ATTENDANCE

Present: Cole Evans (President), Georgia Yee (VP Academic & University Affairs, left 1:20), Lucia Liang (VP Finance), Sylvester Mensah Jr. (VP Administration), Kalith Nanayakkara (VP External, left early), Ian Stone (Student Services Manager), Keith Hester (Managing Director), Lorris Leung (Senior Student Services Manager), Sheldon Goldfarb (Archivist & Clerk of Council)

Guests: Daniel Coculescu (AMS Food & Beverage)

Recording Secretary: Sheldon Goldfarb

CALL TO ORDER

The meeting was called to order at 12:03 pm and took place by videoconference.

AGENDA

The agenda was adopted (Sylvester, Georgia).

MINUTES

The minutes of February 24 were approved (Sylvester, Georgia).

Georgia noted that last week’s meeting was short because people had to leave for another meeting.

AMS BUSINESSES

Keith:

- Life after COVID.
- Historically, there was a downward trend in the business contribution from 2009 through 2016.
- I took over in 2016, and after that we consistently made $1 million a year in the business contribution, through the 2018-19 year.
- COVID started affecting us in January 2020, and the business contribution went down.
- We closed the Nest altogether in March 2020.
- We just broke even in 2020-21 and are forecasting a loss for 2021-22.
- The government wage subsidy ends in June.
- Minimum wage increases are still scheduled to happen.
- We’ve had a limited opening: only 5 outlets are open now.
We’ve been focusing on the safety of our members: sanitizing, etc.
We reopened the Nest in May; we’re one of the few buildings open on campus.
The idea was to reduce our members’ isolation.
The businesses are open to provide a service; they’re just breaking even.
But we are working on new menu items for when we all reopen.
Planning to create a mini Blue Chip on the patio.
Reduced business has affected our tenants.
Merit Travel has bowed out.
We’re investigating a dentist for that space.
Conferences & Catering can’t do bookings, so is pivoting to focusing on film production, e.g., Zoe’s Extraordinary Playlist (a show that filmed here last fall).
We’re trying to get film companies to use our venue: it’s quite profitable.
We do have conference bookings for post-COVID, and C&C is keeping in touch with old clients.

- Daniel:
  - The Blue Chip patio is almost finished: we’ll see how much business it brings in during the summer.
  - We looked into having a dentist before: we’ll see if we can bring one in.
  - Ironing out software issues with loyalty and gift cards (Squirrel).
  - UBC Card: seeing how we can work either with it or without it
  - Squirrel versus UBC Firewall issues.

- Keith:
  - For the future, planning a staggered reopening.
  - Classes will still be online in September.
  - Will continue with the outlets that are currently open.
  - Hoping to open the rest in January 2022.
  - Hoping C&C can do more off campus: other catering companies have gone bankrupt; hope to move in and get a new revenue stream there.
  - Blue Chip patio will open in January.
  - Digital Menu Boards.
  - New menu at the Gallery.
  - Revised menus at other outlets.
  - In January Iwanataco will become a test kitchen, as planned before COVID: different foods on a rotation.
  - All our menus have “value items” or weekly specials, a more affordable item.
  - Hope to reopen fully in January, but it will take time to rebuild.
  - Estimated recovery by 2024.

- Daniel:
  - Navigating reduced numbers on campus.

- Keith:
  - Our current debt is $58.9 million (from our loan on the building). To be repaid in 15 years. Drawing on the $100 per student SUB Renewal Fee.
We were going to pay UBC $92.6 million over 35 years, but we refinanced the loan through RBC and are saving $70 million.

Our deficit (the excess of expenses over revenues) is $4.2 million, most of which ($4.05 million) came from renovating the lower level of the Life Building.

- The rest is from last year, from COVID.

Hoping to repay the deficit from excess business contributions in future years (2022-25).

Why repay deficit?
- That will put us in a strong financial position to get extra financing from external lenders.
- Also, a higher deficit means less flexibility; don’t have the backing to weather crises.
- Student fees don’t cover everything; we need the business contribution.

What should we do?
- Reimagine our businesses (already doing that).
- Maximize sources of revenue (Tutoring is doing that; C&C is looking for off campus revenue).
- Look at all expenses.
- Repay the deficit.
- Fee restructure: we need that; we have too many small fees; need to rationalize.

Investment market good, but safe, so not huge returns.

Why are we in deficit?
- Overhead increasing because of wage increases.
- Student government expenses increasing:
  - Increased hours and rates of pay; need to bring down.
- Don’t want to skimp on services.
- Communications has increased a little, especially with COVID: new digital media coordinator.
- Events down this year: no in-person events.

Before 2019-20, revenue was well above expenses.

Questions
- Ian:
  - What’s going on with T-Dot?
  - Where do ideas come from?
  - Is there student feedback about foods?
- Daniel:
  - T-Dot is waiting for their permit in order to take up occupancy.
  - There are some deficiencies to fix.
  - As to ideas, we use social media for suggestions.
  - And we have weekly meetings with the chef.
- Georgia:
o Is this presentation going to Council?
  • Keith:
    o Bringing it here first for feedback.
    o The intention is to present to Council.
  • Georgia:
    o Glad to see the emphasis on member safety.
    o We could do more on that to address concerns that arose after the Halloween and Valentine’s Day promotions.
    o We need to have something to say, This is our plan: we’re doing more than just following provincial guidelines.
  • Keith:
    o Yes, that’s a great idea.
  • Daniel:
    o We’re in new territory.
    o When we do promotional things, we need to ensure that nothing is interpreted as an event.
    o We’re taking steps to make sure promotion doesn’t allow that interpretation.
    o The focus will be on the food.
  • Georgia:
    o Re the dentist: do we have facilities for a dental office? Biohazard issues.
  • Daniel:
    o Definitely considering all that.
    o Looking into the many steps, provincial guidelines, etc.
    o Planning a filtering system to prevent discharge from entering UBC discharge.
  • Georgia:
    o There could be student opportunities for employment at the dentist.
    o We could communicate with the professional faculties.
  • Keith:
    o Our current leases do include clauses for giving preference to students.
    o It’s a great idea to contact the faculties.
  • Sylvester:
    o May be good to have a process of online questionnaires for feedback and also to give information about our plans.
  • Lucia:
    o We’ve introduced UBC Work Learn positions in the Services.
  • Sylvester:
    o Should we pursue more of those?
  • Keith:
    o Great idea.
    o Do need a stable source: not two one year, 15 the next.
    o Normally UBC looks at their own positions first.
Advisory Board

• Cole:
  o This is a pre-proposal.
  o Looking to achieve without disruption.
  o Preliminary idea is reconceive the Advisory Board as an Executive Board (we may
    want to change the name; it could be confusing).
  o Council is a large body with a large focus, representing various subdivisions.
  o Inefficient for nitty-gritty.
  o Though Council is supposed to be a managerial board, the people on it aren’t
    equipped to provide meaningful feedback on business.
  o People on Council lack expertise; they don’t know the needs of our business
    operations.
  o The Executive Committee ends up taking on that role, but it’s not really
    equipped as a governance structure.
  o The Executive Committee ends up playing middleman between Council and the
    businesses: Council says one thing, business says something else. The result is
    inefficiency.
  o Thinking about how to bring in expertise to remove the middleman situation.
  o Want to create something that can provide more meaningful engagement and
    feedback.
  o We looked at Western, where they have a bicameral structure: a student council
    like ours, which focuses on Executive oversight, advocacy, governance.
  o They also have a Board of Directors elected separately who focus more on
    business.
  o Staff report to both.
  o The idea here is to come up with a better iteration of the Advisory Board.
  o The Executive Board would have more of an operational focus.
  o At first it would be a committee of Council because our bylaws say Council can’t
    delegate its powers.
  o It would look at business operations performance, budget approval, collective
    bargaining, senior manager evaluation, IT: things Council is not equipped to
    handle.
  o As a possible structure, it would include:
    ▪ The Executive
    ▪ Students at Large (maybe business-oriented students)
    ▪ Professional Members, providing expertise
    ▪ The Managing Director (non-voting).
  o The Advisory Board provides feedback now, but nothing actionable.
  o This would be the Advisory Board on steroids.
  o It doesn’t change a whole lot; it provides a new body.
  o Would meet monthly and be open.
There would be a pre-meeting cycle like the Board of Governors for subcommittees of it to meet.

It would submit motions to Council for approval.

Timeline:
- February-April: developing this and drafting Code.
- If Council likes it, try it out in May.
- Evaluate.
- Get rid of it if it’s not working.
- Or keep it as a committee or amend Bylaws to give it authority.
- Run elections for it in 2022.

The Advisory Board hasn’t been as effective as we hoped.

Will ask the Advisory Board for its input on this new approach.

Need to try something new.

Questions
- Keith:
  - A lot of work obviously went into this.
  - I’m always open to improving business efficiency. We did do a restructuring.
  - Lots of questions about this restructuring.
  - Why are we looking at this in the middle of a pandemic?
  - We shouldn’t do any restructuring until we are safely out of that.
- Cole:
  - I don’t see this as a restructure.
  - Not affecting anything below Council level.
  - Just turning the Advisory Board into a different kind of body.
- Keith:
  - This winds us back to where we were in 2015.
  - We had BAGB then instead of the Advisory Board.
  - We set up two distinct sides to the AMS.
  - It didn’t work. It cost us a lot of money.
  - It’s a large part of why my position was created.
  - Why are we contemplating this?
- Cole:
  - We’re not dividing.
  - We’re trying to create better connections, better governance, more relevant feedback mechanisms.
  - There’s a disconnect between what Council can do and what’s going on.
  - The new board would be more operational.
- Keith:
  - Daniel and I just showed that the businesses have been performing extremely well.
  - Not sure why we’re putting in an extra level of oversight.
• Cole:
  o This is not a concern about performance.
  o Want means of feedback.
  o Want to have better conversations about our businesses.
  o The Executive team can’t take this on.
  o The goal is to come up with a way to have consistent communication, to get ideas, to mitigate some inefficiency.

• Keith:
  o What was the consultation process for coming up with this plan?

• Cole:
  o Spoke to past Executives.
  o Did research into other organizations.
  o Floated it by the current Executive who seemed favourable.

• Georgia:
  o I would second that.
  o Heard from Councillors who are interested in having more student involvement in business operations.
  o Need to be examining things more closely.
  o Not replicating the old bicameral system from before 2015, just adding more touch points.
  o Seeking more student involvement on the Advisory Board.
  o Acting on some of the recommendations from Councillors.
  o Lots of consultation needs to be done.

• Keith:
  o This won’t increase student involvement.
  o It’s just making the Advisory Board more broad.
  o We don’t need a restructure.
  o Restructuring has a terrible effect on morale.
  o Had to rebuild morale after the 2016 restructure.

• Lucia:
  o Re retention of professional members on the Advisory Board.
  o Can we be sure that they will attend?
  o What about their compensation if they’re meeting more often?

• Cole:
  o Have to find the right people.
  o Have to look at compensation.
  o People may want to meaningfully contribute.

• Daniel:
  o The Western model had a CEO.

• Cole:
  o That was more extreme, bicameral.
Their CEO would be like our Managing Director.
Their Student Council doesn’t touch on business that often.

- Daniel:
  - I’m concerned about the perception that students are not involved in the guidance of the outlets.
  - As long as I’ve been here, there have been suggestions from the Executive or Council.

- Cole:
  - The ultimate goal is to mitigate the situation where we’re telling staff on an ad hoc basis that something needs to be corrected.
  - That doesn’t contribute to morale – if we’re only correcting when issues come up.
  - A better approach would be to get people on the same page, not just a top-down approach.
  - A revamped Advisory Board could be better at goal setting.
  - We need some better way than just five Executives issuing commands.
  - Have to get the students involved.
  - Have to be able to provide more meaningful engagement with the permanent staff, so they’re not having to adjust their goals because of communication from a single Executive.

[Georgia leaves. Kalith left earlier.]

- Daniel:
  - Some staff at the AMS are professionals, in IT, communications, accounting.
  - Do you want that expertise?
  - Or do you want from outside the AMS?
  - Do you want monthly meetings between the professional staff and the Executive?
  - Would that also work?

- Cole:
  - I think the point of advisory groups is not necessarily to say we don’t have expertise.
  - We have lots of knowledgeable people with expertise.
  - In corporate governance structures the point is to bring in additional perspectives, not to replace internal professionals.
  - We want to combat groupthink and attachment to the idea that we should do something a certain way because this is how we’ve always done it.
  - But Keith is right: Are there potentially other ways to do this? Absolutely.
  - We need a better advisory body, maybe less on student oversight.
  - Maybe put the Advisory Board on hiatus for now and focus on goal-setting.
  - Need to hammer out what the issues and solutions are.
Don’t want to create things that are just annoying.
The goal is to make sure senior staff don’t feel pushed around by student Executives.
How do we make things work better?

- Lucia:
  To engage Council with the businesses, we have:
  - The budget.
  - Quarterly reports, which are extremely weak now: just stats. These should come from the President’s office, not the VP Finance. We had a good idea for revising them, but we never followed through on it.

- Sylvester:
  - There are so many ways to address things.
  - I’d like to see a streamlined goal-setting process.
  - Departments in the organization should be involved.
  - I think Cole’s proposal is a decent option to consider; it’s adding an external voice.

- Cole:
  - Have to combat reactive governance.
  - Council never steps in till something goes wrong, e.g., the promotional issue in the Gallery.
  - Need to create a game plan on a regular basis.
  - Long-term employees and their long-term goals, and factor in the annual goals of the student leadership.
  - What is the mechanism to combine them and be visible to the student body?

- Keith:
  - Aligning goals is a great idea.
  - The first step would be a strategic plan: when we had one, we were able to align senior managers’ goals.
  - The Advisory Board was not supposed to be just for business, but for the whole society; this proposal restricts it to business again.
  - HR should be involved in this: It will cost money and affect people’s lives.

- Sylvester:
  - Are there additional costs from this proposal?

- Keith:
  - This particular proposal would mean the Advisory Board meets monthly instead of quarterly; its members will have to be paid more.
  - This restructuring would lead to people leaving.

- Sylvester:
  - We’ve had previous discussions about a strategic plan.
  - Can it be done in house?

- Keith:
  - Absolutely.
○ It’s something the President’s office has done in the past.
- Cole:
  ○ The intention is not to disrupt or to affect current positions.
  ○ That’s why HR was not involved.
  ○ And we won’t necessarily pay the Advisory Board members more.
  ○ If this is going to impact staff, we can talk offline.
  ○ I didn’t foresee a negative impact.
- Lucia:
  ○ In terms of a strategic plan, is it too late for this year?
- Cole:
  ○ Definitely too late for this year.
  ○ We went to Council in June and they identified it as not a priority this year, so we didn’t pursue it.
  ○ It could be a goal for next year; definitely doable.
  ○ Have to figure out the logistics of who would be running it.
  ○ It would take at least six months to do.
  ○ Still have to figure out what to do about the Advisory Board.

**Designated Staff for I-9**
- Cole:
  ○ Policy I-9 requires us to assign staff to assist the incoming Executive.
  ○ We should talk to the staff first.
  ○ Let’s defer this to a later meeting.

**Adjournment**
The meeting was adjourned at 1:41 pm.