



SANTOS MANUEL STUDENT UNION BOARD OF DIRECTORS
GENERAL MEETING
February 18, 2026 – 2:00 PM
Student Union North, Student Chambers
Zoom: <https://csusb.zoom.us/j/85875529320>

Agenda

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Open Forum (3 Minutes per Speaker)
5. Adoption of Agenda

NEW BUSINESS

- | | |
|------------|--|
| SMSU 44/26 | Outdoor Recreational Facilities Projects Presentation by Jenny Sorenson (Informational, Sorenson) Time Certain: 2:20pm |
| SMSU 45/26 | Approval of Revised Overtime Policy SMSUPM 930 (Action, Personnel Committee, Paz) |
| SMSU 46/26 | Santos Manuel Student Union (SMSU) Reserve Allocation Proposal (Action, Finance and Contracts Committee, Garcia) |
| SMSU 47/26 | Review Mid-Year Financial Report (Informational, Finance and Contracts Committee, Garcia) |

ANNOUNCEMENTS

ADJOURNMENT

Update to SMSU Personnel Policy 930: Overtime

Date: February 2, 2026

Santos Manuel Student Union Board of Directors – Personnel Committee

Proposed By: Jenny Puccinelli, Human Resource and Risk Manager

Background:

Changes are required to the SMSU Overtime Policy to bring in-line with current Federal and California law and add clarification.

Proposal:

The following changes are proposed:

- Addition of overtime earned on the 7th consecutive day of work
- Addition of the SMSU's workweek (established in SMSU Personnel Policy 900: Hours of Work)
- Clarification of which hours count toward overtime
- Clarification that compensatory time off is not allowed by CA law
- Clarification that overtime must be approved by the employee's supervisor

Rationale:

Updating the policy to bring in-line with current Federal and California law.

Budget Impact: None

Timeline: Once approved by the Board of Directors the updated policy will go into effect.

Chartfield: n/a

Attachments: None

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

PERSONNEL POLICY

SUBJECT: Overtime

REFERENCE: SMSU Personnel Policies Manual; SMSUPM 930
California Code, Labor Code - LAB § 510

Policy:

Overtime is time worked by non-exempt employees in excess of eight (8) hours in one day, ~~or~~ forty (40) hours in one work week, or any hours on the seventh consecutive day of work in a workweek. The SMSU's workweek is defined as Sunday through Saturday. For purposes of determining which hours constitute overtime, only actual hours worked in a given workday or workweek will be counted. Compensatory time off (CTO) is not allowed in lieu of overtime.

Standard:

It is the policy of the Santos Manuel Student Union that managers utilize overtime only in those instances where failure to do so would jeopardize the effective operation of the Santos Manuel Student Union. Overtime must be approved by an employee's supervisor. An employee who works overtime without prior authorization may be subject to disciplinary action.

Compensation:

Overtime is compensated at the rate of:

1. One and one-half (1-1/2) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours up to and including 12 hours in any workday, for all hours worked over forty (40) in a work week, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek; and
2. Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek.

Santos Manuel Student Union (SMSU) Reserve Allocation Proposal

Date: 12/18/2025

Santos Manuel Student Union Finance & Contracts Committee

Proposed By: Maria Elena Najera-Neri, Budget Analyst

Background: The CSU requires that auxiliaries operating student unions maintain designated balances and reserves to:

- sustain year-to-year operational consistency.
- prepare for economic uncertainty and cyclical recession impacts.
- fund capital renewal, major repairs, long term maintenance and equipment replacement.
- manage catastrophic events or natural disasters; and ensure capacity for strategic investments and program development.
- compliance with bond debt and debt service obligations

Per CSU policy:

- Every CSU operating activity fund, including Campus Union (Fund 534), must maintain a Reserve for Economic Uncertainty equal to *at least 5% of its annual operating budget*.
- Over time, this reserve should accumulate between *three and six months of operating expenses*.
- Additional reserves—categorized under specific FIRMS object codes—must be established and tracked for future obligations, capital projects, program development, debt service, and facilities maintenance.

To remain compliant and financially stable, SMSU must adopt a reserve-accumulation structure that mirrors these system standards while responding to the unique operational realities of student union enterprises. Last fiscal year the Finance & Contracts Committee presented these recommendations to the Board, and the Reserve Accumulation Policy was revised to be in compliance with CSU policy.

Proposal: The purpose of this proposal is to designate balances and allocate unrestricted reserves. To provide long-term financial sustainability practices, and risk management expectations for Santos Manuel Student Union facilities, services, and programs. By having a clear compliant reserve policy and allocation strategy, it will ensure financial resilience, promote responsible stewardship of student fees, and support the continuity of student services, capital renewal, and emergency preparedness.

Rationale: SMSU Reserve Categories which align with CSU Object Codes:

The following reserve classifications are recommended for annual budgeting, reporting, and long-term planning. Each category is mapped to CSU object codes and defined according to SMSU needs: 1) Economic Uncertainty, 2) Capital Improvement & Construction, 3) Facilities Maintenance & Repairs, 4) Equipment Acquisition, 5) Future Debt Service, 6) Program Development, 7) Outstanding Commitments, 8) Catastrophic Event, and 9) Encumbrance Reserve.

Attachments:

- Exhibit A – Individual Reserve Category Details
- Exhibit B – Funding Strategy Overview
- Exhibit c – Account Category Recommendations

Exhibit A – Individual Reserve Category Details

1. Reserve for Economic Uncertainty — Object Code 304022

Purpose: Ensures essential SMSU operations can continue during periods of economic or budget instability (e.g., statewide recession, fee-revenue fluctuations, emergencies).

Requirements:

- Minimum: **5% of annual operating budget**
- Long-term goal: **3–6 months of operating expenses**

SMSU Proposal: Target **25% of annual operating expenditures (approximately 3 months)**, with annual progress toward a 6-month maximum as feasible.

2. Capital Improvement & Construction Reserve — Object Code 304010

Purpose: Funds long-term capital needs, including new facility projects, major expansions, and structural modernization of SMSU facilities.

SMSU Proposal: Maintain a multi-year capital accumulation plan tied to the campus Facilities Condition Assessment (FCA) and SMSU Master Plan. Annual contributions should support future large-scale renovations or expansions. This would include the expansion of the Student Recreation & Wellness Center as well as our Palm Desert Campus.

3. Facilities Maintenance & Repairs Reserve — Object Code 304014

Purpose: Supports scheduled and preventive maintenance, including HVAC, roofing, flooring, electrical, and plumbing systems, as well as ADA compliance upgrades.

SMSU Proposal: Maintain a reserve equal to **3–5% of the current replacement value (CRV)** of the SMSU facility, as recommended by the Association of College Unions International (ACUI) and CSU auxiliary best practices.

4. Equipment Acquisition Reserve — Object Code 304011

Purpose: Funds replacement and purchase of operational equipment, including furniture, technology, AV systems, event equipment, and building infrastructure systems.

SMSU Proposal: Maintain an equipment reserve based on the useful life cycle of major equipment categories. Recommended target **\$X annually** (to be determined via inventory analysis).

5. Future Debt Service Reserve — Object Code 304013

Purpose: Sets aside one to two years of debt payments associated with SMSU building financing or future capital debt.

SMSU Proposal: Maintain a minimum of **one year of future debt service obligations**, increasing to **two years** as revenue growth allows.

6. Program Development Reserve — Object Code 304012

Purpose: Funds new initiatives, feasibility studies, student engagement programming, and innovation projects.

SMSU Proposal: Annual allocation based on strategic priorities identified by SMSU leadership and the board, typically ranging **1–2% of operating budget**.

7. Outstanding Commitments Reserve — Object Code 304016

Purpose:

Ensures SMSU can pay for commitments that are not yet encumbered by purchase orders or contracts (e.g., future staffing costs, planned program allocations).

SMSU Proposal:

Maintain a variable reserve based on approved—but not yet executed—commitments at fiscal year-end.

8. Catastrophic Event Reserve — Object Code 304017

Purpose: Provides coverage for catastrophic losses, emergencies, or natural disasters. May fund insurance deductibles or self-insured retentions.

SMSU Proposal: Maintain **\$X annually** (to be determined using risk assessment) with gradual accumulation toward industry benchmarks for facilities of similar size.

9. Encumbrance Reserve — Object Code 304018

Purpose: Holds funds for legally obligated purchase orders or service contracts not yet completed.

SMSU Proposal: Maintain at year-end equal to the total encumbered amount.

Exhibit B – Funding Strategy Overview

Reserve Funding Strategy:

SMSU will employ a deliberate and incremental funding strategy:

1. Annual Budget Contribution Model

Each reserve category will receive annual contributions proportionate to:

- SMSU operational surpluses
- revenue growth
- long-term capital and maintenance schedules
- Board-approved financial priorities

2. Multi-Year Reserve Accumulation Plan

A rolling 5-year reserve development schedule will be created each fiscal year to ensure steady progress toward reserve targets.

3. Use of Reserves

Per CSU & SMSU policy, reserves:

- may only be used for one-time expenses
- shall not be used to cover recurring operating costs
- require approval from SMSU leadership and governing boards prior to expenditure

Reporting, Transparency, and Compliance:

To maintain compliance with CSU requirements:

1. Annual Reserve Report
SMSU will prepare an annual report summarizing reserve levels by category, aligned with FIRMS object codes.
2. Year-End Review
After year-end close, SMSU will realign reserve fund balances based on actual operating results.
3. Public Transparency
Reserve information will be made available consistent with CSU's Financial Transparency Portal practices.
4. Policy Review Cycle
This policy will be reviewed every three years or sooner if CSU systemwide policies change.

Recommendations and Request for Approval:

It is recommended that the Finance & Contracts Committee approve this Reserve Accumulation Policy to:

- SMSU remains fully compliant with CSU ICSUAM 02001.00,
- students benefit from long-term continuity of services and facilities,
- proper fiscal safeguards exist for both daily operations and long-range planning, and
- SMSU continues to be a financially resilient and student-centered auxiliary organization.

Approval will authorize SMSU administration to begin implementing the reserve accumulation and allocation framework and include the reserve targets in annual budget planning. The use of reserves requires approval from:

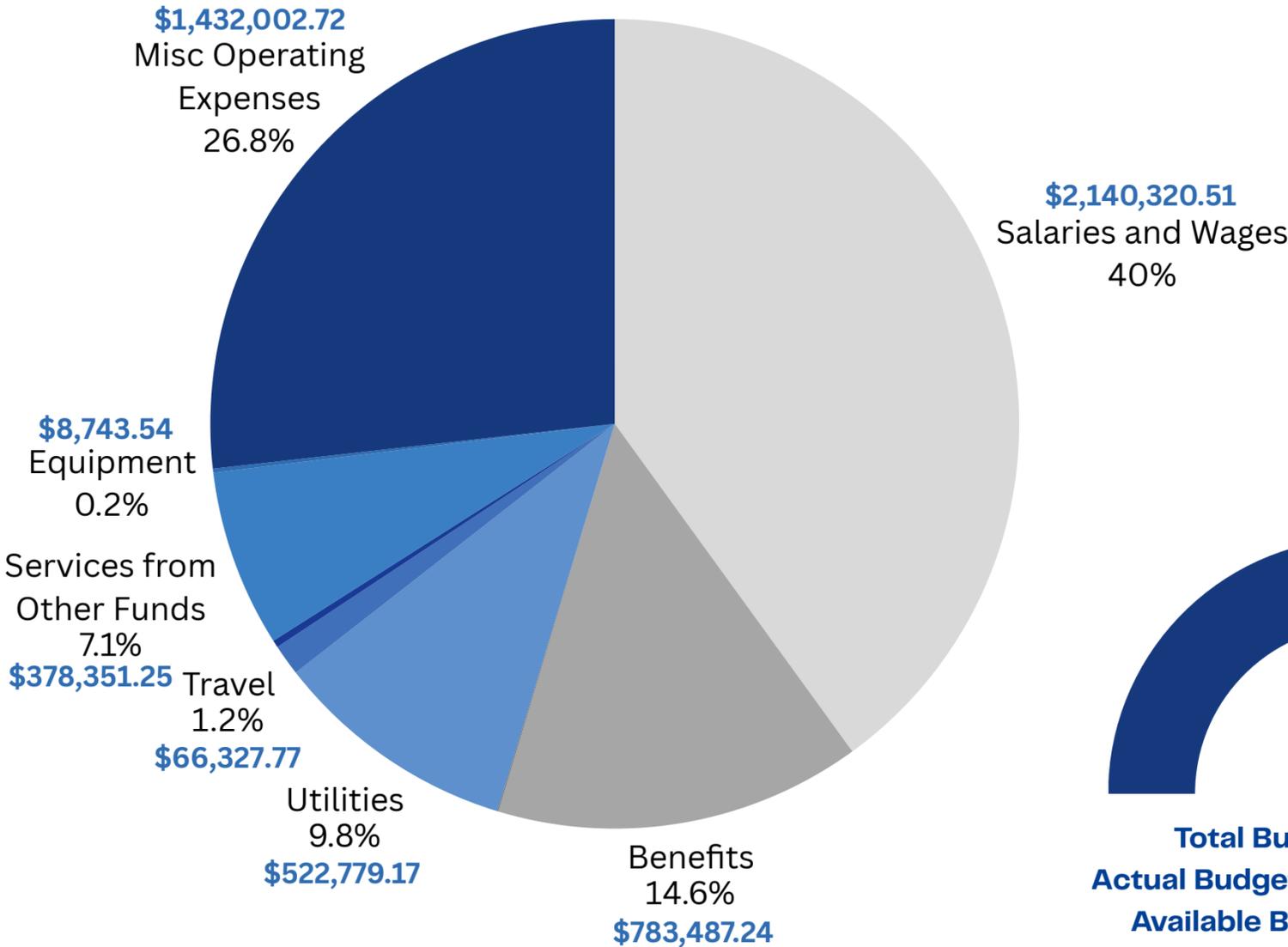
- SMSU Executive Director,
- SMSU Board of Directors, and
- in some cases, campus and CSU review (for CSU-held reserves).

Exhibit C – Account Category Recommendations

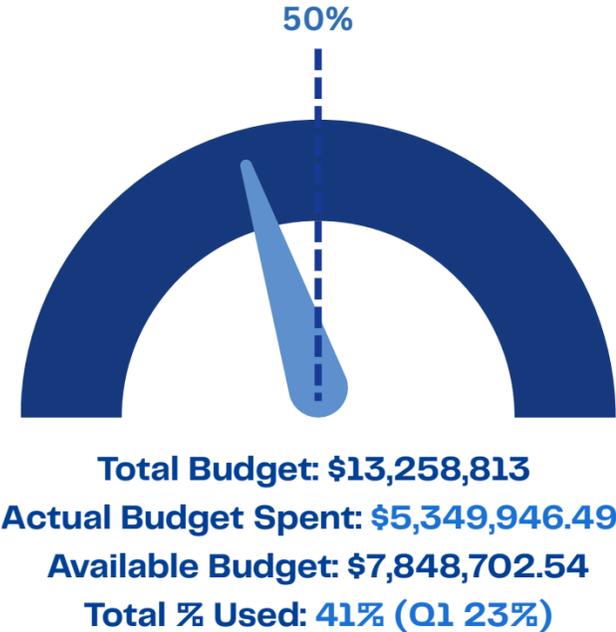
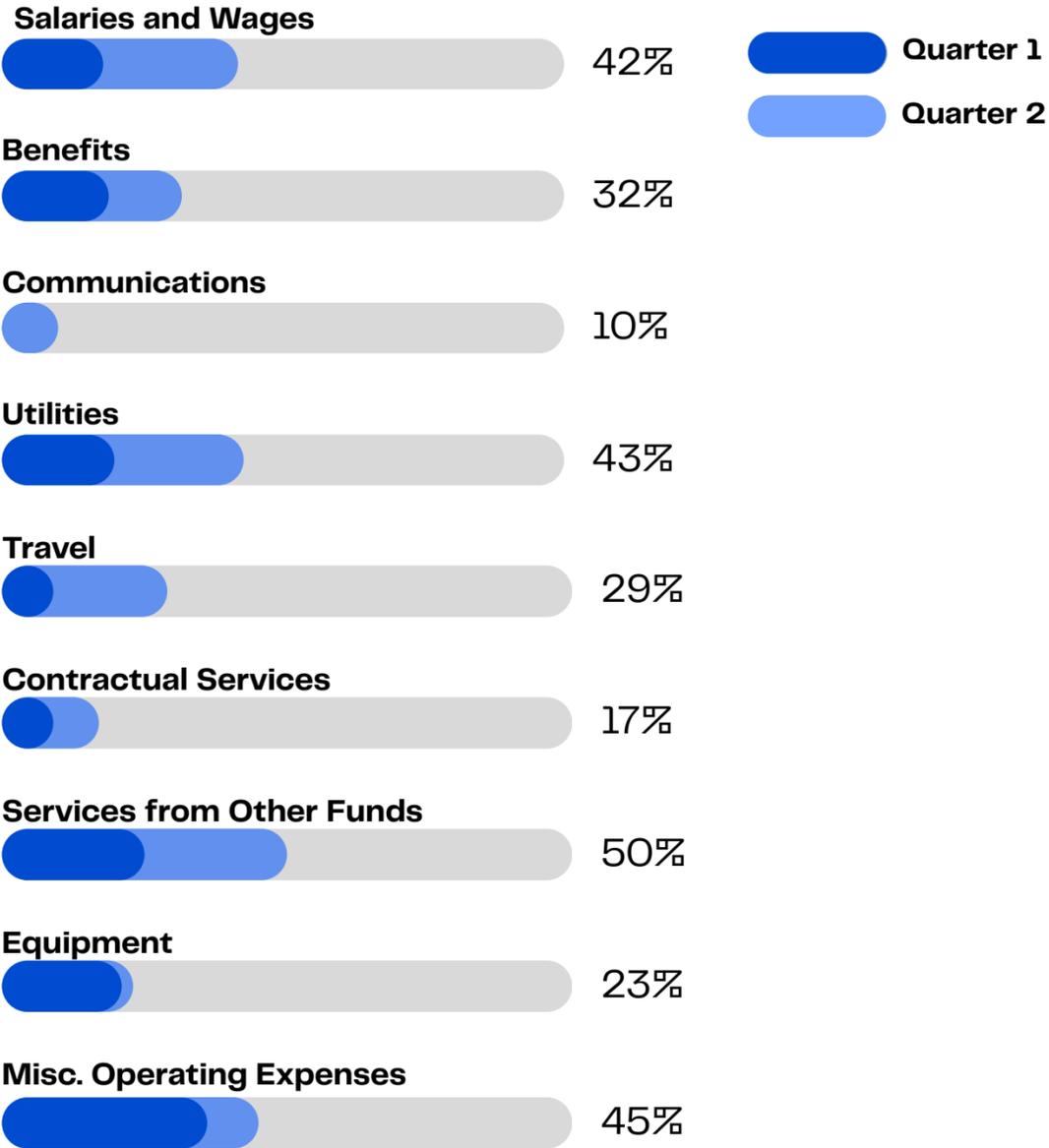
Student Union-Student Fee (HDD01)			
<u>24/25 Mandatory Reserve Designation</u>	<u>Amount*</u>	<u>Amount needed in Reserve Accounts</u>	<u>Difference</u>
<u>Capital Improvement/Construction</u>			\$-
<u>Equipment Acquisition</u>			\$-
<u>Program Development</u>			\$-
<u>Future Debt Service</u>	<u>6,619,681</u>	<u>6,619,681</u>	<u>\$-</u>
<u>Facilities Maintenance and Repairs</u>			\$-
<u>Outstanding Commitments</u>			\$-
<u>Catastrophic Events</u>			\$-
<u>Encumbrances</u>			\$-
<u>Economic Uncertainty</u>	<u>1,000,000</u>	<u>\$1,000,000.00</u>	<u>\$-</u>
			<u>\$-</u>
<u>Total Reserve Designation</u>	<u>7,619,681</u>	<u>\$7,619,681.00</u>	<u>\$-</u>
Student Union-Operating (RO001)			
<u>24/25 Mandatory Reserve Designation</u>	<u>Amount*</u>	<u>Amount needed in Reserve Accounts</u>	<u>Difference</u>
<u>Capital Improvement/Construction</u>	<u>3,040,000</u>	<u>\$10,000,000.00</u>	<u>\$(6,960,000.00)</u>
<u>Equipment Acquisition (Group 1)</u>	<u>1,500,000</u>	<u>\$2,500,000.00</u>	<u>\$(1,000,000.00)</u>
<u>Program Development</u>	<u>360,000</u>	<u>\$1,500,000.00</u>	<u>\$(1,140,000.00)</u>
<u>Future Debt Service</u>	<u>0</u>	<u>=</u>	<u>\$-</u>
<u>Facilities Maintenance and Repairs (Group 2)</u>	<u>1,140,700</u>	<u>\$9,000,000.00</u>	<u>\$(7,859,300.00)</u>
<u>Outstanding Commitments</u>	<u>1,000,000</u>	<u>\$3,996,739.00</u>	<u>\$(2,996,739.00)</u>
<u>Catastrophic Events</u>	<u>800,000</u>	<u>\$1,000,000.00</u>	<u>\$(200,000.00)</u>
<u>Encumbrances</u>			<u>\$-</u>
<u>Economic Uncertainty</u>	<u>3,316,164</u>	<u>\$6,632,328.00</u>	<u>\$(3,316,164.00)</u>
			<u>\$-</u>
<u>Total Reserve Designation</u>	<u>11,156,864</u>	<u>\$34,629,067.00</u>	<u>\$(23,472,203.00)</u>

Santos Manuel Student Union Second Quarter Budget 25/26 Report

Spending Distribution



Percentage of Budget Utilized

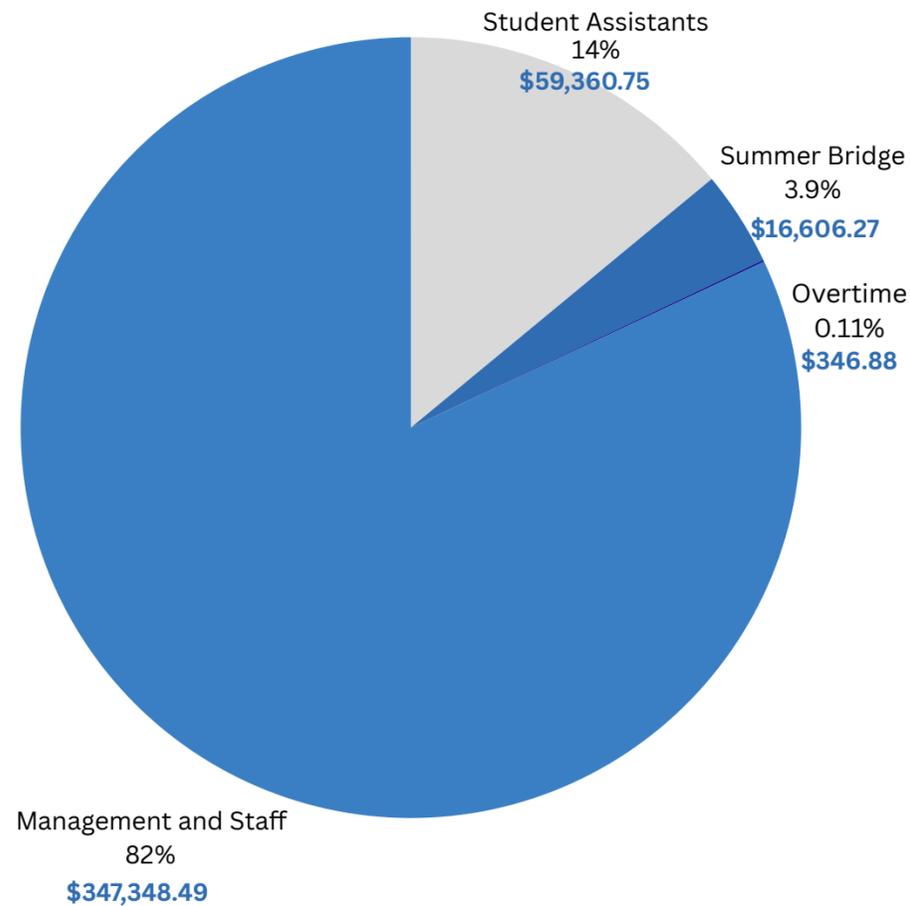


Shared Services

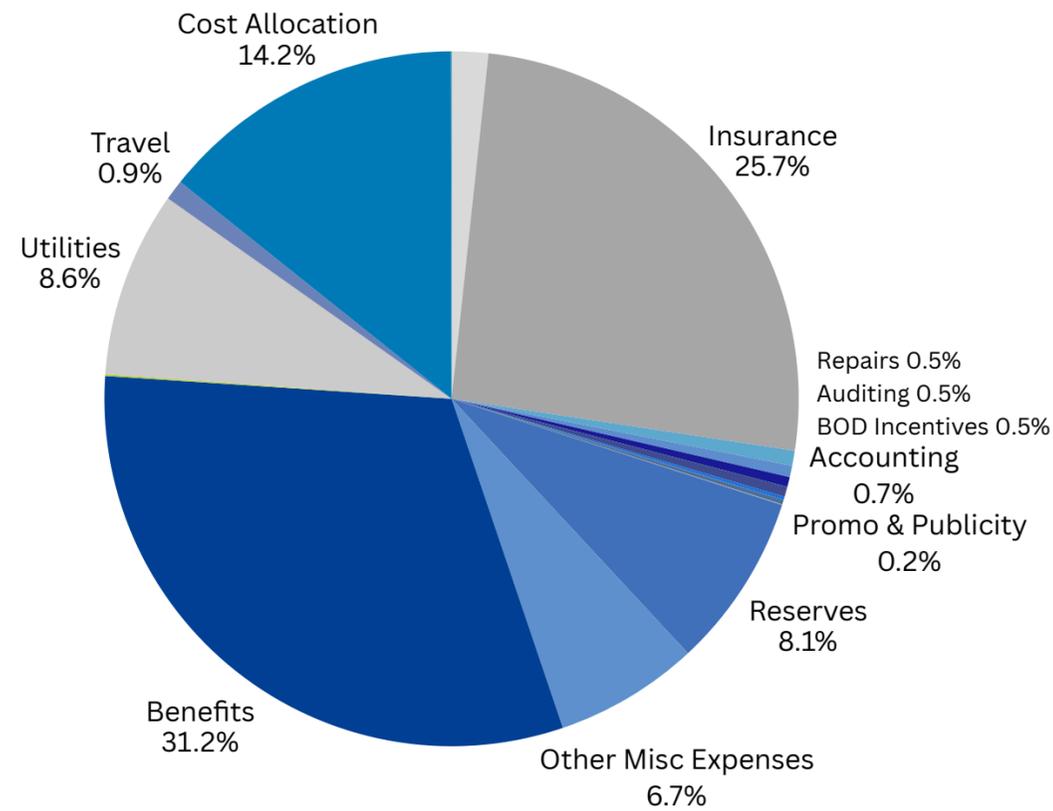
Second Quarter Budget 25/26

Report

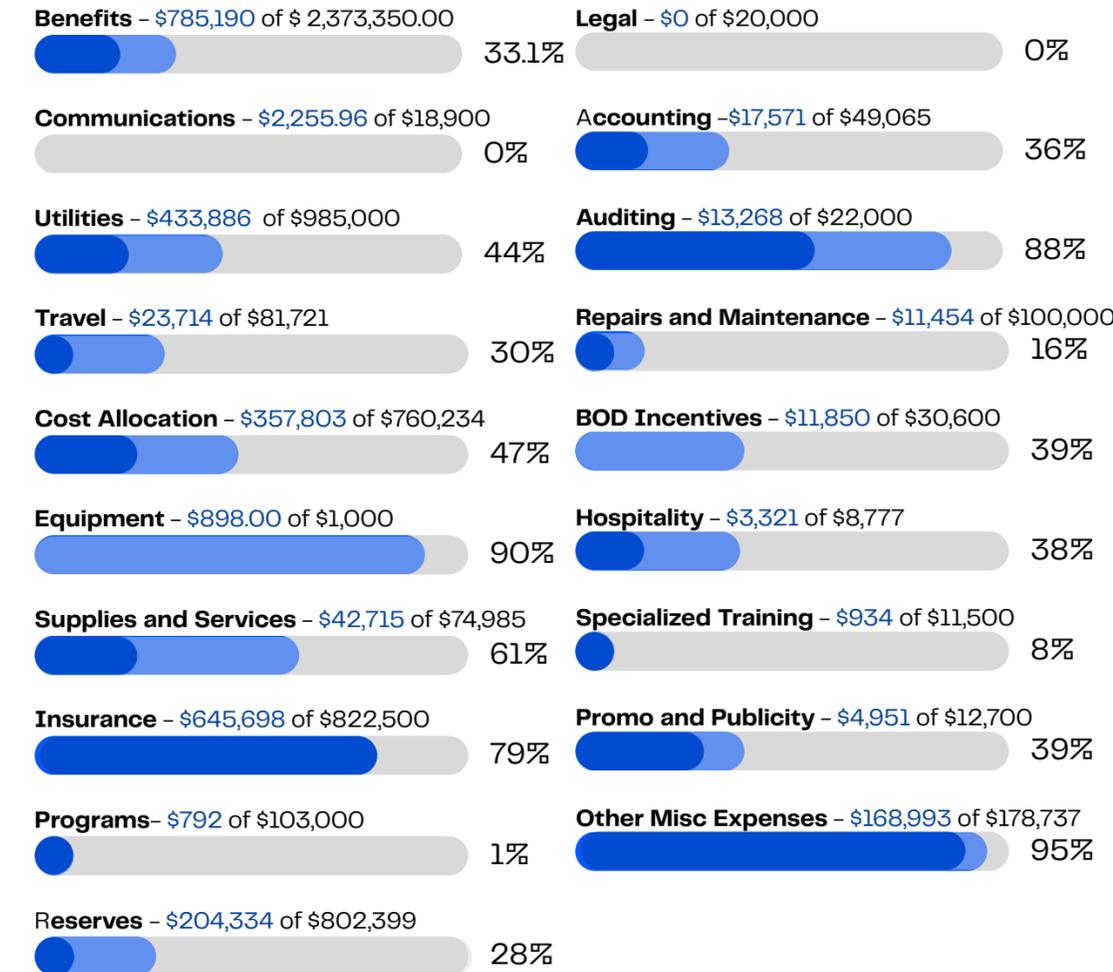
Salaries and Wages



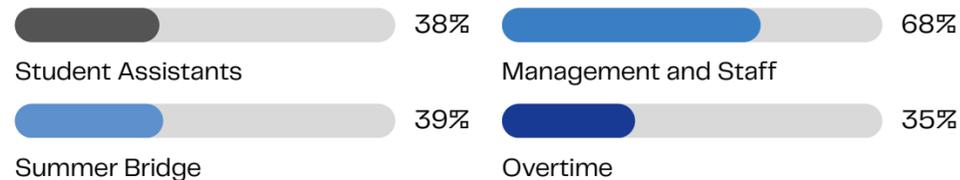
Spending Distribution (exc. salaries)



Percentage of Budget Utilized



Percentage of Budget Utilized (Salaries)

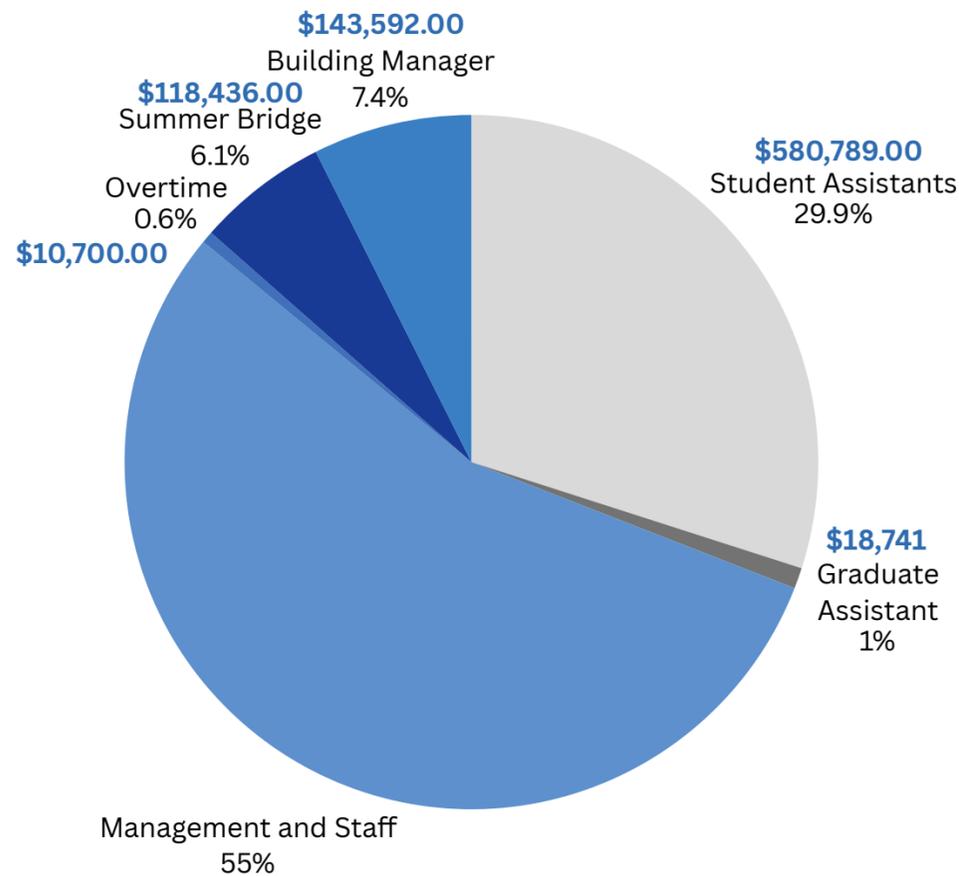


Total Budget: \$7,720,900
Actual Budget Spent: \$3,153,291.98
Available Budget: \$4,535,009.28
Total % Used: 41% (Q1: 28%)

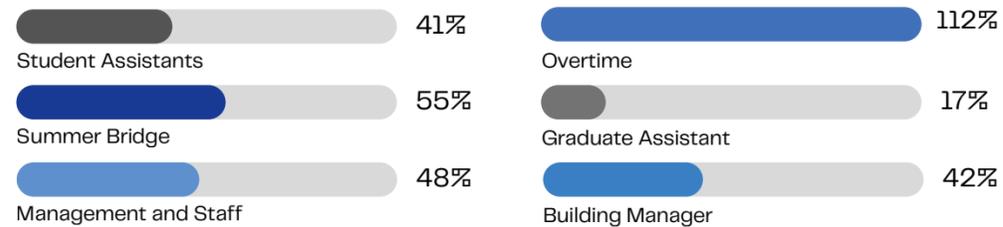
Quarter 1
Quarter 2

Operations Second Quarter Budget 25/26 Report

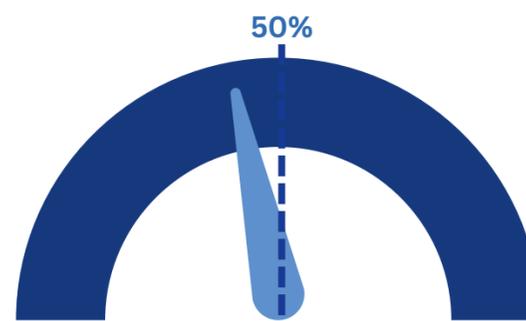
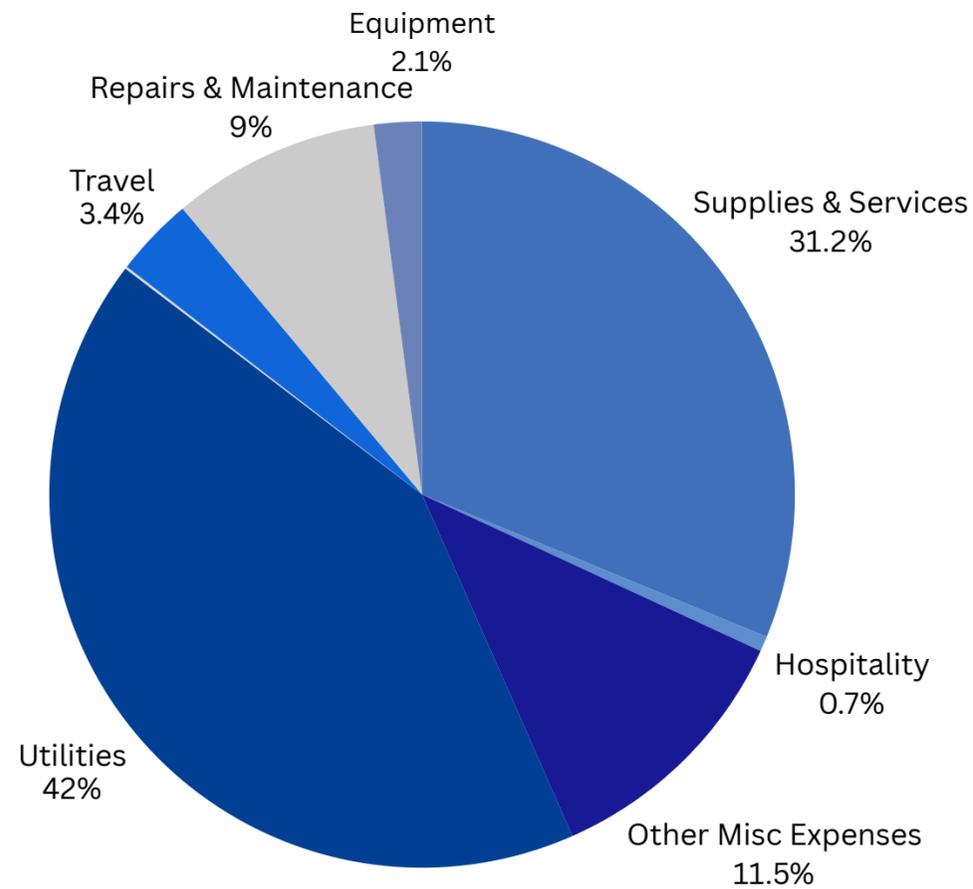
Salaries and Wages



Percentage of Budget Utilized (Salaries)

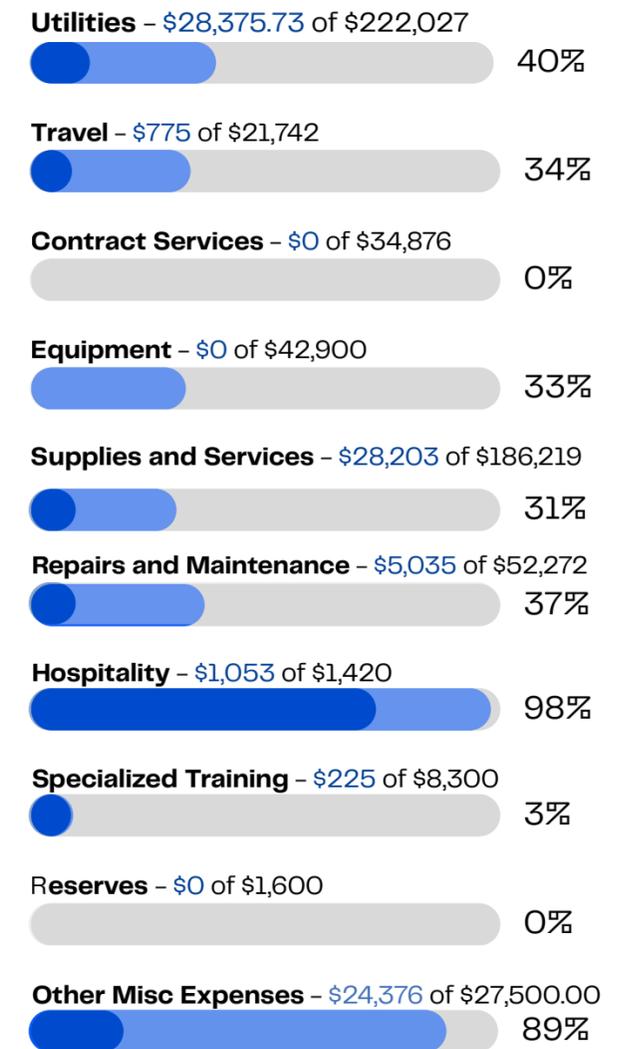


Spending Distribution (exc. salaries)



Total Budget: \$2,538,238
Actual Budget Spent: \$1,107,104.62
Available Budget: \$1,429,412.49
Total % Used: 44% (Q1: 19%)

Percentage of Budget Utilized



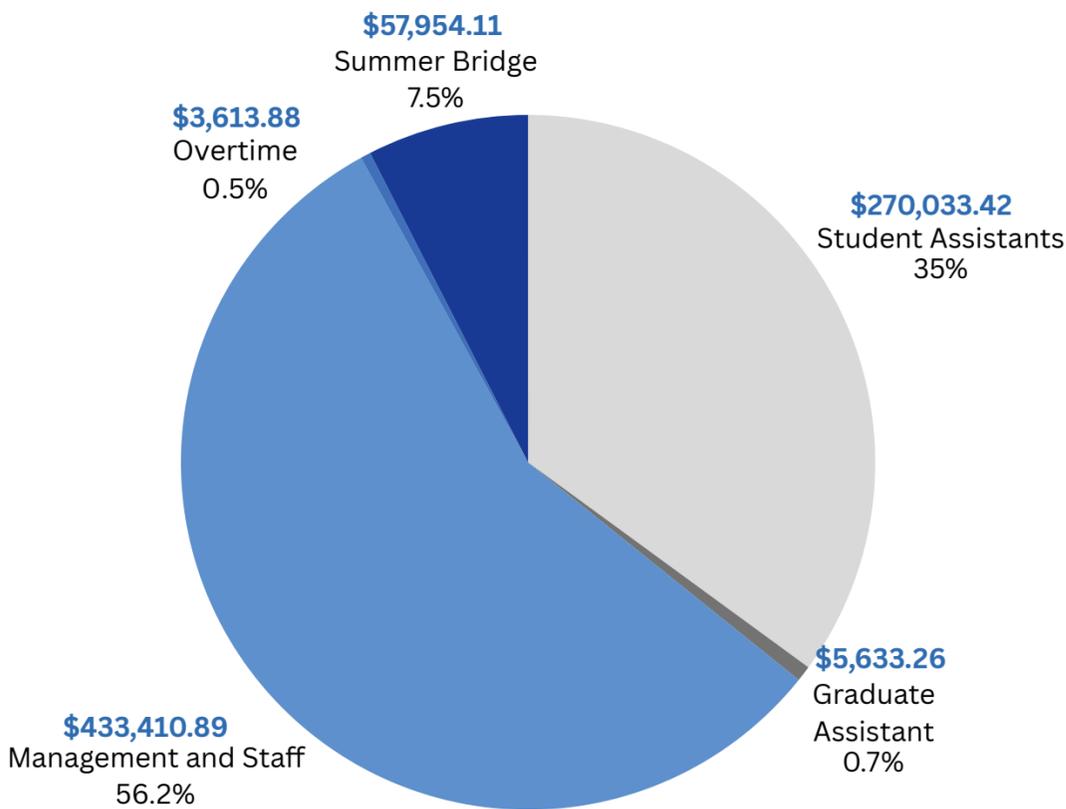
Quarter 1
Quarter 2

Programs

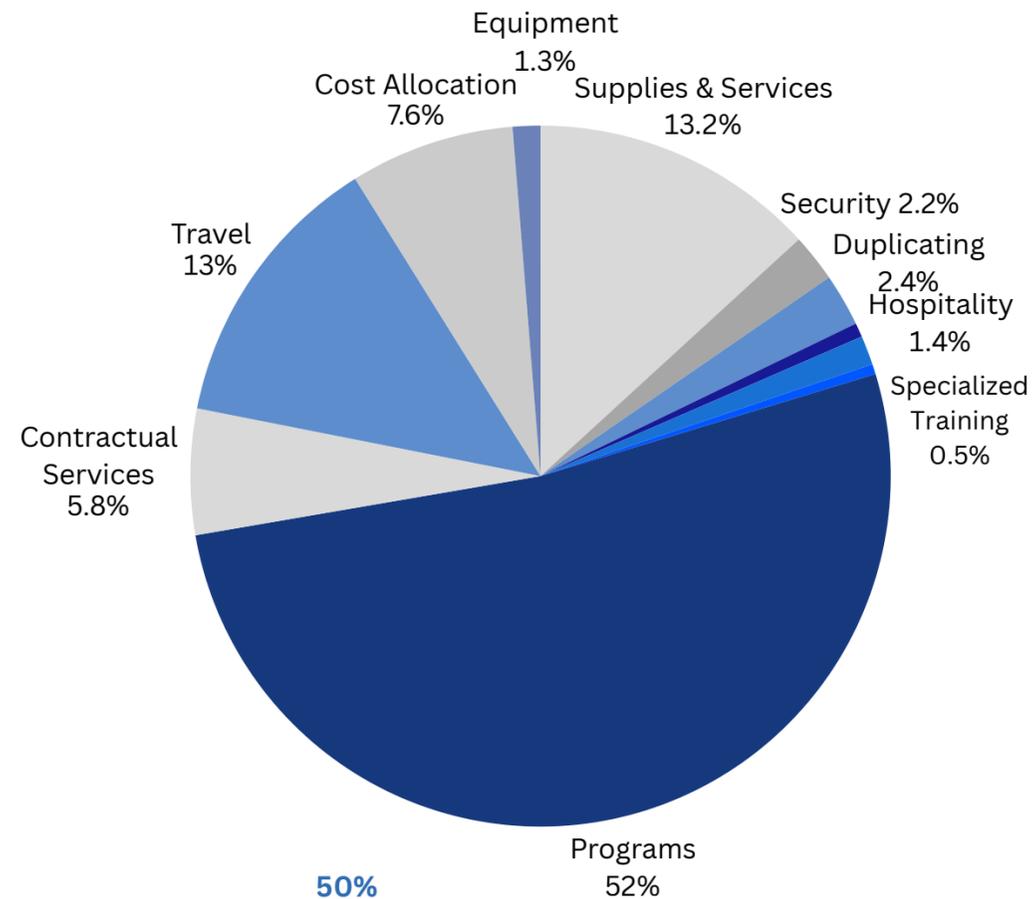
Second Quarter Budget 25/26

Report

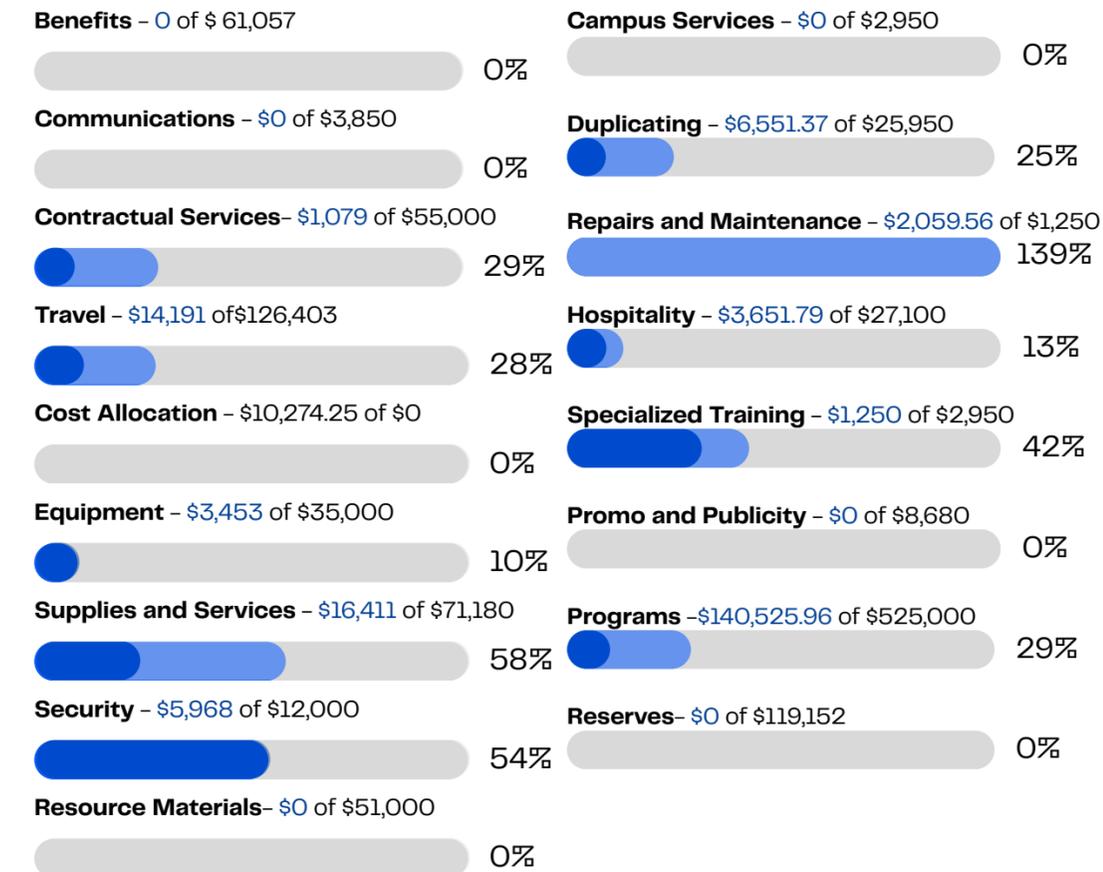
Salaries and Wages



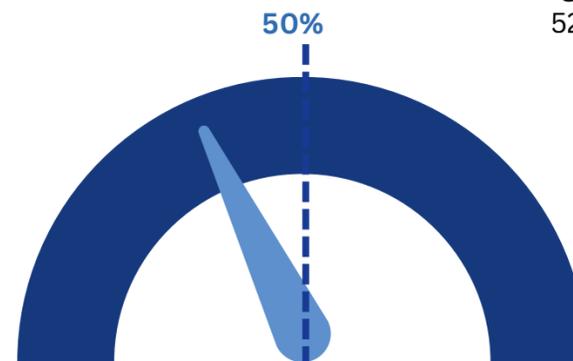
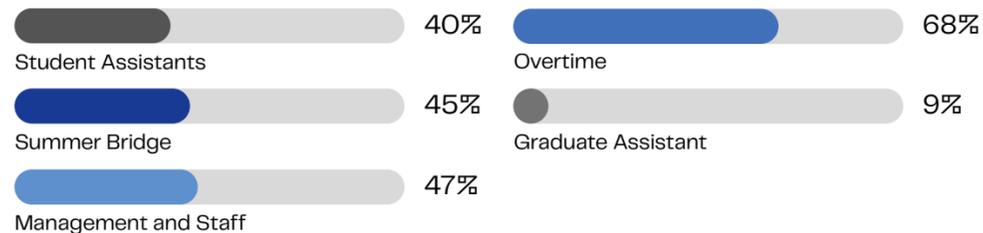
Spending Distribution (exc. salaries)



Percentage of Budget Utilized



Percentage of Budget Utilized (Salaries)



Total Budget: \$2,869,701
Actual Budget Spent: \$1,035,014.84
Available Budget: \$1,813,099.46
Total % Used: 37% (Q1: 15%)

Quarter 1
Quarter 2

Santos Manuel Student Union
Second Quarter Financial Report
Fiscal Year 2025–2026 (July–December)

Purpose

The purpose of this report is to provide the Finance Committee and Board of Directors with an overview of the Santos Manuel Student Union financial position and expenditure activity through the second quarter of Fiscal Year 2025–2026.

Financial Overview

As of December 31, 2025, the Santos Manuel Student Union has expended **\$5,349,946.49** of its approved annual operating budget of **\$13,258,813.00**, representing **41% of total budget utilization** at the midpoint of the fiscal year. Overall expenditures are consistent with budget projections and reflect normal operational, staffing, and programmatic activity.

Expenditure Highlights

- **Regular Salaries and Wages:** totaled **\$2,140,320.51**, representing **42%** of the annual allocation. Expenditures align with approved staffing levels and planned personnel activity.
 - **Benefits:** totaled **\$783,487.24 (32%)**, tracking proportionately with payroll activity.
 - **Utilities:** expenditures reached **\$522,779.17 (43%)**, reflecting seasonal usage patterns and ongoing facility operations.
 - **Miscellaneous Operating Expenses:** totaled **\$1,432,002.72 (45%)**, primarily attributable to front-loaded annual costs, internal services, and operational support.
 - **Services from Other Funds:** reflected **50% utilization**, consistent with established internal cost-sharing arrangements.
-

Other Notable Categories

- **Travel** - expenditures remain controlled at **29%**, reflecting disciplined use of discretionary funds.
 - **Communications** - (**10%**) and **Contractual Services** (**17%**) show moderate utilization, with additional activity anticipated in the second half of the fiscal year.
 - **Equipment** - expenditure remains limited (**23%**), with some costs encumbered for planned purchases.
-

Encumbrances and Budget Capacity

Total encumbrances as of the end of the second quarter amounted to **\$60,163,97**, indicating strong budget availability and operational flexibility for the remainder of the fiscal year.

Santos Manuel Student Union
Second Quarter Financial Report for Operations
Fiscal Year 2025–2026 (July–December)

Financial Overview

As of December 31, 2025, Operations have expended **\$1,107,104.62** of their **\$2,538,238.00** annual operating budget, representing **44% utilization** at the midpoint of the fiscal year. Total encumbrance stands at **\$1,720.89**, leaving an available balance of **\$1,429,412.49**. Overall expenditure is aligned with operational demands and midyear budget expectations.

Expenditure Highlights:

Personnel Expenditures - Personnel costs remain the primary expenditure category.

- **Total Salaries and Wages** equal **\$895,131.30 (46%)** of the annual allocation.
 - **Management & Staff (48%), Student Assistants (41%), and Student Building Managers (42%)** are tracking proportionately with staffing levels. **Summer Bridge (55%)** reflects seasonal program activity concentrated in the first half of the fiscal year.
 - **Overtime (112%)** exceeds the annual allocation by **\$1,248.17**, attributable to operational coverage needs and peak activity periods during the quarter.

Overall staffing expenditures are consistent with service demands and operational scheduling.

Operational and Facility Expenses

- **Utilities** total **\$88,892.84 (40%)**, consistent with facility operations and seasonal usage.
- **Travel** remains moderate at **34%**, reflecting controlled discretionary spending.
- **Equipment** utilization stands at **33%**, with **\$9,630.90** encumbered for planned purchases.

Operating Expenses - Total Operating Expenses equal **\$110,627.33 (37%)**, reflecting measured spending across service areas.

Key observations include:

- **Supplies & Services (31%)** remains within projected levels.
- **Repairs & Maintenance (37%)** aligns with routine facility upkeep.
- **Hospitality (98%)** reflects event-related expenditure concentrated earlier in the fiscal year.
- **Other Miscellaneous Expenses (89%)** represent timing-related operational costs.
- Minor negative balances in selected categories (e.g., Programs and Insurance) reflect accounting adjustments or timing of expense postings and are not structural concerns.

Overall Assessment

Operations remains financially stable and operating within overall budget parameters. Spending trends reflect active facility use, staffing support, and program operations during the first half of the fiscal year. While overtime and select line items show higher utilization due to timing and operational demand, overall budget performance remains sound.

Operations is well-positioned to continue supporting organizational priorities and facility needs through the remainder of FY 2025–2026.

Santos Manuel Student Union
Second Quarter Financial Report for Shared Services
Fiscal Year 2025–2026 (July–December)

Financial Overview

As of December 31, 2025, Shared Services has expended **\$3,153,291.98** of its **\$7,720,900.00** approved annual operating budget, representing **41% utilization** at the midpoint of the fiscal year. Total encumbrance stands at **\$32,598.74**, leaving a remaining available balance of **\$4,535,009.28**. Overall expenditure levels are consistent with budget expectations and reflect normal operational patterns.

Expenditure Highlights:

Personnel and Benefits

Personnel-related expenditure remains stable and aligned with approved staffing plans.

- **Total Salaries and Wages** expenditures total **\$423,662.39 (34%)** of the annual allocation.
 - Management & Staff costs reflect **68% utilization**, consistent with fully staffed leadership and administrative positions.
 - Student Assistants and Summer Bridge expenditures (38% and 39%, respectively) align proportionately with program activity.
 - Overtime remains controlled at **35%**.
- **Benefits** expenditures total **\$785,189.90 (33%)**, tracking proportionately with payroll activity.

Overall, personnel costs remain within projected midyear benchmarks.

Operational and Administrative Expenses

- **Utilities** expenditures total **\$433,886.33 (44%)**, reflecting seasonal consumption and facility operations.
- **Cost Allocation** stands at **47%**, consistent with internal service-sharing arrangements.
- **Travel** remains moderate at **30%**, demonstrating controlled discretionary spending.
- **Communications** expenses remain low at **12%**, with additional activity anticipated later in the fiscal year.
- **Equipment** utilization is at **90%**, reflecting a limited annual allocation that has largely been fulfilled.

Operating Expenses

Total Operating Expenses equal **\$1,125,882.72 (52%)**, primarily driven by timing-related obligations and annual fixed costs.

Notable categories include:

- **Insurance (79%)** – Reflects annual premium payments.
- **Auditing (88%)** – Corresponds with scheduled audit services and associated encumbrances.
- **Supplies & Services (61%)** – Consistent with operational support needs.
- **Other Miscellaneous Expenses (95%)** – Represents primarily front-loaded or one-time expenditures earlier in the fiscal year.

Overall Assessment

Shared Services remains financially stable and operating within budgetary expectations. Expenditure levels are appropriate for this stage of the fiscal year, with higher utilization in certain categories attributable to annual obligations and front-loaded costs rather than structural overspending.

Shared Services is well-positioned to support ongoing operational needs and organizational priorities through the remainder of FY 2025–2026.

Santos Manuel Student Union
Second Quarter Financial Report for Program Services
Fiscal Year 2025–2026 (July–December)

Financial Overview

As of December 31, 2025, Program Services has expended **\$1,035,014.84** of its **\$2,869,701.00** annual operating budget, representing **37% utilization** at the midpoint of the fiscal year. Total encumbrance stands at **\$21,586.70**, leaving an available balance of **\$1,813,099.46**. Overall expenditure reflects programming activity and remains within projected fiscal benchmarks.

Expenditure Highlights:

Personnel and Benefits - Personnel expenditures continue to align with approved staffing plans and program operations.

- **Total Salaries and Wages** total **\$770,645.56 (43%)** of the annual allocation.
 - **Management & Staff (47%), Student Assistants (40%), and Summer Bridge (45%)** are tracking proportionately with operational needs.
 - **Overtime (68%)** reflects program-intensive periods earlier in the fiscal year.
 - **Graduate Assistants (9%)** remain conservatively utilized.
- **Benefits** reflect a temporary negative balance (**-\$2,472.66**), attributable to payroll timing adjustments and benefit reconciliations. This does not represent a structural budget concern.

Programmatic and Operational Expenses

- **Contractual Services (29%)** and **Travel (28%)** remain controlled and consistent with program planning.
- **Equipment (10%)** remains limited, with flexibility for second-half program needs.
- **Cost Allocation** reflects internal service adjustments posted during the quarter.

Operating Expenses - Total Operating Expenses equal **\$193,627.03 (27%)**, reflecting measured program support spending.

Key areas include:

- **Supplies & Services (58%)** and **Security (54%)**, consistent with active event programming and student engagement initiatives.
- **Programs (\$140,525.96; 29%)**, reflect first-half of programming activity with remaining allocation reserved for spring programs.
- **Repairs & Maintenance (139%)** shows a small overage due to encumbrance exceeding the modest annual allocation; this represents a minor facility-related adjustment and is not financially material.
- Several categories remain conservatively spent, including **Promotional & Publicity (0%), Resource Materials (0%),** and **Reserves (0%)**, providing flexibility for upcoming initiatives.

Overall Assessment

Program Services remain financially stable and operate below proportional midyear spending levels, reflecting deliberate pacing of program expenditures. Spending trends indicate strong fiscal oversight, with sufficient budget capacity to support major spring semester programming and strategic initiatives.