

**ASSOCIATED STUDENTS UCLA
BOARD OF DIRECTORS**

Finance Committee

October 23, 2015

12:00 p.m.

Kerckhoff Hall 152

PRESENT:

Mike Anderson, Alumni Representative
Donna Baker, Finance Director
JC De Vera, Graduate Representative
Kirk Koenig, Alumni Representative
Arielle Mokhtarzadeh, Undergraduate Representative
Apsara Perera, Undergraduate Representative
Bob Williams, Executive Director

MANAGEMENT:

Cindy Bolton, Food Service Director
Roy Champawat, Student Union Director
Sandi Gillespie, Association Affairs Manager
Karen Noh, Special Projects Director

GUESTS:

Steve Greim, Communications Board
Sam Hoff, Daily Bruin
Melody Teng, Daily Bruin
Cody Trojan, Communications Board
Arvli Ward, Student Media Director

CALL TO ORDER

Mr. De Vera called the meeting to order at 12:01 p.m.

APPROVAL OF AGENDA

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

Mr. De Vera called for consent to approve the Associated Students UCLA Board of Director's Finance Committee, October 23, 2015 Agenda as amended. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Mr. De Vera called for consent to approve the Associated Students UCLA Board of Directors Finance Committee September 18, 2015 Minutes. There being no objections, the motion was approved by unanimous consent.

FINANCIAL STATEMENTS

Communications Board August Financial Statements

Total income for the month is negative to plan by \$5,745. Classified advertising and kiosk advertising were negative during the month of August due to less printed editions during summer. Actual net revenue was negative \$15,069 for August.

Services & Enterprises September Financial Statements

Overall net income for the month exceeded budget by \$244,000. Gross income in the Store was positive by \$359,000 and \$148,000 in contribution. The two large contributors were BearWear and the Computer Store.

UCLA Restaurants were negative to plan by \$60,000 in gross income and \$14,000 in contribution. The negative results were mainly due to the loss of Training Table.

The Services Division was positive to plan by \$101,000 in gross income and \$43,000 in contribution. The positive results are a timing issue with an adidas payment and will offset in October.

The Student Union was negative by \$19,000 in gross income \$4,000 in contribution due to a smaller Admissions Open House.

The Association reported a cash book balance of \$13,582,000 for the month. Of this balance, \$3,858,000 has been reserved for capital projects, leaving \$7,742,000 in uncommitted cash which is \$1,868,000 less than the board-required cash reserve.

Past due accounts receivables were at roughly \$205,000. Store inventories at cost were \$6,100,000; while inventory turns were at 4.6.

October Month-to-Date Preliminary Sales

October sales figures in the Store are negative to plan by \$298,295, but ahead of last year by \$622,448. Most of the negative sales are in BearWear and the Computer Store. MTW is positive to plan by \$25,774 for the month and negative \$45,809 for the year. Estimated Gross Margin for October is negative by \$83,966.

Food Service is tracking ahead of budget in sales for October by \$4,008. Kikka is performing well and is positive to plan by \$25,371.

STUDENT MEDIA DRAFT AUDIT REPORT

Mr. Ward 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. Operational Procedures: Training manuals should be updated and username and passwords removed.

2. Cash Management: PCI training for employees and staff should document collection efforts made.
3. Personnel and Payroll: Kronos edits should be properly documented. Payroll check distribution controls should be strengthened.

COMMUNICATIONS BOARD CASH FLOW

The Committee discussed at length Student Media's current cash flow and determined that there will be several insistences throughout the year where Student Media's administrative payments will need continued deferment.

Mr. Koenig made a motion, seconded by Mr. Anderson that Associated Students UCLA Finance Committee approve and forward to the ASUCLA Board of Directors a deferment of Student Media's administrative and support services payments for a maximum of \$150,000 until January 31, 2016. Mr. De Vera called for a vote. The motion was approved by a vote of 5 yeas and 0 nays.

The ASUCLA Finance Committee would like to meet with the Communications Board Finance Committee next month to discuss future strategies and plans.

EXECUTIVE SESSION

Mr. De Vera 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 1:22 p.m.

Ms. Mokhtarzadeh took over the role as chair in Mr. De Vera's absence.

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 2:16 p.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 October 23, 2015 Meeting. There being no objections, the meeting was adjourned at 2:16 p.m.