom has made progress. Preliminary plan sketches have been completed for the committee to review. Once a layout is determined, bid estimates can be used to study the project in the Finance Committee.

Café Powell

Management is awaiting an indication from the Library and Capital Programs that their study is at a stage where it is appropriate and timely to bring ASUCLA into the discussion.

Strategic Food Initiatives

Focus is now targeted on budget preparation and potential operational adjustments when construction impacts and traffic patterns adjust.

Campus Engagement and Support

The committee continues to develop talking points and has created its first test video.

Support of ASUCLA Entities

The Finance Committee did not meet with the Communications Board Finance Committee due to a lengthy agenda. Student Media's short term cash position has strengthened and efforts will now focus on the budget process.

EXECUTIVE COMMITTEE REPORT

Mr. Zeke state that the committee met on January 22 and discussed the upcoming JOC meeting and the Board of Director's mid-year social. The committee also discussed the ongoing discussions with the Department of Intercollegiate Athletics.

FINANCE COMMITTEE REPORT

Mr. Gabbe stated the committee met on January 23 and met with representatives from PricewaterhouseCoopers regarding the FY 13-14 audited financial statements which the committee has forwarded to the Board today. The committee also discussed the Store PIN Pads,

Hill Top Shop remodel, and the HVAC management system which also has been forwarded to the Board.

SERVICES COMMITTEE REPORT

Mr. Gabbe provided the Services Committee report in the absence of Ms. Elam. The committee met on January 16 and also discussed the HVAC management system, Hill Top Shop remodel, and the Food Service POS system.

PERSONNEL COMMITTEE REPORT

Ms. Giannitrapani stated the committee met on January 26 and discussed the minimum wage increase.

CAMPUS ENGAGEMENT AD-HOC COMMITTEE REPORT

The committee did not meet in January.

STUDENT UNION SPACE INIATIVE AD-HOC COMMITTEE REPORT

Ms. Calbreath stated the committee met on January 30 and discussed the all gender bathroom, A-level textbook space possibilities, Global Viewpoint Lounge projections, and the loading dock space.

FINANCIAL STATEMENTS

November 2014 Services & Enterprises Financial Statements

November financial results were solid for the Association with strong sales results in both the Store and Food Service. Overall net income fell short of plan by \$30,000 but this was due to timing.

The Store results continue to be ahead of plan primarily led by the strong results in the Computer Store. Bearwear sales results were also quite good while e-commerce sales were behind due to the calendar. Textbook sales were on plan with but Course Readers missed plan due to timing.

Food Service had its best month so far with a positive result in both sales and contribution. Most operations were very close to plan with a larger positive variance experienced in LuValle, Panda Express, Kerckhoff Coffee House, Ostin Music Café, and Catering. A-level operations continue to struggle versus plan.

The Services Division missed plan for the month due to slower than anticipated Domestic Licensing. The Student Union was off plan with higher student event support expenses and additional repairs. A&SS costs are better than plan while utilities are over plan by \$18,000.

December 2014 Services & Enterprises Financial Statements

December was a very positive month for the Association. Gross income for the month exceeded plan by \$944,000 leading to a positive variance in net income of \$248,000. The Store had a fantastic month exceeding sales by over \$700,000 and net income by approximately \$145,000. Bearwear had a great month with strong fan enthusiasm along with added sales from the Troy Aikman and Jackie Robinson collections. E-commerce had a great month with the many promotions. Year-to-date results in e-commerce are now ahead of last year in both sales and contribution.

The Academic Support Division had a good month with solid textbook results and positive variances in both BookZone and Course Readers. The LuValle Store and the Health Sciences Store also exceeded budget for the month.

The Food Service Division exceeded their sales plan by more than \$150,000 and exceeded budgeted contribution by more than \$100,000. The Food Service Division is now showing a positive variance in contribution of \$56,887 versus plan.

The Services Division had a stronger month with solid Domestic and International Licensing income while the delay in University rental income had a negative impact. The Student Union Division had a great month with added income from a commercial film shoot and added Admissions rental events. The Post Office also saw a positive variance.

A&SS costs and Utilities and Depreciation were very close to plan although there was a shortfall in Maintenance costs as the results of added charges to repair the Fast Track area damaged over the years by rain.

Year-to-date net income is 0, but this represents a positive variance versus plan of \$497,000 for the first five months of the fiscal year.

Ms. Baker stated that the Association reported a book balance of \$9,960,000 for the month. Of this balance, \$3,149,000 has been reserved for capital projects, leaving \$6,526,000 in uncommitted cash which is \$2,472,000 less than the board-required cash reserve.

Past due accounts receivables were at roughly \$180,000 or 4% of total accounts. Store inventories at cost were \$7,300,000; while inventory turns were at 4.5.

January Month-to-Date Preliminary Sales

January 2015 trends remain mostly positive overall for the Store. In January, the positive results are from strong textbook sales and the continued positive trends in e-commerce.

Food Service cash operations remain close to or above plan. However, timing on basketball games versus the plan has reduced the overall variances. A-level continues to present some

challenges primarily due to shifting traffic patterns based on sales trends in the Cooperage, Taco Bell and Carl's Jr.

APPROVAL OF FY 13-14 AUDITED FINANCIAL STATEMENTS

Mr. Gabbe made a motion, seconded by Mr. Zeke to approve the FY 13-14 Audited Financial Statements for Services and Enterprises, Communications Board, Graduate Student Association, and Undergraduate Student Association. Mr. Wong called for a vote. The motion was approved by a vote of 10 yeas and 0 nays.

HVAC MANAGEMENT SYSTEM

Mr. Champawat and Mr. Williams stated that ASUCLA has the opportunity to effectively manage the HVAC systems in Ackerman Union and Kerckhoff Hall which has notoriously difficult due to the variety of facilities within the two buildings and old technology. Negative impacts include overspending on HVAC and discomfort from room temperatures that are either too high or too low.

Management is recommending the purchase and installation of Variable Frequency Drives (VFD) for Ackerman and Kerckhoff HVAC systems. These drives will enable the control system to vary the air flow of our HVAC beyond the simple on or off that the current system has as options. The analysis shows that the basic VFD system with basic controls will save \$22,500 annually, showing payback in 4.0 years. A related project to introduce intelligent control of the system (Building IQ), fully enabled by the VFD installation, will show additional energy savings of \$42,200 annually against an annual system operation cost of \$18,600.

Mr. Gabbe made a motion, seconded by Ms. Elam to approve a capital expenditure of \$90,000 to purchase and install Variable Frequency Drives (VFD) for Ackerman Union and Kerckhoff Hall HVAC systems. Mr. Wong called for a vote. The motion was approved by a vote of 10 yeas and 0 nays.

EXECUTIVE SESSION

Mr. Wong called for consent for the Associated Students UCLA Board of Directors to enter into Executive Session and include Sandi Gillespie. There being no objections, the motion was approved by unanimous consent.

The Board entered into Executive Session at 1:07 p.m.

Mr. Wong 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 1:47 p.m.

ADJOURNMENT

Mr. Wong called for consent to adjourn the Associated Students UCLA Board of Directors January 30, 2015 Regular Meeting. There being no objections, the meeting was adjourned at 1:47 p.m.

* * * * *

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.

John Bollard
Board Secretary and Administrative Representative