San Gabriel / Pomona Regional Center

Program of San Gabriel/Pomona Valleys Developmental Services, Inc.
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POLICY FOR APPROVAL OF CONTRACTS OF $350,000 AND ABOVE

Updated August 2026

1. GENERAL

The purpose of the Contract Policy ("Policy") is to establish guidelines for the approval of contracts in the amount of three hundred fifty thousand dollars ($350,000) or more by the San Gabriel/Pomona Regional Center ("SG/PRC") Board of Directors ("Board") in accordance with Welfare and Institutions Code Section 4625.5, SG/PRC's contract with the Department of Developmental Services ("DDS"), at Article II, Section 3- "Contracting Policy," and DDS's July 14, 2026 Directive regarding "Regional Center Governing Board Approval of Contracts."

2. POLICY

A. On July 13, 2026, Governor Newsom signed Senate Bill 163 – The Developmental Service Budget Trailer Bill which amended Welfare and Institutions Code 4625.5º. Starting July 1, 2026, the Board shall review and approve all and only SG/PRC contracts with a stated monetary value, identified in the contract, of three hundred fifty thousand dollars ($350,000) or more through June 30, 2029, before SG/PRC enters into the contract. Starting July 1, 2030, this approval threshold is increased to $450,000. Then, every five years starting July 1, 2035, it is increased by another $50,000. These contract approval limits do not apply to vendor approval letters issued under Title 17 or purchase-of-service authorizations.

B. A contract with a stated monetary value, identified in the start-up contract, of three hundred fifty thousand dollars ($350,000) or more, shall not be a valid contract unless approved by the Board.

C. For purposes of this Policy, contracts shall not include the following:

1. Vendor approval letters issued by SG/PRC pursuant to Title 17, section 54322, of the California Code of Regulations. (See Welf. & Inst. Code § 4625.5(c)).

2. Service provider contracts that may result in payments of three hundred fifty thousand dollars ($350,000) or more depending on the utilization of

services (i.e., contracts in which the *potential* or *estimated* amount to be paid by SG/PRC to the vendor/contractor using Purchase of Service funds is two hundred fifty thousand dollars ($350,000) or more).

3. Individual Purchase of Service (POS) Authorizations, where the totality of the POS authorizations for a vendor may equal or exceed two hundred fifty thousand dollars ($350,000).

D. Regarding a contract with a stated value in the amount three hundred fifty thousand dollars ($350,000) or more that the SG/PRC Board has reviewed and approved, if there is an amendment to that contract which on its own (i.e., separate and apart from the underlying contract) has a stated amount of less than three hundred fifty thousand dollars ($350,000), the amendment does not require the review and approval of the SG/PRC Board; if, however, the amendment to that contract on its own has a stated amount of three hundred fifty thousand dollars ($350,000) or more, the amendment would require the review and approval of the SG/PRC Board.

E. Regarding a contract in the stated amount of less than three hundred fifty thousand dollars ($350,000), if there is an amendment to that which brings the stated value of the underlying contract plus the stated value of the amendment to an amount which equals or exceeds three hundred fifty thousand dollars ($350,000), the amendment would require the review and approval of the Board.

3. PROCEDURE

A. The Executive/Finance Committee shall review all and only SG/PRC contracts with a stated monetary value, identified in the contract, of three hundred fifty thousand dollars ($350,000) or more, and make recommendations regarding the approval of those contracts to the full Board.

B. When presenting the contracts with a stated monetary value, identified in the contract, of three hundred fifty thousand dollars ($350,000) or more, to the full Board for review and approval, the Executive/Finance Committee shall include an Executive Summary/Contract Authorization sheet containing the following information:

1. Contractor Name, DBA, owner's name, vendor number(s)
2. Contract Number (for POS only, not applicable for Operations)
3. Time Period of Contract
4. Description of Services to be Provided
5. Rate of Reimbursement
6. Total amount to be encumbered
7. Date of the Review/Approval by the Executive Finance Committee.

C. If the full Board approves the contract, the signature of the Board President or their designee on the Executive Summary/Contract Authorization shall indicate that the review of the contract has been completed and approval has been given by the Board.

D. The signed Executive Summary/Contract Authorization shall serve as the authorization to encumber funds for the specified contract.

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