

Minutes of the January 12, 2015 Meeting of the UCLA Communications Board

Board members present: Hossain Albgal, Jesse Coronado, Addrita Das, Steve Greim, Justin Kumar, Josh Levine, Keren Mahgerefteh, Jener Sakiri, Arvli Ward

Board members late: Elaheh Alizadehbirjandi

Board members absent: Mohammad Ahmad, Andre Jones, Cuauhtémoc Ortega, George White

Guest present: Angelina Murphy (Fem editor in chief)

I. Call to order (Albgal)

Albgal called the meeting to order at 5:44 p.m.

II. Approval of the agenda (Albgal)

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

III. Approval of December minutes (Albgal)

Kumar moved to approve the December minutes. Mahgerefteh seconded the motion. The motion passed by unanimous consent.

IV. Executive Committee report (Albgal)

There was no report. Ward asked if the committee could meet in January because he had some things to discuss with them. Albgal said yes.

V. Operations Committee report (Kumar)

Kumar said there was no report, but there was a meeting scheduled for January 20.

VI. Finance Committee report (Sakiri)

Sakiri said the November financial statements were recently published, but the committee had not met to discuss them. He wanted to bring to the board's attention the nonrecurring item for \$142,000 resulting from Student Media's participation in a class action lawsuit involving the LCD screen industry.

VII. Media Director's Report (Ward)

LCD Class Action Lawsuit Check

Ward said that he was investigating the check and that he had phone conversations with the state hot-line for the case and Financial Recovery Services, the firm used to join the law suit. He said that ASUCLA has asked for documentation on the matter.

Kumar asked if this matter could become relevant concerning ASUCLA's line of credit to the Communications Board. Ward said that he thought it would become part of the discussion. Sakiri said that ASUCLA may want the board to commit some of

the windfall to paying back the line of credit. Ward said that settlement the Advance Agreement may have to fit into a broader vision offered by ASUCLA. If the board used the windfall to pay back the line of credit it would put the board right back into its financial difficulty, Ward said. A comprehensive vision and plan involving ASUCLA and the Communications Board was needed.

Albgal asked how the class action check changed our outlook for the next six months. Albgal said he knew that revenue and expense trends were not likely to change, but with our cash reserves at healthy levels, would that change the strategic direction of the department. Albgal asked whether the board should address operational deficiencies or save the money? Ward said that he believed it did not change the board's course, but gave it more time to figure out the future. It was likely that the board could finish the year with more than \$200,000 in reserves.

Coronado asked if there was any grant writing among the magazines because he didn't see any revenue in those areas reported in the financial statements. Ward said that board members had made very good suggestions along those lines. Greim has suggested that we train in fund raising and that White had suggested that the board create a student activity that taught and directed grant writing. He said the issue was staff resources, which were very thin. He said that his ideas were good and could attract great talent, which is a source of solutions for the organization. Mahgerefteh said there was a grant writing class at Luskin for graduate students. Ward said that such campus resources was what the board should seek to partner with.

Fem Newsmagazine

Angelina Murphy, Fem editor in chief, made a presentation to inform the board about Fem's progress as a fully-digital publication. She showed and discussed Fem's website and social media platforms and campaigns. Murphy also talked about audience growth and the tremendous recruiting response during fall quarter, which resulted in more than 70 new staff.

Discussion Items

VIII. November 2014 Communications Board Financial Statements (Ward)

Ward said he would discuss the statements as they were published but also back out the \$142,000 in non-recurring revenue so that the board could see more clearly what was going on with advertising revenue.

Actual revenue was \$121,000 while budgeted revenue was \$119,000, exceeding budget by about \$2,000. Actual expense was \$136,000 while budgeted expense was \$132,000, exceeding plan by about \$4,000. Year-to-date expenses remained within budget. Actual year-to-date expense was \$462,000 while budgeted expense was \$480,000, a savings of about \$18,000.

Year-to-date actual revenue was \$449,000 while budgeted revenue was just under \$479,000. Last year's November year-to-date revenue was \$525,000. Last year's November year-to-date our expense was \$541,000, thus expense from last year has been reduced by about \$80,000. Albgal said it appeared that expenses were on budget, but he asked Ward if there were any line items in the financials that illustrated current issues or trends. Ward said one area was IT wages. He said where once more money was spent on professional IT support, more students are now being moved into position to take that work over, resulting \$3,500 extra in student IT wages but almost \$12,000 less professional support. Student Media expenses were about \$8,600 more than plan, which went to pay three graduate assistants but the Student Media office was still saving more than \$70,000 from last year. Space charges were up about \$3,200 and continued to rise.

Greim asked if the revenue reported for Local Research was for app advertising. Ward said some of it was from advertising and some was for apps built for clients. He asked Ward to address the shortfall to budget because it was just a third of plan in an area where the board had counted on growth. Ward said Mobile was necessary and that the board had to grow it, but it would not be sufficient to solve the board's financial issues. Ward said part of the problem was a lack of marketing support and that he was going to address that in the winter quarter. The graduate assistant for Mobile was not in charge of sales but was in charge of recruiting, student development, and training. He said he and the advertising manager were responsible for sales and that they needed to focus more on Mobile. Ward said there were two plans, one to sell more sponsorship packages, and the other was a renewed push to market our apps to other colleges. He said he thought the planning was good, but there were few resources to execute them. Greim said since fall was the biggest push with apps like Bruin Football, did Ward anticipate recovering any app revenue to make up for the shortfall to budget. Ward said in terms of advertising no, but they were going to focus on selling apps to other schools. He said this year despite the lack of marketing, there are four colleges that reached out to Bruin Mobile to build apps, and that they sell at about \$500 each. He said \$500 per app is better than the revenue any app was likely to earn from advertising.

Actual Net Revenue was \$126,000, including the \$142,000 we received from the settlement, resulting in Net Revenue being \$139,000 ahead of budget. Year-to-date net revenue was \$129,000 while budgeted revenue was a loss of \$1,000 which put the Communications Board ahead of budget by \$130,000. Ward said if the board did not receive the \$142,000 our actual Net Revenue would be \$15,000 less than budget for year-to-date and \$2,000 behind budget for the month of November.

Cash reserves as of November were \$271,00, but we were still in deficit to policy by \$19,000. The cash balance as of the meeting date was \$346,622. Ward said three things contributed to the increased cash: prepayment for kiosk advertising in the amount \$60,000 received in the summer, the \$142,000 class action check, and the

PLEDGE fee check of about \$97,000. Ward said that the yearbook invoice and some other major bills were about to be paid, so about \$60,000 would be deducted soon.

Coronado asked if we signed a contract with Friesens, and if the expenses incurred in the BruinLife area were going to remain on the books. Ward said we did sign the contract and received \$15,000 from Friesens, but that money would not cover allocated expenses, so some expenses would still appear.

Ward offered some preliminary numbers for December. Budgeted revenue for Daily Bruin was \$34,000, but estimated actual revenue was \$47,000, which was about \$13,000 ahead of budget. Across the department estimated revenue was about \$82,000 while budgeted revenue was about \$75,000, which was about \$7,000 ahead of budget.

New Business/Action Items

IX. Adjourn (Albgal)

Coronado moved to adjourn the meeting at 7:03 p.m. Kumar seconded the motion.

The motion passed by unanimous consent.

Submitted by Doria Deen