

MT. SAC AUXILIARY SERVICES CORPORATION
FIRST QUARTERLY MEETING OF THE BOARD OF DIRECTORS

Thursday, December 5, 2019

Building 4, Conference Room 2460 – 2:00 p.m.

AGENDA

Auxiliary Services Board of Directors Members:

Dr. Scroggins for Michael D. Gregoryk, Chair

Doug Jenson (Staff)

Audrey Yamagata-Noji

Suzanne Luetjen (Staff)

Rosa Royce

Eddie Correa (Guest)

Jenny Leung

Amy Truong

Yadira Santiago (Notes)

1. Call to Order.
2. Consideration of Approval of Minutes for September 12, 2019.
3. Consideration of Approval of Auxiliary Financial Statements for the Fourth Quarter 2018-2019.
4. Consideration of Approval of Auxiliary Financial Statements for First Quarter 2019-2020.
5. Discussion on the Bookstore Advisory Committee and the Sodexo Advisory Committee.
6. Reports:
 - Administrative Services
 - SacBookRac
 - Sodexo
7. Adjourn

Board approved future meeting dates:

March 5, 2020

June 4, 2020

September 3, 2020

December 3, 2020

March 4, 2021

June 3, 2021

September 2, 2021

December 2, 2021

MT. SAC AUXILIARY SERVICES CORPORATION BOARD OF DIRECTORS MINUTES

Thursday, September 12, 2019

The first quarterly meeting of the Mt. SAC Auxiliary Services Corporation Board of Directors was called to order at 2:07 p.m. on Thursday, September 12, 2019, by Michael D. Gregoryk, Chairperson. Those present were: Michael D. Gregoryk, Jenny Leung, Rosa Royce, and Amy Truong. Guests: Rick Nargi and Eddie Correa. Staff: Doug Jenson, Suzanne Luetjen, Vivian Ruiz, and Yadira Santiago.

2 – Consideration of Approval of Minutes for June 6, 2019, and August 13, 2019 – It was moved by Rosa Royce, seconded by Jenny Leung, to approve the minutes of June 6, 2019, and August 13, 2019.

Ayes: Gregoryk, Royce, Leung, Truong
Absent: Yamagata-Noji

3 – Consideration of Approval of Quarterly Auxiliary Board Meeting dates – It was moved by Rosa Royce, seconded by Jenny Leung, to approve the Quarterly Auxiliary Board Meeting dates.

Ayes: Gregoryk, Royce, Leung, Truong
Absent: Yamagata-Noji

4 – Consideration to accept the Election of Officers/Appointments – In accordance with the Bylaws of the Board of Directors, composition will be the following officers/appointments elected to terms of one year or until successors are elected and qualified, effective July 1, 2019:

Amy Truong – Appointed by Associated Students

It was moved by Rosa Royce to declare the presented officer elected/appointed member to the Board of Directors of the Mt. SAC Auxiliary Services Corporation. The motion was seconded by Jenny Leung.

Ayes: Gregoryk, Royce, Leung, Truong
Absent: Yamagata-Noji

5 – Consideration of Approval of the Annual Investment Policy Statement – It was moved by Rosa Royce, seconded by Jenny Leung, to approve the Annual Investment Policy Statement with the following changes in the language:.

The Mt. SAC Auxiliary Services auditing firm, *Eide Bailly LLP*, has recommended that we have an Investment Policy Statement that addresses inconsistencies with the California Government Code.

Ayes: Gregoryk, Royce, Leung, Truong
Absent: Yamagata-Noji

6 – Reviewed the approved contract with DA Davidson – Investment management services.

7 – Consideration of Approval of Auxiliary Financial Statements for Fourth Quarter 2018-2019 –
This item has been tabled until the next meeting.

8 – Reports:

- Administrative Services – Mike Gregoryk
- SacBookRac – Suzanne Luetjen
- Sodexo – Eddie Correa and Rick Nargi

9 – Adjournment – The meeting adjourned at 2:37 p.m.

Mt. San Antonio College Auxiliary Services
Income Statement - Unaudited
for the Fourth QTR 2018-19

Descriptions	AUXILIARY GENERAL				BOOKSTORE				DINING SERVICES				CONSOLIDATED			
	4th Qtr 2018-19	Year to Date 2018-19	4th Qtr 2017-18	Year to Date 2017-18	4th Qtr 2018-19	Year to Date 2018-19	4th Qtr 2017-18	Year to Date 2017-18	4th Qtr 2018-19	Year to Date 2018-19	4th Qtr 2017-18	Year to Date 2017-18	4th Qtr 2018-19	Year to Date 2018-19	4th Qtr 2017-18	Year to Date 2017-18
OPERATING INCOME																
Sodexo Commission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,386	\$ 167,948	\$ 46,106	\$ 183,049	\$ 41,386	\$ 167,948	\$ 46,106	\$ 183,049
Pepsi Commission and Other Miscellaneous	6,454	69,964	8,304	69,515	-	-	-	143	-	-	-	-	6,454	69,964	8,304	69,658
ATM Commissions	474	2,058	580	3,642	-	-	-	-	-	-	-	-	474	2,058	580	3,642
Barnes & Noble Commission	-	-	-	-	46,875	557,866	150,000	300,000	-	-	-	-	46,875	557,866	150,000	300,000
Barnes & Noble Staff Salaries Reimbursement	-	-	-	-	127,133	557,554	147,269	252,246	-	-	-	-	127,133	557,554	147,269	252,246
Vending Machine Commissions	32,288	74,288	32,027	74,027	-	-	-	-	-	-	-	-	32,288	74,288	32,027	74,027
Total Operating Income	39,216	146,311	40,911	147,184	174,008	1,115,420	297,269	552,389	41,386	167,948	46,106	183,049	254,609	1,429,679	384,287	882,622
EMPLOYEE EXPENSE																
Salaries and Wages	-	-	1,780	18,616	112,569	560,454	156,982	737,317	-	-	-	-	112,569	560,454	158,762	755,932
Unfunded PERS Liability	-	-	-	5,239	58,333	233,520	47,637	185,308	-	-	-	-	58,333	233,520	47,637	190,547
PERS Pension Expense Adjustment	344,266	344,266	279,115	279,115	-	-	-	-	-	-	-	-	344,266	344,266	279,115	279,115
Retiree Benefits	29,882	119,891	125,345	216,151	19,163	70,244	17,670	69,652	14,530	59,041	16,996	71,851	63,575	249,176	160,010	357,654
Total Employee Expense	374,148	464,157	406,240	519,121	190,065	864,218	222,288	992,277	14,530	59,041	16,996	71,851	578,743	1,387,416	645,523	1,583,248
OPERATING EXPENSE																
Mt. SAC Accounting Services	30,377	119,936	30,113	210,007	-	-	-	-	-	-	-	-	30,377	119,936	30,113	210,007
Advertising and Promotional Items	-	-	-	-	-	-	-	15,475	-	-	-	-	-	-	-	15,475
ATM	1,571	5,328	1,717	6,479	-	-	-	-	-	-	-	-	1,571	5,328	1,717	6,479
Facilities Rental and Lease	-	-	2,500	10,000	2,500	10,000	-	-	-	-	-	-	2,500	10,000	2,500	10,000
Depreciation	646	2,583	646	2,858	-	1,198	599	3,475	692	5,419	1,402	5,380	1,337	9,200	2,647	11,713
Travel and Conference, Mileage	-	-	-	95	-	-	-	90	-	-	-	-	-	-	-	185
Hospitality Expenses	-	-	-	-	-	-	-	-	55,652	202,747	56,441	192,821	55,652	202,747	56,441	192,821
Dues and Subscriptions	875	875	-	-	-	-	-	875	-	-	-	-	875	875	-	875
Office Supplies	-	384	-	-	-	-	-	6,645	-	-	-	-	-	384	-	6,645
Postage	-	-	-	-	-	-	81	632	-	-	-	-	-	-	81	632
Bank Charges	200	1,123	624	2,946	-	-	-	-	-	-	-	-	200	1,123	624	2,946
Miscellaneous	160	1,686	561	2,061	2	2	199	203	-	-	6,186	6,186	161	1,687	6,946	8,450
Lease Hold Amortization	-	-	-	-	-	-	-	-	4,844	19,377	4,844	19,377	4,844	19,377	4,844	19,377
Scholarships and Other Student Aid	-	27,500	-	32,500	-	-	-	-	-	-	-	-	-	27,500	-	32,500
Total Operating Expense	33,829	159,415	36,161	266,946	2,502	11,199	878	27,395	61,188	227,543	68,874	223,765	97,519	398,158	105,914	518,106
OTHER EXPENSES																
Bad Debts	-	-	-	-	-	4,316	4,035	4,035	-	-	-	-	4,316	4,316	4,035	4,035
Contracted Services	-	-	-	-	-	-	404	404	-	-	-	-	-	-	404	404
Miscellaneous	900	45,902	-	1,536	41	891	-	1,610	-	-	-	-	941	46,793	-	3,146
Total Other Expense	900	45,902	-	1,536	41	5,207	4,439	6,048	-	-	-	-	5,257	51,109	4,439	7,584
OTHER INCOME																
Interest	15,359	50,847	6,509	15,759	-	-	-	-	-	-	-	-	15,359	50,847	6,509	15,759
Miscellaneous Income	189	6,410	633	853	120	120	10,957	11,457	95,504	95,504	-	-	95,812	102,033	11,590	12,310
District Contribution	-	-	-	4,241	49,898	199,590	38,562	150,009	-	-	-	-	49,898	199,590	38,562	154,250
Non Sufficient Funds (NSF) Fees	-	-	-	-	25	100	100	150	-	-	-	-	25	100	100	150
Commission Vending Machine, Bookstore-Net	-	-	-	-	(259)	(153)	(110)	170	-	-	-	-	(259)	(153)	(110)	170
Bookstore Tickets Net	-	-	-	-	-	-	-	814	-	-	-	-	-	-	-	814
Total Other Income	15,547	57,257	7,143	20,853	49,783	199,656	49,510	162,600	95,504	95,504	-	-	160,834	352,417	56,652	183,453
PRIOR YEAR BOOKSTORE OPERATIONS																
Sales	-	-	-	-	729	5,131	5,036	2,300,056	-	-	-	-	729	5,131	5,036	2,300,056
Cost of Goods Sold	-	-	-	-	-	-	1,625	2,452,059	-	-	-	-	-	-	1,625	2,452,059
Gross Profit Margin	-	-	-	-	729	5,131	3,411	(152,003)	-	-	-	-	729	5,131	3,411	(152,003)
Operating Income	-	-	-	-	150	2,709	1,680	161,395	-	-	-	-	150	2,709	1,680	161,395
Operating Expense	-	-	-	-	10	142	6,363	119,327	-	-	-	-	10	142	6,363	119,327
PRIOR YEAR NET	-	-	-	-	869	7,698	(1,272)	(109,936)	-	-	-	-	869	7,698	(1,272)	(109,935)
NET INCOME/(LOSS)	\$ (354,113)	\$ (465,906)	\$ (394,347)	\$ (619,566)	\$ 32,052	\$ 442,150	\$ 117,902	\$ (420,667)	\$ 61,171	\$ (23,133)	\$ (39,764)	\$ (112,566)	\$ (265,206)	\$ (46,889)	\$ (316,209)	\$ (1,152,799)
Beginning Fund Balance 07/01/18		(4,057,764)				3,466,083				350,729				(240,952)		
Ending Fund Balance 06/30/19		<u>\$ (4,523,670)</u>				<u>\$ 3,908,233</u>				<u>\$ 327,596</u>				<u>\$ (287,841)</u>		

Mt. San Antonio College Auxiliary Services
Income Statement - Unaudited
for the First QTR 2019-20

Descriptions	AUXILIARY GENERAL				BOOKSTORE				DINING SERVICES				CONSOLIDATED			
	1st Qtr 2019-20	Year to Date 2019-20	1st Qtr 2018-19	Year to Date 2018-19	1st Qtr 2019-20	Year to Date 2019-20	1st Qtr 2018-19	Year to Date 2018-19	1st Qtr 2019-20	Year to Date 2019-20	1st Qtr 2018-19	Year to Date 2018-19	1st Qtr 2019-20	Year to Date 2019-20	1st Qtr 2018-19	Year to Date 2018-19
OPERATING INCOME																
Sodexo Commission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,043	\$ 44,043	\$ 41,364	\$ 41,364	\$ 44,043	\$ 44,043	\$ 41,364	\$ 41,364
Pepsi Commission and Other Miscellaneous	10,000	10,000	10,001	10,001	-	-	-	-	-	-	-	-	10,000	10,000	10,001	10,001
ATM Commissions	280	280	526	526	-	-	-	-	-	-	-	-	280	280	526	526
Barnes & Noble Commission	-	-	-	-	194,001	194,001	150,000	150,000	-	-	-	-	194,001	194,001	150,000	150,000
Barnes & Noble Salaries Reimbursement	-	-	-	-	127,536	127,536	150,246	150,246	-	-	-	-	127,536	127,536	150,246	150,246
Vending Machine Commission	14,750	14,750	14,000	14,000	-	-	-	-	-	-	-	-	14,750	14,750	14,000	14,000
Total Operating Income	25,030	25,030	24,527	24,527	321,537	321,537	300,246	300,246	44,043	44,043	41,364	41,364	390,609	390,609	366,138	366,138
EMPLOYEE EXPENSE																
Salaries and Wages (Includes Benefits)	-	-	-	-	130,579	130,579	150,246	150,246	-	-	-	-	130,579	130,579	150,246	150,246
Unfunded PERS Liability	-	-	-	-	69,634	69,634	58,396	58,396	-	-	-	-	69,634	69,634	58,396	58,396
Retiree Benefits	29,889	29,889	30,069	30,069	19,168	19,168	17,331	17,331	14,534	14,534	15,734	15,734	63,592	63,592	63,133	63,133
Total Employee Expense	29,889	29,889	30,069	30,069	219,381	219,381	225,973	225,973	14,534	14,534	15,734	15,734	263,805	263,805	271,775	271,775
OPERATING EXPENSE																
Mt. SAC Accounting Services	29,322	29,322	28,170	28,170	-	-	-	-	-	-	-	-	29,322	29,322	28,170	28,170
ATM Fees	1,261	1,261	1,276	1,276	-	-	-	-	-	-	-	-	1,261	1,261	1,276	1,276
Facilities Rental and Lease	-	-	-	-	2,500	2,500	2,500	2,500	-	-	-	-	2,500	2,500	2,500	2,500
Depreciation	646	646	646	646	-	-	599	599	692	692	1,576	1,576	1,337	1,337	2,820	2,820
Hospitality Expenses (Contributions)	-	-	-	-	-	-	-	-	58,622	58,622	70,059	70,059	58,622	58,622	70,059	70,059
Office Supplies	-	-	314	314	-	-	-	-	-	-	-	-	-	-	314	314
Bank Charges	979	979	386	386	-	-	-	-	-	-	-	-	979	979	386	386
Miscellaneous	0	0	(0)	(0)	0	0	-	-	-	-	-	-	0	0	(0)	(0)
Lease Hold Amortization	-	-	-	-	-	-	-	-	4,844	4,844	4,844	4,844	4,844	4,844	4,844	4,844
Total Operating Expense	32,208	32,208	30,792	30,792	2,500	2,500	3,099	3,099	64,158	64,158	76,479	76,479	98,866	98,866	110,370	110,370
OTHER EXPENSES																
Miscellaneous	-	-	45,000	45,000	746	746	756	756	-	-	-	-	746	746	45,756	45,756
Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expense	-	-	45,000	45,000	746	746	756	756	-	-	-	-	746	746	45,756	45,756
OTHER INCOME																
Interest	15,568	15,568	9,565	9,565	-	-	-	-	-	-	-	-	15,568	15,568	9,565	9,565
District Contribution	-	-	-	-	63,268	63,268	49,898	49,898	-	-	-	-	63,268	63,268	49,898	49,898
Non Sufficient Funds (NSF) Fees	-	-	-	-	-	-	25	25	-	-	-	-	-	-	25	25
Commission Vending Machine, Bookstore-Net	-	-	-	-	(76)	(76)	106	106	-	-	-	-	(76)	(76)	106	106
Total Other Income	15,568	15,568	9,565	9,565	63,192	63,192	50,028	50,028	-	-	-	-	78,760	78,760	59,594	59,594
PRIOR YEAR BOOKSTORE OPERATIONS																
Sales	-	-	-	-	648	648	1,959	1,959	-	-	-	-	648	648	1,959	1,959
Cost of Goods Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Profit Margin	-	-	-	-	648	648	1,959	1,959	-	-	-	-	648	648	1,959	1,959
Operating Income	-	-	-	-	450	450	1,275	1,275	-	-	-	-	450	450	1,275	1,275
Operating Expense	-	-	-	-	-	-	72	72	-	-	-	-	-	-	72	72
PRIOR YEAR NET	-	-	-	-	1,098	1,098	3,162	3,162	-	-	-	-	1,098	1,098	3,162	3,162
NET INCOME/(LOSS)	\$ (21,499)	\$ (21,499)	\$ (71,768)	\$ (71,768)	\$ 163,199	\$ 163,199	\$ 123,609	\$ 123,609	\$ (34,650)	\$ (34,650)	\$ (50,849)	\$ (50,849)	\$ 107,050	\$ 107,050	\$ 992	\$ 992
Beginning Fund Balance 07/01/19	(4,523,670)				3,908,233				327,596				(287,841)			
Ending Fund Balance 09/30/19	<u>\$ (4,545,169)</u>				<u>\$ 4,071,432</u>				<u>\$ 292,946</u>				<u>\$ (180,791)</u>			