

BYLAWS

VENTURA COUNTY SCHOOLS BUSINESS SERVICES AUTHORITY

PREAMBLE

Ventura County Schools Business Services Authority is established for the purpose of providing the services and other items necessary and appropriate for the establishment, operation, and maintenance of a cooperative business services program for the public educational agencies who are members hereof.

ARTICLE I. FUNCTIONS

The functions of the Authority are:

- A. To provide a business services program for the members of the Authority including, but not limited to, budget preparation, budget administration, fiscal monitoring, payroll services, accounts payable and receivable services, report compilation.
- B. To enter into contracts related to functions of a business office.
- C. To obtain insurance in an amount to be determined by the Board of Directors.
- D. To acquire, hold and dispose of personal property.
- E. To incur debts, liabilities and obligations for such items as salaries, tapes, supplies, utilities, equipment, rent and contracted services related to the functions of a business office.
- F. To receive gifts, contributions, and donations of property, funds, services, or other forms of assistance from persons, firms, corporations, associations and any governmental entity that would relate to the purpose of this agreement.
- G. To employ and dismiss personnel.
- H. To sue and be sued in the name of the Authority.
- I. To perform such other functions as may be necessary or appropriate to carry out this Agreement, so long as such other functions so performed are not prohibited by any provision of law.
- J. To establish a prudent reserve for economic uncertainties.

ARTICLE II. MEMBERSHIP

- A. Public school districts are eligible for membership in the Authority, provided membership is contingent upon being a party to the Joint Powers Agreement.
- B. Should any member reorganize in accordance with state statutes, the successor-in-interest or successors-in-interest to the obligation of any such reorganized member shall be substituted as a member.
- C. For all other public education agencies which desire to become members of the Authority after the effective date of this Agreement, such membership is contingent upon written request of the joining district approved in writing by unanimous vote of approval of the Board of Directors and upon execution of a copy of this Agreement whereby such joining district agrees to comply with the terms of the Agreement.

ARTICLE III. BOARD OF DIRECTORS

- A. A board of Directors is hereby established to direct and control the Authority.
- B. Each member of the Authority shall be entitled to appoint to the Board of Directors one representative and one alternate who shall be designated in writing. Said representative and said alternate must be employees, which may include members of a governing board, of the member and shall serve at the pleasure of the member by whom appointed. Only the designated representative or designated alternate may represent a member, and each shall be invited to attend all meetings of the Board of Directors. The designated representative and designated alternate may invite members of their agencies' staffs or consultants to attend meetings of the Board of Directors in an advisor capacity only.
- C. Each member shall have one vote. Said vote will be cast only by the designated representative who is in physical attendance or by the designated alternate who is in physical attendance if the designated representative is absent. No proxy or absentee votes shall be permitted. Except as otherwise provided in these Bylaws, a vote of the majority of those members present at a meeting shall be sufficient to constitute action, provided that a quorum is present.
- D. The Board of Directors may conduct regular, adjourned regular, special, and adjourned special meetings, provided, however, that it will hold at least one regular meeting in June of each year. The date, time and place for the annual

meeting shall be fixed by resolution of the Board of Directors, which resolution shall be publicly posted prior to the meeting on a public bulletin board to be designated by the Board of Directors and filed with each member of the Authority. The Board of Directors may hold additional meetings as determined by the Board. All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act (Sections 54950, et seq.), of the California Government Code, as said Chapter may be modified by subsequent legislation, and as the same may be augmented by rules of the Board of Directors not inconsistent therewith. Except as otherwise provided or permitted by law, all meetings of the Board of Directors shall be open and public. The Board of Directors shall cause to be kept minutes of its meetings, and shall promptly transmit to the members of the Authority true and correct copies of the minutes of such meetings.

- E. The Board of Directors, by resolution, shall designate a specific location at which it will receive notices, correspondence, and other communications, and shall designate one of its members as an officer for the purpose of receiving service on behalf of the Board of Directors. The Board of Directors shall comply with the provisions of Sections 6503.5 and 53051 of the Government Code requiring the filing of a statement with the Secretary of State and with the County Clerk.
- F. The Board of Directors may appoint and dissolve working committees from its active membership or by contracting for services of others in keeping with the Joint Powers Agreement and these Bylaws.
- G. The Board of Directors shall determine contribution rates and the method by which contributions will be paid to the Authority. The contribution rate shall be ratified by the respective Boards of Trustees of the member districts if the increase in total annual budget exceeds the prior year annual budget by more than eight percent (8%). The Board of Directors shall also provide for additional assessments during the year, if necessary or appropriate, to allow for increase costs and expenses as may occur. If an additional assessment is necessary, it shall be ratified by the respective Boards of Trustees of the member districts. The Board of Directors shall insure that a complete and accurate system of accounting of the Authority fund shall be maintained at all times consistent with established auditing standards and accounting procedures.

ARTICLE IV. RULES OF THE BOARD OF DIRECTORS

- A. The Board of Directors may establish rules governing its own conduct and procedure, and have such express or implied authority as is not inconsistent with or contrary to the law of the State of California, these Bylaws, or Joint Powers Agreement.
- B. A quorum for the transaction of business by the Board of Directors shall consist of a majority of the active members of the Authority then in current status.
- C. No one serving on the Board of Directors shall receive any salary or compensation from the Authority. However, the Board of Directors may authorize reimbursement for expenses incurred by the Directors in connection with the duties as an officer or Board Member.

ARTICLE V. OFFICERS

- A. The officers for the Authority shall be elected by the Board of Directors. The principal officers shall be a President, Vice President, and a Clerk and shall each serve a term of office as may be established by the Board of Directors in its rules. The officers of the Authority shall be custodians of the property of the Ventura County Schools Business Services Authority.
- B. The President shall be the chief executive officer and shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall be an ex officio member of all committees appointed by the Board of Directors. The President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.
- C. The Vice-President shall have such powers and perform such duties as may be prescribed from time to time by the Board of Directors or the President. In the absence or disability of the President, the Vice-President shall be vested with all the powers and authorized to perform all the duties of the President until the return of the President.
- D. The Clerk shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors or the President. In the absence of both the President and Vice-President, the Clerk shall call the meeting to order and possess the powers and perform the duties of the President until the return of the President or Vice-President.
- E. The Executive Director shall be the Assistant Superintendent, Business Services for the Ventura County Superintendent of Schools. No remuneration shall be paid to the Executive Director for said services, except that the actual and necessary expenses incurred by the Executive Director while performing duties authorized by the Board of Directors shall be reimbursed.

ARTICLE VI. ADMINISTRATION

- A. The Board of Directors shall administer the Ventura County Schools Business Services.
- B. The Board of Directors shall have the authority to carry out all functions of the Authority, including, but not limited to, making and entering into contracts; employing and dismissing agents and employees; acquiring, holding and disposing of personal property; incurring debts, liabilities, or obligations necessary for the accomplishment of the Authority; receiving, accepting, and expending or disbursing funds by contract or otherwise, for purposes consistent with the provisions hereof; and maintaining at all time a complete and accurate system of accounting for said funds.
- C. The Board of Directors shall provide, or cause to be provided, each member with a quarterly report of the financial condition of the Authority.
- D. The Board of Directors shall annually, on or before the Board meeting in June, adopt a budget showing each of the purposes for which the Authority will need money and the estimated amount of money that will be needed for each such purpose for the ensuing fiscal year. A copy of the budget shall be transmitted to each of the participating members.

ARTICLE VII. FINANCE

- A. The Authority shall operate on a fiscal year from July 1 to June 30.
- B. At the beginning of the fiscal year, each member shall pay to the Authority 1/4 the annual contribution calculated by the Board of Directors pursuant to sub-paragraph C of this Article. Each member of the Authority hereby agrees to authorize the Ventura County Superintendent of Schools to transfer from the members' general funds any required contributions as specified in the Agreement or these Bylaws.
- C. The contribution for each member shall be determined by the Board of Directors. To determine the contribution, the Board of Directors shall utilize estimated operating costs, provisions for contingencies, and such other factors required for prudent financing of a cooperative business services program.
- D. Should the total obligations against all the members of the Authority exceed in any year the total annual contributions paid by all members of the Authority for that year, the members shall be assessed by the Board of Directors an additional amount based upon the percentage of annual contributions paid by each member relative to the total annual contributions paid by all members for that year.
- E. The Board of Directors shall have the power, authority, and duty to handle all aspects of claims against the Authority or members of the Authority arising out of facts occurring during membership. All expenditures of funds shall be authorized in accordance with rules and procedures established by the Board of Directors.

ARTICLE VIII. ACCOUNTS AND RECORDS

- A. The Treasurer of Ventura County is the designated depository of the Authority.
- B. The Authority is strictly accountable for all funds received and disbursed by it and, to that end; the authority shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of law or any resolution of the Authority. Books and records of the Authority in the hands of the designated official shall be open to inspection at all reasonable times by representatives of the members. The Authority, as soon as practical after the close of each fiscal year, shall give, or cause to be given, a complete written report of all financial activities for such fiscal year to each member of the Board of Directors and to the chief administrative officer of each member of the Authority.
- C. The Executive Director shall make, or contract to make with a public accountant or Certified Public Accountant, an annual audit of the accounts, records, and financial affairs of the Authority. In each case, the minimum requirements of the audit shall be those prescribed by the State Controller for Special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards and accounting principles. When such an audit of accounts and reports is made by a public accountant or Certified Public Accountant, a report thereof shall be filed as a public record with each of the members of the Authority, and also with the Auditor-Controller of Ventura County. Such report shall be filed on or before December 15 following the end of the fiscal year under examination. Any costs of the audit, including contracts with, or employment of, Certified Public Accountants in making the audit(s) provided for herein, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.
- D. The Auditor-Controller of Ventura County shall draw warrants to pay demands against the Authority when such demands have been duly approved in accordance with rules and procedures established by the Board of Directors.

ARTICLE IX. WITHDRAWAL FROM OR TERMINATION OF MEMBERSHIP

- A. Any member of the Authority may withdraw from its status as a member and party to the Joint Powers Agreement by notifying the Board of Directors of the Authority in writing. Termination shall be effective ninety (90) days from receipt of written notice.
- B. Upon the written notice of any member indicating its intention to withdraw its membership, the Board of Directors shall establish a reserve account to pay for any obligation that might affect the withdrawing member in an amount to be determined by the Board of Directors. The Board of Directors shall establish an additional reserve account for possible obligations that might involve the withdrawing member arising out of facts occurring while the withdrawing member was a member of the Authority but submitted after said member has withdrawn from same. The amount of said additional reserve account shall be set by the Board of Directors. Any and all amounts remaining in any reserve account at the expiration of five years after the member's withdrawal shall be returned to the withdrawing member unless the Board of Directors deems that pending probable liabilities and related costs still exist.
- C. The withdrawing member shall continue to be responsible for the amount of any costs, liabilities, assessments, or contingencies required because of claims against the withdrawing member which exceed the amount set aside in the reserve accounts established pursuant to subparagraph B of this Article.
- D. The withdrawing member shall vote only on those matters applicable to the withdrawing member.
- E. A member may be involuntarily terminated from the Authority at any time upon a vote of two-thirds (2/3) of the members of the Board of Directors. Involuntary termination shall have the effect of eliminating the party as a signatory of the Joint Powers Agreement and as a member of the Authority, effective at the end of the fiscal year in which the action is taken or upon such other date as the Board of Directors may specify. Should a member be involuntarily terminated, reserve accounts shall be established pursuant to subparagraph B of this Article as though the member were voluntarily withdrawing and the member shall continue to be responsible for the amount of any costs, liabilities, assessments, or contingencies required because of claims against the member which exceed the amount set aside in the reserve accounts established pursuant to subparagraph B of this Article. Grounds for involuntary termination include, but are not limited to, the following:
 - 1. Failure or refusal of a member to abide by an amendment which has been adopted by the Board of Directors or by the members of the Authority as provided in the Agreement or these Bylaws.
 - 2. Failure or refusal to pay contributions or assessments to the Authority as provided in subparagraph C or D of Article VII.

ARTICLE X. DISPOSITION OF PROPERTY AND FUNDS

- A. In the event of the dissolution of the Authority, the complete rescission or other final termination of Joint Powers Agreement by all members or other public educational agencies then a party to the Agreement, any property interest or surplus moneys remaining in the Authority following a discharge of all obligations shall be disposed of as the Board of Directors shall then determine, with the objective of returning to each member or other agency which is then or was theretofore a party during the six-month period immediately preceding the termination of the Agreement, a proportionate return of the contributions made to such properties by such parties, which shall be determined in the same manner as for a withdrawing member as provided in subparagraph B below.
- B. In the event a member withdraws from or terminates membership in the Agreement, the Board of Directors shall pay to the withdrawing or terminating member its pro rata share of the total tangible assets less obligations. A withdrawing or terminating member's pro rata share is defined as the total contributions paid by the member divided by the total contributions paid by all members from the inception of Authority to the date of the member's withdrawal or termination.
- C. The Board of Directors shall determine whether the obligation to pay a member's pro rata share shall be discharged through a transfer of personal property or through a payment of funds. If requested in writing by the members, and if determined by the Board of Directors to be feasible and equitable, the member's pro rata share shall be discharged by returning to the member the same or similar personal property initially owned by the member and conveyed to the Authority in satisfaction of the member's financial obligations. Said transfer or payment shall be made within a reasonable time following withdrawal or termination.
- D. The current fair market value of the member district's properties and assets shall be determined by the Board of Directors. If the terminating member disagrees with the current fair market value of Authority properties and assets as determined by the Board of Directors, the current fair market value of said properties and assets shall be determined by a panel of three disinterested and qualified appraisers, one appraiser to be appointed by the Board of Directors, one appraiser to be appointed by the Board of Trustees of the withdrawing or terminating member, and the two appraisers so appointed to jointly select a third appraiser. The fees for the above appraisers shall be allocated as follows:
 - 1. The Authority shall pay the costs of the appraiser it selects.
 - 2. The withdrawing district shall pay the costs of the appraiser it selects.
 - 3. The Authority and withdrawing district shall each pay one-half (50%) of the costs attributed to the appointed third appraiser.

ARTICLE XI. AMENDMENT

- A. Amendment to these Bylaws may be proposed by any designated representative/alternate of a member. Each member shall be provided with the proposed amendment and the date action will be taken.
- B. All amendments to these Bylaws must be approved by a two-thirds (2/3) vote of the members of the Board of Directors before the amendment shall become effective. Such amendments shall be binding upon all members of the Authority. The effective date of any amendment will be on July 1 following adoption, unless otherwise stated.

ARTICLE XII. SEVERABILITY

Should any portion, term, condition, or provision of these Bylaws 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 or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected thereby, so long as each member concurs.

ARTICLE XIII. EFFECTIVE DATE

These Bylaws shall become effective immediately upon the effective date of the Joint Powers Agreement.