

**A JOINT POWERS AGREEMENT
FORMING THE
SCHOOLS RISK AND INSURANCE
MANAGEMENT GROUP**

The undersigned Public Education Agencies entered into this Agreement for the purpose of establishing, operating, and maintaining a self-insurance program for Workers' Compensation and other self-insurance and risk management programs.

Recitals

WHEREAS, this Agreement is entered into pursuant to the provisions of the Joint Exercise of Powers Act, commencing at section 6500 of the California Government Code, and California Education Code section 17567, which authorize public agencies and school districts to jointly insure or self-insure their liabilities and to perform other related services through a joint powers agreement;

WHEREAS, California Government Code sections 990.4, 990.6 and 990.8 enable a public entity to self-insure or purchase insurance jointly with other entities under a joint powers agreement;

WHEREAS, California Labor Code section 3700 enables public entities to self-insure their workers' compensation liabilities with approval by the California Department of Industrial Relations; and

WHEREAS, it is to the mutual benefit of the parties herein, and in the best public interest of said parties to join together to establish this Joint Powers Agreement to accomplish the purposes hereinafter set forth.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL ADVANTAGES TO BE DERIVED THEREFROM, AND IN CONSIDERATION OF THE EXECUTION OF THIS AGREEMENT BY OTHER PUBLIC EDUCATION AGENCIES, EACH OF THE PARTIES HERETO DOES HEREBY AGREE AS FOLLOWS:

**ARTICLE I - CREATION OF THE SCHOOL RISK AND INSURANCE MANAGEMENT GROUP
(SRIMG)**

Pursuant to the California Government Code section 6503.5, there is hereby created a public entity separate and apart from the parties hereto, to be known as the "School Risk and Insurance Management Group," hereinafter designated as "**SIG**", "**SRIMG**" or "the **Group**." The debts, liabilities, or obligations of the **Group** do not constitute debts, liabilities, or obligations of any party to this **Agreement**.

SRIMG shall have the powers common to **Public Education Agencies** for the accomplishment of the purposes of this **Agreement**, and is hereby authorized to do all acts necessary for the exercise of said common powers, including, but not limited to, any or all of the following: to make and enter into contracts; to incur debts, liabilities, or obligations to any party to this **Agreement**; to acquire, hold or dispose of property; to receive gifts, contributions, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations and any governmental entity; and to sue and to be sued in its own name. Said powers shall be exercised in the manner provided in the law, and except as expressly set forth herein, shall be subject only to such restrictions upon the manner of exercising such powers as are imposed upon Placer County Office of Education.

ARTICLE II - PURPOSES

The purposes of this **Agreement** shall be to provide the parties with the capabilities of self-insurance, pooling, and joint purchase of insurance programs, and the establishment and maintenance of funds to pay for desired insurance coverage or self-insured claims. Such program shall include, but will not be limited to administrative services, such as claims adjusting, administration, safety engineering, and other risk management services.

ARTICLE III - DEFINITIONS

The following terms shall have the meaning as herein stated, except where the context requires otherwise:

- a. **Agreement** shall mean this Joint Powers Agreement forming the School Risk and Insurance Management Group.
- b. **Bylaws** shall mean the Bylaws adopted, or as amended, by the **Joint Powers Board**.
- c. **Group**, **SRIMG**, or **SIG** shall mean the Schools Risk and Insurance Management Group, a joint powers authority created by this **Agreement**.
- d. **Joint Powers Board** shall be the governing board of the **Group** as described in Article VIII.
- e. **Member** shall mean an entity that signed this **Agreement** at the inception of the **Agreement** or thereafter.
- f. **Non-voting Member** is an entity that signed this **Agreement** whose governing body consists exclusively of representatives from other **Members**.
- g. **Program** shall mean a self-funded, group purchase, or combination self-funded and group purchase, coverage, including ancillary services to enhance such programs, provided to the **Members** of the **Group**.
- h. **Public Education Agency** shall mean a school district, county superintendent of schools, regional occupation program, community college, school joint powers authority, or a public or non-profit entity composed entirely of **Members** or formed exclusively to serve a **Member** or **Members**.

- i. **Representative** shall mean the representative or alternate appointed by the **Member** in accordance with Article VIII, below.
- j. **Voting Member** shall mean a **Member** that has been approved by the **Joint Powers Board** and is entitled to vote. Exhibit A, which is attached to this **Agreement** and incorporated herein, lists the **Voting Members**. Exhibit A will be amended without further approval upon a change in **Voting Members**.

ARTICLE IV - MEMBERS

A. ELIGIBILITY

Each initial party to this **Agreement** must be a **Public Education Agency** and shall become a **Member** on the effective date of this **Agreement**. The **Members** are entitled to the rights and privileges, and are subject to the obligations of membership, all as are provided in this **Agreement**. A **Public Education Agency** desiring membership after initial operation has begun shall apply under the provisions of the **Bylaws**. All parties shall be bound by this **Agreement**, the **Bylaws**, the **Program** policies, and the other governing documents of **SRIMG**.

B. MEMBERS' OBLIGATIONS

Each **Member** shall cooperate fully with **SRIMG** in investigating, defending and settling claims for which **SRIMG** provides coverage; shall pay cash contributions, assessments and other charges promptly; and shall comply with the terms of this **Agreement**, the **Bylaws**, the **Program** policies and procedures in which the **Member** participates, and such other policies and procedures adopted by **SRIMG**.

Each **Voting Member** shall appoint a Representative and an alternate to the **Joint Powers Board**.

ARTICLE V - WITHDRAWAL AND EXPULSION

A. WITHDRAWAL

No **Member** may terminate its membership as a party to this **Agreement** for three (3) years after becoming a party. After the expiration of said three (3) year period, a **Member** may terminate its participation in this **Agreement** by giving written notice to the **Joint Powers Board**. The terminating **Member** must provide written notice to the **Joint Powers Board** by March 31st, and the termination shall be effective as of the end of the fiscal year that said written notice is received. A copy of official Governing Board action terminating its membership as a party to this **Agreement**, as adopted by the terminating **Member's** governing board, shall constitute "written notice". A withdrawing **Member** shall have no right to the contributions made to **SRIMG**, except as provided in the **Bylaws** or other governing documents.

B. EXPULSION

SRIMG may expel a **Member**, with or without cause, by a two-thirds affirmative vote of those **Representatives** voting at a regular or special meeting of the **Joint Powers Board**. Such expulsion shall not be effective for at least ninety (90) days after the vote of the **Joint Powers Board**.

C. EFFECTS OF WITHDRAWAL OR EXPULSION

In accordance with California Government Code section 6512.2, the expulsion or withdrawal of a **Member** shall not be construed as the completion of the purpose of this **Agreement** and shall not require the repayment or return to the **Member** of all or any part of the contributions, payments or advances made by the **Member**. A **Member** who withdraws or is expelled shall remain liable for any obligations arising out of the period during which the **Member** participated in **SRIMG**.

ARTICLE VI - DISSOLUTION

SRIMG may be dissolved with the approval of two-thirds of the **Voting Members** as reflected in a resolution adopted by the **Voting Members'** governing boards. Upon such approval, **SRIMG** shall continue to be responsible for all existing assets and liabilities. No assets may be divided or returned until all outstanding obligations of **SRIMG** have been resolved or a paid-up contract has been enacted that removes **SRIMG** from any further obligation. Said paid-up contract may impose responsibility for any outstanding claims on the **Members**. Disposition of assets will be made in proportion to the contributions of the current **Members**. Upon disposition of the assets, **SRIMG** shall be terminated and dissolved.

ARTICLE VII - BYLAWS

SRIMG shall be governed by **Bylaws** adopted by the **Joint Powers Board**. The **Bylaws** may be amended and restated, and shall not be inconsistent with this **Agreement**.

ARTICLE VIII - JOINT POWERS BOARD

A. COMPOSITION

SRIMG shall be governed by a **Joint Powers Board** consisting of a Representative from each **Voting Member**. Each **Voting Member** shall also appoint one alternate. The alternate appointed by a **Voting Member** shall have the authority to attend, participate in, and vote at any meeting of the **Joint Powers Board** when the Representative for whom he/she is an alternate is absent from said meeting. The Representative or alternate shall be appointed in writing by the **Member** and shall be a member of the **Voting Member's** management staff.

For purposes of transacting business at a meeting of the **Joint Powers Board**, a "quorum" is a majority of the **Representatives** or alternates who are present at the meeting. If a "quorum" is present, the affirmative vote of a majority of the **Representatives** or alternates at the meeting

and voting on any matter, shall be deemed the act of the **Voting Members** unless the vote of a greater number is required.

B. POWERS OF THE JOINT POWERS BOARD

The **Joint Powers Board** shall be empowered to govern the operations of **SRIMG**, and shall have such powers as are not reserved to the **Members**. The **Joint Powers Board** shall have the power to delegate any and all powers not specifically reserved to itself, to an Executive Committee, Executive Director, or other agent of **SRIMG**.

The powers retained by the **Joint Powers Board** shall include the following:

- a. Approve a new **Member** with a two-thirds affirmative vote of the **Representatives** or alternates voting at a regular or special meeting of the **Joint Powers Board**;
- b. Expel a **Member** with a two-thirds affirmative vote of the **Representatives** or alternates voting at a regular or special meeting of the **Joint Powers Board**;
- c. Create or dissolve a **Program** with a two-thirds affirmative vote of the **Representatives** or alternates voting at a regular or special meeting of the **Joint Powers Board**;
- d. Amend the **Bylaws**;
- e. Adopt the annual budget of the **Group**;
- f. Adopt an investment policy;
- g. Elect the members of the **Executive Committee**;
- h. Elect the officers of the **Group**; and
- i. Declare assessments and dividends.

Subsections d through i above are actions requiring only a majority vote of those **Representatives** or alternates voting at a regular or special meeting of the **Joint Powers Board**.

Amendments to documents specific to a particular coverage program shall be amended at a regular or special meeting of the **Joint Powers Board**, by a majority vote of the **Representatives** or alternates of those **Voting Members** that participate in the program. However, the **Joint Powers Board**, as a whole, shall have the authority to approve budgets, including contributions, dividends, or assessments for any program.

ARTICLE IX - INDEMNIFICATION

Pursuant to California Government Code section 6512.2, this Agreement is not subject to California Government Code section 895.2 and the **Members** are not jointly and severally liable for any liability imposed upon any **Member** or the **Group** caused by a wrongful act occurring in the performance of this **Agreement**.

The **Members** of the **Joint Powers Board**, any committee of the **Group**, or an employee of the **Group** shall be indemnified, and the **Group** agrees to hold such **Members** and employees harmless from all claims, expenses, demands, penalties, fines, forfeitures, judgments, settlements, attorney fees, and any other amounts actually and reasonably incurred by reason of, or as a result of, their official participation and action in pursuance of the execution or administration of the **Group** or this **Agreement**.

ARTICLE X - STRICT ACCOUNTABILITY OF FUNDS

SRIMG shall have strict accountability of all funds and reports of all receipts and disbursements relating to the **Programs**, and **SRIMG** shall comply with provisions of California Government Code section 6505. Although the funds of **SRIMG** shall be held in common there shall be an accounting by Program. The Treasurer or other designee shall cause a financial audit to be performed annually.

The Treasurer or other designee shall receive, invest and disburse funds only in accordance with the procedures established by the **Joint Powers Board** and in conformity with applicable law. The Treasurer shall invest funds in compliance with State law and the investment policy adopted by the **Joint Powers Board**.

ARTICLE XI - FISCAL YEAR

The fiscal year of **SRIMG** shall commence on July 1 of each year and end on June 30 of the succeeding year.

ARTICLE XII - ANNUAL BUDGET

The **Joint Powers Board** shall adopt an annual budget prior to the inception of the fiscal year for which the budget applies.

ARTICLE XIII - NOTICES

Notices to **Members** under this **Agreement** shall be sufficient, if mailed by USPS First-Class Mail, to their respective addresses on file with **SRIMG**. Notice to **SRIMG** shall be sufficient, if mailed by USPS First-Class Mail, to the address of **SRIMG** as contained in the **Bylaws**.

ARTICLE XIV - PROHIBITION AGAINST ASSIGNMENT

No **Member** may assign any right, claim or interest it may have under this **Agreement**, and no creditor, assignee or third party beneficiary of any **Member** shall have any right, claim, or title to any part, share, interest, or asset of **SRIMG**.

ARTICLE XV - AMENDMENTS

Proposed amendments to this **Agreement** shall be given to the **Joint Powers Board** at least thirty (30) days prior to a regular or special meeting. Only after discussion and approval by the **Joint Powers Board**, at a duly noticed meeting, shall an amendment be submitted to the governing boards of the **Members** for approval. The approval of a majority of the **Members**, as reflected in a resolution adopted by the governing board of the Members, is required to amend this Agreement. The amendment is effective upon the approval of a majority of the **Members'** governing boards or on such date stated in the proposed amendment, whichever is later. Each **Member** shall file with **SRIMG** a copy of the resolution adopted by its governing board, approving such amendment.

ARTICLE XVI - SEVERABILITY

Should any portion, term, or provision of this **Agreement** be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable, the validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

ARTICLE XVII - AGREEMENT COMPLETE

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

ARTICLE XVIII - EXECUTION IN COUNTERPARTS

This **Agreement** may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but together shall constitute one and the same.

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement as of the _____ day of _____, 2016.

Member: _____

By: _____

Title: _____

Date: _____

Exhibit A

VOTING MEMBERS OF
SCHOOLS INSURANCE AND RISK MANAGEMENT AUTHORITY

The following **Members** are **Voting Members** of Schools Insurance and Risk Management Authority:

Ackerman Elementary School District
Alta-Dutch Flat Union Elementary School District
Auburn Union School District
Black Oak Mine Unified School District
Chicago Park School District
Clear Creek Elementary School District
Colfax Elementary School District
Dry Creek Joint Elementary School District
Eureka Union School District
Folsom-Cordova Unified School District
Foresthill Union School District
Grass Valley School District
Lake Tahoe Unified School District
Loomis Union School District
Marysville Joint Unified School District
Nevada City School District
Nevada County Superintendent of Schools
Nevada Joint Union High School District
Newcastle Elementary School District
Penn Valley Union Elementary School District
Placer County Office of Education
Placer Hills Union School District
Placer Union High School District
Pleasant Ridge Union School District
Rocklin Unified School District
Roseville City School District
Roseville Joint Union High School District
Tahoe Truckee Unified School District
Twin Ridges Elementary School District
Union Hill School District
Western Placer Unified School District

A change in **Voting Members** shall be reflected in an amendment to this Exhibit and further authority is not required.

Acknowledgement of Non-Voting Member

The undersigned **Public Education Agency** acknowledges that:

1. It is a **Non-voting Member** and, as such, it does not have a vote on the **Joint Powers Board** and shall not appoint a **Representative** or an alternate to the **Board**. .
2. It has all the obligations of a **Member**, including (but not limited to) those obligations in Article IV, paragraph B, Article V and Article VI.
3. It shall appoint a member of its staff with whom the **Joint Powers Board** shall forward notices and other correspondence and from whom the **Joint Powers Board** will accept notices and other correspondence sent on behalf of the Public Education Agency.

Member: _____

By: _____

Title: _____

Date: _____