Adopted: September 11, 1980
Last Amended: June 30, 2026

BYLAWS OF
PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)

ARTICLE I. DEFINITIONS

The definitions of terms used in these Bylaws shall be the same as are contained in the Joint Powers Agreement Creating Public Risk Innovation, Solutions, and Management, hereinafter called “Agreement,” unless otherwise expressly provided.

ARTICLE II. OFFICES

PRISM's principal office for the transaction of business is located at 75 Iron Point Circle, Folsom, California. The Board of Directors or Executive Committee may change the location of the principal office from time to time.

The Board or Executive Committee may establish one or more subordinate offices at any place or places where PRISM is qualified to do business.

ARTICLE III. MEETINGS OF THE BOARD OF DIRECTORS

1. Regular Meetings

(a) Time Held – The Board of Directors shall hold a minimum of three meetings per year. These meetings should, if at all possible, be scheduled at least one year prior to each meeting. Unless otherwise changed by a majority vote of the Board of Directors at a regular meeting, these meetings shall be held at 8:30 a.m. on the first Friday of March, June, and October. Should any of these days fall upon a legal holiday, the meeting of the Board shall be held on the same day of the following week.

(b) Business to be Transacted – At the first regular meeting of the fiscal year, the Board shall elect officers and Executive Committee members, as required by the Agreement and these Bylaws. The first meeting of the Board shall also serve as an annual meeting of the members, and a comprehensive report on the operations and programs shall be provided. At the second regular meeting of the fiscal year, the Board shall review, modify if necessary, and adopt the annual operating budget of PRISM. At any meetings, the Board may transact any other business within its powers, and receive reports of the operations and affairs of PRISM.

(c) Notice – Written notice of each regular meeting of the Board shall be delivered to each director and/or alternate director at least seven (7) days in advance of the meeting. The notice shall specify:

i. The place, date and hour of the meeting.

ii. Those matters which are intended to be presented for action by the Board.
iii. The general nature of any proposal for action by the Board concerning a change in the Agreement or these Bylaws, a change in the membership of PRISM, or any other matter substantially affecting the rights and obligations of the members.
iv. If officers and Executive Committee members are to be elected, the names of the persons nominated for such positions at the time the notice is sent.

2. Special Meetings

A special meeting of the Board of Directors may be called at any time by the President of the Board, or by a majority of the members of the Board, subject to the requirement for 24 hour written notice to the Board and/or Alternate Board members and to requesting representatives of the media provided in Section 54956 of the California Government Code. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting.

3. Place of Meeting

Each regular or special meeting of the Board of Directors shall be held at a place within the State of California designated by the Board of Directors at its preceding meeting, or if no such designation is made, as designated by the Executive Committee or the President of the Board. The Board meetings may also be held via teleconference or by combination of in-person and teleconference in accordance with applicable provisions of the California Government Code.

4. Adjourned Meetings

The Board of Directors may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of 30 days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

ARTICLE IV. PUBLIC ENTITY BOARD MEMBERS

1. Election

In accordance with Article 7(b-c), the Member Public Entities shall elect seventeen (17) voting directors and three (3) alternate directors to the Board of Directors. The election shall be conducted by mail-in or electronic ballot under the direction of the Executive Committee. The Executive Committee shall adopt rules and procedures for the conduct of the elections. Election of Board members shall be by a majority vote of those responding. In order for the election to be valid, a response rate of at least one-third of the Member Public Entities is required. Should there be a tie vote for the election of any Board member, the winner will be determined in accordance with the adopted rules and procedures for the conduct of elections. Unless otherwise approved by the Executive Committee, the names of nominated candidates shall be disseminated to all members no later than August 1st of each year. Ballots shall be submitted no later than September 1st. Elected Board members shall take office on October 1st.

2. Composition and Terms

The twenty (20) directors shall be those that receive the highest votes from the participating Member Public Entities, with the top seventeen (17) highest vote totals designated as the director members and the remaining three (3) with the highest vote totals designated as alternate directors. Three of the director seats shall consist of one from a city member, one from a schools member, one from a special district member and the remaining fourteen (14) seats shall be elected at large. The terms of the seventeen (17) director positions shall be staggered such that approximately half of the directors' terms will expire each year. In the event all of the positions are not filled, then the unfilled positions will remain vacant until the vacancies are filled through appointment by the Executive Committee. Terms of office for the directors shall generally be two-year terms, provided however, that some one-year terms may be established from time to time in order to establish and maintain the appropriate stagger. Alternate members will be elected for one-year terms and will be permitted to vote only if the required number of director members are absent. Should the number of alternate votes authorized due to director absences be less than the number of alternate members at any meeting, the President of the Board will determine which of the alternate directors may vote in a director's absence. Alternate directors who attend Board meetings will be entitled to expense reimbursement as if they were a director regardless of whether or not they are in a voting capacity.

ARTICLE V. THE EXECUTIVE COMMITTEE

1. Membership

The fifteen member Executive Committee shall consist of:

- President;
- Vice President;
- One executive officer (i.e. County Administrative Officer, City Manager, School District Superintendent, Pool Executive Director, etc.);
- One Risk Manager;
- One financially oriented member (preferably with investment background);
- One member who serves as an elected official of a Member;

- One member, but not necessarily a member of the Board, who is an employee of a county or public entity and serves as legal counsel for the entity;
- Two alternates; and
- The balance shall be elected at large.

The immediate Past President shall also be a member of the Executive Committee, but shall serve in an advisory capacity only. If the Past President is elected to the Executive Committee for a term immediately succeeding his/her term as President, then the position of Past President shall remain vacant until filled in accordance with these Bylaws. The Executive Committee shall appoint Legal Counsel who shall serve in an advisory capacity to the Board of Directors and the Executive Committee.

If a specific category is not able to be filled, then the Board of Directors will fill from within its own membership.

Any duly appointed or elected member of the Board may be elected by the Board to serve as President or Vice President. Elected Executive Committee members shall take office on January 1st.

2. Terms of Office

The terms of office of the eleven (11) non-officer members of the Executive Committee shall be for two (2) years, or as otherwise provided for in the Agreement. Terms of office for the Executive Committee shall generally be two-year terms, unless otherwise specified above; provided that some one-year terms may be established from time to time in order to establish and maintain the appropriate stagger. The term of office of the two (2) alternates shall be for one (1) year. The term of office for the immediate Past President shall be for one (1) year.

3. Removal and Vacancies

The Board of Directors may remove any or all non-officer members from the Executive Committee at any time.

A vacancy in any non-officer position on the Executive Committee, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board. Pending action by the Board, the remaining members of the Executive Committee may fill a vacancy on an interim basis, except in the case of a vacancy caused by removal, which may only be filled by the Board.

Continued membership of any Executive Committee member who misses more than 50% of the meetings in any calendar year or who misses two (2) consecutive meetings may be reviewed by the Executive Committee with any removal recommendations to be made to the Board of Directors.

4. Meetings

The Executive Committee shall meet on the first Thursday of every month, or on the call of the President of the Board, at such times and places as are designated by that officer.

The Committee shall also meet on the call of any seven (7) of its members, at such time and place as they may designate.

Written notice of regular meetings shall be in accordance with the provisions of Article III.(1)(c). Special meetings shall be called and noticed in accordance with the provisions of Article III.(2).

5. Quorum and Voting Requirements

Seven (7) members of the Executive Committee shall constitute a quorum for the transaction of business. All actions of the Committee shall require the affirmative votes of a majority of the members, at a meeting duly held at which a quorum is present.

6. Adjourned Meetings

The Executive Committee may adjourn any meeting to a time and place specified in the order for adjournment, whether or not a quorum has been established. If a quorum is not established, no business other than adjournment may be transacted.

A copy of the order for adjournment shall be posted as required by Section 54955 of the Government Code. No other notice of an adjourned meeting shall be necessary, unless the adjournment is for a period of 24 hours or more, in which case notice of the adjourned meeting shall be delivered to the members who were not present at the time of adjournment.

ARTICLE VI. OFFICERS

1. Duties of the President

The President shall preside at and conduct all meetings of the Board and shall chair the Executive Committee.

2. Duties of the Vice President

In the absence of the President, the Vice President shall perform all duties assigned to the President by the Agreement and by these Bylaws.

3. Terms of Office

The terms of office of the President and Vice President shall be for one (1) year.

4. Removal and Vacancies

The Board of Directors may remove an officer at any time. A vacancy in an officer position, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board.

ARTICLE VII. COMMITTEES

1. Establishment of Committees

In accordance with Article 12 of the Agreement, by adoption of these Bylaws, the following committees are hereby established. Other committees may be established by the Executive Committee.

(a) Claims Review Committee
The Claims Review Committee shall review all claims arising out of the Excess Workers' Compensation and General Liability 1 Programs against members which involve or may involve liability of PRISM. The Claims Review Committee may, subject to monetary limits established by the Board, settle claims within its monetary limits in accordance with Article X of these Bylaws. The Committee shall advise the Executive Committee and the Board as to the nature and extent of claims adjusting and legal defense services necessary to protect the funds of PRISM, as to settlement of claims above its monetary limits which involve liability of PRISM, and such other functions as the Board and/or Executive Committee may direct. The Executive Committee may appoint legal counsel or use County Counsel representatives to serve in an advisory capacity to the Claims Review Committee.

(b) Underwriting Committee
The Underwriting Committee shall be responsible for approval of applications by non-members for membership in the Excess Workers' Compensation and General Liability 1 Programs of PRISM, subject to ratification by the Executive Committee. The Committee shall formulate, advise, and make recommendations to the Executive Committee regarding the allocation of premiums to members and prospective non-members; advise and make recommendations regarding the distribution of such premiums; assess the stability of insurers and reinsurers and advise and make recommendations regarding said insurers and reinsurers; and perform such other functions as the Board and/or Executive Committee may direct.

(c) Finance Committee
The Finance Committee shall serve in an advisory capacity to the Chief Executive Officer and Executive Committee. The Committee shall study and recommend policies, procedures, and practices to be implemented regarding various financial matters of PRISM and may:

i. Review budgets,
ii. Review financial statements on a quarterly basis,

iii. Recommend for approval the external auditor to perform annual audits,
iv. Recommend for approval an investment program for trust monies,
v. Recommend for approval the accounting and internal control systems, which monitor the safeguarding of PRISM's assets,
vi. Recommend for approval the Treasurer of PRISM, and
vii. Serve as PRISM's Audit Committee.

(d) Member Services Committee
The Member Services Committee shall develop, evaluate, and review all matters pertaining to PRISM's loss prevention and risk control services. The Committee shall advise and make recommendations to the Executive Committee regarding the programs, proposed regulatory changes specific to loss prevention and safety, the drug and alcohol testing consortium, and perform such other functions as the Executive Committee may direct.

(e) Employee Benefits Committee
The Employee Benefits Committee shall develop, evaluate, and review all matters pertaining to PRISM's employee benefits programs other than those which have its own program committee. The Committee shall advise and make recommendations to the Executive Committee regarding existing programs and the development and implementation of new employee benefits programs and perform such other functions as the Executive Committee may direct.

(f) Legislative Committee
The Legislative Committee shall actively propose amending, supporting, or opposing legislation and regulations for the benefit of the members regarding issues of concern to public entities. Such legislation, legislative reform, and/or regulation shall be in the areas of workers' compensation, tort, workplace safety and loss prevention, and other areas of interest to public entities. The Committee shall advise and make recommendations to the Executive Committee regarding legislative activities to be sponsored by PRISM and perform such other functions as the Executive Committee may direct.

2. Committees Created by Memorandums of Understanding

The Board of Directors is authorized to approve development of coverage programs through Memorandums of Understanding (MOU). Those programs may create committees through the MOU to act for and on behalf of such programs, including authorizing settlement of any claim within the authority of such programs. Any committee so created, except as otherwise provided in any applicable MOU, shall be established and act in accordance with the provisions of Article 12 of the Agreement and these Bylaws.

3. Appointment of Members

By adoption of these Bylaws, the Board of Directors delegates to the Executive Committee the appointment of the members to all PRISM committees. Such appointments are to be in accordance with the provisions as set forth in Article 12 of the Agreement. Terms of service on a committee will be through December 31st of the year of expiration or until the Executive Committee makes new appointments, whichever is later.

4. Committee Meetings

Committees shall meet at regularly scheduled times and places or upon the call of their chairs. Written notice of regular meetings shall be in accordance with the provisions of Article III.(1)(c). Special meetings shall be called and noticed in accordance with the provisions of Article III.(2).

A majority of the members of the respective committees shall constitute a quorum for the transaction of business. All actions of the committees shall require the affirmative votes of a majority of the members at a meeting duly held at which a quorum is present.

ARTICLE VIII. DELEGATION OF AUTHORITY

1. Adoption of Resolutions

As provided in Article 8 of the Agreement, the Board of Directors may adopt such resolutions as are deemed necessary in the exercise of its power and duties, including the delegation of certain powers and duties to the Executive Committee. Any resolutions so adopted by the Board are by this reference incorporated herein as though fully set forth.

2. Adoption of other Policies and Procedures

As also provided in Article 8 of the Agreement, the Board of Directors is vested with authority to exercise all powers and conduct all business of PRISM. In furtherance of that authority, the Board of Directors and the Executive Committee shall develop and implement such policies and procedures, not otherwise prohibited by the Agreement or law, as they from time to time deem necessary to aid and assist in the conduct of the business of PRISM. Any such policies and procedures as adopted are by this reference incorporated herein as though fully set forth.

ARTICLE IX. MISCELLANEOUS

1. Execution of Contracts

The Board of Directors or the Executive Committee may authorize any officer, staff member, or agent of PRISM to execute any contract in the name of and on behalf of

PRISM, and such authorization may be general or specific in nature. The Chief Executive Officer, or his or her designee, may enter into such contracts and authorize such payments as are approved in PRISM's budget, renew any existing contract or authorize any payment which does not exceed the limit set forth in PRISM's Bidding Procedures Policy. Except as otherwise provided, no officer, staff member, or agency shall have any power to bind PRISM by contract.

2. Authorization of Payments

All invoices, billings, and claims of members for payment of losses under a coverage program shall be approved by the Chief Executive Officer, or his or her designee, before payment by the Treasurer.

3. Rules of Procedure for Meetings

All meetings of the Board of Directors, Executive Committee, and other committees or bodies of PRISM shall be conducted in accordance with Robert's Rules of Order, provided that in the event of a conflict, such rules shall be superseded by the Agreement, these Bylaws, and California law.

ARTICLE X. FISCAL YEAR

1. The fiscal year of PRISM shall be from July 1 to June 30.

ARTICLE XI. ADMINISTRATION AND NOTICE OF CLAIMS

1. Administration of Claims

(a) In accordance with Article 18 of the Agreement, each member shall be responsible for the investigation, settlement or defense, and appeal of any claim made, suit brought, or proceeding instituted against the member arising out of a loss covered by a coverage program of PRISM of which the member is a participant.

(b) PRISM may develop standards for the administration of claims for designated coverage programs of PRISM. Any standards for the administration of claims, which have been developed for any designated program, or which otherwise may be developed, are by this reference incorporated herein as though fully set forth.

2. Notice of Claims

Members shall give PRISM timely written notice of claims in accordance with the adopted reporting requirements established for each program. Such reporting requirements, as adopted or as amended, are by this reference incorporated herein as though fully set forth.

ARTICLE XII. CLAIMS SETTLEMENT AUTHORITY

In accordance with Article 8 paragraph (j) of the Agreement, by adoption of these Bylaws, the following claims settlement authority is established.

(a) Subject to any claim settlement authority provided for in MOUs for existing programs, the Board of Directors hereby delegates to the Executive Committee full settlement authority for the full limits of coverage for any claim involving coverage under any established program of PRISM. The Executive Committee may further delegate its settlement authority, either through MOUs, by these Bylaws, or by specific action, to other programs or committees.

ARTICLE XIII. TREASURER AND AUDITOR

1. Treasurer

The duties of the Treasurer are set forth in Article 16 of the Agreement. Pursuant to Government Code Section 6505.6 and in accordance with Article 13(b) of the Agreement, the Board appoints the Chief Financial Officer to the position of Treasurer, who shall comply with the provisions of Government Code Section 6505.5 (a-d).

2. Auditor

Pursuant to Government Code Section 6505.6 and in accordance with Article 13(b) of the Agreement, the Board appoints the Chief Financial Officer to the position of Auditor, who shall comply with the provisions of Government Code Section 6505.5 (a-e).

ARTICLE XIV. AMENDMENTS

These Bylaws may be amended at any time by a majority vote of the Board of Directors. Following adoption of amendments, the Chief Executive Officer shall prepare and distribute a revision of the Bylaws to all members.

Below is the history of amendments of these Bylaws:

Adopted: September 11, 1980
Amended: May 7, 1982
Amended: January 23, 1987
Amended: June 3, 1988
Amended: October 5, 1990
Amended: June 7, 1996
Amended: March 3, 2006
Amended: March 5, 2010
Amended: June 7, 2013
Amended: March 6, 2026

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

I, the undersigned, certify that I am presently the Chief Executive Officer of Public Risk Innovation, Solutions, and Management and that the above Bylaws, consisting of eleven (11) pages, are amended Bylaws of PRISM, as adopted at a meeting of the Board of Directors held on March 6, 2026.

Date:

Executed at Folsom, California

Gina Dean

Gina Dean, Chief Executive Officer