



Policies and Procedures Committee  
February 19, 2025 | 12:00pm  
Student Chambers (SUN-3305)  
<https://csusb.zoom.us/j/82643030258>

## **AGENDA**

1. Call to Order
2. Roll Call
3. Approval of Minutes
  - a. January 27, 2026
4. Open Forum
5. Adoption of Agenda

### **New Business**

PC 14/26 SMSU Special Fund Loan Policy Proposal (Action, Del Rossi)

PC 15/26 Bylaws Revisions Update from Board Meeting (Discussion, Del Rossi)

### **Announcements**

### **Adjournment**



**Policies and Procedures Committee**  
**January 27, 2026 | 12:00pm**  
**Student Chambers (SUN-3305)**  
**Zoom: <https://csusb.zoom.us/j/82643030258>**

**MINUTES**

- Members Present: Anjali, Sukhpreet Kaur, Mark Oswood, Diego Rendon, Katie Wallen, Robinpreet Waraich
- Staff Present: Elizabeth Junker
- Call to Order: The meeting was called to order at 12:03pm.
- Roll Call: A verbal roll call was conducted. Quorum was met.
- Approval of Minutes: M/S Rendon/Waraich; motion to open approval of minutes from November 25, 2025.  
*Motion passed.*
- Open Forum: No guests present for open forum.
- Adoption of Agenda: M/S Wallen/Kaur; motion to open adoption of agenda for January 27, 2026.  
  
M/S Rendon/Waraich; motion to strike PC 13/26.  
*Motion passed.*  
  
M/S Rendon/Kaur; motion to approve agenda as amended.  
*Motion passed.*

**NEW BUSINESS:**

PC 12/26 Approval of SMSU Hospitality Policy (Action, Puccinelli)

M/S Rendon/Waraich; motion to PC 12/26 Approval of SMSU Hospitality Policy.

The committee reviewed a proposed update to SMSU's hospitality policy. The change would align SMSU's policy with the newly revised CSUSB campus-wide hospitality policy, which now includes auxiliaries. The proposed revision strikes SMSU's standalone policy and replaces it

with language deferring to the CSUSB policy, including a direct link. It was noted that the campus policy was developed through a collaborative process with auxiliary input to ensure organizational needs were addressed. The campus policy is also more comprehensive and includes items previously missing from SMSU's version. No objections or concerns were raised.

**ROLL CALL VOTE:**            6 - In-Favor            0 - Opposed            0 – Abstentions  
*Motion passed.*

**Announcements**

- No announcements shared by committee.

**Adjournment**

M/S Wallen/Waraich; motion to adjourn meeting at 12:13pm.  
*Motion passed.*

Reviewed and respectfully submitted by:

\_\_\_\_\_  
Anjali, Committee Chair

\_\_\_\_\_  
Date

## **Special Fund Loan Policy Proposal**

### **Santos Manuel Student Union Board of Directors**

**Date:** 2/19/2026 **Proposed By:** Vilayat Del Rossi, Interim Executive Director & CFO

#### **Background:**

The Santos Manuel Student Union (SMSU), as a CSU auxiliary organization, must ensure that all financial transactions involving restricted, designated, board-committed, or otherwise purpose-limited funds are executed with transparency, legal compliance, and sound internal controls. The organization does not currently have a standalone policy governing transactions in which SMSU acts as lender or advances funds that are functionally equivalent to loans. Given evolving CSU compliance expectations, auxiliary governance standards, and increased scrutiny regarding restricted funds, formal policy guidance is necessary.

The proposed Special Fund Loan Policy establishes clear governance, approval authority, compliance requirements, documentation standards, risk evaluation criteria, and monitoring procedures for any transaction in which SMSU lends, advances, renews, extends, modifies, guarantees, or otherwise finances another party using restricted or purpose-limited funds.

This policy ensures alignment with:

- SMSU Policies Manual and Operating Agreement
- CSU Auxiliary Organizations Compliance Guide
- California Education Code §§ 89904, 89920–89924; CCR Title 5 § 42500

#### **Proposal:**

Adopt the Special Fund Loan Policy as presented. The policy will:

- Define Special Fund Loans and clarify when SMSU acts as lender.
- Establish that such loans are exceptional and not routine.
- Require legal, fund restriction, and risk review prior to approval.
- Require Board approval in a properly noticed public meeting, and Presidential/system approval when applicable.
- Prohibit circumvention of CSU or campus requirements.
- Require written agreements with enforceable repayment terms.
- Establish centralized tracking, reporting, conflict of interest compliance, and records retention standards.

#### **Rationale:**

Adoption of this policy:

- Strengthens fiduciary oversight and fiscal governance.
- Protects restricted and board-committed funds.
- Clarifies approval authority and compliance requirements.
- Reduces legal, operational, and reputational risk.
- Enhances transparency and audit readiness.
- Aligns SMSU practices with CSU auxiliary regulations.

This policy formalizes best practices and provides a clear framework should future mission-aligned loan requests arise.

#### **Operational & Financial Impact:**

- No immediate fiscal impact.
- Establishes standardized review and approval process.
- Requires centralized loan register and quarterly Board reporting.
- Enhances internal control documentation and compliance tracking.
- Supports audit readiness and risk mitigation.

**CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO  
SANTOS MANUEL STUDENT UNION  
FINANCE POLICY**

**SUBJECT:** Special Fund Loans  
**REFERENCE:** SMSU Policies Manual; SMSU Operating Agreement; CSU Auxiliary Organizations Compliance Guide; California Education Code § 89904, § 89920; CCR Title 5 § 42500

**Policy:**

A Special Fund Loan is any transaction in which SMSU lends, advances, renews, extends, modifies, guarantees, or otherwise finances another party using restricted, designated, board-committed, or otherwise purpose limited funds, including transactions that are functionally equivalent to loans (e.g., repayable advances, promissory notes, installment agreements, or other debt obligations).

SMSU may consider Special Fund Loans only when the loan:

- Supports SMSU/CSU mission aligned auxiliary purposes;
- Does not violate donor, grant, legal, or fund restrictions;
- Is approved with appropriate transparency and governance; and
- Is documented with enforceable terms and monitored through defined internal controls.

This Policy governs SMSU when acting as lender. Any transaction in which SMSU acts as borrower or issuer of indebtedness shall comply with applicable CSU auxiliary debt management requirements and CCR Title 5 § 42500.

This Policy is intended to ensure that Special Fund Loans are executed in compliance with applicable law, CSU auxiliary requirements, and sound business practices.

**Standard:**

It is the policy of the Santos Manuel Student Union that Special Fund Loans are exceptional (not routine) and will be undertaken only when failure to do so would materially impair a mission aligned purpose and the loan can be structured with appropriate controls, approvals, and repayment protections.

All Special Fund Loans must:

- Be reviewed for legality and policy compliance;
- Be reviewed for fund restriction compatibility;
- Be evaluated for risk, liquidity impact, and operational continuity;

- Receive required approvals (Board and, where applicable, campus President or other system approvals);
- Be publicly agendized and acted upon in compliance with Education Code §§ 89920–89924; and
- Be tracked and reported through a centralized loan register with periodic Board reporting.

No officer, employee, or committee may commit SMSU to a Special Fund Loan without the approvals required by this Policy.

**Approval Authority and Governance:**

**Board Approval Required** - All Special Fund Loans and material amendments (including renewal, extension, rate change, principal or interest forgiveness, payment deferral, subordination, or settlement) require SMSU Board approval in a properly noticed public meeting consistent with Education Code § 89904.

**Committee Role** - The Finance & Contracts Committee (or equivalent) may review and recommend. It does not approve unless the Board has expressly delegated authority in writing with defined thresholds and reporting requirements.

**Campus President Approval (When Required)** - Prior written approval of the University President (or designee) shall be obtained when:

- SMSU issues a debt instrument to finance or refinance a project in connection with its mission, consistent with CCR Title 5 § 42500(c);
- The University is a counterparty, guarantor, or provider of security;
- The transaction materially impacts campus assets, facilities, or credit; or
- The Operating Agreement or CSU policy otherwise requires presidential concurrence.

**Prohibitions:**

SMSU shall not:

- Use a Special Fund Loan to circumvent CSU or campus requirements;
- Lend from funds where restrictions prohibit lending;
- Enter into a loan without a written, fully executed agreement;
- Approve a loan where conflicts of interest are not disclosed and mitigated.

**Conflicts of Interest:**

Board members, officers, and employees shall comply with Education Code §§ 89906–89908 and applicable CSU conflict of interest policies. No individual shall participate in discussion or

vote on a Special Fund Loan in which they have a financial interest. Required disclosures and recusals shall be reflected in the meeting minutes.

**Records Retention:**

All loan documents, approvals, postings, monitoring reports, and related correspondence shall be retained in accordance with SMSU records retention standards and applicable CSU requirements.

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**Procedure:**

1. Loan Eligibility Review
  - a. Management shall confirm:
    - i. Borrower eligibility (campus related or mission aligned entity);
    - ii. Purpose alignment with auxiliary functions;
    - iii. Identified and lawful repayment source;
    - iv. Fund restriction compatibility.
2. Required Loan Approval Package
  - a. Management must submit a Loan Approval Package to the Finance & Contracts Committee and Board including:
    - i. Purpose and necessity
    - ii. Source of funds analysis
    - iii. Reserve and liquidity impact
    - iv. Borrower authority documentation
    - v. Financial capacity analysis
    - vi. Risk assessment (legal, credit, operational, reputational)
    - vii. Proposed loan terms
    - viii. Legal/policy compliance review documentation
3. Minimum Required Loan Terms
  - a. All Special Fund Loans must include:
    - i. Written agreement and/or promissory note;
    - ii. Payment schedule;
    - iii. Default definitions and remedies;
    - iv. Amendment clause requiring approvals consistent with Policy;
    - v. Borrower reporting requirements (as applicable).
4. Posting and Open Meeting Controls
  - a. Loan actions must:
    - i. Be publicly posted at least one week prior to Board action;
    - ii. Include sufficient agenda description;

- iii. Include supporting documentation consistent with SMSU posting practices.
  - b. SMSU shall maintain packet version control documentation to support transparency.
- 5. Accounting and Monitoring
  - a. Management shall:
    - i. Maintain a centralized loan register and subledger;
    - ii. Reconcile balances at least quarterly;
    - iii. Provide quarterly reporting to the Finance & Contracts Committee and Board.
- 6. Delinquency Escalation
  - a. Late payments trigger:
    - i. Courtesy notice
    - ii. Formal written notice
    - iii. Counsel review (as appropriate)
    - iv. Board notification and recommended action
- 7. Modifications, Forbearance, or Forgiveness
  - a. Any extension, renewal, deferral, rate change, forgiveness, subordination, or settlement requires:
    - i. Updated borrower financial review;
    - ii. Updated risk assessment;
    - iii. Board approval in a properly noticed meeting;
    - iv. Any required presidential/system approvals.



SANTOS MANUEL STUDENT UNION  
OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

**BYLAWS**

Amended 3-11-21  
Amended 11-14-19  
Amended 11-29-18  
Amended 2-8-18  
Amended 1-18-18  
Amended 3-9-17  
Amended 2-13-14  
Amended 4-12-12  
Amended 10-8-09  
Amended 3-12-09  
Amended 11-29-07  
Amended 10-7-04  
Amended 6-7-01  
Amended 4-13-00  
Amended 6-10-99  
Amended 4-9-98  
Amended 4-13-95  
Amended 12-1-94  
Amended 5-12-94  
Amended 10-14-93  
Amended 2-25-92  
Amended 2-8-91 (BOD approval 11-15-90; Articles of  
Incorporation approved by Secretary of State on 2-8-91.)  
Amended 5-4-90  
Amended 8-1-86

SANTOS MANUEL STUDENT UNION  
OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

**BYLAWS**

**ARTICLE I**

**NAME AND PRINCIPAL OFFICE**

**Section 1. NAME**

The name of this Corporation shall be the Santos Manuel Student Union of California State University, San Bernardino herein referred to as the Corporation.

**Section 2. OFFICES**

The principal office for the transaction of the business of the Corporation is hereby fixed and located at California State University, San Bernardino, in the county of San Bernardino, state of California.

**ARTICLE II**

**PURPOSE**

The Corporation shall have such purposes as are now or may hereafter be set forth in its Articles of Incorporation.

The Corporation is authorized pursuant to its purpose and to California Education Code section 89901 to buy, sell and hold title to real property.

**ARTICLE III**

**POWERS**

The Corporation shall have such powers as are now or may hereafter be granted by the Nonprofit Corporation Law of the State of California, except as limited by the provisions of its Articles of Incorporation or these Bylaws.

**ARTICLE IV**

**BOARD OF DIRECTORS**

**Section 1. QUORUM AND NUMBER**

The corporate powers of this Corporation shall be vested in a Board of Directors of ~~fourteen~~<sup>145</sup> voting directors and one (1) ex officio, non-voting member with a simple majority of the filled positions of the Board of Directors constituting a quorum for the transaction of business. ~~Members of the Board of Directors may receive an incentive for their services rendered.~~ Student members of the Board of Directors may be eligible to receive a leadership scholarship in recognition of their contribution to the mission of the Santos Manuel Student Union.

**Commented [VR1]:** Suggested revision - Student members of the Board of Directors may be eligible to receive a leadership scholarship in recognition of their contribution to the mission of the Santos Manuel Student Union.

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**Section 2. MEMBERSHIP**

The Corporation shall have no members other than the persons constituting its Board of Directors. The following shall constitute the Board of Directors:

- A. The Associated Students, Inc. President (ex-officio) or designee. Voting member.
- B. The Associated Students, Inc. Executive Vice-President (ex-officio) or designee. Voting member.
- C. Seven (7) student representatives at large, appointed by this Board of Directors for staggered two-year terms. At least one (1) of the seven (7) student representatives at large shall be enrolled at the Palm Desert Campus and taking a minimum of fifty percent (50%) of their units at that campus at the time of appointment and throughout their term of service. –Voting members.
- D. One (1) person who holds membership in the Alumni Association who is non-campus personnel nominated by the Alumni Association Board of Directors and appointed by the Board of Directors for a two-year term. During the term of office, the alumni representative must remain in good standing with the Alumni Association and be available to attend Board of Directors meetings. Voting member.
- E. Two (2) California State University, San Bernardino faculty nominated by the Faculty Senate and appointed by the university President for two-year staggered terms. Voting members.
- F. The University President (ex-officio) or designee. Voting member.
- G. One (1) California State University, San Bernardino administrative representative appointed by the university President. Voting member.
- H. Executive Director of the Corporation, who serves as the Corporation's Chief Financial Officer, ~~for the Board,~~ shall serve as an ex officio. Non-Voting member.

Designees must serve the full term of office and are not subject to removal by the designator. Designees can only be removed by voluntary resignation or if they are no longer eligible to serve.

**Section 3. STUDENT MEMBER ELIGIBILITY/SELECTION PROCESS**

Student Board of Directors and committee members are required to maintain unit loads and grade point averages as outlined in the Student Union Grade Eligibility Policy and Procedures.

The ASI President and Executive Vice President or their designees hold ex-officio positions on the Board of Directors. Seven (7) student representatives-at-large are appointed by the Board of Directors for staggered two year terms. Alternates are selected as needed; the alternate does not hold a position on the Board of Directors, but is encouraged to participate in Committee meetings. Every spring semester, and as necessary, the Corporation posts flyers and advertises as appropriate, soliciting applicants for open student representative positions. The position openings are advertised for a minimum of two weeks.

Applications submitted by eligible students are forwarded to the Personnel Committee for review and recommendation. The Personnel Committee forwards the names of the most qualified student applicants to the Board of Directors for approval at the Annual Meeting held in May of each year, or as necessary for vacancies occurring outside the annual appointment process.

**Commented [EJ2]:** Committee recommends for the terms of the board members to be 1 year terms.

**Commented [VD3R2]:** Good recommendation, but would completely disrupt this years recruitment strategy and completely change the process in selection BoD representatives. May want to table a research for following year.

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**Commented [EJ4]:** Diego: One (1) student representative at large from CSUSB Palm Desert Campus, appointed by this Board of Directors for one-year term. Atleast half of the units must be taken at the Palm Desert Campus.

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**Commented [EJ5]:** Anjali: extend advertisement of openings for 1 month.

**Commented [VD6R5]:** Two weeks is only a minimum, so operationally we can extend more than that. I would hesitate to document that in bylaws, unless you want to make it a minimum requirement.

**Section 4. BOARD OF DIRECTORS ELIGIBILITY AND CONCURRENT OFFICES /EMPLOYMENT**

- 1) In order to ensure the widest possible implementation of student involvement and representation, the following criteria for eligibility shall apply to the Board of Directors representative positions:
  - a) Unless otherwise specified in the Board of Directors' Bylaws, holders of major elected or appointed Association Students, Incorporated offices shall not be eligible to concurrently serve on the Board of Directors
  - b) Major elected or appointed Associated Students, Incorporated offices include:
    - Vice President Finance
    - Vice President University Affairs
    - Internal Affairs Director
    - External Affairs Director
    - ASI Board of Directors Representatives
    - ASI Committee Chairs
  - c) Students employed by the Corporation shall not be eligible to serve on the Board of Directors.
  - d) ASI officers and Corporation student employees are encouraged to serve on Board of Directors' committees.

**Section 5. EXECUTIVE COMMITTEE**

The Executive Committee shall consist of the chair, vice chair, secretary, and controller, ~~and~~The Executive Director shall serve as an ex officio, non-voting member of the Executive Committee.

**A. Executive Authority and Limitations**

The Executive Committee shall act only in an advisory capacity to the Board of Directors except as expressly delegated by formal action of the Board of Directors. The Executive Committee may act on behalf of the Board of Directors between regularly scheduled meetings only when:

1. Action is necessary to address time-sensitive operational matters; and
2. The matter does not involve adoption or amendment of policy, approval of the annual budget, approval of audits, approval of contracts exceeding limits established by Board policy, hiring or termination of the Executive Director, or any other matter reserved by law, Title 5, the Education Code, the Articles of Incorporation, or these Bylaws to the full Board of Directors.

Any action taken by the Executive Committee pursuant to delegated authority shall be reported to the Board of Directors at its next regular meeting and entered into the minutes.

The Executive Committee shall not exercise authority in a manner inconsistent with California Education Code Sections 89920–89928, Title 5 §42602, or applicable California Nonprofit Public Benefit Corporation Law. If the Executive Committee meets without delegated authority, it functions in an advisory capacity and the Seymour Act's open-meeting provisions do not apply; no final action may be taken.

**Commented [VR7]:** Consider language that defines the authority and limitations of authority of the Executive Committee. Could be located in Article VII Section 6 Meeting of Executive Committee

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**Section 6. TERM OF OFFICE**

The term of office for appointed Board of Directors members shall ~~begin after the Annual Meeting in May and end at the conclusion of the Annual Meeting the following May;~~ be as specified for each director category in Article IV, Section 2. Student representatives serve staggered two-year terms; all other appointed directors serve the term length specified in Section 2 (one year unless otherwise stated). Terms commence after the Annual Meeting at which the appointment is confirmed.

**Section 7. VOTING**

Each voting member of the Board of Directors shall have one (1) vote, said vote may not be cast by proxy.

**Section 8. RESPONSIBILITIES AND EXPECTATIONS**

Directors are expected to fulfill the responsibilities as outlined in the Board of Directors Responsibilities and Expectations Statement. Directors shall register their addresses, e-mail addresses and telephone numbers with the Executive Assistant to the Executive Director, and notices mailed, or e-mailed to them at such addresses shall be valid notices thereof.

**Section 9. CONTRACTS**

Except as otherwise authorized by action of the Board of Directors, no officer or agent of the Corporation may enter into any contract, or execute or endorse any instrument in the name of, or on behalf of, the Corporation. This restriction shall not be construed to limit the authority of authorized officers or agents of the Corporation to make or enter into contracts, agreements or expenditures for the maintenance and operation of the Corporation when previously authorized by the directors of this Corporation.

## ARTICLE V

### **INDEMNIFICATION OF DIRECTORS, OFFICERS, AND OTHER AGENTS**

#### **Section 1. RIGHT OF INDEMNITY**

To the fullest extent permitted by law, the Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding" as that term is used in that Section, and including an action by or in the right of the Corporation by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in the bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

#### **Section 2. APPROVAL OF INDEMNITY**

On written request to the Board of Directors by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board of Directors shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board of Directors shall offer indemnification.

#### **Section 3. ADVANCEMENT OF EXPENSES**

To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

#### **Section 4. INSURANCE**

The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors, Officers, employees and other agents, against any liability asserted against or incurred by any Director, Officer, employee or agent in such capacity or arising out of the Director's, Officer's, employee's, or agent's status as such.

## ARTICLE VI

### TERMINATION, REMOVAL QUALIFICATIONS

#### Section 1. TERMINATION

Upon termination of a director's membership on the Board of Directors, as provided in these Bylaws, or by death, all rights of said director and membership in the Corporation, or its property, shall cease.

#### Section 2. REMOVAL

Directors appointed by the Board of Directors may be removed without cause, if such removal is approved by a two-thirds (2/3) vote of the total Board of Directors.

#### Section 3. INVOLUNTARY RESIGNATION

Members of the Board of Directors are required to attend all Board of Directors and committee meetings. Board of Directors members appointed by the Board of Directors who fail to attend six (6) regularly scheduled Board of Directors and/or committee meetings per year shall be considered to have resigned from office, unless any absence is approved in advance by the Chair of the Board of Directors. The Chair of the Board of Directors shall notify the affected Board of Directors member(s), in writing, of his/her involuntary resignation. Should Board of Directors members who are appointed by other campus entities fail to attend meetings regularly, said entities will be notified in writing and new representatives requested. Involuntary resignations may be appealed to the Board of Directors.

#### Section 4. QUALIFICATION: EMPLOYEE OF CORPORATION

Any person who is an employee of the Corporation, with the exception of the Executive Director, shall not be qualified to act as a director, and any director who becomes an employee of the Corporation shall thereupon cease to be a director, and the vacancy will be filled as provided for in these Bylaws.

#### Section 5. QUALIFICATION: BOARD OF DIRECTORS VACANCIES

In the event a director ceases to be a director due to resignation, removal, disqualification, death, leave of absence, or otherwise, it will be the responsibility of the Board of Directors to fill that vacancy as soon as possible in accordance with Article II, Section 2, of these Bylaws. If the vacancy is not filled within a reasonable time, the University President shall appoint a director to fill the unexpired term in accordance with subsection (b) (2) of section 42602 of Title 5, California Administrative Code. Said vacancy will be filled for the unexpired term of the former director.

## ARTICLE VII

### MEETINGS

#### Section 1. PLACE OF MEETING

All meetings of the Board of Directors shall be held at the principal office of the Corporation or at such other location within the State of California as may be designated by the Board of Directors, including facilities at the California State University, San Bernardino, including the San Bernardino Campus or Palm Desert Campus.

**Commented [VR8]:** Suggested Revision: All meetings of the Board of Directors shall be held at the principal office of the Corporation or at any other location designated by the Board of Directors, including facilities at the California State University, San Bernardino (CSUSB) Palm Desert Campus or the San Bernardino Campus.

| **Section 2. ANNUAL AND REGULAR MEETINGS**



The Annual Meeting of the Board of Directors shall be held in the spring semester, at which time Board of Directors vacancies for expiring terms shall be filled and election of officers for the following year shall be held. Regular meetings of the Board of Directors shall be held each calendar quarter during the academic year, with a minimum of one meeting per quarter. An annual financial statement and audit report shall be presented in the fall semester. Board of Directors review and approval of the budget for the following fiscal year will take place in the spring semester. Whenever possible, all meetings shall be held during the regular business hours of California State University, San Bernardino.

### **Section 3. SPECIAL MEETINGS**

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chair, or if the chair is unable or refuses to act, by any four (4) directors, in accordance with the provisions of the California Education Code Section 89922. Notice can be delivered personally, by mail, e-mail, etc. Notice of special meetings shall be posted and distributed at least twenty-four (24) hours in advance and shall specify the time, place, and business to be transacted. No other business shall be considered.

### **Section 4. NOTICE OF MEETINGS**

The time and locations of regular meetings shall be established annually. Agendas of regular and Annual Meetings containing the date, time and place of the meeting and all items to be acted upon shall be publicized at least seven (7) days in advance of the meeting in compliance with Education Code §89921. Written notice of every regular meeting shall be given to any individual or medium that has filed a written request for notice at least one week prior to the date set for the meeting. Requests for written notice shall be valid for one year from the filing date, unless written notice for renewal is received.

### **Section 5. OPEN MEETINGS**

All meetings of the Board of Directors ~~shall be open and public, and all persons shall be permitted to attend any meeting of the Board of Directors provided, however, that the Board of Directors may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under California Education Code Sections 89923 to 89928, and any committee exercising delegated authority of the Board shall be open and public and conducted in accordance with California Education Code §§89920–89923 (the “Seymour Act”).~~ Regular meetings shall be publicly noticed at least seven (7) days in advance. Special meetings shall be publicly noticed at least twenty-four (24) hours in advance and shall be limited to the business specified in the notice. Closed sessions may be held only for matters expressly authorized by law, including but not limited to personnel matters, litigation, real property negotiations, and investments where public discussion would adversely affect the Corporation’s financial interests. Any final action shall be taken in open session.

### **Section 6. MEETINGS OF THE EXECUTIVE COMMITTEE**

Meetings of the Executive Committee may be called for any purpose by the Chair or by a majority of the Executive Committee if the Chair is not available or refuses to call a meeting. All meetings of the Executive Committee when acting ~~in the capacity of, or on behalf of, the~~ pursuant to delegated authority of the Board of Directors shall be conducted in accordance with the provisions of California Education Code Sections 89923 to 89928.

### **Section 7. REMOTE MEETINGS AND PARTICIPATION BY TELEPHONE**

~~Any meeting may be held by conference telephone or similar communications equipment provided that all~~

~~directors participating in the meeting can hear one another, and any members of the public in attendance can hear all the directors. All such directors shall be deemed to be present in person at such meetings.~~  
Meetings of the Board of Directors may be conducted by teleconference, video conference, or other electronic communications platform, provided that all Directors participating and members of the public in attendance are able to hear one another in accordance with California Education Code §§89920–89923. Directors participating remotely shall be deemed present in person for purposes of quorum and voting. Voting by proxy, secret ballot, or email for action items is prohibited.

**Section 8. CLOSED SESSIONS**

The Board or its committees may hold closed sessions to request information and reports or to review information presented by the Executive Director regarding litigation or personnel matters. These matters

may include personnel appointments, evaluations of employee performance, dismissal of employees, review of information or recommendations regarding charges brought against an employee by another person or employee. For purposes of this section only, "employee" does not include any person elected or appointed to an office. The Board of Directors or its committees may also hold closed sessions to discuss investments where a public discussion could have a negative impact on the Corporation's financial situation. However, in such case, a final decision shall only be made during public session of the Board of Directors.

**Section 9. TRANSACTION OF BUSINESS**

Except as otherwise provided in the Articles of Incorporation of the Corporation, in these Bylaws, or by law, every act or decision done or made by the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors.

**Section 10. TRANSACTION OF BUSINESS AFTER LOSS OF QUORUM**

The Directors present at a duly called and held meeting at which quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting, or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of the Corporation.

**Section 11. MINUTES OF MEETINGS AND CONDUCT**

Regular minutes of meetings shall be completed within two weeks of each meeting. The proceedings of the Board of Directors shall be kept in a binder provided for that purpose. Meetings of the Board of Directors shall be presided over by the Chair, or in his/her absence, the Vice Chair, or in the absence of each of these persons by a Chairperson chosen by a majority of the Directors present at the meeting.

**ARTICLE VIII**

**RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

**Section 1. UNION OPERATION**

The Board of Directors is charged with the responsibility for recommending policy for operating the Corporation and developing and adopting the budget for the Corporation. It has the authority to establish such committees as necessary to carry out the assignment.

**Section 2. RULES AND POLICIES**

The Board of Directors will abide by all the rules and regulations set forth in the Corporation's Articles of Incorporation and related Bylaws, as well as any university, trustee, or Education Code requirements that govern or have an effect on said Corporation.

**Section 3. BUDGET**

The Board of Directors will adopt a fiscal year budget at its spring semester meeting, subject to approval by the University President.

**ARTICLE IX**  
**STANDING COMMITTEES**

**Section 1. MEMBERSHIP**

Each standing committee shall have a membership of no less than three members. Unless otherwise noted in these bylaws, at least three of the committee members must be appointed from the Board of Directors. Any committees delegated authority to act on behalf of the Board of Directors shall be composed solely of voting Directors. Committees are generally chaired by students, however, if the elected chair is a non-student, a student co-chair will also be elected.

**Section 2. APPOINTMENT**

Unless otherwise specified in these bylaws, members to standing committees shall be appointed by the chair, subject to confirmation by the Board of Directors at its next meeting. The chair may make interim appointments pending confirmation.

**Section 3. DESIGNATED STANDING COMMITTEES**

*PERSONNEL:* In the event of Board vacancies, this committee shall recommend to the Board of Directors those persons whom the committee determines are most qualified to serve in the various positions designated in these Bylaws. The committee also notifies the appropriate constituent group having representation on the Board of Directors, of a Board of Directors vacancy from that group. The committee will also advise and/or recommend policy to the Executive Director and/or the Board of Directors on matters pertaining to personnel. Only voting members of the Board of Directors may serve on the Personnel Committee.

*FINANCE AND CONTRACTS:* This committee will draft a budget for the following fiscal year and present its proposed budget to the Board of Directors for consideration and approval. This committee will meet annually with the auditors to discuss the annual financial audit as well as consider any other financial matters that may arise and recommend its position on such matters to the Board of Directors.

*POLICIES AND PROCEDURES:* This committee prepares, reviews, and recommends policies and procedures related to the overall use of the facility, to the Board of Directors for approval.

*STRATEGIC PLANNING:* This committee will review annually and provide recommendations to the Board of Directors to update the Strategic Plan, as appropriate.

*RECREATION & WELLNESS:* This committee shall act as a sub-committee of the SMSU Board of Directors and shall advise on policy, budgets and operation of the recreational activities and programs of the Recreation and Wellness Department. The committee shall submit documents necessary for approval of the policies of the Recreation and Wellness Department and the annual budget of Student Union funds used for the Recreation and Wellness Department.

The committee shall consist of the following voting members:  
Student Representative - Chair of the Committee  
SMSU Board of Directors Student Representative  
Student Representative

Student Representative  
Student Representative  
Student Representative  
Faculty Representative  
Staff Representative  
Recreation & Wellness Director (Ex Officio member)

The Chair of the Board of Directors, with appropriate consultation, will select all representatives nominated by the Director of the Recreation and Wellness Department. The Board of Directors shall approve or accept all appointments to the committee. All appointments will be either a 1- or 2-year term, as selected by the applicant and at the discretion of the Chair of the Board of Directors.

*AUDIT:* The ~~Audit C~~ommittee will make recommendations to the Board of Directors on the hiring and firing of independent certified public accountants (CPAs). ~~The A#udit C~~ommittee can negotiate the independent CPA's compensation on behalf of the Board of Directors. ~~Theis~~ committee will confer with the auditor to satisfy committee members that the financial affairs of the Santos Manuel Student Union are in order, review the annual audit and any management letter, and recommend to the Board whether to accept the audit. The Committee will approve any non-audit services performed by the independent audit firm and ensure those services meet applicable auditor-independence standards (e.g., AICPA and, when applicable, Government Auditing Standards "Yellow Book"). ~~The committee will review the audit and make recommendations to the board of directors to accept the audit and will approve non-audit services by the independent CPAs accounting firm, and ensure such services conform to standards in the Yellow Book issued by the U.S. Comptroller General.~~

*Membership:* The audit committee cannot include staff members, the chair of the board of directors, or the Controller. Members of the Finance & Contracts Committee may sit on the audit committee but cannot comprise 50% or more of the committee. The chairperson of the audit committee may not be a member of the Finance & Contracts Committee.

*FACILITIES AND SUSTAINABILITY:* This committee will discuss the operational systems within the Santos Manuel Student Union facilities, including but not limited to, long-range planning, construction, expansions, renovations, and space usage. This committee will review the commercial services operations in the Santos Manuel Student Union, including but not limited to dining and convenience store services, reviewing price increases or decreases, and provides findings to the Board of Directors. The committee shall meet with the Dining Services General Manager and the University Enterprise Corporation Executive Director as needed to monitor the commercial services operation within the facility. In efforts to maintain its commitment to sustainable practices, this committee will research CSU's and other schools' efforts regarding encouraging sustainability, new environmental strategies, and energy-savings initiatives to make recommendations that improve the SMSU's sustainable practices.

## **ARTICLE X**

### **CORPORATE OFFICERS**

#### **Section 1. CORPORATE OFFICERS**

Corporate officers shall consist of a chair, vice chair, secretary and controller and should be students whenever possible. If a corporate officer is a non-student, a student co-chair will be appointed by the Board of Directors.

CHAIR: The chair of this Corporation shall be elected by and from the Board of Directors. The chair will be responsible for calling meetings, establishing an agenda, presiding over meetings and making appointments to Board of Directors committees. The chair of the Board of Directors shall be the official spokes-person for the Board of Directors. The Chair may sign contracts, subleases, or other instruments which have been authorized to be executed on behalf of the Corporation, except in cases where the signing thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by statute to some other officer or agent of the Corporation and, in general, he/she shall perform all duties incident to the functions of the Chair of a Corporation and such other duties as may be prescribed by the Board of Directors from time to time.

VICE CHAIR: The vice chair of this Corporation shall be elected by and from the Board of Directors. The vice chair shall act as chair in absence of the chair, and will also handle other duties as may be assigned by the chair.

SECRETARY: The secretary of this Corporation shall be elected by and from the Board of Directors. The secretary will be responsible for reviewing and authenticating Board of Directors minutes prior to distribution and other duties as may be assigned by the chair.

CONTROLLER: The controller of this Corporation shall be elected by and from the Board of Directors. The controller will be the chair of the Finance & Contracts committee and be responsible for presenting fiscal recommendations, as adopted by the committee, to the Board of Directors for approval. The controller will also be responsible for other duties as may be assigned by the chair.

## **Section 2. ELECTIONS**

Corporate officers will be elected for a one-year term at the Annual Meeting of the Board of Directors.

## **Section 3. RESPONSIBILITIES OF CORPORATE OFFICERS**

The corporate officers shall be responsible for their assigned duties and any other duties that the Board of Directors may assign them to maintain an orderly process of conducting the day-to-day business of the Corporation.

## **ARTICLE XI**

### **DELEGATION OF AUTHORITY**

There shall be an Executive Director of the Corporation who shall be appointed by the President of the University upon the recommendation of the Vice President for Student Affairs. The search for the Executive Director will be conducted consistent with University procedures.

The Executive Director in this position is administratively responsible to the Vice President for Student Affairs or designee for all services, programs, and fiscal matters pertaining to the Corporation. The Executive Director is responsible for development and operation of the Corporation. Specifically, he/she has responsibility for educational and social programs, commercial activities, building maintenance, scheduling and reservations, office operations, accounting and financing, personnel, security, publicity and public relations and all other matters related to the Corporation operations.

The Executive Director has full responsibility for the financial operations of and for maintaining the financial procedures of the Corporation in accordance with University and Chancellor's Office procedures. The Executive Director has the responsibility to implement those policies and procedures established by the Board of Directors.

## **ARTICLE XII**

### **PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

No director, officer, employee or other person shall have, own, or enjoy property rights or interest in or to any of the real or personal property of this Corporation. No director, officer, employee, or other person connected with this Corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation; provided however, that this provision shall not prevent payment to any such person as reasonable compensation for services performed for the Corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the Corporation.

## **ARTICLE XIII**

### **CORPORATE RECORDS AND REPORTS**

#### **Section 1. MAINTENANCE OF CORPORATE RECORDS**

The Corporation shall keep at its principal office in the State of California:

Agendas and Minutes of all meetings of the Board of Directors and committees of the Board of Directors, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given and the names of those present and the proceedings thereof; and

Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.

#### **Section 2. ANNUAL REPORT**

The Board of Directors shall cause an annual report to be furnished no later than one hundred and eighty (180) days after the close of the Corporation's fiscal year to all Directors of the Corporation, which report shall contain the following information in appropriate detail:

The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;  
The principal changes in assets and liabilities, including trust funds, during the fiscal year;

The revenue or receipts of the Corporation, both unrestricted and restricted to the particular purposes, for the fiscal year;

The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.

**ARTICLE XIV**

**ACCOUNTING**

**Section 1. FISCAL OFFICER**

The Chief Financial Officer of the University shall be the custodian of the Corporation's monetary accounts. The Corporation shall reimburse the state of California for all accounting and other related business management expenses incurred by the state of California for the Corporation. An estimate of these expenses shall be obtained from the chief fiscal officer of the University for inclusion in the Corporation's annual budget when that budget is prepared.

**Section 2. ANNUAL AUDIT**

The Corporation shall be subject to an annual audit by a firm of certified public accountants as provided in California Education Code Section 89900. Upon completion, the audited financial statements shall be presented to the Board of Directors and shall be made available to the public consistent with California Education Code §89900 and Government Code §12586(e).

**ARTICLE XV**

**CONFLICT OF INTEREST**

A Director shall not engage in any activity during his or her membership on the Corporation Board of Directors that might impair performance as a member of the Board of Directors or in the existence of a conflict of interest.

Directors, individually or in association with another entity, shall have no financial interest in or contract with the Corporation.

A Director shall not utilize any information, not a matter of public record, which is received by reason of Board membership, for personal pecuniary gain, regardless of whether the gain is realized during the Director's term or thereafter.

Each Director and committee member shall comply with the Conflict of Interest Policy adopted by the Corporation, including any amendments, and shall execute a written certification of compliance upon taking office and for each year of his or her term(s) thereafter.

No Director shall be financially interested in any contract or other transaction entered into by the Corporation in violation of the California Education Code.

**ARTICLE XVI**

**FISCAL YEAR**

**Section 1. FISCAL YEAR**

The fiscal year of the Corporation shall be from July 1 through June 30.



## **ARTICLE XVII**

### **RULES OF PROCEDURE**

#### **Section 1. ROBERT'S RULES**

All rules of procedure not governed by the Bylaws shall be governed by Robert's Rules of Order, latest revised edition.

## **ARTICLE XVIII**

### **AMENDMENTS**

#### **Section 1. VOTE REQUIRED**

These Bylaws may be amended at any regular meeting of the Board of Directors by a two-thirds (2/3) vote of the total membership of the Board of Directors, providing that the amendment has been submitted in writing at the previous regular meeting, or submitted in writing to the directors at least thirty (30) days prior to the next regular meeting of the Board of Directors.

#### **Section 2. EFFECTIVE DATE, NOTICE, AND COMPLIANCE**

Amendments take effect upon Board adoption unless applicable law or the Operating Agreement expressly requires presidential approval, in which case effectiveness is conditioned on such approval. The Board may specify a later effective date (including after the Annual Meeting) and adopt reasonable transition provisions to avoid conflict with elections, officer terms, committee structures, or pending business. Within ten (10) business days after adoption, the Executive Director (or designee) shall provide written notice and a copy of the adopted amendment to the CSUSB President or the President's designee; electronic notice is sufficient. If an adopted amendment is later determined to be inconsistent with applicable law, CSU policy, or the Operating Agreement, the Board shall promptly cure the inconsistency by further amendment.

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## **ARTICLE XIX**

### **PUBLIC RECORDS AND TRANSPARENCY**

The Corporation shall comply with the California Education Code §§89913–89919 (Richard McKee Transparency Act). Public records shall be made available upon request consistent with statutory timelines. The Corporation may charge fees limited to direct duplication costs as permitted by law. Exemptions shall be applied only as authorized by statute. The Board of Directors may adopt procedures consistent with this Article. Such procedures may designate a Records Custodian, acceptable request methods, response timelines, fee schedules, and appeal processes, consistent with applicable law.

## **ARTICLE XX**

### **CSU SYSTEM OVERSIGHT**

The Corporation operates in good standing as an auxiliary organization of California State University, San Bernardino, in accordance with Title 5 of the California Code of Regulations, Chancellor's Office policies, and the Corporation's Operating Agreement with CSUSB. The Board retains authority to adopt

and amend these Bylaws consistent with those requirements and will provide timely notice of bylaw amendments to the CSUSB President or designee as provided in Article XVIII.