

# VIRGINIA STATE CLAIMS ASSOCIATION

## OPERATIONS MANUAL

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# Virginia State Claims Association

## By-Laws

### Article I

#### NAME

- Section 1. The name of this Association shall be the “Virginia State Claims Association.”

### Article II

#### OBJECT

- Section 1. To ensure better understanding and to promote professional and social intercourse in the insurance industry.
- Section 2. To provide an organization to facilitate an interchange of ideas and information on subjects of common interest.
- Section 3. To assist members in enabling themselves to render their companies reliable and professional service.
- Section 4. To adopt and enforce a code of ethics compatible with the best interests to all in our profession.
- Section 5. To discourage and combat attempts that might be made by any individual or groups espousing the ideas of bargaining and unionization. This Association shall not support or engage in any practice that would make it an agent in idea or fact for such groups or organizations.

### Article III

#### MEMBERSHIP

- Section 1. There shall be five categories for membership.
- A. Active membership shall be composed of all persons actively engaged in the supervision, adjustment, investigation and settlement of all types of insurance

claims. Claims investigators and adjusters for self-insurers shall be in this category. It shall be a requirement that any member of the Virginia State Claims Association also be a member of a local Association where such is in existence. If there is no such local chapter, individual members shall be considered for membership by filing an application and stating that there is no chapter in Virginia available to them.

- B. A life membership may be awarded to any active member having at least ten continuous years paid membership who has rendered exceptional and meritorious service to the State Association. Dues will not be required. Lifetime members shall be accorded full privileges of active membership if they are members of a local association, or otherwise qualify under Article III, Section I-A.

If they are not, then they may attend meetings and social functions sponsored by this Association, but are not allowed to hold office or vote. Written petitions for nominations for life-time membership shall be submitted to the membership committee for appropriate consideration and recommendation to the Board of Directors. The Board of Directors by their approval shall pass the petition on to the membership who shall be called upon to vote on the nomination at the annual state meeting.

- C. Non-resident membership shall be available to those individuals residing out of the state of Virginia. Should the applicant meet the requirements of "A. Active Membership," they shall be accorded all privileges of active members including the right to vote and hold office in this Association. If the applicant does not meet the requirements of "A. Active Membership," they shall be accorded all privileges of active members with the exception of the right to vote and hold office in this Association.
- D. Associate membership shall be comprised of such professions and vocations directly connected with the insurance industry. They may attend meetings and social functions sponsored by this Association, but are not allowed to hold office or vote. In order for attorneys to be eligible, approximately 80 percent of their practice must consist of defense work. Each applicant to be considered on his own merits.
- E. Honorary membership shall consist of any person who is outstanding in his profession or in civic work in the community where he resides. They may attend meetings and social functions sponsored by this Association, but are not allowed to hold office or vote. It is not required that they belong to a local chapter.

- Section 2. Any eligible person for membership shall submit to the Membership Committee a written application and upon recommendation of the Membership Committee, the Board of Directors will vote on such application. A majority vote of those present shall be required to enroll a member.
- Section 3. Active membership of this Association shall not interfere in any manner with the activities or affairs of any local Association. They will operate as separate distinct entities and the Virginia State Claims Association has no jurisdiction over the local chapter.
- Section 4. Withdrawal of any local Association member shall be accomplished by a two-thirds vote of the body's membership at any of their regular meetings. Notification of the body's withdrawal from this Association shall be submitted in writing within sixty (60) days to the Secretary of Virginia State Claims Association.
- Section 5. The withdrawal of affiliation by local chapter from this Association shall not be binding upon any individual member of the local Association wishing to continue his membership in the Virginia State Claims Association. The individual is only required to notify this Association in writing of his or her intention to continue their membership.
- Section 6. Forfeiture of active membership shall occur when there is a failure to pay dues within ninety (90) days after the due date. Each individual case is reviewed by the Board of Directors. They may allow an extension of time for the payment of these dues, but it shall be limited to a period of sixty (60) days from a regular meeting of the Board of Directors. Reinstatement of membership will be made on full payment of the arrears of such dues without penalty or further imposition.
- Section 7. Membership may be terminated in this Association for disregard or infraction of the By-Laws and Constitution of this Association, or acts which would constitute anything inconsistent with the ethics, behavior and aims of this Association, or a deliberate act committed against a city, state or the U.S. Government, wherever performed. Charges against such members shall be presented in written form together with affidavits or sworn witness testimony and presented to the Board of Directors. The members so charged shall be afforded the opportunity to answer such charges in person and introduce such evidence relative to his defense. At the time such charges are brought, such membership of the accused shall be suspended until such time as the Board of Directors renders a decision, which is final. Should the charges be against an officer or board member of this Association, he will be relieved of his duties and a substitute officer or board member shall be appointed by the Board of Directors. If in the judgment of the Board of Directors the accused shall be innocent, full reinstatement shall follow immediately, at which time the appointment of the substitute officer or board member shall terminate. All records will be confidential.

## **ARTICLE IV**

### **OFFICERS**

- Section 1. The officers of the Association shall be President, President-Elect, Vice-President, Secretary and Treasurer. The office of Secretary and Treasurer may be held by one person, or at the option of the members, by two individual persons.
- Section 2. The election of the President-Elect, Vice-President, Secretary and Treasurer shall be the preferred order of business at the annual meeting of the Association. They shall be elected by a majority of votes cast by those at the annual meeting of the Association.
- Section 3. Each officer shall take office by the first day of January next following the annual meeting and shall continue in office until his successor is elected.
- Section 4. The Board of Directors shall appoint by majority vote an officer or Board member to fill an unexpired term.

## **ARTICLE V**

### **DUTIES OF OFFICERS**

- Section 1. The President shall preside at all meetings of the Association and shall have the power to call special meetings when necessary. He shall notify all concerned of the time and place of any special meeting called by him.
- Section 2. The duties of the President-Elect shall be to preside when the President is absent and shall be responsible for the functioning of the standing committees with the assistance of the Vice-President.
- Section 3. The Vice-President shall assume the responsibilities of the President and the President-Elect in the absence of both.
- Section 4. The Secretary shall notify the membership of the time and place of all meetings; take minutes of all business meetings; handle correspondence on behalf of the Association; keep an active register of membership, showing their names and addresses; and perform all of the duties ordinarily incidental to the office of Secretary. The original set of By-Laws is to remain in the custody of the Secretary.

Section 5. The Treasurer shall handle all financial affairs of the Association; collect the dues voted by the membership and spend the same in accordance with the direction of the vote of the membership of the Board of Directors; and keep an accurate record of all receipts and expenditures. The Treasurer shall keep an accurate register of all members showing payments of dues.

## **ARTICLE VI**

### **BOARD OF DIRECTORS**

Section 1. The duly elected officers and one representative from each local chapter shall comprise the Board of Directors. The local representative shall be called a Director and will be chosen by the local chapter. This individual could also be an elected officer of the Association, but it is not mandatory. The President shall be Chairman of the Board. The immediate Past President shall serve on the Board for a period of one year in an ex-officio capacity.

Section 2. The Directors shall assume office at the same time as the Officers and serve for a period of one year. They may serve additional years at the option of their local chapter.

Section 3. The Board of Directors shall have a general control of all matters relevant to the Virginia State Claims Association with full power to act therein. Each local chapter will have one vote on the Board of Directors to be exercised by the Director, or his proxy, who must be an active member of the Virginia State Claims Association. The President shall have an independent vote in the event of a tie.

Section 4. The Board of Directors, in addition to regular duties, shall comprise the Grievance Committee.

## **ARTICLE VII**

### **MEETINGS**

Section 1. There shall be at least four meetings each year of the Board of Directors, one held during each quarter. The time and place of such meetings shall be designated by the Board of Directors.

Section 2. Special meetings of the Board of Directors to be called by any such member of the Board of Directors by directing a letter to the Secretary of this Association designating the time and place for such meeting. Ten (10) days written notice to each board member is required before a special meeting may be called.

- Section 3. A quorum shall consist of the elected or appointed state director of each association. If a quorum is not present the standing Executive Board shall make the vote with the limitation of each Association having one vote, with the exception of the President as the presiding officer.
- Section 4. The annual meeting of this Association shall be held at a time designated by the Board of Directors. There will be a business session reviewing the affairs of the Association to include an election of officers and the designation of a time for their installation.
- Section 5. A majority of the active members enrolled as attending the annual meeting shall constitute a quorum.
- Section 6. Special meetings of the Association may be held at the discretion of the President, with a minimum of ten (10) days written notice to each board member, designating the time and place of such meeting.

## **ARTICLE VIII**

### **COMMITTEES**

- Section 1. It shall be the duty of the President upon accession of office to appoint the standing Committee Chairman. He shall also appoint such special committees as authorized by the membership or Board of Directors during his term of office. The Committee Chairman may appoint their own members to serve on these committees.
- Section 2. The standing committee's duties shall be:
- A. **PUBLICATION**
- To draw up a quarterly publication of current events, news items, insurance topics, and all other topics of interest pertinent to our profession, and distribute them to each member in good standing.
- B. **MEMBERSHIP**
- To increase the membership, to investigate the qualifications of applicants for membership, and report recommendations thereon to the Board of Directors.

C. PUBLICITY AND PUBLIC RELATIONS

To issue such items of news to the press and the public which in its opinion faithfully and accurately chronicle the activities of this Association; to cultivate and maintain good will with public officials and other organizations; to work in conjunction with the publication committee so that all members will be fully apprised of our activities.

D. LEGISLATIVE

To keep the members of the Association advised of national, state and local laws that have been passed affecting the interest of this Association.

E. EDUCATION

To encourage all members to participate in insurance courses such as the Insurance Institute of America (IIA) and the Chartered Property Casualty Underwriter (CPCU), and any other course or educational material that would in any way broaden the adjuster's knowledge and ability.

F. CONVENTION AND PROGRAM

To arrange an annual convention to be held in conjunction with the annual meeting; to provide a program to discuss subjects of interest and value to the members.

G. BY-LAWS

To review the BY-LAWS annually and make such revisions as necessary so that they are always current. Any revisions are to be immediately attached to the master copy.

H. SCHOLARSHIP

To maintain a scholarship fund to aid in the education of the children of its members at the college and graduate school level.

## **ARTICLE IX**

### **DUES**

- Section 1. All active members as defined in Article III, Section 1-A, shall pay as dues TWENTY DOLLARS (\$20.00) per member annually, to be paid by March 31 of each year. All other membership shall pay annual dues of TWENTY DOLLARS (\$20.00). Total membership as of December 31 of the proceeding year determines amount owed by each member chapter for the forthcoming year.

## **ARTICLE X**

### **PROCEDURE OF MEETINGS**

Section 1. **ORDER OF BUSINESS**

- A. Roll call
- B. Reading of Secretary of Minutes of previous meeting
- C. Report of Treasurer
- D. Reports of Committees
- E. Reading of membership applications and action thereon
- F. Unfinished business
- G. New business
- H. General discussion
- I. Program
- J. Adjournment

At the discretion of the President, the order of business, as stated above, may be varied provided it is not inconsistent with the normal order of business to be conducted at the meeting.

Section 2. The conduct of the meeting of the Association shall be governed by Roberts Rules of Order, Revised, when not in conflict with its Constitution and BY-LAWS.

## **ARTICLE XI**

### **AMENDMENTS**

Section 1. Proposed amendments to the Constitution and BY-LAWS must be submitted in writing to the President or Secretary shall notify the Director of each Association of the proposed amendment by certified mail or personal service no less than 30 calendar days prior to the next Board meeting. A simple majority affirmative vote to the Board is necessary for a proposed amendment to be submitted to the general membership for consideration at the next annual meeting where a two-third vote of the active members present and voting shall be required for passage.

Revised October 2, 2010

## **Mission Statement**

The Virginia State Claims Association promotes insurance industry professionalism in assisting their members with education and the exchange of ideas and information on subjects of common interest while adjusting claims openly and honestly in all fairness to all regulators, policyholders, claimants and insurance companies and associate vendors.

## **Authority**

The 'By-Laws' spell out certain lines of authority.

The individual association directors are the persons 'charged' with making and passing motions that involve the total operations of the VSCA. This is why it is important that each Association delegate one of their membership to be a State Director and to make sure they attend all VSCA Board Meetings. It is the State Directors who decide upon when and where the board meetings are held.

## **Board Meetings**

Board meetings shall be designated when and where held by the State Directors. In some years the board meetings have been associated with each individual association meeting. This helps each association to become acquainted with the VSCA Officers and other State Directors. It also gives the VSCA Officers and other State Directors the opportunity to see how other associations conduct their affairs.

In the past the board meetings have been held in the afternoons so as not to infringe on the employers time away from work.

There shall be a minimum of four board meetings per year with one meeting to take place in each quarter. The first board meeting is usually conducted right after the new elected VSCA President takes office. Many times, in the past this has been done in November or December of the year the new VSCA President has been elected. Usually the new VSCA President will call a short gathering of the State Directors together right after his election at the Annual VSCA Conference for the purpose of deciding upon a first meeting date. The Annual VSCA Conference is usually the last of September or the first of October.

There is no monetary compensation for anyone holding office, State Directors, or committee persons.

On some rare occasions the VSCA has provided meals at board meetings if and when they occur during a regular meal time. This is extremely rare.

## **Committees**

There are 'standing committees' per the By-Laws'.

The VSCA President may appoint other committees.

The VSCA President shall appoint all committee chairmen and the chairmen of each committee shall appoint their own members.

The chairman of each committee is expected to provide a committee report at each board meeting and if they cannot attend it is expected a written report be given the VSCA President to be read at the board meeting.

## **Finances**

There are three distinct checking accounts. One is the general operating checking account that pays for (but not limited to) insurance, publication expenses, honorarium plaques and etc, flowers for special occasions (like funerals and etc.). The VSCA Treasurer is responsible for the general operating account. The VSCA Treasurer is responsible for collecting member dues from each local association based on the local association's membership as of December 31<sup>st</sup> of the prior year in which the VSCA dues are due. The VSCA membership dues are due on the 31<sup>st</sup>, of March of each year. IT IS RECOMMENDED THAT THE TREASURER OBTAIN A BLANK SIGNATURE CARD FOR THE NEW 'IN-COMING' TREASURER, which will expedite the transfer of right to sign checks.

The second checking account is the annual conference account. This account is for the accounting of all income and expenses for the annual conference. A designated member is responsible for this account and this person is usually not the VSCA Treasurer.

The third checking account (it has really been an investment account) is the scholarship account and this account has its own manager who is a member and is not the VSCA Treasurer. This account is for the income and disbursement of funds designated by the Scholarship Committee and the VSCA Board of Directors. It has been the 'rule of thumb' in the past that the income produced by the scholarship account is used to be distributed to those successful applicants for VSCA scholarships. In most instances the Scholarship Committee ask the VSCA Board of Directors for money to be distributed each year and then the committee is responsible for the individual allocation according to their own formula.

It is recommended that each person responsible for a specific account maintain a file for all financial reports given and that file be given to the next succeeding responsible person.

It is recommended that each person responsible for a specific account make their reports in writing.

It is recommended that each financial report indicate the present financial numbers compared to a same period of time a year earlier in order for a true understanding of the financial status of the specific account.

IT IS RECOMMENDED THAT AN AUDIT COMMITTEE BE APPOINTED EACH YEAR TO REVIEW THE ACTIVITY IN EACH OF THE THREE CHECKING ACCOUNTS.

CERTAIN IRS FILINGS NEED BE MADE EACH YEAR WITH SOME OF THE ACCOUNTS AND USUALLY ONE OF THE ASSOCIATED ACCOUNTING FIRMS WILL PROVIDE THIS SERVICE.

### **Membership Meetings**

These meetings are conducted once a year at the annual conference.

Only VSCA members may vote at these meetings and the election of officers shall be conducted during this meeting and usually the new officers are inducted the same night at the annual conference.

Special meetings of the VSCA may be held at the discretion of the President, with a ten (10) day written notice to each board member, designating the time and place of such meeting.

### **Officers**

There is usually a nominating committee who is responsible for the new slate of officers to be offered for election at the VSCA Annual Membership Meeting.

Officers are usually selected from active members of the individual local associations.

Usually officers are expected to 'rise' through the various individual officers starting with treasurer. In some scenarios an officer may find it necessary not to complete their term of office and another candidate can be selected at random by the nominating chairman and approval of the board of directors.

Many times the VSCA Past President has been appointed as the Nominating Committee Chairman.

### **Publication**

The VSCA publishes quarterly a magazine call THE CLAIMSMAN.

This publication supports the VSCA membership in educational articles and news from each local association. Information for the magazine is due the fifteenth of each second month in the quarter.

Articles may be submitted by members, vendors and authorized re-printed articles from other sources.

It is the intent of the publication to be self-sufficient and to be paid for by advertising sponsors.

## **Scholarships**

The VSCA has a self-perpetuating fund that has been supported by private donors for the continued education of VSCA members. There are rules for eligibility and the information can be usually found at the VSCA website and the thru the chairman of the committee.

The Scholarship Financial Account is usually reported upon by the person responsible for that account. The investment of the funds in the scholarship account is usually decided upon by the VSCA Board of Directors.

Usually the Scholarship Chairman will give a report to the VSCA Board regarding the committee's activity and the VSCA Board will advise the chairman of the total amount of money to be allocated between all the applicants. The allocation of the total amount of money to be allocated between all the applicants is at the discretion of the Scholarship Committee.

## **Time Line**

October	Annual VSCA Conference Annual Membership Meeting New Officers Installed Scholarships Announced at Annual Conference Adjuster of the Year Announced Any Special Educational Awards Awarded Candlelight Service for Deceased Members
November – December	First Board Meeting 11/15 THE CLAIMSMAN Articles Due
February – March	Second Board Meeting Membership Dues Due 2/15 THE CLAIMSMAN Articles Due

May – June	Third Board Meeting VSCA Education Seminar 5/15 THE CLAIMSMAN Articles Due
July	VSCA Scholarships Due July 1st
August – September	Fourth Board Meeting Adjuster of the Year Due 8/15 THE CLAIMSMAN Articles Due

### **Website**

The VSCA has a website that provides information about the Virginia State Claims Association and is available to the public. The website also offers the individual associations the opportunity to ‘post’ information regarding their association activities.