

POLICY NO. CS-01
INDEPENDENT CHARTER SCHOOL INDEMNITY POLICY

Effective July 1, 2016

The following guideline of Risk Management Practices has been developed and adopted by the Board of Directors of the Organization of Self-Insured Schools ("OSS") and is effective as of the date indicated above pursuant to Article VIII of the Bylaws of OSS. Each Member District has agreed to the implementation of all guidelines of Risk Management Practices developed by the Board of Directors. The following policy shall be referred to for all purposes as Policy No. CS-01.

1. AGREEMENT REQUIREMENTS

In order to contain and limit liability exposure to the SIR pool of OSS, all Members in OSS shall, submit an executed acknowledgment of this Policy in a form designated from time to time by the Executive Committee of the Board of OSS, and herein designated as Form No. CS-100A, with respect to authorization of a charter school outside of the direct control of the Member district's operation ("Independent Charter School").

2. OTHER REQUIREMENTS

Any Member which authorizes, operates, or participates in the operation of a charter school outside of the authorizing Member's district shall be subject to this Policy, and shall be subject to the following requirements:

2.1 As set forth above, all Members shall execute an acknowledgment, Form No. CS-100A, in favor of OSS, acknowledging the Member's awareness, and adherence to the terms of this Policy.

2.2 OSS Members hereby acknowledge and agree that this Policy only applies to charter schools operating independent of an authorizing member (herein an "Independent Charter").

2.3 Any Independent Charter shall maintain independent liability coverage for such Independent Charter in the amount of not less than \$50,000,000 per occurrence, such policy shall contain indemnity language in favor of the authorizing Member, as set forth herein. Said policy of insurance shall also name the authorizing Member as an insured party there under, and be incorporated into the MOU Agreement between the authorizing Member and the Independent Charter. This policy shall apply to any new independent charter school agreement, and the renewal of any expiring charter agreement currently existing.

2.4 The Member authorizing such Independent Charter shall, in connection with Form CS-100A to be submitted in connection herewith, shall also obtain and attach to said Form a copy of the Declarations pages of the insurance policy referred to in paragraph 2.3 above, or Certificate of Insurance with 30-day notice of cancellation wording included.

2.5 The authorizing Member shall comply with all provisions of Ed. Code Section 47604.32.

3. **PENALTIES FOR VIOLATIONS**

Any Member which authorizes an Independent Charter School in violation, or not in compliance with the terms of this Policy, shall, in the event of a Claim, be obligated to satisfy 100% of the OSS Self-Insured Retention ("SIR") applicable to such Claim. Said Member District shall indemnify OSS for any claims, costs, damages, injuries, liabilities, costs, attorneys fees and other expenses related to such Claim arising out of operation of a charter school in violation, or not in compliance with the terms of this Policy.

4. **DEFINITIONS**

4.1 A "**Member District**" means any school district or County Superintendent of Schools which has become a member of OSS pursuant to the provisions of the OSS Agreement and Bylaws.

4.2 **Form No. CS-100A** shall mean the "Charter School Indemnity Policy Acknowledgment" attached hereto as Exhibit "A."

4.3 "**Claim**" shall be any claim either tendered to OSS, or under which OSS becomes liable by virtue of the claim against a Member District which occurs, relates to, or otherwise arises out of authorization of an Independent Charter School by said Member.

FORM NO. CS-100A

ACKNOWLEDGMENT OF INDEPENDENT CHARTER SCHOOL INDEMNITY POLICY

Pursuant to Policy No. CS-01, any Member which authorizes, operates, or participates in the operation of a Charter School outside of the authorizing Member's district shall be subject to the terms and requirements of Policy No. CS-01.

Pursuant to subparagraph 2.1 of Policy No. CS-01, all applicable Members shall execute an acknowledgment in favor of OSS, acknowledging the Member's awareness and adherence to the terms of the Policy. The purpose of this Form CS-100A is therefore to meet the requirements of Policy CS-01, and shall be executed by an authorized employee of the Member District.

All terms of OSS Policy CS-01 are hereby applicable to this Agreement, and are fully incorporated herein as though fully set forth hereat.

This Agreement shall be construed and enforced in accordance with the laws of the State of California.

By signing this Form CS-100A, the undersigned Member certifies that they are aware of the requirements of Policy CS-01, agree to adhere to the terms of said policy, and represent that they are authorized to execute this Acknowledgment on behalf of the Member District they represent.

Acknowledged and agreed.

Date: _____

AUTHORIZED REPRESENTATIVE OF MEMBER

Please forward completed form to the Risk Manager of the Organization of Self-Insured Schools ("OSS").