

CJPRMA

Board Policies



California Joint Powers Risk Management Authority

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CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B1	Page 1 of 1
Subject: Issuance of an Annual Memorandum of Coverage Agenda Bill 52	Date Adopted: April 27, 1993	Effective Date: April 27, 1993
	Date Revised:	Supersedes:

I. PURPOSE

To issue an Annual Memorandum of Coverage

II. POLICY

A new Memorandum of Coverage will be issued at the beginning of each Program Year, incorporating all changes from the previous Program Year, beginning with the 1993-1994 Program Year.

All mid-year changes will be reflected in a numbered endorsement issued by CJPRMA office.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B2	Page 1 of 1
Subject: Growth Policy Agenda Bill 55	Date Adopted: April 27, 1993	Effective Date: April 27, 1993
	Date Revised:	Supersedes:

I. Basic Criteria

Applicants accepted for membership after April 28, 1992 must participate in at least Pool Layers “C” and “D” of the Liability Program.

JPAs accepted for membership after April 28, 1992 may not add new members for CJPRMA coverage purposes, for a period of three years following their admission of the new JPA member, without the specific approval of the CJPRMA Board of Directors.

II. Procedure

A CJPRMA application form must be completed.

A non-refundable fee of \$1000 must be paid at the time the application is submitted for consideration.

An actuarial study, with a framework acceptable to CJPRMA, must be provided.

A current accreditation or an independent consultant’s review, from an organization acceptable to CJPRMA, must be provided.

All other considerations or requests of CJPRMA must be complied with.

CJPRMA staff shall interview the applicant, review the application, and provide a recommendation to the Board.

Pursuant to Article XX of the JPA Agreement, an affirmative vote of a two-thirds majority of the entire Board of Directors is required for admission.

At any time during the process, the applicant may request a non-binding “straw vote.” If the results reflect an absence of majority approval, it shall be the applicant’s decision as to whether or not to continue with the application process.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B3	Page 1 of 1
Subject: Policies for Future Redistribution Agenda Bill 62	Date Adopted: April 27, 1993	Effective Date: April 27, 1993
	Date Revised:	Supersedes:

I. PROCEDURE

The Equity Account balance percentage of participation formula is utilized to calculate all future redistributions.

Investment expenses shall be charged against interest and spread as an overall expense against all Equity Account balances because it is directly related to the handling of the funds for all program years.

Administrative fees for the Property and APD programs shall be spread as income for all program years.

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B4	Page 1 of 1
Subject: Record Retention Policy Agenda Bill 97	Date Adopted: August 31, 1993	Effective Date: August 31, 1993
	Date Revised:	Supersedes:

I. PROCEDURE

The purpose of this policy is to maintain the physical integrity of the public records on file with CJPRMA for the mandatory retention period and to allow for the subsequent orderly destruction of such records in conformance with California law.

CJPRMA will follow the provisions of the Government Code concerning the retention of public records.

Subject to Board approval, the General Manager of CJPRMA is authorized to destroy any record, document, instrument, book or paper, without making a copy thereof, after the same is no longer required and the following conditions are met:

- the record is more than two years old, and
- the record would not, in the opinion of the General Manager, serve any useful purpose to CJPRMA in the conduct of its business.
- The policy permitting the destruction of old records does not apply to the original records of the following:
 - minutes of CJPRMA Board meetings,
 - resolutions of the CJPRMA Board,
 - original documents relating to the past or present Joint Powers Agreement creating CJPRMA, Bylaws, or similar governing document of CJPRMA; this includes documents received from member entities approving their entrance into CJPRMA and/or changes in the governing documents,
 - documents contained in claim files, except where the claim has been finally closed for more than two years,
 - any Conflict of Interest Code filings with CJPRMA,
 - annual audit documents, financial reports and all accounting records, and
 - original copies of documents relating to issuance of Certificates of Additional Covered Party, or Certificates of Coverage.



Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B5	Page 1 of 1
Subject: Policy on Issuance of Certificates of Coverage Agenda Bill 103	Date Adopted: August 31, 1993	Effective Date: August 31, 1993
	Date Revised: October 7, 1998	Supersedes:

There are four types of certificates which may be utilized on behalf of CJPRMA members. Their form and content are indicated below.

Form A:

- 1) This form is for use by *all members*.
- 2) This certificate **does not provide coverage** to the certificate holder.
- 3) It only provides evidence of financial responsibility.
- 4) It may only be issued for any amount within the coverage limits of CJPRMA.
- 5) It may be issues without notice to CJPRMA.

Form B1:

- 1) This form is for use by (a) *member cities* and (b) *member JPAs that do not have their own Memorandum of Coverage*. This certificate **names the certificate holder as an additional covered party**.
- 2) It may only be issued for amount within a member’s self-insured retention (S.I.R.).
- 3) It may be issues without notice to CJPRMA.

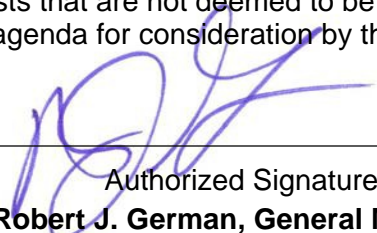
Form B2:

- 1) This form is for use by *member JPAs that have their own Memorandum of Coverage*.
- 2) This certificate **names the certificate holder as an additional covered party**.
- 3) It may be issued only for amounts within a member JPA’s self-insured retention (S.I.R.).
- 4) It may be issued without notice to CJPRMA.

Form C:

- 1) This certificate **names the certificate holder as an additional covered party**.
- 2) It may be issued for any amount which exceeds a member’s self-insured retention (S.I.R.) and is within the coverage limits of CJPRMA.
- 3) **It may only be issued by CJPRMA.**

Requests for the issuance of certificates of coverage that are routine in nature may be approved by the General Manager and placed on the next regularly scheduled meeting agenda for ratification by the Board of Directors or the Executive Committee. Requests that are not deemed to be routine in nature will be placed on the next regularly scheduled meeting agenda for consideration by the Board of Directors or Executive Committee.


 Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B6	Page 1 of 1
Subject: Policy on Liability Deposit Premium Calculations Agenda Bills 104, 225	Date Adopted: August 31, 1993	Effective Date: August 31, 1993
	Date Revised: April 25, 1995	Supersedes:

A policy was adopted on August 31, 1993, which directed that all member entities have their liability deposit premium calculations based on the State Payroll Tax Return Form (DE-3DP). This allowed for the correct and equitable calculations of premiums.

On April 25, 1995, the policy was amended to allow member entities the choice to continue using the DE-3DP form or the new DE-6 form for the remainder of the calendar year. Beginning in January 1996, the form DE-6 will be utilized for the calculation of liability deposit premiums.

Additionally, on April 25, 1995, the minimum premium policy, which stated that a member's worker's compensation payroll be at least 1.25% of the total worker's compensation reported, was eliminated.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B8	Page 1 of 1
Subject: Harassment Policy Agenda Bill 151	Date Adopted: April 26, 1994	Effective Date: April 26, 1994
	Date Revised:	Supersedes:

The Fair Employment and Housing Commission regulations define sexual harassment as unwanted sexual advances, or visual, verbal or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list:

1. Unwanted sexual advances;
2. Offering employment benefits in exchange for sexual favors;
3. Making or threatening reprisals after a negative response to sexual advances;
4. Visual conduct: leering, making sexual gestures, displaying sexually suggestive objects or pictures, cartoons or posters;
5. Verbal conduct: making or using derogatory comments, epithets, slurs or jokes;
6. Verbal sexual advances or propositions;
7. Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes or invitations; and
8. Physical conduct: touching, assault, impeding or blocking movements.

It is illegal and against the policy of CJPRMA for any Officer, Director or Alternate Director to harass another person. CJPRMA is strongly opposed to any form of harassment. Any individual committing or condoning acts of harassment may be held personally liable for the same. Such harassment will not be tolerated and will result in the Board sending notification to the member entity for appropriate action.

If any individual believes that they have been the subject of harassment, they should report the incident to the General Manager, the President or the Vice President immediately. An investigation of all complaints will be conducted by the General Manager, or the Board President in the case of a complaint involving the General Manager. If any individual has been found, after appropriate investigation, to have harassed another, his/her member entity will be notified of that fact, by the Board, in order for that entity to take appropriate action.

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B9	Page 1 of 1
Subject: Policy on Settlement Conference Notifications Agenda Bill 187	Date Adopted: September 19, 1994	Effective Date: September 19, 1994
	Date Revised:	Supersedes:

In order to become more fully involved in the claims settlement process, a policy was adopted requiring that CJPRMA be provided with notice of every settlement conference that is scheduled for claims which have been reported to CJPRMA. The purpose of this policy is to ensure that CJPRMA is provided with an opportunity to participate in scheduled settlement conferences in order to better ascertain whether some potential exists for a claim to penetrate the excess level.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B10	Page 1 of 1
Subject: Policy on Reserve Adjustment Agenda Bill 197	Date Adopted: November 17,	Effective Date: November 17, 1994
	Date Revised:	Supersedes:

This policy requires that I.B.N.R. (Incurred, But not Reported) be reduced by any amounts that are reserved for specific cases after the I.B.N.R. has been established. Since the actuarial study reviews reserves each year, the I.B.N.R. will still be revised on an annual basis. This policy will eliminate the potential for having grossly distorted financial reports.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B11	Page 1 of 1
Subject: Reimbursement of General Liability Training Expenses Policy	Date Adopted: January 19, 1995	Effective Date: January 19, 1995
	Date Revised: August 15, 2019	Supersedes: May 16, 2012

The intent of this policy is to reimburse members for general liability training for their employees performed by a consultant or trainer at their facility.

Members have the option of participating in the general liability training reimbursement program or participating in CSRMA Risk Control Online. This election is made annually when paying the general liability premium.

If electing to participate in the general liability training reimbursement program, the following occurs.

Members of CJPRMA may be reimbursed for the actual expenses which they incur for the training of their employees and staff on general liability matters to a maximum of \$3,000 per program year.

The expenses must meet the following conditions in order to be eligible for reimbursement:

1. The training must be directly related to general liability matters and must have been incurred in the program year for which the reimbursement is requested.
2. Reimbursement requests with copies of invoices must be submitted within 60 days following the end of the fiscal year.

Reimbursable expenses:

- expenses incurred for the use of outside consultants/trainers
- expenses incurred for the use of outside facilities
- expenses incurred for the preparation of materials by an outside organization
- expenses incurred for the provision of food and non-alcoholic beverages for the attendees.

Examples of non-reimbursable expenses:

- use of member facility
- use of member employee staff time, supplies and equipment
- seminars, classes, conferences, memberships
- participation in service or training consortiums (Liebert, Cassidy Whitmore Consortium)

Authorized Signature
Tony Giles, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B12	Page 1 of 1
Subject: Indemnification of Board Members and Alternates Policy Agenda Bill 222	Date Adopted: April 28, 1995	Effective Date: April 25, 1995
	Date Revised:	Supersedes:

Any member entity which agrees to have an employee or other representative assigned duties to the Authority, pursuant to the Joint Powers Agreement, Bylaws or Memorandum of Coverage, shall be entitled to have such employee or representative, while acting for or on behalf of the Authority, provided with defense and indemnification by the Authority to the extent provided in California Government Code Sections 825 et. seq. and 995 et. seq.

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B13	Page 1 of 1
Subject: Policy on Reserving Authority for the General Manager Agenda Bill 229	Date Adopted: April 25, 1995	Effective Date: April 25, 1995
	Date Revised:	Supersedes:

In order to be fiscally prudent, and financially accurate, this policy requires that expense reserves be established on any case that is reported to CJPRMA and that will, in the opinion of the General Manager, result in the incurring of an expenditure for anything other than settlement. Those expenses would include legal fees and other costs that may be associated with a claim. The General Manager is provided with the authority to establish reserves, relating to expenses only, on any case for which he deems it appropriate.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B14	Page 1 of 1
Subject: Policy on Providing Reports on Reported Cases Agenda Bill 272	Date Adopted: January 18, 1996	Effective Date: January 18, 1996
	Date Revised:	Supersedes:

This policy requires CJPRMA members to direct their third party administrators and their defense counsel to automatically copy CJPRMA on any report or correspondence that is produced on a case which has been reported to the excess pool.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B15	Page 1 of 2
Subject: Policy on Program Year Deficits Agenda Bill 315	Date Adopted: September 16, 1996	Effective Date: September 16, 1996
	Date Revised:	Supersedes:

The Bylaws of the Authority provide for advances to deal with situations where claims and expenses exceed the premiums and earnings of a program year. This policy provides formal procedures for implementing such advances.

- 1) The General Manager will report potential program year deficits to the Board of Directors at the next Board meeting following the time when an internal review of reserves and claims indicates a deficit is likely. The report will include the asset value attributable to the program year, total claims filed (with estimates of ultimate liability and expense), estimates of future claim development and incurred but not reported liabilities and any other appropriate charges against the assets. The Board will review and approve the General Manager's estimate of potential deficits, making any adjustments based on its review.
- 2) The General Manager shall be authorized to implement a program to advance funds from the Authority to finance deficits which have been reported to and reviewed by the Board of Directors if the program meets the following criteria:
 - a) Deficit obligations will be allocated to deficit pool participants on a pro rata basis related to their premium contributions to that program year.
 - b) Interest will not be charged on deficit obligations paid within 30 days by deficit program year participants.
 - c) Deficit obligations can be paid in fixed annual payments for a period of up to three years after the deficit occurs. Deferred amounts will bear interest at a rate equal to the interest rate paid on the 10 year Constant Maturity Treasury Index on the date that funds are advanced.
 - d) The advance is repaid over a period of three years from the date a deficit occurs.
 - e) The repayment plans with a term of more than 30 days are evidenced by contracts between the Authority and participant agencies.
 - f) The advance does not exceed the amount of the approved deficit estimate by more than 10%.
 - g) Any redistributions due to deficit pool year participants are offset against the deficit until it is paid off. This offset is in addition to any fixed payment agreement.
 - h) The advance does not impair the ability of the Authority to meet its obligations with respect to playing the claims or expenses of any other program year.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B15	Page 2 of 2
Subject: Policy on Program Year Deficits Agenda Bill 315	Date Adopted: September 16, 1996	Effective Date: September 16, 1996
	Date Revised:	Supersedes:

- 3) Repayment plans with terms longer than three years can be approved by the Board of Directors, consistent with conditions (a) through (h) above (except (d)), upon receipt of a petition from a deficit program year participant. The petition should provide a declaration that a shorter repayment period would create a financial hardship which would threaten the continued delivery of critical services. It should also include budgets and financial statements which support the declaration of financial hardships.

- 4) In the event of default on a deferred deficit obligation agreement, the Board of Directors may levy an assessment against the defaulting party pursuant to the provisions of the JPA agreement and the Bylaws.

All amounts deferred for a member who elects to withdraw from membership in the Authority become due and payable on the last day of member.

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B16	Page 1 of 2
Subject: Mandatory Case Reporting Policy Agenda Bill 518	Date Adopted: April 20, 2000	Effective Date: April 20, 2000
	Date Revised:	Supersedes:

Pursuant to Section VII (Conditions) of the Memorandum of Coverage, the following rule is applicable to all cases reported to CJPRMA.

The Authority shall be entitled to complete access to the covered party’s claim file, the defense attorney’s complete file, and all investigation material and reports, including all evaluations and information on negotiations. The covered party shall be responsible to report the progress of the litigation and any significant developments at least quarterly to the Authority, and to provide the Authority with simultaneous copies of all correspondence provided to the covered party by its defense attorneys and/or its agents.

In addition, the CJPRMA Board of Directors has adopted the following mandatory case reporting standards:

- 1) Defense counsel is expected to provide a written analysis of liability and exposure in any reported claim no later than ninety days following receipt of the file from the member agency. CJPRMA understands that the liability picture may develop as discovery is ongoing, but this does not excuse the responsibility of providing an early, objective analysis of the file, subject to later developments. An early analysis not only permits the JPA member to set an accurate reserve level, but also permits the member entity to decide whether to actively litigate the case, try to settle the case, or limit discovery based upon the exposure.
- 2) The initial status report should provide, at a minimum, a brief synopsis of the facts giving rise to the lawsuit; the status of the pleadings, including any discussions of demurrers or motions to dismiss, or cross-complaints; a summary and analysis of plaintiff’s injuries, damages and exposures in the case; an initial impression of liability; any requests for additional investigation; a brief outline of the discovery planned; and an evaluation of anticipated litigation costs. The report need not be lengthy, and typically might not exceed three to five pages, but must address the issues directly and in a straightforward manner so that the member entity and CJPRMA can set cost and loss reserves as necessary.
- 3) Defense counsel is responsible to report, in writing, the setting of a trial date, settlement conference date, hearing date on motion for summary judgment or similar dispositive motion in any litigated case, within one week of the date on which a court establishes such date.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B16	Page 2 of 2
Subject: Mandatory Case Reporting Policy Agenda Bill 518	Date Adopted: April 20, 2000	Effective Date: April 20, 2000
	Date Revised:	Supersedes:

- 4) Defense counsel is responsible to report, in writing, all settlement demands or offers within one week of the time the offer is made or the demand is received.
- 5) Defense counsel is responsible to report, in writing, on the substance of all depositions taken in the case. This need not be a multi-page deposition summary, but must, at a minimum, include a concise report of major events occurring at the deposition, and an evaluation of the effect of the deposition testimony on the case.
- 6) Finally, no later than sixty days before the date set for trial in any case, defense counsel is responsible to report, in writing, on (1) an assessment of liability in the case, (2) the adverse potential exposure if liability is found, (3) a concise summary of injuries sustained and/or claims, (4) an assessment of any other factors (such as local jury tendencies, appearance of important witnesses, etc.) that may affect the liability analysis or exposure assessment, and (5) an opinion on the settlement value of the case.
- 7) All status reports from defense counsel must be copied to the CJPRMA Board member whose entity is involved in the claim.

This policy is designed to protect the member entity and CJPRMA, so that they can make informed litigation decisions on reported cases. Past experience has shown that defense counsel retained by the member entities of CJPRMA are high-caliber, hardworking attorneys who have done very well for their clients, and CJPRMA is grateful for their efforts. Defense counsel are cautioned, however, that case reporting is given a high priority by CJPRMA and its members, and is a major consideration in evaluating counsel's performance

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B17	Page 1 of 1
Subject: Policy on Board Counsel Conflict of Interest Agenda Bill 451	Date Adopted: April 20, 1999	Effective Date: April 20, 1999
	Date Revised:	Supersedes:

CJPRMA has retained the firm of Gibbons & Conley (“firm”) as general counsel. CJPRMA also recognizes that Firm provides legal advice to certain member entities of CJPRMA, either as defense counsel or general counsel.

Whenever representation of a member entity in a matter gives rise to a potential conflict of interest, Firm will so advise the member and CJPRMA and will either withdraw from representation of the member in that matter, or seek a conflict waiver from the member and CJPRMA upon full disclosure, as called for in the Rules of Professional Conduct. In no event will Firm represent any member in any coverage dispute between the member and CJPRMA.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B18	Page 1 of 2
Subject: Policy on Business Expenses Agenda Bill 506	Date Adopted: January 20, 2000	Effective Date: January 20, 2000
	Date Revised:	Supersedes:

- 1) All expense reports of the General Manager concerning travel to conferences or business meetings are to be submitted by the General Manager to the Board President within fifteen (15) days of return from the trip and are to be approved by the Board President before payment. In the event of a disagreement between the General Manager and the Board President regarding whether an item is reimbursable, the matter will be agendized for decision by the Executive Committee. Following approval, expense reports will be included on the consent calendar for the next regular Board meeting.
- 2) MasterCard bills will be forwarded to the Board President with explanation of charges listed. Board President will approve or disapprove payment. Following approval, MasterCard bills will be put on the consent calendar for the next regular Board meeting.
- 3) Travel to conferences or business meetings lasting more than one day are to be reported to the Board by written notice in advance of the time when the trip is taken. The General Manager is authorized to attend the annual conferences PARMA and CAJPA, together with such other conferences as the Board President and General Manager may agree upon; provided, however, that the expense allowance budgeted by the Board of Directors will not be exceeded without approval by the Board or Executive Committee.
- 4) Hotel accommodations are authorized for the place of the conference, or such other nearby location as the General Manager may deem appropriate, as long as the cost does not exceed the cost of the conference hotel at the conference rate. The General Manager will report to the Board President whenever a non-conference hotel is used.
- 5) Hotel stays are authorized for the day before the conference and the days of the conference only. Where it is determined that the General Manager should stay over a weekend in order to realize cost savings on an airline ticket, the over-weekend stay may be authorized by the Board President upon submission of a written request by the General Manager, demonstrating the cost savings involved. Written notice of such authorization will be given to the Board at the next regular Board meeting.
- 6) Auto rentals are authorized as needed for attendance at the conference. The Board President may authorize greater use upon written application from the General Manager setting forth why greater use is necessary. The General Manager should consider using a taxi instead of renting an auto when the result will be a net saving to the Authority.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B18	Page 2 of 2
Subject: Policy on Business Expenses Agenda Bill 506	Date Adopted: January 20, 2000	Effective Date: January 20, 2000
	Date Revised:	Supersedes:

- 7) Meal reimbursement may include “business” meals, but these should be documented in the expense report or the receipt, including a list of the persons involved and the business purpose of the meal.
- 8) CJPRMA credit cards shall not be used for purely personal expenditures or non-business meals. In the event that a conference-day meal includes a personal guest, the General Manager will make reimbursement for the personal guest’s portion of the expense before credit card payment is due.
- 9) In case of any doubt concerning this expense account policy, the General Manager is encouraged to consult with the Board President in advance of incurring the expense.

Authorized Signature

Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B20	Page 1 of 1
Subject: Policies on Delinquent Claims Status Reporting Agenda Bill 599	Date Adopted: April 17, 2001	Effective Date: April 17, 2001
	Date Revised:	Supersedes:

- 1) A list of claims that have not been updated in the previous 6 months will be provided to the Board during the closed session portion of each meeting.
- 2) Requests for status updates will be sent directly to the defense counsel/third party administrator with a copy provided to each member.
- 3) At the time of any declared redistribution, such funds shall be withheld from any member whose claims are not currently updated until such time as all such updates are provided and all claims brought current, pursuant to the reporting requirements set forth in the Memorandum of Coverage.

Authorized Signature
Robert J. German, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B21	Page 1 of 3
Subject: Expense Reimbursement for CJPRMA for Board Members/Alternates and Staff	Date Adopted: November 16, 2006	Effective Date: November 16, 2006
	Date Revised: January 16, 2020	Supersedes: B19 & B7

Board Members/Alternates and Staff shall be reimbursed for actual and necessary expenses incurred in performing their official duties.

1) Attendance at Meetings

Board Members/Alternates and Staff shall be reimbursed for the actual and necessary expenses they incur to attend meetings, such as Board meetings, Executive Committee meetings, Committee meetings or meetings of a similar nature.

They will be compensated for the reasonable cost of travel, meals, lodging, and other related expenses.

Mileage shall be reimbursed at the current Internal Revenue Service rate.

2) Attendance at Conferences or Organized Educational Activities

Board Members/Alternates and Staff shall be reimbursed for the actual and necessary expenses they incur to attend authorized conferences, organized educational activities, or activities of a similar nature.

They will be compensated for the reasonable cost of travel, meals, lodging, and other related expenses.

Mileage shall be reimbursed at the current Internal Revenue Service rate.

3) Number of Authorized Attendees

CJPRMA will reimburse its members for the cost of having one representative from each member entity attend the CAJPA and PARMA conferences, subject to the limitations contained herein. A member that elects to attend a conference/seminar described below will be limited to attendance at either the CAJPA or PARMA conference during any fiscal year.

CJPRMA will reimburse its members for the cost of having two representatives from each member entity attend its annual meeting, as long as at least one is a Board Member or Alternate.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B21	Page 2 of 3
Subject: Expense Reimbursement for CJPRMA for Board Members/Alternates and Staff	Date Adopted: November 16, 2006	Effective Date: November 16, 2006
	Date Revised: January 16, 2020	Supersedes: B19 & B7

CJPRMA will reimburse its members for the cost of having one representative from each member entity attend a risk management related conference in lieu of attending the CAJPA or PARMA Annual Conference. The pre-approved lists of conferences that may be submitted for reimbursement are listed under item number 15 of this policy. The maximum amount of reimbursement for these courses will be \$2,500. Members that intend to submit a request for reimbursement for a conference/seminar that is not included on the list must receive prior approval from the general manager. Formal requests to expand the current list of approved conferences will be submitted to the Executive Committee for approval.

- 4) Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that it is available at the time of booking. If unavailable, comparable lodging consistent with this policy, will be authorized.
- 5) The cost of meals shall be limited to the following:
 - Breakfast \$15.00
 - Lunch \$20.00
 - Dinner \$40.00

Receipts shall be required for the above reimbursements. In the event that receipts are unavailable, the reimbursement will be limited to the current Internal Revenue Service rate.

- 6) An expense reimbursement line item will be included for reasonable non-meal tips.
- 7) Government and/or group rates offered by a provider of transportation or lodging services shall be utilized whenever possible.
- 8) All expenses that do not fall within the Board expense policy shall be approved by the governing body, in a public meeting, before the expense is incurred.
- 9) Expense forms shall be provided by CJPRMA and must be utilized for reimbursements.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B21	Page 3 of 3
Subject: Expense Reimbursement for CJPRMA for Board Members/Alternates and Staff	Date Adopted: November 16, 2006	Effective Date: November 16, 2006
	Date Revised: January 16, 2020	Supersedes: B19 & B7

- 10) Expense reports shall document that the expenses meet the existing policy for expenditure of public resources.
- 11) Expense reports shall be submitted within a reasonable period of time, as determined by the Board of Directors, and shall be accompanied by receipts documenting each expense.
- 12) All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act.
- 13) Expense reports shall be retained by CJPRMA in compliance with its Records Retention Policy.
- 14) Ethics training shall be provided pursuant to the requirements set forth in the California Government Code.
- 15) List of Preapproved Conferences:

Public Agency Risk Managers Association (PARMA)	Annual Conference
Ca Association of Joint Powers Authority (CAJPA)	Annual Conference, Legislative Action Days, Finance & Technology Conference, Risk Pool Management Course
Public Risk Insurance Management Association (PRIMA)	Annual Conference
Association of Government Risk Pools (AGRIP)	Annual Conference, Fall Education Forum,
Risk Insurance Management Society (RIMS)	Annual Conference
VENTIV Corporation	Annual Risk Console Educational Forum
AON Corporation	Risk Pool Symposium, Annual Property Symposium
Ca. Public Employment Relations Association (CAPELRA)	Annual Conference
Disability Management Employer Coalition (DMEC)	Annual Conference

Authorized Signature

Tony Giles, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B22	Page 1 of 2
Subject: Physical and Electronic Data Security, Electronic Data Retention, and Disaster Recovery Agenda Bill # 8	Date Adopted: March 15, 2012	Effective Date: March 15, 2012
	Date Revised:	Supersedes:

- 1) CJPRMA utilizes the managed services of Clare Computer Solutions to protect the integrity of all stored data. The Clare Systems provide for daily backup of all electronic data on the three CJPRMA servers. In addition, the system saves the configuration data of each PC to enable a backup of any failed system. All data is stored on-site at the CJPRMA office and off-site at the Clare designated data warehousing facility.

Clare Computer Solutions monitors the CJPRMA servers and desktops for any system failure utilizing the Kaseya Agent that is installed on all on-site equipment. In addition, CJPRMA receives monthly reports that provide all pertinent system information and a health check on all computer systems. The report also includes the status of all anti-virus systems which are installed on all CJPRMA systems.

Physical security systems provided at the site include, computer controlled access to the building by Sonitrol eAccess System, fully functioning Sonitrol Invasion monitoring system, access control to confidential areas provided via electronic card access, access control video surveillance systems to identify intruders for non-authorized entry and panic control systems for protection of employees. The data security systems are controlled by the Clare Computer System monitoring system which includes the password protection/screening for all users.

All sensitive data which requires protection pursuant to the Health Insurance Portability and Accountability Act of 1996 are maintained in locked file cabinets and the online data is controlled by password protection.

- 2) Electronic data retention is provided off-site by the Clare Computer System off-site backup system. The system backups repeatedly daily and completes a system wide backup every twenty-four hours.
- 3) Disaster recovery provided by electronic back-up of systems provided by Clare Computer Solutions.
 - a) There are multiple copies and versions of the backup in the event of data corruption.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B22	Page 2 of 2
Subject: Physical and Electronic Data Security, Electronic Data Retention, and Disaster Recovery Agenda Bill # 8	Date Adopted: March 15, 2012	Effective Date: March 15, 2012
	Date Revised:	Supersedes:

- b) Clare Systems periodically confirms the data integrity for the purpose of emergency recovery management.
- c) CJPRMA stores electronic data on-site and off-site. The off-site storage is geographically separated from CJPRMA in anticipation of a local catastrophic event.
- d) All data and equipment are capable of re-formatting desktop systems for the purpose of emergency recovery. Clare Computer Solutions is capable of providing emergency services to bring CJPRMA systems back on line in the event of a disaster.
- e) CJPRMA will make every effort to re activate our existing location in the event of a disaster. In the event that the facility is temporarily unavailable, the General Manager has the authority to execute temporary contracts as necessary to re- establish business operations in a timely fashion.
- f) The intent of CJPRMA is to recover from any disaster with systems restoration occurring with-in 24 hours of the event. CJPRMA will serve primary notice to members immediately following the event establishing a plan for recovery. The CJPRMA Management Team will establish an off-site temporary facility within 72 hours and work toward re-establishing an operational facility within one week.

David J. Clovis, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B23	Page 1 of 1
Subject: POLICY FOR BOARD MEMBERS AND ALTERNATES TO SUBMIT AGENDA ITEMS FOR CJPRMA BOARD MEETINGS Agenda Bill # 9	Date Adopted: 12/20/2012	Effective Date: 12/20/2012
	Date Revised:	Supersedes:

I. PURPOSE

To establish a procedure for board members and alternates to submit agenda items for CJPRMA board meetings.

II. POLICY

Per Article V of CJPRMA’s Bylaws the Board of Directors shall at least conduct four regular meetings of the Board each year, one of which is designated as the Annual Membership Meeting. At the final Board meeting of each calendar year, the Board shall fix the date, hour and location at which each regular meeting in the succeeding year is to be held.

III. PROCEDURES

The schedule for Board Members and Alternates to submit agenda items for CJPRMA Board meetings are as follow:

1. Board Members and alternates may submit topics for consideration and discussion for board meetings to the general manager. The request may be submitted by email, by U.S mail, by notice delivered personally or by phone to the general manager.
 - Deadline for submission of any topics to be included in the agenda is Noon Monday 2 weeks prior to the Board meeting. The date and time will be listed on the CJPRMA Business Calendar that is provided to the Board of Directors at each board meeting
 - Deadline for submission of all attachments or items required to be included with the proposed agenda item is Noon Monday 2 weeks prior to board meeting.
2. The item submitted will be included in the agenda for discussion by the Board of Directors. The president and general manager will review all items submitted for discussion and will determine if any staff work shall be completed prior to the meeting. Staff will not be required to evaluate or offer a recommendation on the items submitted unless determined to be necessary by the president or the general manager.

Authorized Signature

David J. Clovis, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B24	Page 1 of 1
Subject: Withdrawal Notification Requirements for Pooled Coverage Programs	Date Adopted: 12/15/16	Effective Date: 01/01/2017
	Date Revised:	Supersedes:

PURPOSE

To protect and minimize the negative impact to members within the Pooled Coverage Programs without proper withdrawal notification.

PROCEDURE

For Pooled Coverage Programs, other than Pooled Liability Program, members must notify CJPRMA of their intent to withdraw in writing by March 1st. The member will then have the option of one of the following:

- Accepting the renewal quote
- Leaving the program on the renewal date.

In the event the member fails to provide the required notice by the due date, the member will be responsible for payment of all administrative fees associated with their non-renewal in the program. The fee will be determined by CJPRMA and will include administration and broker fees in the amount equal to their pro-rata share within the program, as determined by the Pooled Coverage Program members. This provision will not apply if the member’s rate quote is increased by 10 percent or greater over the prior year’s rate quote.

CJPRMA will provide each pooled coverage program member with the following:

1. Loss runs by January 31st. The loss run will identify all losses of the previous five years through December 31st of the current program year.
2. When a member’s loss history will negatively impact the rates of the pooled program participants, that member will receive the following:
 - A non-renewal notice from CJPRMA
 - A detailed report from the Broker explaining the loss history

Authorized Signature
David J. Clovis, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B25	Page 1 of 2
Subject: Annual Review of Members Loss History Agenda Bill 5 – dated 11/16/17	Date Adopted: 11/16/17	Effective Date: 11/16/17
	Date Revised: N/A	Supersedes: N/A

This policy is designed to improve the overall financial stability of the CJPRMA program and to provide cost effective coverage to all members.

This policy provides the Board of Directors options for a Self-Insured Retention (SIR) change. The Staff will prepare an annual report to the Board of Directors for action at the November meeting. If needed Staff will provide the report to the Executive Committee prior to the November Board meeting.

Staff will provide the Board of Directors with a Member Loss Experience Report. This report will reflect 10 year-rolling average utilized by the Actuary to determine the annual contributions. The Board of Directors will review members with an experience rating in excess of 150% capped amount annually.

The Member Loss Experience Report will include the following:

- Total Contributions
- CJPRMA Total Net Incurred in Pools B & C
- Number of Claims
- Contributions to Pools B & C
- Total Losses
- Total Losses Capped at \$2,500,000
- Experience Rating Capped at \$2,500,0000

The Board of Directors will review all members with a capped loss experience in excess of 200%. The Board of Directors will implement one of the following options subsequent to their review:

1. A member that currently participates in Pool B (\$500,000 SIR) will be removed from Pool B and have their SIR increased to \$1,000,000 effective July 1 of the following program year. The member would not contribute to Pool B.
2. A member that currently participates in Pool B (\$500,000 SIR) will remain in Pool B but will share equally in losses between \$500,000 and \$1,000,000. The \$500,000 pool layer will be shared at a maximum of \$250,000 for the member and \$250,000 by CJPMRA. There will be no reduction in contributions.
3. Pool C (\$1,000,000 SIR) members will have a pro rata sliding corridor deductible. Member will share equally in losses between \$1,000,000 and \$5,000,000. The \$4,000,000 pool layer will be shared at a maximum of \$2,000,000 by the member and \$2,000,000 by CJPRMA. There will be no reduction in contributions.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B25	Page 2 of 2
Subject: Annual Review of Members Loss History Agenda Bill 5 – dated 11/16/17	Date Adopted: 11/16/17	Effective Date: 11/16/17
	Date Revised: N/A	Supersedes: N/A

4. Pool C (\$1,000,000 SIR) members will be subject to a \$2,500,000 SIR. There will be no reduction in contribution.
5. The Board can choose to defer the issue and not enact an SIR change for the member with the adverse loss history.

Implementation of options listed above requires a two-thirds vote of the Board of Directors in attendance. Any member impacted by this policy will be subject to the designated self-insured retention for a minimum of three years. Upon completion of the third program year, the Board of Directors will review and determine if the member’s loss experience has changed and requires SIR modification.

Once the Board of Directors has determined a member SIR modification, the impacted member will be issued a letter by December 15th. The member may appeal the decision at the following scheduled Board of Directors meeting.

Members impacted by this policy will have the following appeal options:

- Provide a written explanation of their negative loss history
- Request a deferral or appeal in writing
- Submit risk management policy or plan to improve their loss history

Authorized Signature
David J. Clovis, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B26	Page 1 of 3
Subject: CJPRMA Underwriting Policy Agenda Bill 9	Date Adopted: 05/30/2018	Effective Date: 05/30/2018
	Date Revised: 12/10/2020	Supersedes: 05/30/2018

Objective

California Joint Powers Risk Management Authority has established underwriting criteria for the purpose of marketing to prospective members and maintaining appropriate rates for current members. Underwriting information is also used for rate making/premium calculation, measuring member performance, and calculating reimbursements or assessments based upon equity levels. Underwriting standards and guidelines are outlined in various governing documents, including the JPA Agreement, By-Laws and CJPRMA Policies. This underwriting policy provides a summary and highlights the criteria utilized to complete the underwriting process.

Underwriting Function/Mission

Establishing underwriting criteria ensures that all CJPRMA coverage programs are analyzed for risk exposures, funding requirements, dividend and assessment calculations, risk retention levels, compatibility between members and serviceability by staff. Adherence to these Board approved standards and guidelines guarantees the continued financial viability and security of CJPRMA.

New Members

The guidelines for admittance of new members to CJPRMA are set forth in the Joint Powers Agreement and By-Laws. Membership eligibility requires the public entity be domiciled in the State of California with priority given to agencies located throughout Northern California. Approval by two-thirds of all members of the Board is required for membership. Applicants accepted for membership must participate in the liability pooled coverage program and agree to participate for a minimum of three consecutive years. All new members may apply to the other pooled purchase programs with approval by two thirds vote of the participating members of those programs.

Application Process

An applicant for membership must complete CJPRMA's Application for Membership. It solicits specific information to assess the applicants risk exposures and compatibility with the organization. Included is the following financial information:

1. Underwriting data for the current year, including payroll, audited financial statements, budget and other financial data as requested;
2. Payrolls for the prior five years;
3. Loss history for the prior ten years (based on CJPRMA annual loss funding);
4. A copy of the most recent claims audit or actuarial study on the coverage programs the applicant wishes to apply.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B26	Page 2 of 3
Subject: CJPRMA Underwriting Policy Agenda Bill 9	Date Adopted: 05/30/2018	Effective Date: 05/30/2018
	Date Revised: 12/10/2020	Supersedes: 05/30/2018

In addition, the applicant may be required to complete an actuarial study in the format required by CJPRMA and pay an application fee as determined by the Board.

Underwriting Guidelines

Any prospective member, including existing members, not participating in a program must meet the following minimum underwriting guidelines:

1. Have a loss rate calculated utilizing the CJPRMA adopted actuary methodology for calculating annual contributions to show whether it would have a net, or positive, effect to the overall annual contributions of the program year;
2. Demonstrate a commitment to support risk management and safety programs to control or prevent claims;
3. Accept one of the available self-insured retention options as approved by the Board of Directors.
4. For pooled purchase programs, must have a loss experience that demonstrates a net or positive effect to the members of the programs at time of renewal.

The General Manager, with the concurrence of two-thirds of the Board, may waive any of these guidelines if circumstances so warrant.

Rate Setting/Funding Requirements

The CJPRMA Board of Directors has established a policy for annual contributions. The Board will review and approve an annual actuarial report and adopt the annual contribution funding at the November Board of Directors Meeting. Rates are established based upon multiple factors including:

- Payroll exposure
- Loss rates
- Excess rates
- Administrative expenses

Although CJPRMA coverage programs are based upon risk sharing among its members, to encourage accountability for losses, CJPRMA has adopted a policy requiring an annual review of all members and evaluation of their overall loss history compared to contributions. Policy B25 Annual Review of Loss History was adopted and implemented to provide the Board of Directors with the flexibility to set self-insured retentions for those members with loss histories that exceed the standard of acceptability set by the membership.



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B26	Page 3 of 3
Subject: CJPRMA Underwriting Policy Agenda Bill 9	Date Adopted: 05/30/2018	Effective Date: 05/30/2018
	Date Revised: 12/10/2020	Supersedes: 05/30/2018

Dividend/Assessment

The liability program employs a retrospective premium formula that provides for the return of contributions from prior program years. CJPRMA may authorize redistributions of contributions or collection of assessments based upon the financial position of each program year at the close of the fiscal year.

The annual actuarial study reviews the organization’s equity balance and confirms adequacy of equity. If applicable, the actuary recommends a maximum redistribution calculated with liabilities stated at a 90% confidence level. Redistributions may be used to offset years with adverse loss development in order to minimize the potential for assessments.

Periodic Review

This Underwriting Policy is hereby established as set forth above, and will be periodically reviewed by the Board at least once every three years. The review of this policy will include the evaluation of the following criteria:

1. Is the process adequately measuring the risks facing the organization?
2. Is the process adequately allocating costs?

The Board of Directors may delegate the underwriting function, as outlined in the policy, to the Executive Committee or may activate an Ad-Hoc Committee for the purpose of reviewing the adequacy of this policy.

Authorized Signature
Tony Giles, General Manager



CALIFORNIA JOINT POWER RISK MANAGEMENT AUTHORITY

BOARD POLICY	Number B27	Page 1 of 1
Subject: Treatment of Flat Fee Costs for Third-Party Administrators Agenda Bill 16	Date Adopted: 8/20/2020	Effective Date: 8/20/2020
	Date Revised: N/A	Supersedes: N/A

Objective

Many CJPRMA members use a third-party administrator (TPA) to investigate and adjust liability claims. The CJPRMA Memorandum of Coverage (MOC) includes defense costs in its definition of ultimate net loss, and defense costs are defined to include “adjusting expenses of a third party claims administrator which are specifically identifiable with a claim subject to this coverage.”

When a TPA contract is on a time and expense basis, TPAs and members can easily identify costs associated with a specific claim. However, when a contract is on a flat fee basis, costs are not applied to specific claims.

If a member with a flat fee TPA services contract wishes to apply the claims adjusting expenses toward ultimate net loss, the TPA will need to record the hours used working on specific claims, and CJPRMA will use a \$100 per hour rate with those hours to apply to the ultimate net loss on the claim. It shall be the member’s responsibility to have their TPA accurately record these hours and report to CJPRMA.

Periodic Review

This policy will be reviewed periodically to determine the adequacy of the hourly rate.

Authorized Signature

Tony Giles, General Manager