

**BYLAWS OF THE
CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP**

I. Governing Board.

A. Officers

- 1. Election.** At the first meeting of each calendar year, the Board shall elect a president, vice president, and secretary to serve until June 30 of the fiscal year that their term ends. The Officers may be reelected to serve subsequent consecutive terms. The Officers shall serve in the same capacity on the Executive Committee.
- 2. Eligibility.** A director may serve as an officer of the Board (and of the Executive Committee,) only if the director is from a public agency member that is: 1) located in Contra Costa County *and* 2) is currently obtaining Workers' Compensation insurance through CCCSIG as a participant in the Workers' Compensation Program.
- 3. Vacancies.** Subject to subsection **2. Eligibility**, above, if an elected officer ceases to be a member of the Governing Board ("Board"), the Board shall fill the vacancy at the next regular or special meeting of the Board held after the vacancy occurs.
- 4. Absence of President.** In the absence, or inability of the President to act, the vice president shall act as president.

B. Meetings

- 1. Regular Meetings.** The Board shall provide for its regular, adjourned regular and special meetings; provided, however, that the Board shall hold at least one regular meeting in each fiscal year. The date, time, and place at which regular meetings will be held shall be fixed by resolution of the Board, and a copy of such resolution shall be filed with each party to the joint powers agreement.
- 2. Ralph M. Brown Act.** The Board may adopt rules for conducting its meetings and business. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (California Gov. Code §§54950 et. seq.).
- 3. Minutes.** The secretary of the Board shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board.
- 4. Quorum.** A majority of the membership of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time.

5. **Voting.** Each member of the board shall have one vote, except as provided in Section 6 and 7 below. A vote of a majority of the quorum shall be sufficient for action. If a coverage issue arises concerning a claim, the Board/Executive Committee member whose Agency is involved in the claim will be entitled to participate in discussion of the claim with the Board/Executive Committee in closed session, but will be excluded from final deliberation and vote on the coverage issue.
6. **Workers' Compensation Program Voting.** Each member of the Board whose agency participates in the Workers' Compensation Program shall have one vote on Workers' Compensation Program business items presented to Board of Directors. A majority of the membership of the Board from entities that participate in the Workers' Compensation Program shall constitute a quorum for the transaction of Workers Compensation Program business. A vote of a majority of the quorum is sufficient for action. Board members whose entities do not participate in the Workers' Compensation Program may not vote on Workers' Compensation Program business items, including decisions about that Program's assessments and dividends.
7. **Health Benefits Program Voting.** Each member of the Board whose agency participates in the Health Benefits Program shall have one vote on Health Benefits Program business items presented to the Board of Directors. A majority of the membership of the Board from entities that participate in the Health Benefits Program shall constitute a quorum for the transaction of Health Benefits Program business. A vote of a majority of the quorum is sufficient for action. Board members whose entities do not participate in the Health Benefits Program may not vote on Health Benefits Program business items.

C. Functions

1. **Functions reserved.** The Board reserves to itself the following functions: election of Officers and Executive Committee members; upon the recommendation of the Executive Committee, declaration of dividends, and levy of additional assessments
2. **Functions delegated.** The Board delegates all functions and powers which are not reserved and which are necessary for the on-going operation of the Contra Costa County Schools Insurance Group to the Executive Committee.

II. Executive Committee.

A. Members

1. **Officers.** The Officers of the Board shall hold the same offices on the Executive Committee and automatically shall be members of the Executive Committee.

- 2. Election of other members.** In addition to the officers, the Board shall elect six non-officer members of the Board to the Executive Committee. Elected members will serve three year terms. A director may be elected to the Executive Committee only if the director is from a public education agency member that is currently obtaining Workers' Compensation insurance through CCCSIG. At least three of the non-officer members of the Executive Committee members must be from public education agencies in Contra Costa County. Members may be reelected to serve subsequent consecutive terms. Insofar as possible, the Board shall elect members to provide for representation by the various geographical areas including size and type of district of member agencies.
- 3. Vacancies.** Subject to subsection **2. Election of other members**, above, whenever a vacancy occurs in one of the six elected positions on the Executive Committee, the Committee may appoint a member of the Board to fill the balance of the vacated term after notification to the Board and solicitation of interested candidates. Notification to the Board shall describe the term of the vacancy.

B. Meetings

- 1. Regular meetings.** The Executive Committee shall provide for its regular, adjourned regular, and special meetings; provided however, that it shall hold at least one regular meeting in each quarter. The dates, time and place at which regular meetings will be held shall be fixed by resolution of the Executive Committee, which resolution shall be filed with each party to the joint powers agreement.
- 2. Ralph M. Brown Act.** The Committee may adopt rules for conducting its meetings and business. All meetings of the Committee, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (California Government code sections 54950 et. seq.).
- 3. Minutes.** The secretary of the Committee shall cause minutes of regular, adjourned regular and special meetings of the Committee to be kept. As soon as possible after each meeting, the secretary shall have a report of actions taken forwarded to each member of the Executive Committee and of the Governing Board.
- 4. Quorum.** A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. A majority is sufficient to take action except as otherwise provided in these bylaws.
- 5. Voting.** Each member of the Executive Committee shall have one vote. If a coverage issue arises concerning a claim, the Board/Executive Committee member whose Agency is involved in the claim will be entitled to participate in discussion of the claim with the Board/Executive Committee in closed session, but will be excluded from final deliberation and vote on the coverage issue.

- C. Functions.** The Executive Committee shall govern the ongoing operations of the agency as provided in agency First Amended Joint Exercise of Powers Agreement Section 9.

III. Executive Director.

A. Duties. The Executive Director shall have the following duties.

1. Direct and administer the on-going operations of the Agency and its employees, if any.
2. Identify problems for the Executive Committee to address.
3. Advise the secretary of the need for special meetings of the Executive Committee.
4. Prepare written reports of the Agency for presentation to the Executive Committee and the Board.
5. Perform any duties assigned by the Executive Committee.

IV. Accounts and Records.

- A. The Executive Committee shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of law and as provided in the Joint Exercise of Powers Agreement. The Executive Committee, as soon as practical after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to each of the parties to the Joint Powers Agreement.
- B. The Executive Committee shall either make, or contract with, a Certified Public Accountant to make an annual audit of accounts and records. In each case, the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Government Code of the State of California and shall conform to generally accept auditing standards. When such an audit of accounts and records is made by a Certified Public Accountant, a report thereof shall be filed as public record with each of the parties hereto, and also with the County Auditor of the County of Contra Costa.
- C. Any costs of the audit, including contracts with or employment of Certified Public Accountants, in making an audit pursuant to this section, shall be borne by CCCSIG and shall be a charge against any unencumbered funds of CCCSIG available for this purpose.
- D. Additionally, the Treasurer shall assume the duties described in California Government Code Section 6505.5, to wit:
 1. Receive and receipt for all monies of CCCSIG and deposit it with Contra Costa County Treasury to the credit of CCCSIG.
 2. Be responsible upon his bond for the safekeeping and disbursement of all CCCSIG money so held by him.
 3. Pay when due, out of the money of CCCSIG so held by him, all Sums payable to CCCSIG.

V. Payment Schedule.

Each member of the Workers' Compensation program shall pay premiums in arrears monthly based on total payroll at a premium rate annually set by the Executive Committee.

VI. Investment of Surplus funds.

Each fiscal year the Executive Committee shall set a policy addressing the investment of surplus funds of the Agency. In accordance with that policy the Executive Director shall monitor investments, contract for investment management services and/or solicit the advice of the County Treasurer toward these ends. Any investments shall conform to applicable provisions of the California Government Code. The Executive Director shall report to the Executive Committee quarterly on investments made.

VII. Settlement of Claims.

The Executive Committee shall set an upper limit on the authority of the Executive Director or his/her designee to settle claims without prior approval of the Executive Committee. Settlement of any claim in an amount in excess of that limit either must be approved by the Executive Committee or must be approved by an officer of the Executive Committee and the Executive Director and reported to the Executive Committee for ratification.

VIII. Contracts.

The Executive Committee shall set an upper limit on the authority of the Executive Director to enter into contracts for services and supplies without prior approval of the Executive Committee. Contracts for supplies and services in excess of that amount either must have the prior approval of the Executive Committee, or must be approved by the Executive Director and an officer of the Executive Committee and reported to the Executive Committee for ratification.

IX. Amendments to Bylaws.

An amendment to the Bylaws may be proposed by any party to the Joint Powers Agreement. The proposed amendment shall be referred to the Executive Committee for its consideration. A copy of the proposed amendment, with the committee's recommendations and reasons therefore shall be forwarded to each party. Amendments to the Bylaws may be made by a two-thirds vote of the Executive Committee.

X. Risk Programs.

A. Definition.

The Executive Committee may establish public education agency risk programs including as but not limited to:

- Health
- Dental
- Vision
- Life Insurance
- Property
- Liability

B. Program Membership.

Each member public education agency that joins a Risk Program shall select one primary employee plus one alternate to represent the agency on the Risk Program Committee for the specific Risk Program. Additionally, the Executive Committee shall appoint one Executive Committee member plus one alternate to be a voting member of each Risk Program Committee. The Executive Director or designee shall be an ex official non-voting member of each Risk Program Committee.

C. Criteria for Membership.

1. The Chief Executive of the public education agency desiring membership shall submit an application for membership in a specific risk program to the Executive Director. If the public education agency is not a current member of the CCCSIG, the Chief Executive shall also submit an application for membership in the Agency.
2. The Executive Committee, upon recommendation of the specific Risk Program Committee and the Executive Director and by four-fifths vote, shall either accept or reject the application for each Risk Program based on guidelines developed by the Executive Committee. If accepted, the application will be considered final subject to approval of the Governing Board for that agency.
3. After action is taken by the Executive Committee, the Governing Board of the applicant public education agency shall act to join the Agency First Amended Joint Exercise of Powers Agreement if not yet a member of CCCSIG then, take separate action to join each Risk Program.

D. Accounts and Records.

The Executive Director shall establish and maintain the Accounts and Records of the

program as described in Section III above. Further, the Executive Director shall provide for the following:

- A separate operating fund and a separate reserve for each program.
- A separate annual report of the financial condition for each program.
- A separate loss report for each member for each program.

E. Officers for Each Risk Program.

The membership for each program shall elect a Chair and a Vice-Chair to call program meetings, conduct each meeting, record actions taken at each meeting and to represent the program at meetings of the Executive Committee. The membership of the program shall also elect a Vice-Chair to fulfill the role of Chair in the event of absence or a vacancy in that position.

F. Finance.

After considering the recommendation from the Risk Program Committee and of the Executive Director, the Executive Committee shall determine the member premium for each program for each fiscal year. Any assessments for lack of sufficient funds will be determined by the Board of Directors after receiving recommendations from the Executive Committee.

G. Meetings.

- 1. Regular Meetings.** Each Risk Program Committee shall provide for its regular, adjourned regular and special meetings. The date, time, and place at which regular meetings will be held shall be fixed by the Committee and a copy of such action shall be filed with each party to the joint powers agreement and with each member of the Committee.
- 2. Ralph M. Brown Act.** Each Risk Program Committee may adopt rules for conducting its meetings and business to be consistent with the provisions of these Bylaws. All meetings of each Committee, including without limitation, regular, adjourned and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act. (California Government Code Sections 54950 et. seq.).
- 3. Minutes.** Each Risk Program Committee shall cause minutes of all meetings to be to be forwarded to each member of the Committee.
- 4. Quorum.** A majority of each Committee membership shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time.
- 5. Voting.** Each member of each Committee shall have one vote. A vote of a majority of the quorum shall be sufficient for action.

XI. New Risk Programs.

The Executive Committee may adopt amendments to these Bylaws as provided in Section IX addressing each separate Risk Program created by the Agency.

XII. Effective Date.

These Bylaws shall supersede all existing bylaws and take effect immediately upon approval by the Executive Committee.

XIII. Health Benefits Program

A. Program Membership Period, Program Year Defined

1. Once admitted to the Health Benefits Program, a member must remain in the program for three (3) consecutive program years.
2. A program year shall be the calendar year January 1 – December 31.

B. Effective Date for Health Benefits Program

The Health Benefits Program will have a program effective date of January 1.

C. Withdrawal From The Health Benefits Program

1. No member may withdraw from The Health Benefits Program for three (3) program years after the date of initial admission.
2. Any member that has completed three (3) program years may terminate its participation in the Health Benefits Program at the end of the third program year or any subsequent program year by providing written notice of withdrawal to CCCSIG six months prior to end of the program year. Withdrawal shall be effective December 31 of that year.

D. Termination

1. If either the insurance carrier notifies the Agency, or the Agency determines that a member's health benefits coverage is at risk due to a member's delinquent payment of premiums to the health benefit insurer, the member is subject to termination from the Health Benefits Program and to penalties imposed by the bylaws for failure to pay premiums.

Once the carrier notifies the Agency that the member's health benefits coverage has been terminated, or the Agency determines that the member's premium payments are three months' delinquent, the member's program status may be suspended pending the member's termination from the program, as provided in the Joint Exercise of Powers Agreement Section 24, "Involuntary Termination".

2. If a member is terminated from the Health Benefits Program during the initial period of program membership specified in section A, the member remains liable to the Agency for all outstanding premiums, as well as for those premiums that would have been owed had the member continued its coverage through the entire initial period of program membership. If the member is terminated from the Program in any subsequent year of membership, the member remains liable to the Agency for all outstanding premiums as well as for those premiums that would have been owed for the remainder of the program year in which termination occurs.

E. Finance

A member is liable to the Agency for the amount of that member's health benefits premiums during the entire required period of initial program membership specified in section A, and for the amount of that member's health benefits premiums during each subsequent year of program membership.

F. Program Rates – Time for Payments

1. Annual premium rates for Health Benefits Program member districts will be established each program year.
2. Payment shall be made to the health benefit insurer, as determined by the Executive Committee, from year to year.
3. Health benefit premium payments shall be paid as billed on a monthly basis to the health benefit insurer within 25 days of the date of billing.
4. Health benefits premiums will be considered delinquent beginning the 31st day after the date of billing. A payment will be considered delinquent until it is paid in full. Delinquent balances will be subject to a penalty based on the following rate schedule:

For the 1st delinquent payment – one percent (1%) for the first 30 days the payment is delinquent. If the payment is delinquent for more than 30 days, the penalty rate shall increase to one and a half percent (1 ½%) for days 31-60 that the payment remains delinquent. If the payment is delinquent for more than 60 days, the penalty rate shall increase to two percent (2%) per month for days 61 and beyond until the delinquent payment is paid in full.

For the 2nd delinquent payment – one and one-half percent (1½%) for the first 30 days of the second delinquent payment. If the payment is delinquent for more than 30 days, the penalty rate shall increase to two percent (2%) for days 31 and beyond until the delinquent payment is paid in full.

For the 3rd and subsequent delinquent payments – two percent (2%) until the delinquent payment is paid in full.

Penalties shall be calculated on a pro rated basis for the number of days that the payment remains delinquent.

**BYLAWS OF THE
CONTRA COSTA COUNTY SCHOOLS INSURANCE GROUP
REVISION DATES**

April 25, 1997
May 4, 2001
December 4, 2003
August 26, 2004
January 27, 2005
July 27, 2006
September 27, 2007
March 19, 2009
July 30, 2009