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BYLAWS

OF THE

CALIFORNIA CHARTER SCHOOLS

JOINT POWERS AUTHORITY

As Amended February 16, 2022

**Protecting Schools. Promoting Safety. Customizing Insurance.**

*California Charter Schools Joint Powers Authority • A Nonprofit*

**BYLAWS OF THE  
CALIFORNIA CHARTER SCHOOLS JOINT POWERS AUTHORITY**

**SECTION 1.0 PURPOSES**

The purposes of CCS-JPA are:

A. To provide group purchasing, financing, insurance, self-insurance and risk management programs and systems, and such other ancillary and related programs, services and facilities for the best interests of the CCS-JPA's Participants and work to achieve the following objectives:

1. Reduced costs of operations, capital, workers compensation liability, and other insurance coverages through combined purchasing power, effective management and loss control practices, pooling, transferring and shifting of risk, and;
2. Reduced costs of administrative and claims administration services through central management, volume and combined purchasing power;
3. Greater stability of insurance markets through size of combined membership, longer duration of insurance agreements, and such other options as to program costs and Participant contribution structures as in the best interests of CCS-JPA and its Participants;
4. Reduced amount and frequency of losses of Participants;
5. Improved control of sources of risk through the application of risk management and loss control techniques, and such other programs of CCS-JPA to support and assist its Participants;
6. Improved recovery from responsible third parties and pursuit of cost-effective efforts in subrogation in the Board's discretion and in the name of CCS-JPA or the name of its Participant;
7. Funding of adequate reserves by members to ease the impact of heavy losses and to engage in such other reserving efforts and budgeting for the stability of CCS-JPA and to assist with rate stabilization;
8. Monitoring of local, state and federal legislative and agency risk management activities with the intent of advocating CCS-JPA's position through coordination with appropriate representatives; and
9. Such further and additional matters which the Board in its discretion finds to be necessary and appropriate to serve the present and anticipated future interests of the Participants and the best interests of CCS-JPA as a whole.

B. To provide workers compensation liability and other group insurance, self-insurance, risk management, financing and purchasing programs, including, but not limited to payment of claims and benefits; administration of one or more risk sharing and risk-transfer programs, joint purchase of insurance, reinsurance, or excess insurance; joint purchase of administrative and other services including risk management, risk financing, financing, consulting, brokering, general administration, claims administration, claims adjusting, loss prevention, data processing, legal and related services; and such further and additional programs, services and facilities in the best interests of CCS-JPA and its Participants.

C. To acquire, hold and dispose of property, real and personal, necessary or desirable for the purpose of providing the members of CCS-JPA with a complete self-insurance and risk management program, including but not limited to the acquisition of necessary facilities and equipment, the employment of personnel, and the operation and maintenance of a system of risk management.

D. To pursue such other activities, programs and services, or to engage in combinations or ventures with other joint power authorities or public agencies and entities, as the Board determines in its discretion to be reasonable and necessary to CSS-JPA as a whole and in the best interests of its Participants.

## SECTION 2.0 BOARD OF DIRECTORS

A. The governing body of the Authority shall be the Board of Directors and may be referred to herein as the Board.

B. Voting members of the Board shall be elected by the membership of the Authority. The exact number of members of the Board shall be established by resolution or motion of the Board consistent with the CCS-JPA joint powers agreement. The Authority shall endeavor to have a Board that represents the diverse types of schools that are Participants in the Authority. All members shall serve three-year terms effective July 1 and ending June 30, provided that the Board may determine the initial term of any newly created Board seat as less than three years in order to maintain the staggering of Board member terms.–The election of the Board shall be by written ballot that may be cast at a meeting of the membership of the Authority or received by the Authority twenty-four hours prior to the date of the election. Each Participant in the Authority shall have one vote.

C. The Board may declare vacant the seat of any Director who ceases to be qualified for his or her office, and the Board may appoint a successor to the vacant seat at a regular or special meeting of the Board. For example, when a Director, elected as a representative of a participating charter school based on his or her employment by the participating charter school, is no longer employed by a participating charter school, that seat may be declared by the Board to be vacant. However, a Director may also be elected as a representative of a participating school who is not employed by the participating school, such as a volunteer board member or an independent contractor of a participating school subject to Board approval of his or her relationship with the participating school(s) and ability to serve.

D. The Board shall provide policy direction and formulate Board Policies to the Chief Executive Officer-President who shall serve as and be designated as the Program Administrator. The Board's functions include, but are not limited to, approval of:

1. Admission of new Members;
2. Involuntary termination of current Members for reasons other than nonpayment of any amount due to CCS-JPA;
3. Minimum bonding requirements for the officers of the Authority;
4. Delegation of investment authority;
5. Changes to the conflict of interest code and conflict of interest policies of the Authority;
6. An operating budget for CCS-JPA, to be approved in advance of the commencement of each fiscal year;
7. Arrangements, if any be made, with outside agencies for establishment of risk management related lines of credit;
8. Assessments and return of surplus funds through rate reductions, rate credits, or dividends, however denominated;
9. Amendment of the Bylaws;
10. Election of the officers of the Authority and approval of committees of the Board;
11. Actions regarding appeals of coverage disputes, when specifically requested by a Member.

Section 2.1 Meetings of the Board. The Board shall establish a time and place to hold regular meetings not less often than twice per year. Meetings shall be conducted in accordance with the Brown Act and such procedural rules as the Board shall adopt.

Section 2.2 Board and Program Administrator.

A. The Board shall employ or contract for the services of a Chief Executive Officer and President to serve as the Program Administrator to administer and operate CCS-JPA's programs of risk management under the direction and supervision of the Board.

B. Compensation, termination and other employment matters respecting the Program Administrator shall be governed by the Bylaws to the extent covered therein. CCSJPA may, but is not required to, enter into a written contract with the Program Administrator.

C. The Board shall employ or contract with a Chief Executive Officer-President with respect to CCS-JPA, and set the compensation for same.

Section 2.3 Vacancies. A vacancy may be declared by the Board whenever a director fails to attend two or more meetings of the Board or any committee to which the director has been assigned, within a 12-month period and without a valid excuse; (2) resigns; (3) is no longer qualified to serve; (4) due to death, disability, or other circumstance is unavailable to serve (as determined by the Board), or (5) has not been elected to fill a seat created. Vacancies shall be filled by the Board as soon as practicable.

### SECTION 3.0 ADMINISTRATOR'S RESPONSIBILITIES

The Chief Executive Officer and President as Program Administrator shall perform the following functions:

1. Implementing policy and monitoring activities of the Treasurer/Auditor;
2. Maintaining an awareness of major developments which may affect CCS-JPA-handled programs;
3. Selection of insurance brokers or companies, underwriting and actuarial consultants, legal counsel and other consultants;
4. Selection of claims administration and claims adjusting services, including establishing selection criteria, interviewing candidates, making selection recommendations to the Board. Selection criteria shall include knowledge and understanding of the laws regarding claims against public entities;
5. Establishing risk management programs, claims administration services, adjusting services, loss prevention services and other risk management services which can help the Authority carry out its risk management objectives and its obligations to Participants;
6. Recommending to the Board each Participant's share of operating costs, as part of the budget;
7. Establishing policies requiring Participants to increase reserves as may be needed to pay claims and expenses within the Participant's' self-insured retentions or in excess of CCS-JPA risk management programs;
8. Recommending to the Board of a Conflict of Interest Code and other conflict of interest policies;
9. Overseeing investments and financial administration of the Authority, subject to the adopted investment policy of the Board;
10. Any other function of the Board, except those functions expressly reserved herein or by formal action of the Board.

## SECTION 4.0 COMMITTEES

The Board shall establish such committees as it shall deem necessary to assist it in conducting the business of CCS-JPA. Annually, the following committees shall be appointed by the Chair and approved by the Board:

A. Underwriting Committee. The Underwriting Committee shall review and recommend coverage changes in all self-insurance programs; review and make recommendations on new applications; review and recommend excess insurance and reinsurance levels; and other duties prescribed by the Board.

B. Claims Committee. The Claims Committee shall be charged with the responsibility for review of claims in all self-insurance programs. As to such claims, the Committee shall oversee reserving levels and reserving practices; review and recommend claims procedures; review and make recommendations or determinations regarding coverage of claims; recommend, as necessary, legal defense firms; assist the Program Administrator and consultants hired to administer claims, if any, in planning and implementing loss control activities and perform other duties as prescribed by the Board.

C. Dispute Resolution Committee. A Dispute Resolution Committee shall be created by the Board as an ad hoc committee when a dispute arises between a participant and CCS-JPA, and shall be comprised of a non-quorum group selected from or appointed by Board at the time of the dispute, and as needed, for the purpose of the Dispute Resolution process set forth in Section 10.

Section 4.1 Advisory Committees. Except as expressly delegated to a committee by the Board, the Claims, Underwriting and Dispute Resolution Committees are advisory committees only, and they shall report their findings and recommendations to the Board. The Committees shall be assisted in their deliberations by the Program Administrator, CCS-JPA brokers, Actuary, and other consultants, as appropriate as determined by the Board.

Section 4.2 Ad Hoc Committees. The Chair may establish ad hoc committees as necessary.

## SECTION 5.0 OFFICERS

- A. The officers of the Authority shall be:
1. Chair;
  2. Vice-Chair;
  3. Secretary, who may also serve as Treasurer, and his or her duly appointed deputies, if any;
  4. Treasurer and Auditor, and his or her duly appointed deputies, if any.

B. The Board shall elect the Chair and Vice-Chair of the Authority.

C. The Board shall designate the Secretary, Treasurer and Auditor in the manner provided for in these Bylaws.

D. Each elected Officer may serve no more than two consecutive terms of three years each coextensive with the Officer's term(s) as a Member of the Board unless waived by a majority of the Board. Each Officer shall hold his or her position until relieved of functions as an Officer by either:

1. Expiration of his or her elected or appointed term; or
2. Removal by a two-thirds vote of the members of the Board.

#### Section 5.1 Chair.

A. At the first meeting of each fiscal year, The Board shall elect a Chair to serve a three-year term.

B. The duties of the Chair are to:

1. Preside at and conduct meetings of the Board.
2. Execute documents on behalf of the Authority.
3. Exercise such spending authority as may be authorized by a resolution approved by the Board, within the approved budget.

#### Section 5.2 Vice-Chair

A. At the first meeting of each fiscal year, the Board shall elect a Vice-Chair to serve a three-year term.

B. The duties of the Vice-Chair are to assume the duties of the Chair when the Chair is absent or unavailable.

#### Section 5.3 Secretary.

A. At the first meeting of each fiscal year, the Board shall elect a Secretary to serve a three-year term.

B. The duties of the Secretary are to:

1. Attend the meetings of the Board and make minutes thereof;
2. Keep all official records of the Authority not required to be kept by the Treasurer.

3. File such notices and statements as are required by Sections 6503.5 and 53051 of the Government Code.

4. Cause notices of meetings to be given as required by the Ralph M. Brown Act.

C. In the absence of the Secretary, the Chair may appoint a Secretary pro tempore from among the members of the Board to carry out the Secretary's duties at any meeting except that a person appointed as a Deputy Secretary or Secretary pro tempore shall not be entitled to vote as member of the Board, unless otherwise qualified to vote. In addition, the Secretary shall recommend, and the Board may appoint such deputy Secretary to act on behalf of the Secretary, as the Secretary deems necessary or convenient.

#### Section 5.4 Treasurer.

A. At the first meeting of each fiscal year, the Board shall elect a Treasurer to serve a three-year term.

B. The duties of the Treasurer are to:

1. Perform the duties of the Treasurer prescribed in Section 6505.5 of the Government Code;

2. Sign warrants or such other negotiable instruments as may be used for proper disbursement of moneys from any CCS-JPA fund; and

3. Recommend the investment policy of the Authority and make reports regarding investments in accordance with applicable law.

C. The Treasurer shall recommend, and the Board may appoint such assistant or deputy treasurers to act on behalf of the Treasurer, as the Treasurer deems necessary or convenient. In addition, the Board may set minimum qualifications which any such assistant or deputy may be required to meet.

#### Section 5.5 Auditor.

A. The Treasurer shall serve as Auditor.

B. The duties of the Auditor are to:

1. Perform the duties of the Auditor prescribed in Sections 6505 and 6505.5 of the Government Code.

2. Issue warrants for the payment of claims of Participants after obtaining the member's authorization.

C. Any assistant or deputy of the Treasurer is, ex officio, a deputy Auditor of the Authority.



## SECTION 6.0 PROGRAM ADMINISTRATOR

The Chief Executive Officer-President shall serve as Program Administrator subject to the direction and control of the Board. The Program Administrator shall have full charge and control of the affairs of the Authority, subject to the oversight and approval of the Board, consistent with the policies of the Authority and shall be responsible for the day-to-day administration, management and operation of CCS-JPA's programs of risk management, and supervision of the consultants, employees and contractors of the Authority consistent with the JPA Agreement, Bylaws, and directions of the Board. The Program Administrator shall also carry out duties as may be assigned from time to time by the Board or other committee of the Authority.

Section 6.1 Responsibilities. The responsibilities of the Program Administrator shall include, but not be limited to:

- A. Implementing all of the programs of the Authority in accordance with the adopted budget, including approval of payments, implementation of Board policies and complying with the directions of the Board;
- B. Preparing an annual budget for recommendation to the Board;
- C. Assisting the Board in selecting brokers, underwriters, actuaries, insurance companies, insurance policies, and claims administration services and other consultants, as needed, including exercising any delegated authority to make such selections;
- D. Developing effective risk management and loss control procedures and other programs and advising member entities on how to implement them.

Section 6.2 Compensation, Employment. The Program Administrator shall be compensated for services in such amounts and manner as may be fixed from time to time by the Board, in conformity with the approved budget for the Authority.

## SECTION 7.0 PARTICIPANTS

- A. Each charter school agrees to be bound by these Bylaws and shall:
  - 1. Submit an application for membership and obtain Board approval;
  - 2. Execute an original of the CCS-JPA Joint Powers Agreement, as amended from time to time;
  - 3. Participate in at least one program of the CCS-JPA within one year of joining CCS-JPA; and
  - 4. Pay a fee to CCS-JPA as determined by the Board for initial risk program analysis and structuring consulting services.
- B. A governmental entity which is not a charter school may be admitted as a Participant upon terms and conditions approved by the Board.

C. Additional requirements, as approved by the Board, may be imposed for participation in specific programs, insurance programs and risk areas.

Section 7.1 Duties of the Participants. Each Participant shall:

- A. Appoint a representative who may vote at the annual Participants meeting.
- B. Designate a representative (who may be the appointed representative) to act as a liaison with the CCS-JPA Program Administrator and to advise him or her of any proposed or altered program which may have significant risk management ramifications.
- C. Maintain an active safety committee.
- D. Provide necessary data to assist in obtaining reinsurance, excess insurance, claims administration services quotes, or as otherwise required for participation in specific programs.
- E. Establish and maintain a risk management program, such as an illness and injury prevention program and maintain adequate claims reserves.
- F. Pay when due all payments, premiums, contributions or assessments levied pursuant to the CCS-JPA Joint Powers Agreement, Bylaws, specific programs, insurance plans, or Board policies adopted in furtherance of the Agreement or Bylaws.
- G. Enter into and maintain contracts of insurance or reinsurance as required in risk areas or specific insurance programs in which the charter school is participating.
- H. Comply with the letter and spirit of the CCS-JPA Joint Powers Agreement and these Bylaws.
- I. Cooperate with the Authority in the timely reporting and management of claims and other reporting as may be required for participation in the programs of the Authority.
- J. Participate in all training designated by the Authority as mandatory for Participants, which may include but is not limited to sexual abuse prevention training.
- K. The Board, in its sole discretion subject to the Joint Powers Agreement, Bylaws and California law, may approve the withdrawal of a Participant that has not provided written notice of its withdrawal by March 31 for the upcoming policy or program term, on the condition that the Participant agrees to pay to the CCS-JPA an amount equal to the member dues for the upcoming one-year term for all coverages that the Participant has participated in during the prior policy term and/or on such other conditions as the Board shall deem appropriate including those recited in Section 7.1

Section 7.2 Rights of Participants. The rights of Participants are to:

A. Have the Authority offer coverage agreements, and contracts of insurance with excess insurers to provide coverage above the level of risks retained by the Participant or the Authority.

B. Receive assistance from the Authority in establishing and maintaining risk management programs compatible with the policies and programs of the Authority.

C. Withdraw from participation as provided herein. A Participant shall be entitled to withdraw from CCS-JPA as a whole, or from a specific program in which it is participating, subject to providing the Chief Executive Officer-President and Board of CCS-JPA with a preliminary written notice and a Resolution of the Participant's governing board by March 31 prior to the following program year commencing July 1 or such earlier specific date as the Board may set. The notice shall state a reason or reasons for the withdrawal. The Participant may elect to rescind in writing its notice to withdraw by June 15 prior to the following program year commencing July 1 or such date as the Board may set. The Board may set such earlier date or eliminate the opportunity to rescind the preliminary written notice as needed for the sound administration of CCS-JPA's program and services. To the extent a Participant fails to comply with the minimum notice provisions for CCS-JPA or program withdrawal, the Board may set such remedies to ameliorate any financial and operational impact on CCS-JPA or the program.

## SECTION 8.0 CLAIMS SETTLEMENT

Unless otherwise provided in a coverage agreement or insurance policy offered by or through the Authority, the determination of whether a claim is to be allowed, compromised, settled, or rejected shall be that of the party against whom the claim is filed; provided that no party shall have the power to commit the funds of the Authority to pay any claim without the consent of the Authority.

## SECTION 9.0 DEPOSIT AND INVESTMENT OF AUTHORITY FUNDS

The Treasurer may deposit and invest Authority funds subject to the same requirements and restrictions that apply to deposit and investment of the funds of a charter school.

## SECTION 10.0 DISPUTE RESOLUTION

### **A. Potential Issues Between CCS-JPA and Participant**

CCS-JPA is a joint powers authority with numerous Participants who have joined CCS-JPA and participate in CCS-JPA programs and services and have agreed to follow CCS-JPA's joint powers authority agreement ("JPA Agreement"), Bylaws, and other operating policies and procedures. To the extent any Participant has an issue or dispute outside of a claim against the Participant submitted to CCS-JPA for coverage which shall be resolved under the terms of the operative Memorandum of Coverage, which relates to its relationship with CCS-JPA, the JPA Agreement, Bylaws or other operations or policies, programs and rates, or any issues of any kind between the Participant and CCS-JPA other than CCS-JPA's handling of a liability claim, this process is desired to fairly and properly address those issues in furtherance of the operations of CCS-JPA and to assure responsiveness to Participant concerns while retaining at the Board level authority as to CSS-JPA.

**B. Initial Issues and Informal Resolution Process**

Whenever a Participant has a non-claim issue relating to CCS-JPA, the Participant shall first inform CCS-JPA's President and Chief Executive Officer and the Board Chair of the nature of the issue and to attempt in good faith to address it informally. The Participant shall provide the President-CEO and Board Chair with the identification of the issue, background and the position of the Participant, the President-Chief Executive Officer and Board Chair shall meet with the Participant within thirty (30) days of receipt, address the issues raised, and provide a response in writing no later than fifteen (15) days thereafter. Records of the informal resolution efforts and decision of the President-Chief Executive Officer and Board Chair shall be maintained by CCS-JPA.

**C. Request for Reconsideration by Dispute Resolution Committee**

In the event the Participant disagrees with the position of CCS-JPA as communicated by the President-CEO and Board President pursuant to the Informal Resolution Process, the Participant shall make a written request to the President-CEO for consideration of the matter by the Dispute Resolution Committee. The Dispute Resolution Committee shall be created by the Board and shall be comprised of a non-quorum group selected from or appointed by Board in advance to be available as needed and not including the Board Chair. The Dispute Resolution Committee, on receipt of a request for reconsideration, shall within thirty (30) days schedule a meeting to attempt in good faith to address the issue. The Participant shall submit to the Dispute Resolution Committee any information and records the Participant wants to be reviewed and considered and do so no later than fifteen (15) days prior to the date of the Dispute Resolution Committee's Meeting. The Participant may also request a personal presentation to the Dispute Resolution Committee. The Dispute Resolution Committee shall meet on the matter and may, in the Committee's discretion, adjourn to a Closed Session to the extent confidential or other information is present entitling Closed Session consideration under the provisions of the Ralph M. Brown Act. The Dispute Resolution Committee shall report to and advise the Board of its Advisory Position for Board consideration, which if approved by the Board shall be reported to the Participant.

**D. Board Appeal.**

The Participant and CCS-JPA shall have the option to appeal the advisory opinion of the Dispute Resolution Committee to the full Board for reconsideration by submitting such a request in writing no later than thirty (30) days after the issuance of the decision. The Board shall agendize the appeal in Open or Closed Session, as appropriate under the Ralph M. Brown Act, and inform the Participant of the date of the proposed appeal hearing. To the extent the Participant or CCS-JPA wishes to submit any information in addition to that provided to the Dispute Resolution Committee, it must be submitted no later than fifteen (15) days prior to the Board Meeting where consideration has been agendized. The Member and CCS-JPA may also request a personal presentation. The Board may, if determined to be necessary to an appropriate disposition of the appeal, schedule a further hearing at the next Board Meeting and undertake such further investigation and gathering of information as the Board may deem necessary to the fair and complete consideration of the appeal. The Board shall, on completion of the record to be reviewed, evaluate and render a decision on the Appeal within thirty (30) days.

## SECTION 11.0 AMENDMENT OF BYLAWS

By a two-thirds vote of the members of the Board, the Board may amend these Bylaws from time to time in accordance with the CCS-JPA joint powers agreement except where the JPA Agreement requires a higher percentage.

## SECTION 12.0 NOTICES

A. Notice to the Authority shall be given by delivery of such notices to the Secretary of the Authority.

B. Notice to Participants shall be given by delivery of such notice to the Secretary of each Charter school.

## SECTION 13.0 MEANING OF TERMS

Any capitalized term that is not defined herein shall have the meaning assigned to it in the CCS-JPA Joint Powers Agreement.

## SECTION 14.0 EFFECTIVE DATE

These Bylaws, including any amendments thereto, shall be effective immediately upon their adoption by the Board.