Minutes of the AMS Advisory Board Committee  
August 11th, 2020

Attendance  
Present: Cole Evans (AMS President), Lucia Liang (AMS VP Finance), Sylvester Mensah Jr. (AMS VP Administration), Georgia Yee (AMS VP Academic and University Affairs), Justin Zheng (AMS Associate, Policy and Governance), Keith Hester (AMS Managing Director), Louis Retief (Student), Ron Gorodetsky (Professional), Jerry Jim (Professional)

Regrets: Alessia Rodriguez (Student), Samantha So (Professional), Kalith Nanayakkara (AMS VP External)

Recording Secretary: Haiger Ye (Assistant to the President)

1. Call to Order

The meeting was called to order at 6:08pm.

2. Territorial Acknowledgement

3. Approval of the Agenda

“BE IT RESOLVED THAT the agenda be adopted as presented.”

4. Future Meetings

   - **Structure of future meetings**
     - Continue to hold quarterly meetings with all members.
     - Executives can reach out to individual board members to utilize their specific expertise.
   - Ron:
     - Meeting times tend to change at the last minute, should meetings be scheduled at the end of each meeting or using when2meet?
   - Cole:
     - We can set dates far in advance.
     - Will touch on future meetings again at the end of the meeting.

5. Chair of the Advisory Board

   - Cole:
     - Chair will either be an AMS executive, most likely President or Advisory Board member.
Louis:
- Prefer AMS executive.
- Too big of a knowledge gap for Advisory Board members to chair effectively.

Ron:
- Could start with AMS executive as chair and then transition to board member.

Jerry:
- Agree with Louis and Ron.
- I had a lot of questions in terms of content and continuity, and would feel uncomfortable chairing a meeting with minimal knowledge in certain areas.

Cole:
- Makes the most sense for the president to chair.

6. Executive Goals Discussion

Cole:
- Thoughts from advisory board on executive goals document?

Louis:
- Well put together document.
- Missing some cohesion from the team.
- Goals seem individually driven and aren’t really KPI’s, more like objective and key results.

Georgia:
- Are there any recommendations on wording and shaping of KPIs?

Cole:
- Hard to track KPI for a brand new initiative, not the best way to transition campaign goals into objectives.

Jerry:
- Is there a format the team is compelled to follow?
- Goals are hard to follow because they’re very individual, difficult to make connections amongst team members.

Cole:
- Goals are supposed to keep each executive accountable.

Ron:
- Is the document a representation of campaign promises turned into objectives rather than combining all goals?

Cole: Correct.

Louis:
- What was the process of putting the document together?
• Cole:
  ○ Used the template from the year before.
  ○ Everyone develops their individual goals, then goals are looked over by the entire team and finalized.
  ○ Permanent staff members are assigned to each executive to help develop goals, they're not involved in the goal setting process, but can provide guidance on the organizational goals that need to be accomplished.
  ○ Process is up for review, we can make better use of people’s time and have better collaboration.

• Louis:
  ○ Might need to change the process of creating the document, how can the advisory board help?

• Cole:
  ○ Can help identify flaws in the current process.

• Louis:
  ○ I’m assuming that the goals document has been passed through council and won’t be changing?

• Cole:
  ○ Yes, the specific goals document won’t change, but we provide council with an updated document every few months.

• Georgia:
  ○ Might be useful for somebody form the advisory board to create a document for the Governance Committee, or come to the Governance Committee to discuss their concerns.

• Louis:
  ○ I would be happy to attend.

• Georgia:
  ○ I’m happy to connect on this.

• Jerry:
  ○ Are we trying to do an upgrade on the accounting system?

• Lucia:
  ○ Most likely a multi-year program.
  ○ My goals are fluffy because there are other aspects of the VP Finance job that are mandated by policies and code.
  ○ There are also other operational goals that need to be taken into account.

• Jerry:
  ○ Is it safe to assume the goals are business requirements rather than KPIs?

• Lucia:
  ○ Yes
• Cole:
  ○ Each portfolio does their own unique work.
  ○ Makes it difficult to find key deliverables that are quantifiable and can be tracked.
• Jerry:
  ○ Were most of the goals developed pre-COVID?
• Cole:
  ○ All the goals were written between May and June of this year, so during COVID.
• Jerry:
  ○ Some goals (ex. opening food outlets) seem like they need to be reevaluated if they were written pre-COVID.
• Georgia:
  ○ Many campaign promises were written pre-COVID.
• Cole:
  ○ Executives are being held accountable by students.
  ○ End up linking campaign promises to what needs to be done instead of thinking whether a goal is feasible.
• Lucia:
  ○ My goals are not essential for this year, but because I campaigned for it I need to deliver.
  ○ Goals do not reflect what I do, more of a public document.
• Cole:
  ○ If campaign promises aren’t addressed we are dragged by the media so that’s why we need to state them.
• Ron:
  ○ Useful to have a cooling off/alignment period to produce a cohesive set of goals.
  ○ Instead of campaign promises they can be joint promises that include everything that was campaigned.
  ○ This year’s circumstances give the society a good opportunity to make an impact that wasn’t part of a campaign without being roasted by the media.
• Jerry:
  ○ This is an opportunity for creative leadership, staying in the exact same course could be a source of criticism.
• Ron:
  ○ Media could criticize executives for sticking to campaign promises even though needs have changed since their promises were made due to COVID.
• Ron:
  o Might be beneficial to see what other student societies are doing in response to COVID.
• Cole:
  o Some research has been done
  o Collaboration has not been a current priority.
• Ron:
  o Will be useful to meet with organizations with comparable budgets and size.

7. Executive Performance

• Cole:
  o Discussed trialing peer-review based performance model.
  o Limited interest in council.
  o How important is it that we evaluate executive performance?
• Louis:
  o In theory it’s a good idea, but will need council approval.
• Ron:
  o Peer reviews don’t typically turn out well.
  o Sample size is very small.
  o 360 reviews are better, get feedback from people you work with, people who report to you and people who you report to and submit a simple evaluation and feedback, perhaps on a semester basis.
• Cole:
  o There’s always been talk around the consequences of doing well vs. not doing well.
  o Executives are only here for a year, no incentive to perform well.
• Jerry:
  o I presume executives may not have worked together before, performance reviews take time because they are based on merit and activity.
  o If Council doesn’t support the peer review, it will be difficult to implement.
  o I’ve gone through many 360 reviews, they are very beneficial.
• Louis:
  o Performance and growth of executives is very important.
  o Can use AMS experience to leverage future jobs.
  o Valuable to have good references and performance reviews.
• Ron:
  o Important to collect feedback for accountability and personal development, compensation aspect not as important.
There are other methods for incentivizing executives to perform their duties.

Ex. liaising more closely with the Ubyssey and social media platforms, tying goals to measurable KPIs for tracking completion of goals.

- Cole:
  - We'll take all these factors into account for future recommendations to the Governance Committee.

**8. Budget Discussion**
- Cole:
  - Thoughts from the advisory board on budget?
- Jerry:
  - How conservative or aggressive of a budget is this?
  - Was COVID-19 considered when making the budget?
- Louis:
  - Assuming the AMS has never made a budget for a global pandemic, what metrics were used to make projections for budgets on the business side?
- Keith:
  - Assumed students would be on campus when making version 2 of budget.
  - Knew most students would not be on campus when we created version 3, so we looked at the number of students on campus and living in residence.
  - Accounted for staged opening of outlets, all conditional based on how things are looking at the type.
  - Re-opening outlets will incur labour costs, we are cognizant of this so will be reviewing budget over and over again throughout the year
  - This would be considered an aggressive budget.
- Jerry:
  - Keep in mind if we go into lockdown, $5M revenue may become $2M or $3M.
- Keith:
  - Yes, we acknowledge that might be the case.
- Jerry:
  - Are revenues a fixed proportion, or are there fixed components tied in that would make the financial situation more difficult if COVID-19 became more prevalent?
- Ron:
  - Cost is higher now than in 2018 operating at full capacity, is there a reason for this?
• Keith:
  ○ Part of our strategic review is tying in suppliers and supply chains.
  ○ Often at a more expensive price due to scarcity of supply.
• Ron:
  ○ Is there adjustments to the strategy to incorporate modern methods of sales (ex. uber eats) and account for competition with new businesses on University Boulevard?
• Keith:
  ○ Uber eats was introduced back in May to 3 outlets, and will continue to introduce more outlets as they open.
• Jerry:
  ○ Are Blue Chip, Pie R Squared, etc. owned and operated by AMS?
• Keith:
  ○ Yes, tenant services pay rent, others are all owned and operated by AMS.
• Jerry:
  ○ Are tenant services rent plus percentage?
• Keith:
  ○ Yes, rent plus percentage.
  ○ This year it is unlikely they will be able to meet the percentage, so instead it will be flat rent.
• Louis:
  ○ What are the chances of tenants not fulfilling rent for the coming year?
• Keith:
  ○ There's government support so tenants only have to pay 25% of rent this year.
• Jerry:
  ○ Do we qualify for any other government support?
• Keith:
  ○ Canada Emergency Wage subsidy, this has been extended till December.
  ○ Qualify for CRA rent relief.

• Louis:
  ○ What is the surplus from a business standpoint?
• Keith:
  ○ In deficit because of renovation of lower level of life building.
  ○ Operational part of the deficit paid off, but still in overall deficit.
• Ron:
  ○ Will you be going in the way of other vancouver businesses and opening patios?
○ Will you extend into the courtyard?
  ● Keith:
    ○ Do you mean university square?
  ● Ron:
    ○ Now that there's a bigger push towards open air patio, will UBC allow it?
  ● Keith:
    ○ No, we are not allowed.
    ○ Only outdoor patio we have is attached to the Gallery.
  ● Ron:
    ○ It's unfortunate that the University won't take away parking spaces and other areas to make room for patios
  ● Keith:
    ○ University is their own municipality, and aren't willing to bend their rules.
  ● Louis:
    ○ Have there been layoffs to make the budget work?
  ● Keith:
    ○ In March laid off approximately 100 people, mostly students and some permanent staff.
    ○ Currently looking at more layoffs to manage the overhead numbers.
    ○ Might also have reduced working hours.
  ● Jerry:
    ○ Numbers of version 3 are more aggressive.
    ○ What happens if revenue isn't as high and costs grow?
  ● Keith:
    ○ As long as our fee income remains stable we can sustain business losses for a year or two.
    ○ Will be in overall deficit, but we can dig ourselves out of it.
    ○ We've done it before we can do it again.
    ○ If you have any more questions after this call, feel free to email me with your questions
  ● Louis:
    ○ Respect to you Keith for being able to handle global pandemic.
  ● Cole:
    ○ Talking to Lucia on a weekly basis to adapt the budget as needed
    ○ Fee revenue will be the same as last year.
    ○ Our priority is to minimize cuts to all other costs.
    ○ Trying to deliver services effectively especially in a year like this.
• Ron:
  o Are there any plans regarding events this year and are there any operational and liability risks?

• Cole:
  o Focusing on virtual events, big events not in the cards for this year.
  o Trying to use this opportunity to see how we can transition the events department into a social department.
  o Make events more competitive with groups like the Calendar and the Plug.
  o Pushing to create a new brand that is more digital and promotion centric.
  o Want to have a variety of things for the department to work on and be less reliant on events.

• Jerry:
  o Are events tied into revenue or are they revenue neutral?

• Cole:
  o Only factor into revenue in their section of budget.
  o Money that goes into events is an additional expense, we don’t get revenue from it, generally try to break even.
  o Extra money to subsidize and cover other costs in the department, but do not bring money to society.

• Louis:
  o Have you considered using the Capital Projects Fund to renovate the businesses while they are shut down or operating at a limited capacity?

• Keith:
  o Not much room to make changes to businesses because of the building's design.
  o We are extending BlueChip to establish a patio and include an outside element.
  o Cost will be around $30K.
  o Trying to do this within the businesses’ budget and not dip into the Capital Projects Fund.

• Ron:
  o Conferences and catering have taken a big hit, have you considered ghost kitchens or meal prep?
  o As students come back on campus, this might provide some revenue.

• Keith:
  o Lost some business with conferences and catering but events have been rebooked for 2021.
  o Catering kitchen is not set up to do what you’re proposing, but that is something we could look into.
Ron:
  - Some restaurants provide uncooked meals, selling at ⅔ of the price.
Keith:
  - Would probably have to cook the meals and deliver to students.
  - Many residences don’t have in-room cooking facilities.
Ron:
  - Maybe more for rental residences around campus.
Cole:
  - I really like that idea.
  - Limited food options on campus, we can take over that market and deliver to these regions.
Ron:
  - Can account for fluctuating food costs by planning the menu in advance.
  - Slip flyers into Uber eats orders that are going out to promote this service.

**AMS Funding Breakdown Discussion**

Louis:
  - What is the plan for staffing deficit?
Jerry:
  - Are fees flat and will they sustain the AMS for a couple years?
  - Does it matter whether students are on campus for the amount of fees that will come in?
Cole:
  - Students being off campus is not an issue, fees are charged based on enrolment at UBC.
  - Athletics and recreation fee has been waived, but that fee goes to university, so not a loss for us.
  - Trying to provide students subsidies.
Louis:
  - Are you still collecting the SASC fee?
Keith:
  - Yes.
Louis:
  - Will there be any inflation of the SASC fee in the upcoming years?
Keith:
  - Accounted for inflation and should be good for 4-5 years unless SASC dramatically expands.
• Louis:
  ○ Clubs benefit fund, campus culture and performance, grad class fee, all continue to balloon.
  ○ Any plans for how to use this?
• Lucia:
  ○ Trying to change code to utilize funds.
• Louis:
  ○ Any updates on Investment Performance Policy?
• Keith:
  ○ The first year after changing the policy, we had a return of approximately 6%, last year was about 4%.
  ○ Currently fossil fuel free, with an annual revenue of around $500K from the investment portfolio.
• Louis:
  ○ Do you think we will hit a deficit?
• Keith:
  ○ No, any loss from equity is typically covered in fixed income.
  ○ Surplus and investment money will go into services.

**Future Meetings**

- Tentative meeting times have been set for upcoming Advisory Board meeting:
  - Option 1: Thursday November 5 at 5 PM
  - Option 2: Tuesday November 10 at 5 PM

**Other**

**Adjournment**

There being no further business, the meeting was adjourned.