

**CONTRA COSTA COUNTY
SCHOOLS INSURANCE GROUP**

**Business
Policies
&
Regulations**

Section 200



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**Business Policies
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FACILITIES**AP201**

The Agency shall have the authority to acquire, hold, or dispose of real and personal property; to acquire, construct, manage, maintain, and rent buildings and other improvements.

The Executive Committee shall have the authority to negotiate terms and conditions relative to facility lease agreements and to extend, renew or terminate such agreements.

The Executive Director shall have the authority to use a commercial broker for the purpose of locating properties and preparing lease agreements.

FACILITIES

AR201.1

SPACE

The Agency will provide appropriate space for general and administrative office use. The Agency will allow districts that are members of Agency programs access to meeting rooms, at no charge, for the conduct of business related to the Agency or district, when such rooms are available.

Non-members of the JPA and JPA members who are not currently members of a CCCSIG program will be charged a fee for the use of facilities. The fee will be reviewed annually and adjusted as appropriate.

Use of facilities is subject to the regulations set forth in the Agency's Facility Use Manual.

FACILITIES

AR201.2

EQUIPMENT & FURNISHINGS

The Agency will purchase or lease office equipment and furnishings; will provide for maintenance and repairs of such; and, will establish ongoing inventory control procedures for Fixed Assets. A physical inventory of fixed assets will be conducted as required.

All pieces of equipment and furniture costing \$1,000 or more will be defined as a Fixed Asset.

All equipment and furniture designated as a Fixed Asset will be labeled as property of the Agency (CCCSIG), numbered and recorded in a permanent inventory control file.

Certain types of equipment costing over \$100 but less than \$1,000, not designated as a Fixed Asset, may be labeled, numbered and recorded in the permanent inventory control file.

FACILITIES**AR201.3*****SECURITY***

The Agency will establish, and cause to remain in force, proper security for office access to include lock/key systems and/or alarm codes for keyless entry.

Assignment of personnel authorized to issue keys and codes and to monitor security procedures will be designated.

The Agency may contract off-premises security services as required.

SALES & DISPOSAL OF EQUIPMENT/SUPPLIES**AP202**

The Executive Director or designee is authorized to dispose of surplus or otherwise no longer needed personal property of the Agency, according to procedures developed by the Executive Director which ensure compliance with applicable laws and regulations of the state.

PROCEDURES

The Agency may periodically have property, which is unusable or obsolete, or otherwise not needed. Regulations and procedures for disposing of such property in accordance with law include the following:

1. Agency staff shall identify to the Executive Director all property not needed together with estimated value of all such items.
2. The Executive Director or designee must approve the recommended disposition in order for the property to be disposed.
3. The sale of property may be made to any of the following groups without advertisement or receipt of bids:
 - a. federal government or its agencies
 - b. state
 - c. any county
 - d. any city and county
 - e. any city or special district
 - f. any school district
 - g. any agency eligible under the federal surplus property law
4. Sale of property to individuals, groups, or agencies other than those specified in 3. above may not be made until after posting in at least three (3) public places for not less than two (2) weeks, or by publication for at least once a week for a period of not less than two (2) weeks in a newspaper published in the County with a general distribution in the County. The Executive Director shall sell the property to the highest bidder or shall reject all bids. The property may be sold at a public auction conducted by employees of the Agency or other public agencies, or by contract with a private auction firm.
5. If the Executive Director determines the value of the property, whether one or more items, does not exceed \$2,500, the Executive Director may dispose of the property, either by private sale without advertising or by competitive bid in line with provisions of paragraph 4. above.
6. If the Executive Director finds that the property is of insufficient value to defray the costs of arranging a sale, the property may be disposed of according to an appropriate method, including disposal in the local public dump, by donation, or by mutilation/destruction.
7. Any money received by the Agency from the sale of obsolete material will be deposited to such fund of the Agency as prescribed and shall be used for Agency purposes.

SUPPLIES & SERVICES CONTRACTS**AP203**

By Resolution, the Executive Committee shall set an upper limit on the authority of the Executive Director or his/her designee to enter into contracts for supplies and services without prior approval of the Executive Committee.

Contracts for supplies and services in excess of that amount either shall have prior approval of the Executive Committee, or shall be approved by the Executive Director or his/her designee and an officer of the Executive Committee and reported to the Executive Committee for ratification.

SUPPLIES & SERVICES CONTRACTS

AR203.1

GENERAL ADMINISTRATION CONTRACT

The Agency may contract with the County Office of Education (COE) for various administrative, financial and clerical services necessary to carry out its delegated functions as required.

SUPPLIES & SERVICES CONTRACTS

AR203.2

ELECTRONIC PAYMENT SERVICES

The Agency will authorize use of electronic payment services and establishment of credit with any recognized banking institution licensed to conduct business in the state of California.

The Agency may contract or provide payroll services by in-house staff and transfer funds from its banking account into individual employee banking accounts for salary compensation purposes.

The Agency may use electronic payment services for transferring funds from its banking account into other business or agency banking accounts for employee benefits compensation purposes.

INSURANCE

AP204

The Agency shall be protected against risk to the extent reasonable and possible by providing the broadest insurance coverage available at the most economical cost.

The Agency shall maintain insurance as required by state law, regulatory agencies and its Governing Board. Primary and/or excess coverage shall include, but not be limited to, the following:

- Property and Liability
- Errors & Omissions
- Directors & Officers
- Crime
- Workers' compensation

The Agency shall have the ability to participate in other public agency pooled-insurance groups for primary and/or excess coverage.

The Agency shall evaluate its insurers for quality, stability and financial solvency and shall permanently maintain all memorandums of coverages and insurance policies.

The Executive Director shall have the authority to solicit the services of a commercial insurance broker to assist in the procurement and placement of respective coverages.

INFORMATION SYSTEMS

AP205

The Agency shall provide general management information system software and hardware for staff and member districts.

The Agency shall establish, and cause to remain in force, plans for system backup and disaster recovery. The plans shall include, but not be limited to, the following:

- Network backup
- System crash
- Workstation backup
- Power failure
- Backup scheduling
- Fire/Earthquake
- Business resumption
- Alternate processing site

For security purposes, only the Executive Director, Chief Financial Officer, Information Systems Coordinator or appointed designee shall have full entry rights to the system. Only Managers and Supervisors shall be allowed remote access into CCCSIG information systems, unless there is a specific need for an employee to be granted remote access for a limited period of time, or for limited use, as authorized by the Executive Director.

TELECOMMUNICATIONS**AP206**

The Agency shall provide a telecommunications system for staff either by direct purchase or lease. The system shall include voice mail and call accounting features.

The Information Systems Coordinator, or his/her designee, shall be authorized to administer and maintain the telecommunications system.

CONFLICT OF INTEREST**AP207**

The Agency shall adopt a Conflict of Interest Code pursuant to California Government Code, Section 81000 et seq., Political Reform Act and Government Code, Section 87300 thereafter.

The Agency is a separate public entity formed pursuant to a joint exercise of powers agreement and within the meaning of the Government Code.

CONFLICT OF INTEREST

AR207.1

PROCEDURES

The Political Reform Act, Government Code sections 81000 *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, Title 2 California of Regulations section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of Title 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Contra Costa County Schools Insurance Group.

Designated officials and employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under Article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions; and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original.

Pursuant to section (b)4 of the standard Code, designated officials and employees shall file statements of economic interests with the Executive Director of the Agency who will make the statements available for public inspection and reproduction (Gov. Code Section 81008), retain one copy and forward the original of these statements to the Clerk of the Board of Supervisors of Contra Costa County.

CONFLICT OF INTEREST

AR207.1 (cont.)

APPENDIX

<u>Designated Employees</u>	<u>Disclosure Categories</u>
Directors of the Board	All
Board Alternates	All
Executive Director	All
Chief Financial Officer	All
Health & Safety Services Manager	All
Human Resources/Communications Manager	All
Claims Manager	All
Claims Supervisor	All
Consultants*	All
Accountant	All
Senior Claims Examiner	Two
Claims Examiner	Two
Executive Assistant	Two
IS Coordinator	Two

DISCLOSURE CATEGORIES

General Rule

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

- **Designated Employees in Category "1" must report:**
 - All investments, interests in real property, and income, and any business entity in which the employee is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within Contra Costa County or if the business entity is doing business or planning to do business in the County (and such plans are known by the designated employee) or has done business within the County at any time during the two years prior to the filing of the statement.
 - Investments in any business entity, income from any source and status as a

director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which has within the last two years contracted or foreseeably may contract with the Agency, or with any public agency within Contra Costa County, to provide services, supplies, materials, machinery or equipment to either party.

CONFLICT OF INTEREST

AR207.1 (cont.)

- **Designated Employees in Category "2" must report:**
 - Investments in any business entity, income from any source, and status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which has within the last two years contracted, or foreseeably may contract, with the Contra Costa County Schools Insurance Group to provide services, supplies, materials, machinery or equipment to the Agency.

**With respect to Consultants, the Chairperson of the Board or the Executive Director, however, may determine in writing that a particular consultant, although a "designated person", is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. A copy of this determination shall be retained by Contra Costa County Schools Insurance Group. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.*

WRITTEN EXPLANATION OF REASONS FOR DESIGNATIONS & DISCLOSURE RESPONSIBILITIES FOR THE AGENCY

Designations

The positions noted under "Designated Employees" have been designated as those positions subject to provisions of the Conflict of Interest Code in that those positions are the only positions having any substantial responsibility relative to the Agency's decision-making process or policy.

Disclosure Responsibilities

The categories relative to the types of interests that must be disclosed are based upon the types of financial interests relevant to the Agency business which is confined to providing Workers' Compensation and Health Benefits coverage to member districts.

Revised: August 30, 2018
Revised: August 21, 2014
CREDIT CARD (s)

AP208

The Agency shall authorize the acquisition and use of a credit card(s) for expenses which are actual and necessary to its business function.

The card(s) shall be used by Agency officials and/or employees so designated by the Executive Director.

The individual(s) issued a card(s) shall be responsible for security and accountability of the card(s) at all times.

CREDIT CARD (s)

AR208.1

CREDIT CARD PROCEDURES

A credit card(s) account may be established for the Agency with a credit limit not to exceed \$15,000 (per credit card). A credit card(s) may be used for the following expenses: Travel and business meal expenses; and administrative expenses as approved by the Executive Director or Chief Financial Officer.

For payment, the following documentation is required: credit card(s) statement; signed copy of the credit card(s) receipt with vendor invoice for the purchase; expense claim form or payment requisition; and pre-approvals as required. The Executive Director or his/her designee shall approve payments.

All credit card expenses will be reviewed and approved for payment by the Agency president or vice-president.

Full payment of the credit card(s) balance will be made monthly in an effort to avoid finance charges. The Executive Committee will ratify payments by including such action on scheduled meeting agendas.

BUSINESS VEHICLE OPERATION**AP209**

All Agency vehicles shall be driven and parked in accordance with state and municipal laws. The Executive Director shall recommend any sale of the vehicle to the Executive Committee for approval. The Executive Director shall appoint a designee responsible for maintenance and service of the vehicle(s), and establish a Maintenance & Service Plan.

The attached regulations shall apply in connection with the operation and use of vehicles for Agency business.

BUSINESS VEHICLE OPERATION

AR209.1

BUSINESS VEHICLE OPERATION

- Agency employees shall use, or permit the use of, Agency vehicles only for the conduct of Agency business.
- Employees must have on file with the Agency a copy of a valid California Drivers' License issued by the Department of Motor Vehicles. An employee must immediately notify the Executive Director or his/her designee of any change in the status of his/her drivers' license.
- Employees are prohibited from carrying unauthorized passengers, such as members of their families, in Agency vehicles, unless expressly authorized by the Executive Director or his/her designee.
- Employees are prohibited from operating Agency vehicles while under the influence of alcohol, narcotics (including prescriptive medication), or where judgment could otherwise be impaired.
- Employees and all passengers are prohibited from smoking in Agency vehicles.
- Firearms, weapons, containers of inflammable liquids, or animals shall not be transported in Agency vehicles.
- Employees on Agency business shall observe traffic rules and regulations at all times, including, but not limited to, laws and regulations regarding cell phone usage while driving. Fines or punitive measures imposed for violation(s) are the personal responsibility of the driver.
- In the event of mechanical failure, the driver shall communicate immediately to his/her supervisor or, if no answer, Agency Facilities or another manager.
- In cases of a vehicle accident, the employee driver shall adhere to the following procedures:
 - Call the California Highway Patrol or appropriate police agency at 911 and request an emergency vehicle if there are injuries. Employees should cooperate with responding law enforcement, but refrain from discussing the cause of the accident with the other driver or witnesses.
 - Call Supervisor, Facilities or other manager.

- Arrange for all passengers (including yourself) to go to a doctor for a check-up.
- Submit a Vehicle Accident Report form to Facilities as soon as possible. Copies of the report form are located in the glove compartment of the Agency vehicle.

After the Supervisor, Facilities or a manager has been informed of the accident, he/she will call the Executive Director with information regarding the accident (where, when, who was in the vehicle at the time of the accident, time of day, etc.). A copy of the Vehicle Accident Report form will also be forwarded to the Executive Director as soon as it becomes available. The Agency provides vehicle liability insurance coverage to authorized drivers during approved use of Agency vehicles.

Violation of any of the above regulations shall result in disciplinary action.

CONFIDENTIAL DOCUMENTS/SECURITY

AP210

The Agency shall provide for the storage of confidential materials and documents either within the office facility or off-premises as required, i.e., safe deposit box at a designated banking institution.

CONFIDENTIAL DOCUMENTS/SECURITY

AR210.1

SIGNATURE STAMP(S)

Signature stamp(s) for the Executive Director or designee will be secured in a locked cabinet. The Executive Director or appointed designee may authorize appropriate personnel to unlock the cabinet and utilize the signature stamp(s) as required, in the event authorized signer(s) are unavailable. The authorized party shall complete the Signature Stamp Log.

CONFIDENTIAL DOCUMENTS/SECURITY

AR210.2

EMPLOYEE PERSONNEL FILES

Employee personnel files will be maintained in the Executive Director or designee's office. Employees may review their file by scheduling an appointment with the Executive Director or designee.

Managers may review personnel files of only those staff members assigned to their supervision. Such review will be upon the approval of the Executive Director or designee.

RECORDS RETENTION

AP211

The Agency shall establish procedures and schedules for the retention of records as mandated by various state codes, rules and regulations applicable to Joint Powers Authorities. If records are imaged, they must be stored both on the network server, as well as copied onto a compact disc (CD), back-up tape or hard drive, and placed in a fireproof cabinet or off-site storage. The same retention periods apply to imaged records as hard copies.

The Agency shall specifically identify procedures and schedules for the retention of closed workers' compensation files.

RECORDS RETENTION

AR211.1

Any and all documents or files containing confidential information shall be disposed of, at the appropriate time as outlined below, by using reasonable measures to protect against unauthorized access to, or use of, the information contained in the document. Reasonable measures include, but are not limited to, using a paper shredder for hard copies or placing in the locked destruction receptacles located throughout the office, and erasing or overwriting electronically stored confidential information. Any emails that are included as part of a workers' compensation file shall also be maintained in their original electronic format for the specified retention period.

Schedule

<u>Type</u>	<u>Title</u>	<u>Retention Period</u>
ADM	Administration	
	Correspondence	3 years
	Policies and Regulations	Permanent
	Accreditation	Permanent
	Employee Personnel Files	Permanent
BC	Boards/Committees	
	Agendas (Including Details)	Permanent
	Meeting Notices	Permanent

	Meeting Notes	5 years
	Minutes - Governing Board	Permanent
	Minutes - Executive Committee	Permanent
	Minutes - All Committees	Permanent
	Resolutions	Permanent
CLMS	Claims/Worker Comp	
	Incident only	1 year
	Medical only	2 years
	Indemnity/No PD	5 years
	C&R	Permanent
	C & R/Future Medical	Permanent
	Stipulations	Permanent
	Stipulations/No Future Meds	Permanent
CON	Contracts	
	Agreements & Contracts	7 years from end of contract
ELE	Elections	
	General	Permanent

RECORDS RETENTION

AR211.1 (cont.)

FIN	Financial	
	Accounts Payable	Current + 7 years
	Correspondence	
	A/P Distribution Journal	
	Cash Disbursements	
	Expense Reports	
	Invoices	
	Accounts Receivable	Current + 7 years
	A/R Register	
	Aged Trial Balance	
	Invoices	
	Audit Reports	Permanent
	Correspondence/Audits	
	State Controller's Report	
	Workpapers/Audits	
	Banking Correspondence	Current + 7 years

Bank Confirmations
 Bank Reconciliations
 Bank Statements
 Canceled and Voided Checks
 Deposit Slips
 Signature Authorizations

Financial Reports
 Correspondence/Financial
 Studies/Financial
 Chart of Accounts
 Account Analysis/Ledgers
 Balance Sheets/Ledgers
 General Ledger
 Journal Entries

Current + 7 years

INS

Insurance

Memorandum of Coverage	Permanent
Insurance Policies	Permanent
Endorsements	Permanent
Premium Deposit Determination	Permanent
Retrospective Ratings	Permanent
Claims Audits	Permanent

MANAGEMENT ANTI-FRAUD PROGRAM

AP212

This Administrative Policy applies to any fraud, or suspected fraud, involving employees, members of the Board of Directors, or their Alternates, consultants, vendors, contractors, outside agencies doing business with the Agency and/or any other parties with a business relationship with the Agency.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Agency.

Management is responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact, for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any fraud that is detected or suspected, as outlined in the corresponding Administrative Regulation, must be reported immediately to the Human Resources Manager. In the event that fraud is detected or suspected by a member of the Human Resources Department, the incident should be reported to the Executive Director for investigation as appropriate.

MANAGEMENT ANTI-FRAUD CONTROLS

AR212.1

Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the Agency
- Forgery or alteration of a check, bank draft, or any other financial document
- Embezzlement, misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties
- Accepting or seeking anything of material value for personal use or gain from contractors, vendors or persons providing services/materials to the Agency
- Destruction, removal or inappropriate use of records, furniture, fixtures, or equipment
- Authorizing or receiving payment for goods not received or services not performed

- Authorizing or receiving payment for hours not worked
- Any similar or related inappropriate conduct

Investigation Responsibilities

The Human Resources Manager or designee has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the Human Resources Manager will issue reports to the Executive Director or designee, and, if appropriate, to the Executive Committee.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agency(ies) for independent investigation will be made in conjunction with legal counsel, the Executive Director or designee, and the Executive Committee.

Confidentiality

The Human Resources Manager and any other involved personnel, shall treat all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Human Resources Manager immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act (see Reporting Procedure below).

Investigation results will not be disclosed to, or discussed with, anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected, but subsequently found innocent, of wrongful conduct and to protect the Agency from potential liability.

MANAGEMENT ANTI-FRAUD CONTROLS

AR212.1 (cont.)

Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations, alerting suspected individuals that an investigation is under way, violating a person's right to due process, or making statements that could lead to claims of false accusation or other civil rights violations.

An employee who discovers or suspects fraudulent activity will contact the Human Resources Manager immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Human Resources Manager, who will consult with Legal Counsel. No information concerning the status of an investigation will be given out.

Termination

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the Executive Director, before any such action is taken.