

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Finance Committee

March 6, 2015

9:00 a.m.

Kerckhoff Hall 152

PRESENT: Mike Anderson, Carly Calbreath, CJ Gabbe, and Bob Williams

ABSENT: Agnes Warren

MANAGEMENT: Donna Baker, Finance Director
Cindy Bolton, Food Service Director
Robin Broudy-Johns, UCLA Store Operations Director
Roy Champawat, Student Union Director
Sandi Gillespie, Association Affairs Manager

GUESTS: Hossain Albgal, Communications Board
Andrew Erickson, Daily Bruin, Editor in Chief
Steve Greim, Communications Board
Sam Hoff, Daily Bruin
Andre Jones, Communications Board
Jener Sakiri, Communications Board
David Zeke, ASUCLA Board of Directors

CALL TO ORDER

Mr. Gabbe called the meeting to order at 9:07 a.m.

APPROVAL OF AGENDA

Mr. Gabbe called for consent to approve the Associated Students UCLA Board of Director's Finance Committee, March 6, 2015 Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. Gabbe called for consent to approve the Associated Students UCLA Board of Directors Finance Committee February 20, 2015 Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

Mr. Williams reported on the following items:

1. The FY 15-16 budget process is continuing. Management and the Board will look carefully at future capital expenditures and will allot additional time to discuss at the budget meeting.
2. Kikka had to create new design plans due to several construction revisions. Tsunami will remain open until the new facility is operating.
3. Several key managers took a tour of the new loading tunnel and so far it looks feasible.
4. Management is currently working on a new website for the athletics department. There also needs to be a more efficient process for handling online orders.

FINANCIAL STATEMENTS

Services & Enterprises February 2015 Preliminary Sales

February preliminary sales are \$100,260 positive to plan primarily due to dental kits sales, Hill Top Shop, and E-commerce.

The UCLA Restaurants are currently positive to plan by \$114,000 primarily due to Concessions and Catering.

March Month-to-Date Preliminary Sales

Current month-to-date sales are \$47,064 positive to plan primarily due to new text, as well as the Computer Store. The LuValle Store is positive to plan by \$12,807 and the Health Science Store is negative to plan by \$54,104 which could be a timing issue with dental kits. Hill Top Shop is positive to plan by \$24,246 and E-commerce is positive to plan by \$7,086.

Due to these results, management is expecting the gross margin to be positive by \$25,924.

The UCLA Restaurants are currently positive to plan by \$44,760. All third party operations are close or better than plan for the month.

COMMUNICATIONS BOARD JOINT FINANCE COMMITTEE DISCUSSION

Communications Board January 15 Financial Statements

Student Media shows a negative \$172,863 net revenue variance of which \$142,000 is the reversal of the class action settlement. The remaining \$31,000 loss is due to lower digital display advertising, less yearbooks sold, and additional Daily Bruin operational costs.

Review of Cash Forecast

Student Media will need a deferment sooner than originally planned. Both committees will discuss another deferment or bridge loan at the next meeting as well as developing a long term plan.

Alternate Operating Models

The Communications Board provided the committee with a breakdown of their cost of sales, editorial expenses, and Student Media operational expenses. Both committees discussed ASUCLA accounting charges, possible development, and potential strategies for incremental revenue.

The next steps will include business model samples and sharing of the Communication's Board FY 15-16 budget and five year forecast budget assumptions.

LUVALLE COMMONS STORE AUDIT REPORT

Ms. Broudy-Johns explained that the report indicated that the overall organizational structure and controls are generally adequate and effective to help achieve their business objectives. However, certain business practice could be further strengthened to improve upon the existing internal controls in the areas of cash management, manual edits in Kronos (time clock), purchasing, separation of duties, and access to inventory.

Management will take all the recommendations into account and ensure all policies are being followed.

APPROVAL OF THE FY 15-16 FINAL BUDGET ASSUMPTIONS

The Committee briefly discussed the final budget assumptions noting two revisions:

1. Additional custodial costs for off-peak cleaning
2. Additional AS&S costs for software to host the new Food Service POS

Ms. Calbreath made a motion, seconded by Mr. Anderson to approve and forward to the ASUCLA Board of Directors the FY 15-16 Final Budget Assumptions. Mr. Gabbe called for a vote. The motion was approved by a vote of 3 yeas and 0 nays.

ALL-GENDER RESTROOM

In 2005, the UCLA Student Union converted two restrooms on Kerckhoff Hall Fourth Floor to all-gender restrooms to respond to a growing expression of need for these facilities from our student community along with the sense that our community wants to explicitly support the transgender community.

To this end, the Student Union Space Initiative Ad Hoc Committee believes there is a need for a second all-gender restroom. As the Kerckhoff restrooms are located amongst undergraduate student government offices, they may be invisible to the public at-large. A restroom on Ackerman A-Level would be a highly visible location, accessible during Ackerman Union Open Late's extended hours. The proposed location is directly across from the public restrooms on Ackerman A-Level which serve as the primary restrooms for the UCLA Store and all services and restaurants on A-Level. Any visitor or student directed to the restrooms will easily find the proposed all-gender restroom.

The proposed all-gender restroom would include lavatory equipment (toilet and basin + faucet) for one person.

Ms. Calbreath made a motion, seconded by Mr. Anderson to approve and forward to the ASUCLA Board of Directors a capital expenditure of \$150,000 for the construction of an all-gender restroom in Ackerman Union. Mr. Gabbe called for a vote. The motion was approved by a vote of 3 yeas and 0 nays.

CHILLED WATER CONTROLLERS

The set of chilled water pump controls for Ackerman and Kerckhoff were installed during the comprehensive renovation of these facilities that was done in the mid-1990's and are five years past their normal operating life. Chilled water is the method used in these buildings to cool them. The cold from the chilled water system cools air and electricity is used to power the fans to move the cooled air.

Management proposes to replace these chilled water pump controls with new units.

Ms. Calbreath made a motion, seconded by Mr. Anderson to approve and forward to the ASUCLA Board of Directors a capital expenditure of \$100,000 for the replacement of the chilled water controllers. Mr. Gabbe called for a vote. The motion was approved by a vote of 3 yeas and 0 nays.

ADJOURNMENT

Mr. Gabbe called for consent for the Associated Students UCLA Board of Directors Finance Committee to adjourn the March 6, 2015 Meeting. There being no objections, the meeting was adjourned at 11:08 a.m.