

## **Minutes of the March 4, 2013 Meeting of the UCLA Communications Board**

Board members present: Eric Agar, Lauren Ball, Nancy Calderon, Jennifer Frehn, Steve Greim, Sofia Haq, Josh Levine, Erik Peña, Michael Sondheimer, Arvli Ward

Board members absent: Tammy Rubin, George White

Board members leaving early: Nancy Calderon

Guests: Jose Hernandez (Bruin Life editor in chief), James Barragan (Daily Bruin editor in chief)

I. Call to order (Peña)

Peña called the meeting to order at 5:40 p.m.

II. Approval of the agenda (Peña)

Calderon moved to approve the agenda. Agar seconded the motion. The motion passed by unanimous consent.

III. Approval of January and February minutes (Peña)

Levine moved to approve the January minutes (was deferred from the February meeting). Calderon seconded the motion. The motion passed by unanimous consent. Frehn moved to approve the February minutes. Haq seconded the motion. The motion passed by unanimous consent.

IV. Executive Committee Report (Peña)

Peña said there was no report.

V. Operations Committee Report (Frehn)

Frehn said there was no report.

VI. Finance Committee Report (Agar)

Agar said the committee met **a couple of weeks ago (ARVLI – CAN YOU PUT THIS DATE IN)** and discussed the department's current state and also the budget assumptions.

VII. Media Director's Report (Ward)

Ward said he would discuss the January financial statements.

### **Discussion Items**

VIII. January 2013 Communications Board Financial Statements (Ward)

Ward said actual revenue was \$122,849 while budgeted revenue was \$171,200 for a negative variance of \$48,351. Insert income, Kiosk, PLEDGE fee income were all up slightly. Fee income had increased because student enrollment had increased. Print display income was down as it had been all year, and Digital display advertising was

also down. Actual expense was \$139,943 while budgeted expense was \$162,532 for a savings of \$22,589. Wages, printing, and professional services were better than plan. Allocated expense was over plan by about \$1,000 because of Plant, Maintenance, and Utilities. Actual net loss was \$17,094 while the budgeted net income was \$8,668 for a negative variance of \$25,762. Last year January the net income was \$759. Year-to-date net loss was \$93,031 while budget net income was \$54,521 for a negative variance of \$147,552. During 2011-12 the January year-to-date net revenue was \$3,432. As of the January statements cash reserves stood at \$130,000 whereas the reserve requirement was \$373,000. We were in deficit to policy by \$235,000. Cash balance as of the meeting date was about \$91,000.

Levine asked what happened to online. Ward said he believed it was timing, and sales would catch up by the end of the year.

*February Revenue Forecast:*

Total revenue may be just under \$140,000, but budget revenue was \$152,000. Daily Bruin print will be down about \$7,000. Online will be \$1,000 ahead of budget.

**Action Items**

**IX. Communications Board Budget 2013-14 Key Strategic Assumptions (Ward)**

Ward said the general assumptions were the following:

1. Inflation of 2 percent
2. Undergraduate and graduate student enrollment would increase by 650-800 students next year
3. The investment rate on short-term funds would be 2.25 percent and higher thereafter
4. Contributions to the university retirement plan are scheduled to be 12.8 percent in 2013-14, and will increase each year to 14.8 percent over the next four years.
5. Health insurance premiums will increase by ten percent (approximately \$7,500).
6. Student fee support will increase due to anticipated higher student enrollment (approximately \$7,800).

The variables within the Communications Board's control were the following:

1. Merit increases of three percent were planned for 2013-14 and future years.
2. Capital expenditures

**Sales/Revenue Operations:**

1. Print sales trends
2. Digital sales trends
3. Fundraising

Editorial Operations:

1. Controllable expenses/Advertising Production career wages would be eliminated on April 4, 2013 with savings occurring in 2013-14. There would be costs associated with required software and advertising production outsourcing.
2. Allocated overhead/career wages for the operations manager may be reduced by 50 percent, but benefits would remain for employees who voluntarily reduce their time through the START program.

Sondheimer moved to enter executive session at 5:55 p.m. Calderon seconded the motion. The motion passed by unanimous consent.

Sondheimer moved to exit executive session at 7:04 p.m. Ball seconded the motion. The motion passed by unanimous consent.

Ball moved that the Communications Board adopt these 2013-14 Communications Board Budget and Five-Year Forecast Assumptions as detailed in this agenda item. Frehn seconded the motion. The motion passed by a hand vote of 7-0 with no abstentions.

**New Business/Action Items**

X. Adjourn (Peña)

Ball moved to adjourn the meeting. Levine seconded the motion. The motion passed by unanimous consent. The meeting adjourned at 7:07 p.m.

Submitted by Doria Deen