



**California State University, San Bernardino
Santos Manuel Student Union Board of Directors
Finance and Contracts Committee**

December 18, 2025 – 12:00pm

Student Chambers (SUN-3305)

Zoom: <https://csusb.zoom.us/j/89283580690>

Minutes

Members Present: Kesha Bates, Karyme De La Rosa, Sophia Garcia, Rachel Liu, Maria Elena Najera-Neri

Members Absent: Kimberly Rosas

Staff Present: Vilayat Del Rossi, Elizabeth Junker

Guests Present: Montgomery Van Wart

Call to Order: The meeting was called to order at 12:07p.m.

Roll Call: A verbal roll call was conducted. Quorum was met.

Approval of Minutes: M/S Bates/Najera-Neri; motion to approve Finance and Contracts meeting minutes from October 30, 2025.
Motion passed.

Open Forum: No public comments.

Adoption of Agenda: M/S Najera-Neri/Bates; motion to amend item 07/26 from action to discussion.
Motion passed.
M/S Bates/Najera-Neri; motion to approve agenda as amended.
Motion passed.

New Business

FC 05/26 Write-Off Requests (Discussion, Bates)

M/S Bates/Najera-Neri; motion to open FC 05/26 Write-Off Requests.

Ms. Bates presented a report on long-outstanding SMSU invoices ranging from approximately two to six years old. She explained that although she continues to make collection efforts and recently recovered nearly \$12,000, many of the remaining invoices are unlikely to be collectible

due to expired grants, outdated contact information, or aged account history. Bates noted that the large number of legacy invoices is hindering her ability to remain current with ongoing billing and collections. Ms. Najera-Neri commented that several outstanding balances involve existing campus departments and agreed that collection should continue where feasible. She also noted that some items on the list represent payments previously received but not recorded in QuickBooks, which will be corrected. Ms. Najera-Neri suggested allowing an additional month for collection efforts and revisiting the write-off recommendations in mid-January, in alignment with policy requiring write-offs for invoices more than 365 days old. With no further comments, the committee proceeded to the next item.

FC 06/26 DHRE Loan Review: Findings and Risk Mitigation Recommendations from Management (Action, Del Rossi)

M/S Najera-Neri/Bates; motion to open FC 06/26 DHRE Loan Review: Findings and Risk Mitigation Recommendations from Management.

Interim Executive Director Del Rossi presented a comprehensive internal control review concerning a prior SMSU loan to the Department of Housing and Residential Education, initiated after concerns were raised in the fall semester. He reported that although the transaction met legal requirements, the review identified multiple gaps in governance oversight, policy documentation, fiscal controls, and training. Del Rossi outlined recommended risk-mitigation measures, including creation of a special fund loan policy, clearer authority limits for the Executive Board during summer recess, strengthened documentation and internal controls, enhanced governance training, and establishment of annual reviews for loan activity and compliance. He also noted that management had consulted legal counsel and CSU auxiliary guidance to ensure alignment with best practices. Ms. Najera-Neri deferred her time to Dr. Van Wart who commended the thoroughness of the report, emphasized the seriousness of the identified gaps, and suggested that the organization consider evaluating its legal counsel as part of governance improvements. Mr. Del Rossi acknowledged the feedback, reaffirmed the need to strengthen internal controls, and noted that the organization may explore changes in legal counsel while coordinating with other CSU auxiliaries. No further discussion was offered.

FC 07/26 Review and Allocate Reserves (Action, Najera-Neri)

M/S Najera-Neri/Bates; motion to open FC 07/26 Review and Allocate Reserves.

Ms. Najera-Neri presented an updated review of SMSU reserve allocations, noting that the organization previously revised its reserve policy to align with CSU and Chancellor's Office categories. She explained the purpose and importance of maintaining reserves, outlined the nine reserve categories now adopted by SMSU, and reviewed proposed allocation strategies for both university-held and local operating reserves. Ms. Najera-Neri detailed current reserve balances, identified areas where reserves remain underfunded—particularly for future capital improvements, equipment replacement, and long-term obligations—and emphasized the need for a clear, transparent plan to guide annual reserve funding. Ms. Najera-Neri deferred her time to Interim Executive Director Del Rossi added context regarding reserve targets, noting that they

represent ideal thresholds that may shift annually based on audit results, organizational priorities, and the forthcoming SMSU strategic plan. No further discussion was offered.

FC 08/26 Review Investment and Investment Income (Informational, Najera-Neri)

M/S Najera-Neri/Bates; motion to open FC 08/26 Review Investment and Investment Income.

Ms. Najera-Neri presented an overview of SMSU's cash and investment balances as of November 30. She reported that the HDD fee account held about \$10 million, with additional spring fee revenue still pending collection, and noted that a year-end bond payment remained outstanding. In the regular operating fund, SMSU held roughly \$6.9 million in its Wells Fargo account and about \$1.2 million in the Local Agency Investment Fund (LAIF). Repair and replacement reserves maintained by the university totaled around \$2 million for the Student Union and \$1.3 million for Recreation & Wellness. Overall cash on hand across all accounts was estimated at \$22 million. Ms. Najera-Neri also reviewed interest earnings to date, noting that interest allocations for fee and operating funds had been posted, while interest for repair and replacement reserves had not yet appeared; she confirmed she had contacted campus accounting to determine whether this was an error. No questions or further discussion were offered.

Announcements

- Interim Executive Director Del Rossi expressed appreciation for the committee's work throughout 2025 and encouraged members to take time to rest and recharge with family and friends over the winter break. He added that the organization looks forward to beginning 2026 with renewed energy.

Adjournment

M/S Najera-Neri/Bates; motion to adjourn meeting at 12:55 p.m.

Reviewed and respectfully submitted by:

Sophia Garcia, Committee Chair

Date