

**ASSOCIATED STUDENTS UCLA  
BOARD OF DIRECTORS**

**Finance Committee**

August 21, 2015

9:00 a.m.

Kerckhoff Hall 152

**PRESENT:** Mike Anderson, Alumni Representative  
Donna Baker, Finance Director  
Kirk Koenig, Alumni Representative  
Arielle Mokhtarzadeh, Undergraduate Representative  
Apsara Perera, Undergraduate Representative  
Bob Williams, Executive Director

**ABSENT:** JC De Vera, Graduate Representative

**MANAGEMENT:** Cindy Bolton, Food Service Director  
Roy Champawat, Student Union Director  
Sandi Gillespie, Association Affairs Manager

**GUESTS:** Daily Bruin

**CALL TO ORDER**

In the absence of Mr. De Vera, Ms. Mokhtarzadeh called the meeting to order at 8:57 a.m.

**APPROVAL OF AGENDA**

Mr. Williams made a motion, seconded by Mr. Anderson to add a Sbarro's Executive Session item to the agenda.

Ms. Mokhtarzadeh called for consent to approve the Associated Students UCLA Board of Director's Finance Committee, August 21, 2015 Agenda as amended. There being no objections, the motion was approved by unanimous consent.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Williams reported on the following:

- Excellent Association year-end results.
- Kikka is open and sales are positive.
- All-Gender restroom is moving forward.
- Future Ackerman Union Project meetings will be scheduled at a later date.

- Food Service POS system is moving forward-some minor issues.
- There will be a capital expenditure coming forward to upgrade the Krono's time clock system.
- There is a \$225,000 capital expenditure in the budget to repair of the Kerckhoff Hall patio; however, the first estimate has come in at \$400,000. Management will seek other estimates.
- Hill Top Shop is almost complete.
- Food Service had excellent sales during the Special Olympics although costs have not been calculated yet.

## **FINANCIAL STATEMENTS**

### **Communications Board June Financial Statements**

Total Income for the month is positive to plan by \$20,414 and negative \$31,323 for the year. Yearbook sales are negative by \$14,000 for the month and \$60,000 for the year. Print Display Advertising is positive by \$9,000 for the month and negative \$30,000 for the year. Actual net revenue was positive \$17,616 for the month and negative \$60,000 year-to-date.

### **Services & Enterprises July and Year-End Preliminary Results**

Financial results for the Association in July were better than plan. Net Income for the Association was positive to plan by \$486,000 and Gross Income was positive to plan by \$338,000 which was mostly from the Computer Store, BearWear, and the Market. Year-to-date, the Association exceeded plan by \$1,500,000 and was better than last year by \$875,000. Food Service broke a record with over \$2,000,000 in contribution for the year.

### **August Month-to-Date Preliminary Sales**

August sales figures are excellent in the Store with a positive variance versus plan of \$380,411 and ahead of last year by \$597,742. The Computer Store is having a great month with sales \$251,841 better than plan. Woman's FastTrack, LuValle Textbooks, and Dental Kits are having a great month. Estimated Gross Margin for August is \$56,134.

Food Service is also tracking ahead of budget in sales for August by \$343,777 primarily due to the Special Olympic; however, the costs have not been calculated yet.

## **MAIN CASHIER'S OFFICE DRAFT AUDIT REPORT**

Ms. Baker briefly reviewed the above-referenced audit report and management response, noting that the audit stated that internal control processes could be further strengthened by implementing the following:

1. Access to the Digital Video Recorder (DVR) should be maintained under dual control.
2. The individual who monitors the MCO camera should not also have full access to the MCO, Alarm codes, and safe.

## **INFORMATION SERVICES RATEX POINT OF SALES SYSTEM DRAFT AUDIT REPORT**

Mr. Mehdian briefly reviewed the above-referenced audit report and management response, noting that the audit stated that internal control processes could be further strengthened by implementing the following:

1. Storing the Digital Video Recorder (DVR), under dual control.
2. Adding a moisture alarm to the server rooms.
3. Ensure that access to Ratex is disabled when employees are terminated.

## **NETWORK UPGRADE CAPITAL EXPENDITURE**

Mr. Mehdian explained that the current network infrastructure can no longer support the volume of demand from the users, nor can it support future expansion. The upgrade will allow ASUCLA to increase data traffic and will support better security of PCI compliance. The upgrade cost of \$180,000 was included in the FY 15-16 Capital Budget.

Mr. Koenig made a motion, seconded Mr. Anderson that the ASUCLA Finance Committee approve and recommend to the ASUCLA Board of Directors an \$180,000 capital expenditure to upgrade ASUCLA's network infrastructure. Ms. Mokhtarzadeh called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

## **FINANCE COMMITTEE MEETING CALENDAR**

The committee agreed to move the October and November meetings from 9:00 a.m. to 12:00 p.m.

## **EXECUTIVE SESSION**

Ms. Mokhtarzadeh 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 10:14 a.m.

Ms. Mokhtarzadeh 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 10:50 a.m.

Ms. Perera made a motion, seconded by Mr. Koenig that the Associated Students UCLA Board of Directors Finance Committee approve all actions taken in Executive Session. Ms. Mokhtarzadeh called for a vote. The motion was approved by a vote of 4 yeas and 0 nays.

**ADJOURNMENT**

Ms. Mokhtarzadeh called for consent for the Associated Students UCLA Board of Directors Finance Committee to adjourn the August 21, 2015 Meeting. There being no objections, the meeting was adjourned at 10:51 a.m.