

**CALIFORNIA MENTAL HEALTH
SERVICES AUTHORITY**

BYLAWS

**BYLAWS
of the
CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

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**BYLAWS
of the
CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

ARTICLE 1

Section 1.1 - Purpose

The CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (Authority) is established for the purpose of the Members to jointly develop, fund and administer mental health services and education Programs as determined on a regional, statewide, or other basis.

ARTICLE 2 - GOVERNING DOCUMENTS

Section 2.1 - Governing Documents

The governing documents of the Authority shall be the Joint Exercise of Powers Agreement of the Authority (Agreement) and these Bylaws. In the event of a conflict between the Agreement and these Bylaws, the Agreement prevails.

ARTICLE 3 - MEMBER ENTITIES

Section 3.1 - Membership

Each party to the Agreement is a Member. Only those agencies defined in the Joint Powers Agreement are eligible to become a Member of the Authority by agreeing to be bound by the governing documents. Any party that desires to become a member must:

- 3.1.1 Submit a completed application for membership;
- 3.1.2 Submit a copy of the resolution by the party's governing authority providing authorization to join CalMHSA;
- 3.1.3 Execute the Joint Powers Agreement;
- 3.1.4 Be approved for membership by the CalMHSA Board of Directors ("Board").

ARTICLE 4 - BOARD

Section 4.1 – Board Composition

- 4.1.1 Each Member’s Behavioral or Mental Health Director shall serve as a member of the Board (“Director”). Each Director may designate in writing an alternate director (“Alternate Director”), who may vote in the absence of the Director.
 - 4.1.1.1 Each Director or Alternate Director, when voting on Authority business, shall have the authority to bind his or her Member to the action taken by the Board.
 - 4.1.1.2 The Member may change its designated Director or Alternate Director to the Board by providing written notice to Authority.
 - 4.1.1.3 Only a Director or Alternate Director may participate in Board votes.
 - 4.1.1.4 If both a Member’s Director and Alternate Director participate in a Board meeting, only the Director may vote.
- 4.1.2 The Board shall provide policy direction for the Executive Committee, the Executive Director, and other appointed committees. The Board may delegate any of its responsibilities except those requiring a vote by the Board as specified in Section 4.1.3 of this Agreement.
- 4.1.3 The Board reserves unto itself the authority to do the following:
 - 4.1.3.1 Approve indebtedness;
 - 4.1.3.2 Adopt a budget;
 - 4.1.3.3 Amend these Bylaws;
 - 4.1.3.4 Approve dissolution of Authority.

Section 4.2 - Meetings of the Board

- 4.2.1 Regular meetings of the Board shall be held at such time as shall be designated in the notice of the meeting. There shall be a minimum of two (2) regular meetings per year, at such days and times as may be determined from time to time by the Board. Notice of meetings shall be sent to each Member’s designated Director and Alternate Director.
- 4.2.2 Every Member is expected to ensure that either its Director or Alternate Director attends Board meetings.
- 4.2.3 All meetings of the Board shall be conducted in accordance with the Ralph M. Brown Act (Government Code §54950 et seq.).
- 4.2.4 A special meeting may be called by the President (or Vice President in the absence of the President), or by a majority of the Executive Committee, by notifying the Executive Director of the purpose of the meeting. The Executive Director shall provide written notice

in compliance with the Brown Act to each Director and Alternate Representative stating the purpose, date, time, and place of the meeting.

- 4.2.5 Meetings may be held virtually in compliance with applicable laws and consistent with this Section.

Section 4.3 - Voting

- 4.3.1 The presence of a majority of the membership of the Board shall constitute a quorum for the transaction of business.
- 4.3.2 Upon establishment of a quorum, any measure may be adopted by a simple majority of the Directors present. Notwithstanding the foregoing, and upon the motion of any Director, seconded by another Director, passage of a measure by the Board will require approval through a weighted voting procedure in accordance with the Agreement.
- 4.3.3 Voting by proxy shall not be permitted.
- 4.3.4 If a quorum of the Board is not present at a regular meeting of the Board, the Executive Committee may act in the Board's stead if a quorum of the Executive Committee is present, as provided in Section 6.1.4.

ARTICLE 5 – OFFICERS OF THE BOARD

Section 5.1 - Officers

The Officers of the Authority shall consist of President, Vice President, Treasurer, and a Secretary to the Board.

Section 5.2 - No More Than One Officer from Each Member

An Officer must be a Director. An Alternate Director may not be an Officer.

Section 5.3 - Terms of Office

- 5.3.1 The terms of office for the President, Vice President, Treasurer, and Secretary shall be for two (2) years or until their successors are elected. A Director may serve no more than three (3) terms as a specific Officer, except that a Director may serve an additional term or terms if no other Director is nominated to serve for that office.

Section 5.4 - Elections of Officers

- 5.4.1 The Nominating Committee shall be responsible for developing a slate of nominees for regular elections pursuant to Section 6.2.
- 5.4.2 Elections shall occur bi-annually at the first regular Board meeting of the fiscal year. Those candidates receiving a majority of votes in each office will succeed to those offices.

- 5.4.3 The Officers will serve for their elected terms with the Authority or until termination of office or employment with their Member, or until removal from office by a majority vote of the Board, whichever is earliest.
- 5.4.4 Vacancies in any office shall be appointed by the President, subject to confirmation by the Board at the Board's next regular or special Board meeting. All such appointees shall be entitled to serve as valid Officers unless and until the appointment is not ratified by the Board. A vacancy in the position of President shall be filled by election at the next regular or special scheduled Board meeting held after the vacancy occurs.

Section 5.5 - Duties

- 5.5.1 President - The President shall preside at all meetings of the Authority. The President shall appoint the members of all ad hoc committees, which may be formed as necessary or appropriate for carrying on the activities of the Authority. The President shall execute documents as authorized by the Board. The President may delegate in writing the authority to the Executive Director to execute documents on behalf of the Authority. The President shall serve as an ex-officio member of all committees.
- 5.5.2 Vice President - If the President is absent or temporarily incapacitated, the Vice President shall exercise the President's duties.
- 5.5.3 Secretary - The Secretary will be responsible for the oversight of staff's preparation and distribution of all minutes and agendas of the Board, and any other committee meetings, preparing necessary correspondence, and maintaining files and records.
- 5.5.4 Treasurer - The Treasurer shall serve under the authority of and comply with Government Code section 6505.6, and shall be responsible for: 1) ensuring the custody of and disbursement of Authority funds, accounts, and property, in accordance with the California Government Code; 2) supervising the maintenance of such records to assure that financial accounts, records, funds, and property are maintained in accordance with accepted accounting practices and procedures prescribed by the Government Accounting Standards Board; 3) providing for inspection of all financial records; and 4) overseeing, monitoring, and reporting on investment action. In accordance with Government Code § 53607 the Board may delegate investment authority to the Treasurer on an annual basis.

ARTICLE 6 - COMMITTEES

Section 6.1 – Executive Committee

- 6.1.1 Members - To facilitate the expeditious handling of transactions relating to the Authority's operations, an Executive Committee is established. The members shall be: 1) the officers of President, Vice President, Treasurer, Secretary; and 2) one Director from each of the five regions (Bay Area, Central, Los Angeles, Southern, and Superior) (the "Regional Members"), 3) a member-at-large, and 4) the immediate past President, if available. If the immediate past President is no longer a Director, there shall be two members-at-large. Each

Regional Member may designate in writing an alternate regional member (“Alternate Member”) who must be the Behavioral or Mental Health Director of another County located in the Regional Member’s region. The Los Angeles region’s Alternate Member may be any person who is a Behavioral or Mental Health Deputy Director.

- 6.1.2 Executive Committee Elections and Terms – Elections of the Regional Members and the member(s)-at-large will take place simultaneously with the election of Officers. If possible, a member-at-large shall be an officer of CMHDA.
- 6.1.3 Meetings – The President may call meetings of the Executive Committee as required by business. A majority of the members of the Executive Committee is a quorum for the transaction of business. Such meetings will be duly noticed to all Directors and Alternate Directors, and all Directors and Alternate Directors may attend the meetings of the Executive Committee. The Secretary of the Board shall be responsible for minutes of the meetings and within five days of the Executive Committee’s adoption of the minutes, shall provide copies of such minutes to all Board Directors and Alternate Directors, and members of the public who have requested notice of such meetings. All meetings of the Executive Committee shall be conducted in accordance with the Ralph M. Brown Act (Government Code § 54950, et seq.). Meetings may be held virtually in compliance with applicable laws.
- 6.1.4 Authority - The Executive Committee shall have the same authority as that of the Board except for those items specifically reserved unto the Board in Section 4.1.3. Where a quorum of the Board is not present at a regular or special Board meeting, the Executive Committee shall have the same authority as that of the Board for all items on the agenda for that meeting, including items specified in Section 4.1.3. The Executive Committee may also exercise the authority delegated to it by a vote of the majority of the Board.
- 6.1.5 Removal for Lack of Attendance – The Executive Committee may, by a majority vote, remove any member of the Executive Committee who misses three or more Board and/or Executive Committee meetings in a fiscal year.
- 6.1.6 Vacancies – The President may appoint a Director to fill the remaining term of any vacant position on the Executive Committee subject to confirmation by the Board at the Board’s next regular or special meeting. All such appointees shall be entitled to serve as valid members of the Executive Committee unless and until the appointment is not ratified by the Board.

Section 6.2 - Nominating Committee

- 6.2.1. A nominating committee shall be appointed by the President and confirmed by the Board for the purpose of developing a slate of nominees for all Committees and the elections of Officers. The Nominating Committee shall consist of a minimum of three and a maximum of five members.
- 6.2.2. Any Director may nominate themselves, or any other Director, as a candidate for an Officer or Executive Committee member. All nominations shall be made in writing to the Board and received at least seven days before the first regular Board meeting of the fiscal year.

Additional candidate(s) may be nominated at the time of the meeting, provided the candidate(s) meet the applicable requirements set forth in Sections 5.4 and 6.1.

Section 6.3 – Finance Committee

- 6.3.1 The Finance Committee is established as a standing committee to oversee, review, and provide direction to the Authority’s Board of Directors regarding the Authority’s financial matters and investment programs.
- 6.3.2 The Finance Committee shall be composed of the Authority’s Treasurer who shall serve as Chair, and up to five voting members. Elections of the Committee members will take place simultaneously with the election of Officers. At least three of the Committee members shall be Directors or Alternate Directors. Two of the Committee members may be Chief Financial Officers of a Member of the Authority or other Member representative with fiscal expertise. All members shall be approved by the Board of Directors.
- 6.3.3 Each committee member may continue to serve until a replacement is named. New members (to fill vacancies or at the expiration of an existing member’s term) shall be appointed by the President and approved by the Board of Directors. The Treasurer’s term as Chair shall correspond to his or her term as Treasurer as provided in Article 5.
- 6.3.4 The Finance Committee shall have the following duties:
 - 6.3.4.1 Review the Authority’s financial policies and make recommendations for the Board’s approval.
 - 6.3.4.2 Review the proposed annual operating budget and present the budget to the Board for approval.
 - 6.3.4.3 Recommend guidelines and goals for the investment of the Authority’s funds to the Board of Directors.
 - 6.3.4.4 Review the status of the Authority’s investments.
 - 6.3.4.5 Other duties as authorized by the Board of Directors.

Section 6.4. – Audit Committee

- 6.4.1 The Board shall appoint a standing Audit Committee. Elections of the Committee members will take place simultaneously with the election of Officers. Notwithstanding the other provisions of these Bylaws, the Audit Committee shall have the following duties and composition:
- 6.4.2 It shall be the duty of the Audit Committee to:
 - 6.4.2.1 Recommend to the Board the retention and termination of the independent auditor;

- 6.4.2.2 Confer with the auditor to satisfy the committee members that the financial affairs of the Authority are in order;
 - 6.4.2.3 Review and determine whether to accept the audit;
 - 6.4.2.4 Pre-approve and monitor performance of any non-audit services to be provided by the auditing firm;
 - 6.4.2.5 Monitor and ensure the independent audit partner in charge is rotated in keeping with best practice; and
 - 6.4.2.6 Negotiate the compensation of the auditor on behalf of the Board.
- 6.4.2 The Audit Committee shall be composed of at least one person. Audit Committee members need not be Board Members. In addition, the composition of the Audit Committee shall be restricted as follows:
- 6.4.2.1 The Treasurer, Chief Financial Officer, paid staff, and anyone who does business or has any financial interest in any entity that does business with the Authority may not be on the Audit Committee but may be present for information as needed.
 - 6.4.2.2 Members of the Finance Committee must comprise less than fifty percent (50%) of the Audit Committee and the Chair of the Finance Committee may not serve on the Audit Committee as a voting member (may serve as ex officio).

Section 6.5 - Other Committees

- 6.5.1. At any time, the President may appoint an ad hoc committee.
- 6.5.2 The Board and the Executive Committee have the authority to add additional ad hoc committee(s) as deemed necessary.

ARTICLE 7 – FINANCIAL AUDIT

Section 7.1 - Audit Required

The Board shall cause to be made, by a qualified, independent individual or firm, an annual audit of the financial accounts and records of the Authority. By unanimous request of the Board, the audit may be conducted biennially-and cover a two-year period as permitted by Government Code section 6505, subdivision (f). The minimum requirements of the audit shall be those prescribed by State law.

Section 7.2 - Filing an Audit

The financial audit report shall be filed with the State Controller's Office within 6 months of the end of the fiscal year(s) under examination. The Authority shall have a copy of the audit report filed as a public record with each Member.

Section 7.3 - Costs of Audit

The Authority shall bear all costs of the audit. Such costs shall be charged against the operating funds of the Authority.

ARTICLE 8 - FISCAL YEAR

Section 8.1 - Fiscal Year

The fiscal year of the Authority shall be the period from July 1st of each year through June 30th of the subsequent year.

ARTICLE 9 - BUDGET

Section 9.1 - Budget

The Board shall adopt an annual budget by July 1 of each year. Directors shall receive a draft budget forty-five days prior thereto.

ARTICLE 10 - ADMINISTRATION

Section 10.1 - Executive Director

10.1.1 The Board shall appoint the Authority's Executive Director. The Executive Director shall be responsible for the daily administration, management, human resources functions, and operation of the Authority's Programs. The Executive Director shall be subject to the direction and control of the Board and the Executive Committee and shall be compensated for services rendered to the Authority in such amount and manner as may be approved by the Board.

Section 10.2 – Authority of the Executive Director to Execute Contracts the Board or the Executive Committee may delegate authority to the Executive Director to execute contracts on behalf of the Authority, either as to particular contracts, or as to particular categories of contracts.

ARTICLE 11 – RESPONSIBILITIES OF THE MEMBER ENTITIES

Section 11.1 – Governing Documents

Each Member shall comply with the provisions of the governing documents.

Section 11.2 – Timely Payment

Each Member shall timely pay all contributions, fees, charges and assessments imposed or levied by the Authority.

Section 11.3 – Cooperation

11.3.1 Each Member shall provide the Authority with requested information and assistance in order to fulfill the Programs under this Agreement.

11.3.2 Each Member shall in all ways cooperate with and assist the Authority in all matters relating to this Agreement and comply with the policies, procedures and rules promulgated by the Authority.

11.3.3 If a Member is held liable upon any judgment for damages caused by a negligent or wrongful act or omission occurring in the performance of the Agreement and pays in excess of its pro rata share in satisfaction of such judgment, such Member is entitled to contribution from each of the other Members that are parties to the Agreement. The pro rata share of each Member will be determined by its population as compared to the total population of all Members, based on the most recent census. The right of contribution is limited to the amount paid in satisfaction of the judgment in excess of the pro rata share of the Member so paying. No Member may be compelled to make contribution beyond its own pro rata share of the entire judgment.

Section 11.4 – Confidential Records

Each Member shall maintain all confidential records in accordance with state regulations under the California Government Code § 6250, et seq., the California Public Records Act.

ARTICLE 12 - DEFAULTS AND EXPULSION FROM THE AUTHORITY

Section 12.1 - Events or Conditions of Default Defined

12.1.1 The following shall be "defaults" under the Agreement and these Bylaws:

12.1.1.1 Failure by a Member to observe and/or perform any covenant, condition, or agreement under the Governing Documents;

12.1.1.2 Consistent failure to attend meetings, submit requested documents, or cooperate in the fulfillment of the Program objectives;

- 12.1.1.3 Failure to pay any amounts, including penalties and interest, due to the Authority for more than 30 days;
- 12.1.1.4 The filing of a petition applicable to the Member in any proceedings instituted under the provisions of the Federal Bankruptcy Code or under any similar act which may hereafter be enacted; or
- 12.1.1.5 Any condition of the Member which the Board believes jeopardizes the financial viability of the Authority.

Section 12.2 – Remedies on Default

12.2.1 Whenever any event of default referred to in Section 14.1 of this article shall have occurred, it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to the Agreement and these Bylaws. However, no remedy shall be sought for defaults, until the Member has been given 60 days written notice of default from the Board, except defaults under Sections 12.1.1.4 and 12.1.1.5.

12.2.2 Expulsion of a Member from the Authority:

- 12.2.2.1 The Board may expel from the Authority any Member that is in default, as defined in Section 14.1.1 of this Article.
- 12.2.2.2 Such expulsion shall be effective on the date prescribed by the Board, but not earlier than 60 days after written notice of expulsion has been personally served on or sent certified mail to the Member.
- 12.2.2.3 The expulsion of any Member from any Program shall not terminate the Member's responsibility to contribute its share of contributions or funds to any fund or Program created by the Authority, nor its responsibility to provide requested data. All current and past participants shall be responsible for their respective share of the expenses, as determined by the Executive Director, until all unpaid liabilities, covering the period of the participant's participation in the program have been finally resolved and a determination of the final amount of payments due by, or credit to, the participant for the period of its participation has been made.

12.2.3 No remedy contained herein is intended to be exclusive. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 12.3 - No Additional Waiver Implied by One Waiver

In the event any condition contained in the governing documents is breached by any Member and thereafter waived by the other Member, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

ARTICLE 13 - EXECUTION OF CONTRACTS

Section 13.1 - Authorization by Board or Executive Committee

The Board or Executive Committee may authorize the Executive Director, any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Authority and such authorization may be general or confined to specific instances. Approval of a contract or Program by the Board or Executive Committee shall provide implied authority for the Executive Director to execute such contract or Program Participation Agreement(s) on behalf of the Authority. Unless so authorized by the Board or these Bylaws, no officer, agent, or employee shall have any power or authority to bind the Authority by any contract or to pledge its credit or to render it liable for any purpose or to any amount.

Section 13.2 – Directors and Officers Insurance

The Authority shall purchase insurance indemnifying the Directors, Officers, and Administrative staff for personal liabilities arising from the discharge of their duties to the Authority.

ARTICLE 14 - EFFECTIVE DATE

Section 14.1 - Effective Date and Supremacy

These Bylaws as amended shall be effective immediately upon the date of approval and upon adoption shall supersede any previous Bylaws and/or amendments thereto.

ARTICLE 15 - AMENDMENTS

Section 15.1 – Procedure to Amend

These Bylaws may be amended or repealed from time to time as provided in Section 4.1.3.

Approved: June 23, 2009
Amended: July 15, 2010
Amended: July 14, 2011
Amended: December 15, 2011
Amended: October 11, 2012
Amended: December 12, 2013
Amended: June 15, 2017
Amended: February 4, 2021