

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Finance Committee

May 15, 2015

9:00 a.m.

Kerckhoff Hall 152

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

MANAGEMENT: Donna Baker, Finance Director
Sandi Gillespie, Association Affairs Manager

GUESTS: Steve Greim, Communications Board
Sam Hoff, Daily Bruin
Jener Sakiri, Communications Board
Arvli Ward, Student Media Director

CALL TO ORDER

Mr. Gabbe called the meeting to order at 9:01 a.m.

APPROVAL OF AGENDA

Mr. Williams made a motion, seconded by Ms. Calbreath to remove the Executive Director's Report from the agenda.

Mr. Gabbe called for consent to approve the Associated Students UCLA Board of Director's Finance Committee, May 15, 2015 Agenda as amended. 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 April 17, 2015 Minutes. There being no objections, the motion was approved by unanimous consent.

FINANCIAL STATEMENTS

Services & Enterprises April 2015 Financial Statements

Financial results for the Association in April were ahead of plan. Overall net income for the month exceeded budget by \$201,000. For the year, the Association is showing a positive net income of \$158,000. This result is better than budget by \$815,000 and ahead of last year by \$476,000.

The General Merchandise Division exceeded its sales plan by around \$127,000 and had a positive variance in contribution of \$51,950. BearWear had a strong performance for the month with positive spring break trends and added foot traffic throughout the month.

In the Academic Division, New Text is down, but Used Text is up. Course Readers Solutions had a strong month with higher digital sales in excess of the offset from the other income timing received last month. The Computer Store was ahead of plan in April primarily on the strength of department sales.

The LuValle Store saw a positive variance due to consignment sales from general book vendors and good results in general merchandise. The Health Sciences Store also exceeded its contribution budget with strong Festival of Books sales and solid dental kit and general merchandise results.

The Food Service Division was slightly better than plan exceeding both sales by \$13,467 and contribution by \$9,239. Of the three main outlying operations, LuValle had the strongest month exceeding plan and tracking well ahead of last year. Catering was off plan with reduced Training Table but continues to track ahead of budget for the year while Concessions saw a \$13,125 positive contribution variance due to some unbudgeted events and higher than anticipated softball sales.

The Services Division was on plan with higher Domestic Licensing but was offset by soft sales and minimum guarantee reduction to our European licensee.

The Student Union Division saw a good positive variance in contribution (\$28,790) due to new university events and added film shoot income. A & SS saw some continued savings in career wages and benefits and Utilities came in positive for the month.

Ms. Baker explained that in terms of cash, the Association reported a book balance of \$10,338,000 for the month. Of this balance, \$2,975,000 has been reserved for capital projects, leaving \$6,167,000 in uncommitted cash which is \$3,381,000 less than the board-required cash reserve.

Past due accounts receivables were at roughly \$230,000. This balance is higher than prior month and some of this is due to timing. Store inventories at cost were \$6,900,000; while inventory turns were at 4.3.

May Month-to-Date Preliminary Sales

May sales figures are excellent in the Store with a positive variance versus plan of more \$388,538. This is partially due to a budget that is conservative but sales are also \$223,000 ahead of last year.

Food Service is also tracking ahead of budget in sales for May but the positive variances are primarily seen in the 3rd party operations. The Association continues to see the negative results in Catering due to reduced Training Table but Concessions sales continue to exceed plan.

APPROVAL OF SERVICES & ENTERPRISES FY 15-16 BUDGET AND FIVE-YEAR FORECAST

Mr. Williams provided the committee with an adjusted budget that included \$200,000 in additional sales. The committee discussed the capital expenditures and debit ratio. The committee agreed that the budget was fiscally sound.

Ms. Calbreath made a motion, seconded by Ms. Warren to approve and forward to the ASUCLA Board of Directors the Services & Enterprises FY 15-16 Budget and Five-year Forecast. Mr. Gabbe called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

COMMUNICATIONS BOARD JOINT FINANCE COMMITTEE DISCUSSION

Communications Board March Financial Statements

Total Income for the month is negative to plan by \$9,000. Yearbook sales for March are positive by \$1,320; and lower \$23,000 for the year due to revenue sharing program. Actual Net Income/Loss was negative \$4,410 for the month and \$95,000 for the year.

Communications Board FY 15-16 Budget

The committee discussed at length the probability of the budget proposed and had some concerns regarding the assumption that a fee will be passed and if there would be rental income in the first half of the year. The Communications Board will revise the budget and provide alternative at a special Finance Committee to be scheduled in June.

EXECUTIVE SESSION

Mr. Gabbe called for consent for the Associated Students UCLA Board of Directors Finance Committee to enter into Executive Session. There being no objections, the motion was approved by unanimous consent.

The Committee entered into Executive Session at 11:27 a.m.

Mr. Gabbe called for consent to exit the Associated Students UCLA Board of Directors Finance Committee Executive Session. There being no objections, the motion was approved by unanimous consent.

The Committee exited Executive Session at 11:46 a.m.

ADJOURNMENT

Mr. Gabbe called for consent for the Associated Students UCLA Board of Directors Finance Committee to adjourn the May 15, 2015 Meeting. There being no objections, the meeting was adjourned at 11:46 a.m.