

Minutes of the December 1, 2014 Meeting of the UCLA Communications Board

Board members present: Elaheh Alizadehbirjandi, Jesse Coronado, Steve Greim, Andre Jones, Justin Kumar, Josh Levine, Keren Mahgrefteh, Jener Sakiri, George White, Arvli Ward

Board members absent: Hossain Albgal, Mohammad Ahmad, Addrita Das, Cuauhtémoc Ortega

Guest: Andrew Erickson (Daily Bruin Editor in chief), Karin Chan (Pacific Ties editor in chief applicant), Tina Tran (Pacific Ties editor in chief applicant)

I. Call to order (Kumar)

Kumar called the meeting to order at 5:50 p.m.

II. Approval of the agenda (Kumar)

Coronado moved to approve the agenda. White seconded the motion. The motion passed by unanimous consent.

III. Approval of November minutes (Kumar)

Jones moved to approve the November minutes. Sakiri seconded the motion. The motion passed by unanimous consent.

IV. Executive Committee report (Albgal)

There was no report because Albgal did not attend the meeting.

V. Operations Committee report (Kumar)

Newsmagazine Stipends

Kumar said the Operations Committee met on Tuesday, November 25. Among issues discussed was stipends for newsmagazine editors, who do not currently receive stipends like the editors of the Daily Bruin, yearbook and radio station. Jones asked if newsmagazine editor stipends were in the Communications Board budget. Ward said no. Ward said that he didn't hear the stipend discussion as a demand. He said the Ha'Am editor said it would be preferable to receive stipends, but she seemed to understand the budget situation. Greim asked which other editors were paid. Ward said the Daily Bruin and yearbook editors were paid, but that both publications generated revenue. He said the UCLARadio general manager also received a stipend. Ward said that the board decided to cut the \$21,000 newsmagazine stipend budget in the early 2000s when the board was facing a deficit. He said he believed the newsmagazine editors should be paid, but he wasn't sure how it could be funded now but said he believed the board should be exploring it. Sakiri said while everyone agreed that the newsmagazine editors should be paid, he felt there were more pressing financial issues to consider. Kumar said he agreed with Ward that it did not feel as a demand, but he felt the issue was about more than money. He felt it was more about equitable treatment for everyone. He said editors said if some editors

were paid and some were not, it suggested that their work was less valuable. Ward said he believed that the board is improving the newsmagazine experience now by taking steps like hiring Helga Salinas, who was providing closer support to the newsmagazines. Equipment and facilities should also be improved. Ward said the question of stipends should be put on the agenda to see how changes the board was making this year could support stipends in future budgets. Sakiri said it would not be wise to grant stipends now because we may have some extra money and then next year take them away again. But if we purchased computers, they would last five to six years he said. Kumar said Ward mentioned at the meeting that he was working on getting new computers for all the newsmagazines.

Space Charges

Kumar said the editors continue to raise the topic of the cost of Kerckhoff Hall space, which may cost more than \$150,000 this fiscal year. He said that Daily Bruin editor Erickson was looking at space charges from the late 1990s, when Student Media began paying for the public space in Kerckhoff Hall in addition to the office space it actually used.

Fundraising and Marketing

Kumar said that the topics of fundraising and marketing were also discussed at the Operations Committee meeting. Kumar said he and Ward agreed that the students should devote energies to fundraising. Ward said the newsmagazines have always done some fundraising, including food and t-shirt sales, in addition to grant funding which has been the principal support for the last six or seven years. Greim asked if fundraising was part of the newsmagazine training. Ward said it was not currently part of the training but that Greim's idea was an excellent one that should be implemented. Ward said the challenge was getting enough time with the editors. He said the summer training for editors was once as long as thirty days, but this last summer training consisted of just nine meetings. Ward said the editors used to be paid to attend summer training, which meant they didn't have the conflict of summer jobs. Greim asked if it was possible to begin training in the spring right after editors were appointed. Ward said that it was worth trying but that the board would have to keep its appointment schedule in mind. Many magazine editors were appointed in June, which is late in the academic year and around final exams. Providing spring training would mean that the board would have to figure out how to get editors appointed earlier and to rework staff schedules to support it. Mahgerefteh asked if the editors thought about writing grants requesting funds from their specific communities. Ward said it was generally difficult to find funders for operational costs like printing. Funders typically want to support a set of ideals and values. Ward said Student Media tried to secure grant funding in the 90's and had limited success, securing one modest grant. Ward said he was hopeful about the partnership with the Communications Studies department however and the development opportunities that could result. Ward said the board should craft attractive giving targets and develop a compelling narrative to be implemented as the organization encountered potential funders.

Kumar said he would distribute minutes from the meeting. Levine asked if there were any next steps outlined and how the meeting concluded. Kumar said because they did not have quorum they did not make any decisions or take any official action. Kumar believed that it was important to share the concerns of editors anyway.

VI. Finance Committee report (Sakiri)

October Financial Statements

Ward said the October financial statements had just been released the day of the meeting, so the Finance Committee did not have a chance to discuss or review them.

Sakiri said he wanted to share some information about Daily Bruin revenue. He explained that the statements showed revenue falling significantly short of budget but that this was an issue with budgeting and timing. Sakiri said that it would be corrected in the following months. In October, for example, Daily Bruin revenue was budgeted at \$76,000 but actual revenue will show about \$131,000. He said Ward explained that November and December should continue the trend of catching up.

LCD Class Action Settlement Check

Sakiri reported that the Communications Board recently received a settlement check which was a result of a class action suit by the state of California against LCD manufacturers for price fixing. Ward said our previous operations manager was approached by a company called Financial Recovery Strategies (FRS) about enrolling in the suit. Ward said that FRS's business seemed to be enrolling qualified participants and collecting a commission on the resulting settlement. Ward said that the Communications Board received a check from FRS for \$142,000 as result. The total settlement was about \$175,000 and that FRS took a \$33,000 commission. Ward said he had called both the State of California and FRS and that ASUCLA was also following up with their own investigations. Among the information he gathered was that the lawsuit covered LCD purchases between 1996 and 2006 and that the settlement formula began with the premise that businesses would no longer have receipts going back that far. Student Media's record retention requirements for accounts payable is five years Ward said. He said FRS contacted Student Media because they saw a name on a customer list and that the determining factor used for the settlement was the number of employees Student Media had. He said the operations manager supplied FRS with an employee list and because of the student nature of the workforce, consisted of many hundreds of employees every year. He said FRS told him that since the claim included more than 150 LCD units, it was audited by the state. Ward said that the declaration and other documentation have been requested from FRS but that it had not been received yet. Ward said according to the cash forecast the Communications Board would end the year with about \$217,000, which would solve our current cash problems and transform our financial position.

Levin asked what were the concerns about the money. Greim said the settlement was paid per monitor and that Student Media could not prove that it purchased that number of monitors. Ward said we would never be able to say how many monitors we did purchase during that time frame because sales receipts no longer existed. Ward said the settlement was paid on an employee headcount basis rather than on an actual per monitor basis. Levine said it seemed that Ward assumed the burden of proof was upon him to prove that he'd purchased a number of monitors. Levine wanted to know who was asking for that proof. Ward said it was not the state, but that it was important that the board did its due diligence. Coronado said some class action lawsuits also include punitive damages, which could give you a higher payout than what was originally spent. Ward said the Finance Committee could discuss how to use the money if in fact the Communications Board could keep it, but he felt that most of it should be saved aside from the purchase of some important capital items for the Daily Bruin and newsmagazines that amount to about \$20,000.

Coronado asked how much of this might be used to repay the Advance Agreement. Ward said the final version of the Advance Agreement removed the repayment clause. Ward said that ASUCLA was facing some concern from the auditors, perhaps as a result. Ward said that his understanding was that ASUCLA was concerned with showing an intent to repay, perhaps proved by a payment on the Advance Agreement. Coronado said once we make a payment towards the debt that would prove that we acknowledge that it is a debt. Ward said he believed the Communications Board should formally ask ASUCLA to grant us the money since repayment would probably put the Communications Board back into financial trouble.

New Business/Action Items

- VII. Pacific Ties Editor in chief applicant interviews (Ward)
- a. Karin Chan (applicant)
 - b. Tina Tran (applicant)

Coronado moved to enter executive session at 6:35 p.m. White seconded the motion. The motion passed by unanimous consent.

White moved to exit executive session at 7:40 p.m. Mahgerefteh seconded the motion. The motion passed by unanimous consent.

Coronado moved to appoint Karin Chan as the 2014-15 Pacific Ties Editor in Chief. Levine seconded the motion. The motion passed by a hand vote of 10-0 with no abstentions.

Discussion Items

- VIII. Communications Board financial recovery plan (Sakiri)

Ward said the Finance Committee met November 14 to discuss the board's long-term financial planning. Greim led a discussion that structured the issues. Ward distributed a chart showing them. Ward said that ASUCLA wanted the board to begin submitting proposals covering best and worst case scenario planning.

Ward said the major problem was lack of revenue to support the current mission. Ward said that there were two areas of expense: program expenses and administrative expenses. Ward said that the Communications Board had greatly reduced the administrative expense it could control, like career staff wages, but that ASUCLA overhead was unaffected and increasing. Ward said that he believed the board should request a roll-back to the standard under which the Communications Board paid for just the space it used, as well as for the accounting hours used. Ward said that one idea that he believed held the key to the future was an administrative merger with ASUCLA's Student Union to further reduce career salaries. Coronado said he felt strongly that the Communications Board should have a director, perhaps at a lower salary. Coronado said that given the historical friction between Student Media and ASUCLA, it was important to have strong leadership to protect the media. Ward said that such friction was natural when you have a media operation nested inside a commercial operation but that these challenges could be overcome. Ward said back when he and Coronado were undergrads there were tensions and as a result the Statement of Understanding with ASUCLA was renegotiated in 1987.

Sakiri said that Student Media was currently a \$1.5 million dollar business that needed to be redesigned as \$1 million business. He said that recent events like the settlement check gave the Communications Board more time but that his goal was to have future planning in place by May. He encouraged the board members to come to the next meeting with ideas.

IX. Adjourn (Albga)

Jones moved to adjourn the meeting at 8:09 p.m. Coronado seconded the motion. The motion passed by unanimous consent.

Submitted by Doria Deen