



Policies and Procedures Committee
April 16, 2026 | 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. March 19, 2026
4. Open Forum
5. Adoption of Agenda

New Business

- PC 19/26 Review of Revised Bidding, Quotes, and Exceptions Policy (Informational, Del Rossi)
- PC 20/26 Review and Approval of Procurement & Contracting Policy Revisions (Action, Del Rossi)
- PC 21/26 Review and Approval of New Leadership Scholarship Policy (Action, Del Rossi)

Announcements

Adjournment



Policies and Procedures Committee
March 19, 2026 | 12:00pm
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Zoom: <https://csusb.zoom.us/j/82643030258>

MINUTES

- Members Present:** Anjali, Sukhpreet Kaur, Mark Oswood, Diego Rendon,
- Members Absent:** Katie Wallen, Robinpreet Waraich
- Staff Present:** Vilayat Del Rossi, Elizabeth Junker, Maria Elena Najera-Neri
- Call to Order:** The meeting was called to order at 12:10pm
- Roll Call:** A verbal roll call was conducted. Quorum was met.
- Approval of Minutes:** M/S Oswood/Kaur; motion to open approval of minutes from February 19, 2025.
Motion passed.
- Open Forum:** No public comments.
- Adoption of Agenda:** M/S Kaur/Oswood; motion to open adoption of agenda for March 19, 2026.
Motion passed.

NEW BUSINESS:

PC 16/26 SMSU Bylaws Amendments Proposal (Action, Del Rossi)

M/S Oswood/Kaur; motion to open PC 16/26 SMSU Bylaws Amendments Proposal.

The committee reviewed PC16-26, SMSU Bylaws Amendments Proposal, which reflects prior discussions and incorporates a comprehensive legal and compliance review to ensure alignment with California Education Code and CSU requirements. Interim Executive Director Del Rossi confirmed that no substantive changes were made since the previous review, aside from minor grammatical edits, and highlighted that the revisions improve governance clarity, audit oversight, transparency, and delegated authority. A reorganized version of the bylaws, including a table of contents, was also provided for improved readability. The committee discussed implementation timelines and future related policy updates, including conflict of interest and scholarship policies,

and acknowledged that the bylaws will require two readings and a two-thirds vote at the board level. Members expressed support for the proposal and appreciation for the thorough review process.

ROLL CALL VOTE: 3- In-Favor 0 - Opposed 0 – Abstention
Motion passed.

PC 17/26 Review and Approval of Bidding Policy Revisions (Action, Kinnally)

M/S Oswood/Kaur; motion to open PC 17/26 Review and Approval of Bidding Policy Revisions.

The committee reviewed proposed updates to the SMSU bidding and procurement policy, noting that revisions were necessary to ensure compliance with newly updated CSU systemwide procurement requirements effective in 2026. The proposal established clearer procurement thresholds based on dollar amounts, strengthened competitive bidding expectations, and introduced additional documentation requirements to promote transparency, accountability, and responsible stewardship of student funds. The policy also clarified processes for working with campus partners on large projects and outlined procedures for sole source procurements.

During discussion, members suggested minor clarifications to the language, including ensuring that sole source procurements above \$10,000 require committee review and approval, and that procurement terminology (e.g., RFP/IFB) be clearly defined. These revisions were accepted and incorporated into the final version. With no further discussion, the committee proceeded to approve the updated bidding policy as revised.

ROLL CALL VOTE: 3- In-Favor 0 - Opposed 0 – Abstention
Motion passed.

Announcements

- No announcements shared by committee members.

Adjournment

M/S Kaur/Oswood; motion to adjourn meeting at 12:49pm.
Motion passed.

Reviewed and respectfully submitted by:

Anjali, Committee Chair

Date

Proposal for Revision of Fiscal Policy 105: Bidding, Quotes, and Exceptions

To: Santos Manuel Student Union Board of Directors **Date: 4/14/2026**

Proposed By: Vilayat Del Rossi, Interim Executive Director, Finance and Contracts Committee

Background

SMSU's current financial manual combines purchasing, bidding, contracting, receiving, and payment controls in ways that are difficult to maintain and no longer align cleanly with the recommended break-out structure for revised fiscal policies. The proposed bidding revision updates the competitive sourcing rules and places them in a standalone board-level policy that works in tandem with Fiscal Policy 104 – Procurement and Contracting. The revised policy is drafted to align with the broader financial-policy roadmap that separates delegated authority, procurement and contracting, competitive bidding, procurement card use, disbursements, records retention, and other control areas into distinct policies with clear cross-references.

Proposal

Approve revised *Fiscal Policy 105 – Competitive Bidding, Quotes, and Exceptions* as the companion policy to *Fiscal Policy 104 – Procurement and Contracting*. The revised policy would:

- Establish a competitive sourcing framework based on total transaction value rather than fragmented purchase amounts
- Require competition, documentation, and best-value evaluation standards that scale with risk and dollar value
- Prohibit splitting or structuring transactions to avoid bidding, committee review, Board review, or campus requirements
- Clarify when sole-source, sole-brand, emergency, and waiver-of-competition exceptions may be used and what documentation is required
- Recognize campus-led procurement and facilities processes so SMSU does not run duplicative bid processes while still retaining an audit-ready procurement file
- Align bidding requirements with the revised procurement policy, delegation of authority expectations, procurement card controls, and records-retention requirements

Rationale

- This revision improves continuity across the financial-policy rewrite by clearly distinguishing the umbrella procurement and contracting rules from the more detailed competition and exception rules.
- The revised draft strengthens transparency, internal control, and audit readiness by clarifying threshold methodology, anti-circumvention language, campus coordination, exception approval requirements, and documentation expectations.
- It also positions SMSU to update procedures and administrative threshold guidance more efficiently over time while preserving the Board's governance-level expectations in policy.

Budget Impact

- No significant direct budget impact is anticipated from adoption of the revised policy.
- Minor administrative effort may be required to align procedures, training, procurement forms, and cross-references among the companion fiscal policies.

Timeline

Upon approval by the SMSU Board of Directors, the revised policy and any aligned administrative procedures may take effect immediately or on the implementation date designated by the Board.

Attachments

- Attachment A: Draft Fiscal Policy 105 – Competitive Bidding, Quotes, and Exceptions

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

SUBJECT: Fiscal Policy 105; Competitive Bidding, Quotes, and Exceptions

REFERENCE: ~~Financial Policies Manual~~ SMSU Financial Policies Manual; SMSU Operating Agreement; Fiscal Policy 104 – Procurement and Contracting; Fiscal Policy 103 – Delegation of Authority and Authorized Signatures; CSU Auxiliary Organizations Compliance Guide; California Education Code §§ 89900, 89904, 89906–89908; CCR Title 5 §§ 42401, 42402, 42500; ICSUAM Section 8000; applicable CSUSB procurement, contracting, facilities, risk management, accessibility, privacy, and information security requirements

Policy:

SMSU shall obtain goods and services through fair, transparent, and documented competitive processes that promote best value, safeguard student fee and program-generated funds, and withstand audit review.

Competition requirements shall be based on total transaction value, including reasonably anticipated renewals, extensions, amendments, options, add-ons, installation, freight or shipping, and any other amounts that are part of the procurement decision. Sales tax may be excluded unless campus requirements for the procurement method provide otherwise.

Purchases shall not be split, phased, subdivided, or otherwise structured to avoid quote requirements, bidding thresholds, committee review, Board review, campus review, or any other applicable control.

Only individuals with written delegated authority may approve a solicitation strategy, issue bid documents, approve a sole-source or emergency justification, waive competition, or otherwise bind SMSU to a sourcing decision.

When CSUSB Procurement and Contracts, Facilities Management, or another authorized campus office is the contracting or bidding agent, SMSU shall follow the applicable campus process and shall not run a duplicative bid process. SMSU shall retain sufficient documentation in its procurement file to demonstrate the campus process used and the approvals obtained.

SMSU shall not use reimbursements, procurement cards, direct payment methods, pass-through arrangements, or its separate legal status to circumvent CSU, campus, or legal bidding requirements that would otherwise apply.

Competition exceptions, including sole-source, sole-brand, emergency procurement, and waiver-of-competition requests, shall be narrowly applied, fully documented, and approved at the level required by delegated authority and this policy.

Standard:

Unless a stricter CSU, campus, grant, donor, legal, public works, or technology-procurement requirement applies, SMSU shall use the following minimum competitive sourcing standards for non-IT goods and services:

- Under \$10,000: document fair and reasonable pricing. Quotes are recommended when practical.
- \$10,000 to \$99,999.99: obtain at least three written quotes when practical and document the basis for vendor selection.
- \$100,000 to \$249,999.99: use an informal competitive solicitation, generally involving at least three qualified vendors, with written documentation of solicitation, evaluation, and award rationale.
- \$250,000 and above: use a formal competitive solicitation process, such as a Request for Proposals (RFP), Invitation for Bids (IFB), or other campus-approved formal method, unless an approved exception applies.
- ~~Products and services costing up to \$9,999.99:~~
- ~~One informal bid is required for products and services costing up to~~
- ~~\$9,999.99.~~
- ~~Products and services costing from \$10,000.00 to \$49,999.99:~~
- ~~Reasonable attempts shall be made to solicit three informal written bids for products and services costing from \$10,000.00 to \$49,999.99~~

Formal and informal solicitations shall be evaluated on best value and may consider price, responsiveness to specifications or scope, service capability, warranty, delivery, technical qualifications, accessibility, risk, total cost of ownership, vendor responsibility, and other criteria stated in the solicitation.

Sole-source or sole-brand procurements at or above \$10,000 require written justification demonstrating why the source is unique or otherwise the only reasonable source, why competition is not practicable, and why the proposed price and terms are fair and reasonable.

Sole-source, sole-brand, or other waiver-of-competition procurements at or above \$100,000 require review by the Finance and Contracts Committee and approval by the SMSU Board of Directors, unless a more stringent campus approval path governs the transaction.

Emergency procurements may be used only to address an immediate threat to health, safety, essential operations, property, or legal compliance. The procurement must be limited to the scope and duration reasonably necessary to address the emergency and must be documented promptly after the fact.

Procurements involving information and communications technology, public works, facilities work, construction, renovation, or other specialized categories shall also comply with applicable campus

Supersedes: ~~Financial Policies Manual Bidding Provisions~~ Financial Policies Manual
procurement, purchasing, bidding, contracting, receiving, and related disbursement
provisions
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procurement, accessibility, privacy, security, insurance, and facilities requirements, even when this policy would otherwise allow a less formal sourcing method.

Bid, quote, evaluation, waiver, and award records shall be retained in the procurement file in accordance with SMSU records retention requirements and applicable CSU and campus standards.

~~Products and services costing from \$50,000 to \$99,999.99~~

~~Three required written bids for products and services costing from \$50,000 to \$99,999.99.~~

~~Products and services costing \$100,000.00 or more:~~

~~Products and services costing \$100,000.00 or more shall require the use of the formal bidding procedure as outlined below.~~

NOTE:

~~The dollar amounts listed above include shipping charges but EXCLUDE sales tax. For example, if the requisition total before sales tax is \$49,999.99 only one price request is required. If, however, there are shipping charges to be added to the \$49,999.99, three informal written bids should be solicited.~~

Procedure:

1. Procurement Planning and Threshold Determination

- The requestor and responsible business office shall determine the total anticipated transaction value, including any options, renewals, amendments, or related components that must be aggregated for sourcing purposes.
- The responsible office shall confirm whether specialized campus requirements apply, including ICT review, facilities coordination, public works review, independent contractor review, insurance, risk management, accessibility, privacy, or information security requirements.

2. Competition Method Selection

- The responsible office shall apply the threshold and method required by this policy, Fiscal Policy 104, and any controlling campus procurement requirement.
- If campus procurement or facilities will conduct the sourcing event, SMSU shall coordinate through the campus process and maintain the resulting bid documentation in the SMSU file.

Supersedes: ~~Financial Policies Manual Bidding Provisions~~ Financial Policies Manual
procurement, purchasing, bidding, contracting, receiving, and related disbursement
provisions

3. Solicitation Development and Issuance

- For informal or formal competition, the responsible office shall prepare specifications, scope of work, evaluation criteria, timeline, and bidder instructions that are clear, objective, and appropriate for the procurement.
- Solicitations shall identify the submission deadline, authorized submission method, required contractual and compliance terms, and any mandatory review conditions.

4. Evaluation and Selection

- Quotes and bids shall be evaluated fairly and consistently against the requirements and criteria communicated to vendors.
- The procurement file shall document vendors solicited, responses received, the evaluation basis, and the rationale for the selected vendor.
- SMSU reserves the right to reject any or all responses, cancel a solicitation, or re-solicit when doing so is in its best interests and consistent with applicable requirements.

5. Exceptions to Competition

- Sole-source, sole-brand, emergency, or other waiver requests must be documented in writing before commitment when practicable, or promptly after the fact for emergency procurements.
- Required justifications and approvals shall be routed through the delegated authority chain, Finance and Contracts Committee, Board, and campus offices, as applicable to the transaction amount and category.

6. Award, Documentation, and File Retention

- No award is final and no vendor may be directed to proceed until all required approvals, purchase order issuance, and contract execution steps under Fiscal Policy 104 have been completed.
- The procurement file shall include the solicitation or quote request, vendor responses, evaluations, approvals, justifications, protest or cancellation records if any, award notice, and related contract or purchase order documentation.

~~SOLE SOURCE PROCEDURE~~

~~It is conceivable that a sole source may be the best or only source available for a product or service. This may be due to the unique nature of the product or unforeseen legitimate time constraints which do not permit a complete bidding cycle. Sole source should only be used for good and sufficient reason, i.e., when the outcome of a bid is relatively assured because of too few potential bidders, nature of the product, or eligible purchasing agreement. Putting out an RFP knowing a certain~~

Effective: xx-xx-xxxx

Updated: xx-xx-xxxx

**Supersedes: ~~Financial Policies Manual Bidding Provisions~~ Financial Policies Manual
procurement, purchasing, bidding, contracting, receiving, and related disbursement
provisions
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~~vendor will be selected nullifies the bid process and could leave the SMSU exposed to possible legal action by a vendor who spent time, energy and resources on a wasted RFP effort. Thorough research and factual data should be compiled on every prospective bid and presented to the Finance & Contracts Committee and the SMSU Board of Directors as justification. If sole source is justified, it should be requested.~~

~~A request to purchase an item exceeding \$9,999.99 through a sole source must be approved by the Finance & Contracts Committee and the SMSU Board of Directors. The agenda item must contain language clearly indicating a request for waiver of the bidding policy for sole source purchase. The Finance & Contracts Committee and/or the SMSU Board of Directors may, at their discretion, approve the purchase of an item while disapproving the use of the sole source option. If the sole source purchase option is denied by the Finance & Contracts Committee, that option may not be placed on the SMSU Board of Directors' agenda. This does not preclude the request being presented to the Finance & Contracts Committee for reconsideration.~~

Proposal for Revision of Fiscal Policy 104: Procurement and Contracting

To: Santos Manuel Student Union Board of Directors **Date: 4/14/2026**

Proposed By: Vilayat Del Rossi, Interim Executive Director, Finance and Contracts Committee

Background

SMSU's current procurement, purchasing, bidding, contracting, receiving, and related disbursement requirements need to be updated and consolidated into a clearer board-level policy. The proposed revision aligns SMSU practices with applicable law, CSU and CSUSB requirements, the SMSU Operating Agreement, and related Board policies and procedures. The draft is intended to strengthen internal controls, improve consistency, and support audit-ready procurement practices.

Proposal

Approve the revised *Fiscal Policy 104: Procurement and Contracting* to replace existing procurement-related provisions in the Financial Policies Manual. Establish clear requirements that:

- Procurement must support authorized SMSU purposes and use approved processes
- Purchases may not be split or structured to avoid competition, review, or approval requirements
- Procurement cards, reimbursements, or other payment methods may not be used to bypass required controls
- Only individuals with written delegated authority may approve or bind SMSU
- Conflicts of interest must be disclosed and managed appropriately
- Confirms standards for competition, sole-source justification, emergency procurement, written contracts, required compliance reviews, receiving, payment support, and records retention.

Rationale

- This revision improves clarity by consolidating procurement and contracting expectations into one updated policy.
- It strengthens accountability, transparency, and segregation of duties in purchasing activity.
- It reduces risk related to unauthorized commitments, inadequate documentation, and noncompliance with procurement, accessibility, privacy, security, and audit requirements.
- It provides a stronger policy framework while allowing administrative procedures to be updated as operational needs change.

Budget Impact

- No significant direct budget impact is anticipated from adoption of the policy.
- Minor administrative time may be required for implementation, staff communication, and procedural alignment.

Timeline

Upon support and approval through SMSU Board of Directors, the policy and associated procedures will take effect immediately.

Attachments

- Attachment A: Draft Fiscal Policy 104 – Procurement and Contracting

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

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

SUBJECT: Fiscal Policy 104; Procurement and Contracting

REFERENCE: SMSU Financial Policies Manual; SMSU Operating Agreement; Fiscal Policy - SMSU Competitive Bid, Quotes, and Exceptions Policy; CSU Auxiliary Organizations Compliance Guide; California Education Code §§ 89900, 89904, 89906–89908; CCR Title 5 §§ 42401, 42402, 42500; ICSUAM Section 8000; CSU Executive Order 1111; applicable CSUSB procurement, contracting, risk management, accessibility, privacy, and information security requirements

Policy:

SMSU shall procure goods and services only for authorized auxiliary purposes and in a manner consistent with applicable law, CSU requirements, CSUSB requirements, the SMSU Operating Agreement, board-approved delegations of authority, and sound business practices. Procurement activity shall be conducted through fair, transparent, documented processes that promote best value, protect public trust, and withstand audit review.

All procurement requests shall be initiated through the campus-approved procurement or procure-to-pay system, or through another approved administrative process in effect at the time of the transaction.

Purchases shall not be split, phased, subdivided, or otherwise structured for the purpose of avoiding required competition, review, approval, purchase order issuance, contract execution, or other internal controls.

A direct purchase, reimbursement, check request, procurement card transaction, or any other payment method shall not be used to circumvent required procurement controls, bidding requirements, written contracts, accessibility review, information security review, insurance requirements, or delegated approval authority.

Procurement cards may be used only in accordance with the SMSU Procurement Card Policies and Procedures, and card use does not exempt a transaction from any otherwise applicable competition, contract, accessibility, privacy, security, receiving, or documentation requirement.

Competition requirements, quote thresholds, bidding methods, and related exceptions shall

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

follow the current SMSU Bidding Policy and applicable campus procurement requirements in effect at the time of the transaction.

SMSU intentionally avoids hard-coding administrative system names and bid thresholds into this Board policy so the policy remains current when campus systems, thresholds, or procedures are updated.

Only individuals with written delegated authority may approve requisitions, sign contracts, execute purchase orders, approve invoice payment, or otherwise bind SMSU. Delegations shall be documented in writing, maintained by the responsible office, communicated to Auxiliary Accounting and other required campus offices, and updated promptly when responsibilities change.

To the maximum extent practicable, procurement duties shall be segregated so that requesting, approving, ordering, receiving, reconciling, and payment authorization functions are performed by different individuals. When staffing limitations prevent full segregation, a documented compensating review shall be required.

No employee, student employee, volunteer, committee member, or Board member may commit SMSU to a purchase, contract, order, subscription, renewal, or other obligation before all required review and approval steps are complete. Unauthorized commitments may be denied payment, may require formal exception review or ratification, and may result in personal liability and disciplinary action to the extent permitted by law and policy.

All procurement activity shall be supported by a legitimate business purpose, an identified funding source, and sufficient available budget authority.

SMSU shall not use its separate legal status, funding source, reimbursement process, card program, or any other procurement method to avoid campus, CSU, or legal requirements that would otherwise apply to the transaction.

Individuals participating in procurement activity shall act impartially and in the best interests of SMSU. Board members, officers, employees, and other participants shall disclose actual, potential, or perceived conflicts of interest and shall recuse themselves from procurement decisions in which they have a disqualifying financial or personal interest.

SMSU shall not knowingly enter into a contract or procurement arrangement that is inconsistent with applicable conflict-of-interest laws, auxiliary governance requirements, or campus compliance requirements.

Standard:

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

SMSU procurement activity shall comply with applicable federal and state law, California Code of Regulations title 5, California Education Code provisions governing CSU auxiliary organizations, the CSU Auxiliary Organizations Compliance Guide, the SMSU Operating Agreement, current CSUSB procurement and contracting requirements, and related SMSU Board policies.

SMSU procurement shall be based on best value, price reasonableness, responsiveness to specifications or scope of work, required compliance reviews, and any sourcing criteria established for the procurement method used.

Sole-source procurements shall require written justification demonstrating why the source is unique or otherwise the only reasonable source, why competition is not practicable, and why price and terms are fair and reasonable.

Emergency procurements shall be limited to the scope and duration necessary to address an immediate threat to health, safety, essential operations, property, or legal compliance. Emergency procurements must be documented and reviewed promptly after the fact for compliance and corrective action, if needed.

Services, software subscriptions, equipment leases, rentals, consultants, performers, speakers, independent contractors, event service providers, and other non-catalog or non-routine commitments shall be supported by a written contract or other approved written instrument acceptable to SMSU.

No work may begin and no goods or services may be accepted before the required purchase order or fully executed agreement is in place, except where an emergency procurement has been approved in accordance with procedure.

All ICT procurements, including software, SaaS, websites, hosted services, audiovisual systems, hardware, digital tools, and renewals, shall complete required accessibility, privacy, security, and related campus reviews before purchase, contract execution, or renewal.

Procurements involving construction, public works, renovation, facilities maintenance, installation, or physical alteration of campus property shall be coordinated in advance with the appropriate campus procurement and facilities offices and shall comply with applicable bidding, contract, and prevailing wage requirements.

Goods shall be inspected upon receipt, and services shall be certified in writing by the responsible department or official as satisfactorily completed in accordance with the purchase order, contract, or other approved documentation.

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

Payment shall not be authorized until SMSU has adequate supporting documentation, which ordinarily includes an approved request, evidence of receipt or service completion, and a proper vendor invoice or equivalent billing document.

Individuals approving payment shall verify budget availability, allowability, receipt or performance, account coding, and compliance with this policy and related procedures.

Equipment and other trackable property acquired with SMSU funds shall be recorded, tagged, safeguarded, inventoried, and disposed of in accordance with SMSU property control requirements and applicable campus asset management requirements.

SMSU shall maintain procurement and contracting records sufficient to demonstrate business purpose, funding, competition or written justification, approvals, contract terms, receipt of goods or services, payment support, and final disposition of the transaction. Such records shall be retained in accordance with the SMSU Records Retention Policy and applicable CSU and campus requirements.

Procedure:

1. Initiation of Request

- The requesting department shall confirm that the proposed purchase or contract supports an approved SMSU purpose and that sufficient budget or other authorized funding is available.
- The requestor shall identify the procurement type, including goods, services, ICT, consultant or speaker, event service, facilities-related work, public works-related work, or other specialized category.
- The request shall be prepared in the campus-approved procurement system or approved administrative form and shall include specifications, scope of work, vendor information, funding source, required dates, quotes or bids where applicable, and a clear business justification.

2. Screening for Required Review

- Before a vendor is directed to proceed, the request shall be routed for all required specialty reviews, including but not limited to ICT accessibility, information security, privacy, risk management, insurance, facilities, public works, branding, hospitality, travel, or grant or donor restriction review, as applicable.

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

- The responsible office shall determine whether the transaction requires an independent contractor review, written contract, campus rider, data protection addendum, insurance certificate, or other special review or documentation.

3. Competition and Source Selection

- The responsible office shall apply the current SMSU Bidding Policy and any applicable campus procurement requirements to determine whether the transaction requires informal quotes, written bids, formal bidding, or another approved sourcing method.
- No purchase shall be divided into smaller transactions to avoid competition or approval requirements.
- For sole-source requests, the requestor must complete a written justification explaining the uniqueness of the source, why competition is not practicable, and why the proposed cost is fair and reasonable.
- For emergency procurements, management must document the nature of the emergency, the reason normal processing could not be used, the selected vendor, the basis for price reasonableness, and the post-purchase compliance review.

4. Approval and Commitment

- All approvals required by delegated authority, the Board, the Finance and Contracts Committee, campus procurement, or other reviewing office must be obtained before a vendor is instructed to proceed.
- The required purchase order or fully executed contract must be issued before performance begins or goods are delivered, except where an approved emergency exception applies.
- No employee may sign a vendor quote, proposal, click-through term, order form, amendment, renewal, or other agreement unless that employee possesses written delegated authority to bind SMSU.

5. Receiving and Performance Verification

- Upon delivery, the responsible department shall inspect goods for quantity, condition, and conformity with the approved order.
- For services, the responsible department or official shall certify in writing that the services were satisfactorily completed and consistent with the contract or purchase order.\

Supersedes: Financial Policies Manual procurement, purchasing, bidding, contracting, receiving, and related disbursement provisions

- Shortages, damage, nonconforming performance, disputed charges, or incomplete services shall be reported promptly to the responsible business office or procurement contact.

6. Invoice Review and Payment

- Invoices shall be submitted through the approved payment process together with receiving documentation, service-completion certification, and any other required supporting materials.
- The approver shall verify account coding, funding, compliance with procurement requirements, mathematical accuracy, and required support before approving payment.
- Procurement card transactions shall be reconciled timely by the cardholder and independently reviewed and approved in accordance with the SMSU Procurement Card Policies and Procedures.

7. File Retention and Monitoring

- A complete procurement file shall be maintained in the approved record location and shall include the request, quotes or bids, justifications, approvals, contract or purchase order, receiving support, invoice, payment record, and any exception documentation.
- Procurement and contracting records shall be retained in accordance with the SMSU Records Retention Policy, applicable CSU and campus retention schedules, audit requirements, grant or donor restrictions, and litigation hold obligations.
- The responsible office shall monitor procurement exceptions, sole-source activity, card usage, recurring control issues, and training needs, and shall report material concerns through appropriate management, committee, Board, campus oversight, or audit channels as warranted.

Proposal for New Board Policy: Leadership Scholarship

To: Santos Manuel Student Union Board of Directors **Date: 4/14/2026**

Proposed By: Vilayat Del Rossi, Interim Executive Director, Policies & Procedures Committee

Background

SMSU currently does not have a standalone Board Policy governing the Leadership Scholarship program. The proposed new Board Policy establishes a clear governance framework for any scholarship offered to eligible student Board members and is intended to remain in sync with SMSU bylaw revisions, applicable CSU auxiliary standards, University financial aid administration, and conflict-of-interest requirements.

Proposal

Approve the new *Board Policy: Leadership Scholarship*. Establish clear requirements that:

- Leadership Scholarships are authorized as student financial aid, not compensation, wages, or stipends
- Eligibility is limited to qualifying student Board members under the then-current SMSU Bylaws
- Awards are subject to approved budget authority and University financial aid processes
- Conflict-of-interest disclosures and recusals are required for Board deliberations and actions
- Administrative implementation remains aligned with bylaw revisions affecting Board composition, status, and eligibility
- Program funding, continuation, suspension, or discontinuation remains subject to Board approval

Rationale

- This proposal creates a clear Board-level policy where none currently exists.
- It strengthens governance by treating the scholarship as financial aid rather than compensation for service.
- It reduces compliance risk through prospective criteria, formal approvals, financial aid coordination, and conflict-of-interest safeguards.
- It keeps the scholarship framework in sync with SMSU bylaw revisions and future Board structure changes.

Budget Impact

- Any scholarship funding will be subject to annual Board-approved budget authority and availability of funds.
- No automatic or ongoing funding commitment is created by adoption of the policy alone.

Timeline

Upon support and approval through SMSU Board of Directors, the new Board Policy and related administrative procedures will take effect immediately.

Attachments

- Attachment A: Draft Board Policy – Leadership Scholarship

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SANTOS MANUEL STUDENT UNION
BOARD POLICY

SUBJECT: Leadership Scholarship

REFERENCE: SMSU Policies Manual; SMSU Bylaws; SMSU Operating Agreement; CSU Auxiliary Organizations Compliance Guide; Internal Revenue Code § 117; California Government Code §§ 1090, 87100 et seq.; applicable CSUSB financial aid requirements

Policy:

The SMSU Leadership Scholarship is a Board-authorized student financial aid program that may be made available to eligible student members of the Santos Manuel Student Union Board of Directors, subject to approved budget authority, University financial aid administration, and the eligibility standards set forth in this Policy.

The Leadership Scholarship is intended to support qualified educational expenses. It is not compensation, wages, salary, a stipend, or consideration for services rendered. Eligibility for, or the amount of, a Leadership Scholarship shall not be conditioned on hours worked, specific tasks performed, attendance at individual meetings, advocacy, or votes cast by a student Board member.

This Policy is intended to ensure that any Leadership Scholarship program is administered in a manner that is consistent with applicable bylaws, CSU auxiliary requirements, conflict-of-interest standards, financial aid controls, and sound governance practices, including clear prospective criteria, documented recusals, and separation between Board service and personal financial benefit.

For purposes of alignment with future bylaw revisions, references in this Policy to student members of the Board of Directors shall mean those student Board positions recognized as eligible to serve under the then-current SMSU Bylaws and related governing documents.

Standard:

It is the policy of the Santos Manuel Student Union that Leadership Scholarships, if offered, shall be limited, mission aligned, prospectively authorized, and administered as student financial aid rather than remuneration.

All Leadership Scholarships must:

1. Be limited to currently enrolled student members of the SMSU Board of Directors who satisfy the eligibility requirements established by this Policy and the then-current SMSU Bylaws;

2. Be funded only through an approved SMSU budget allocation and subject to availability of funds;
3. Be administered through established University financial aid processes and subject to applicable cost-of-attendance and aid-packaging limitations;
4. Be based on uniform and prospectively established eligibility criteria rather than individualized bargaining or discretionary promises;
5. Be administered with documented conflict-of-interest safeguards, including disclosure and recusal where required; and
6. Comply with applicable CSU auxiliary governance standards and federal and state law.

Leadership Scholarships are discretionary, may be suspended or discontinued by Board action, and are not guaranteed by virtue of Board membership alone.

No officer, employee, or Board member may authorize, promise, or represent the availability of a Leadership Scholarship except as provided in this Policy and in the approved budget and administrative process.

Approval Authority and Governance:

Board Approval Required - The SMSU Board of Directors shall approve the establishment, continuation, suspension, or discontinuation of the Leadership Scholarship program and shall approve the total annual funding allocation through the budget process or other formal Board action.

Committee Role - The Finance & Contracts Committee, or successor committee designated by the Board, may review and recommend program funding levels and implementation parameters as part of the budget process, but shall not approve individual awards.

Administrative Authority - The Executive Director, or designee, shall administer the program in coordination with the CSUSB Office of Financial Aid and other appropriate University offices, consistent with this Policy, the approved budget, and applicable campus processes.

Bylaw Alignment - Administrative implementation may use operational criteria tied to Board status, good standing, term of service, resignation, vacancy, or removal only to the extent those concepts are defined by the then-current SMSU Bylaws or other approved governing documents.

Prohibitions:

SMSU shall not:

1. Treat the Leadership Scholarship as compensation, a stipend, payroll, or payment for services;

- Condition eligibility or award amount on hours worked, specific assignments completed, attendance at a particular meeting, or any vote or advocacy position;
2. Permit any student Board member to participate in deliberation, recommendation, or action regarding their own award or a program design decision from which they may reasonably foresee a personal financial benefit;
 3. Issue a Leadership Scholarship outside University financial aid processes or outside the approved budget authority; or
 4. Use the Leadership Scholarship program to circumvent SMSU Bylaws, CSU policy, campus requirements, or applicable conflict-of-interest restrictions.

Eligibility:

A Leadership Scholarship may be awarded only when all of the following conditions are met:

1. **Board status** - The student must be serving in an at-large student director position on the SMSU Board of Directors. Individuals serving by virtue of an ex officio role, including but not limited to Associated Students, Inc. representatives or other designated ex officio appointments, are not eligible for the Leadership Scholarship.
2. **Good standing** - The student satisfies any Board-member good-standing requirements and any applicable University academic or enrollment requirements used for financial aid administration.
3. **Enrollment** - The student is enrolled in the minimum number of units, if any, required by applicable University or financial aid rules for the term in which the scholarship is processed.
4. **Administrative clearance** - The award can be processed through the CSUSB Office of Financial Aid, and the award does not exceed applicable aid or cost-of-attendance limitations.
5. **Continued eligibility** - The student remains eligible through the period for which the scholarship is awarded, subject to applicable bylaw and financial aid rules.

Conflicts of Interest:

Board members, officers, and employees shall comply with applicable conflict-of-interest requirements, including California Government Code §§ 1090 and 87100 et seq., CSU standards, and campus implementing requirements. Required disclosures and recusals shall be documented in the official record. Where a proposed action concerns a scholarship program or funding structure that could confer a reasonably foreseeable personal financial benefit on one or more current student Board members, affected members shall not participate except as permitted by applicable law and approved governance practice.

Records Retention:

Documentation related to program approval, budget authority, eligibility verification, coordination with financial aid, award processing, conflict-of-interest disclosures, and recusals shall be retained in accordance with SMSU records retention standards and applicable audit requirements.

Procedure:

1. **Program Authorization and Budgeting** - Management shall include any proposed Leadership Scholarship funding in the annual SMSU budget or in other formal Board materials. The Board-approved action shall identify the total program funding authority for the applicable fiscal year.
2. **Eligibility Verification** - Prior to processing any award, management shall verify that the student holds an eligible student Board position, remains in good standing under the then-current bylaws and governing documents, and satisfies applicable University and financial aid requirements.
3. **Financial Aid Coordination and Disbursement** - All Leadership Scholarships shall be coordinated with the CSUSB Office of Financial Aid and disbursed only through applicable University financial aid systems. SMSU shall not pay Leadership Scholarships through payroll or informal reimbursement processes.
4. **Conflict-of-Interest Controls** - Student Board members who may benefit from the program shall disclose the interest as required and recuse themselves from discussions, recommendations, and actions regarding funding, criteria, or awards when required by law or policy. Recusals shall be reflected in meeting minutes and other official records.
5. **Changes in Status** - If a student Board member resigns, is removed, becomes ineligible to serve, withdraws from the University, drops below applicable enrollment requirements, or otherwise ceases to qualify under applicable bylaws or financial aid rules, the scholarship may be reduced, cancelled, or adjusted in accordance with University financial aid procedures and applicable administrative determinations.
6. **Annual Review** - Management should review the program annually and recommend any needed revisions to maintain alignment with then-current bylaws, Board structure, financial aid requirements, and CSU auxiliary compliance expectations.