



BOARD OF DIRECTORS

Finance Committee

April 24, 2023

1:00 p.m.

PRESENT: Pouria Abbassi, Muratkhan Abdirash, Donna Baker, Live Maluia, Scott Monatlik, and Julia Terrano

LATE: Daniel Neuhauser

ABSENT: Octavio Navarro

MANAGEMENT: Donna Baker, Director of Finance
Leilani Donato, Director of Facilities
Michelle Moyer, Directors of Legal Affairs and Compliance
Krista Kae Parino, Board of Directors Administrator
Peter Poon, UCLA Store Director

GUESTS: Wudia Kamara, ASUCLA Board Member

CALL TO ORDER

Ms. Terrano called the meeting to order at 1:03 p.m.

APPROVAL OF AGENDA

Ms. Terrano called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee April 24, 2023, Agenda. There being no objections, the motion was approved by unanimous consent.

APPROVAL OF MINUTES

Ms. Terrano called for consent to approve the Associated Students UCLA Board of Directors' Finance Committee March 13, 2023, Minutes. There being no objections, the motion was approved by unanimous consent.

EXECUTIVE DIRECTOR'S REPORT

Mr. Abbassi updated the Finance Committee on the following topics:

Gross Income for March at \$6.6M, compared to February at \$5.6M, was \$900K ahead of last year and on plan. Gross Margin at \$3.2M was slightly below budget and \$500K ahead of last year. Contribution at \$1.1M was \$100K better than plan and \$360K above last year. Other income/expense categories performed better than plan resulting in Net Income for March at \$130K which was \$180K better than plan.

Retail operations continue to post strong year-over-year and period-over-period results, especially in general merchandise and the Computer Store. Food Services has continued its recovery trend through a multitude of initiatives launched campus-wide. Concessions sales have also posted strong results as Bruins continue their solid performance in a number of athletic sports. As a point of reference and in terms of top-line sales deviation from plan, ASUCLA Restaurants have reduced the average variance of 34% for the first five months of the year to just below 13% for the first quarter of 2023.

YTD results also show the overall gross income gap to budget of \$4.2M closing to a \$1.9M net income gap as cost controls in various areas and new initiatives have helped mitigate the below plan sales.

Collaboration with campus partners is ongoing on several fronts, including the options on the Ackerman Union expansion P&I payment, addressing ASUCLA/UCLA debit/credit matters, and resolving the mandated salary continuation and payroll for March 2020-June 2021. Additionally, work continues with ASUCLA/UCOP/UCLA finance team for the opportunity to pursue pandemic relief funds related to the employee retention tax credit, which stands at approximately \$4M.

FY 23-24 Budget

Executive Management completed the FY 23-24 budget and will present it at the Budget Meeting on May 5.

ScrubJay Café

ASUCLA is working with UCLA Health and the UCLA BruinCard Center to be able to accept annual food stipends available to Health Service employees at ScrubJay Café.

Ms. Terrano asked for more information regarding the annual food stipends for Health Services employees. Mr. Abbassi replied that the stipend averages \$3K a year and varies on the employee's position.

Mr. Abdirash asked if the stipend would be a loaded or a separate card. Mr. Abbassi replied it would be a loaded card and that ASUCLA is working with the UCLA BruinCard Center to complete the process.

UCLA Store

Sprinkles cupcakes and Mycha teas continue to receive positive feedback from the student community.

CalFresh/EBT Program

As of April 10, the UCLA Store has processed over 25,000 CalFresh/EBT transactions.

COMMUNICATIONS BOARD FINANCIAL STATEMENTS

Net income for February is negative to plan by (\$27K), and positive year-to-date by \$57K.

DEBITS & CREDITS PRESENTATION

Mr. Abbassi mentioned the ongoing collaboration with ASUCLA, UCLA, and UCOP to resolve the outstanding debits and credits. He further explained how the presentation aims to clarify specific allocations of debits and credits from a financial perspective.

Mr. Monatlik asked where ASUCLA is in the process. Mr. Abbassi replied that ASUCLA is in the final stage of the overall process and that the presentation will discuss the next steps.

Ms. Moyer and Ms. Baker highlighted the UC-mandated salary continuation and pandemic impact, ASUCLA's communications and actions throughout the pandemic, and the formation and purpose of the ASUCLA – UCLA Debit/Credit Committee. Additionally, they discussed:

- Public Area Maintenance and Utilities Cost-Sharing Agreement
- Student Seismic Fee
- Related Board of Regents 1999 meetings
- Unilateral vending services commission reduction
- UCLA's settlement with Under Armour
- FEMA & HEERF covid-related relief funds received by UCLA/ASUCLA
- Coke sponsorship payment to ASUCLA
- UCPath/UCLA Payroll Agreement

Lastly, Ms. Moyer and Ms. Baker presented the completed and outstanding items of the overall process, which included the review of resolutions and the making of finalized, fully agreed-upon joint resolutions and submissions to reviewers.

Mr. Neuhauser commented on the previous monies owed by ASUCLA and UCLA. Ms. Moyer replied that there are representations from both ASUCLA and UCLA on the monies owed. Mr. Abbassi also replied that conversations are still in the process. Mr. Neuhauser asked what could be done to resolve the matter. Mr. Abbassi replied that it is a collaborative process leading to finalized resolutions and the future roadmap.

Ms. Terrano asked if inflation is reflected in the amounts owed over the previous years. Mr. Abbassi replied that it is a 50/50 split of the actual cost of maintaining public areas and what ASUCLA paid at the time.

Mr. Abbassi commended the work that has been done and reassured that resolutions will be finalized and brought back to the Finance Committee.

B-LEVEL RECONFIGURATION PROJECT CAPITAL EXPENDITURE

Ms. Terrano made a motion, seconded by Mr. Neuhasuer that the ASUCLA Board of Directors' Finance Committee approve and forward to the Board of Directors a \$500,000 capital expenditure to reconfigure the UCLA Store B-Level. Ms. Terrano called for a vote. The motion was approved by a vote of 4 yeas, 0 nays, and 0 abstention.

Mr. Monatlik asked for the total expenditure amount and if ASUCLA works with UCLA Capital Programs. Ms. Terrano replied \$500,000, and Ms. Donato replied that ASUCLA does not work with UCLA Capital Programs in regards to managing the project. UCLA Capital Programs will be brought in if needed.

Ms. Kamara asked when the last project was completed and if there are design renderings that illustrate the final look. Mr. Abbassi replied that the last similar project was completed in the mid-1990s. Mr. Poon also replied that ASUCLA is working with the architect to finalize the design.

EXECUTIVE SESSION

Ms. Terrano 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 2:07 p.m.

Ms. Terrano 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 2:11 p.m.

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

ADJOURNMENT

Ms. Terrano called for consent for the Associated Students UCLA Board of Directors' Finance Committee to adjourn the April 24, 2023, meeting. There being no objections, the meeting was adjourned at 2:12 p.m.