



**E. STANDING COMMITTEE REPORTS**

- |           |                                       |          |              |
|-----------|---------------------------------------|----------|--------------|
| <b>1.</b> | <b>Programs Committee Report</b>      | <b>I</b> | <i>p. 19</i> |
| <b>2.</b> | <b>AOA Executive Committee Report</b> | <b>I</b> | <i>p. 20</i> |

**F. GENERAL ADMINISTRATION**

- |           |  |          |              |
|-----------|--|----------|--------------|
| <b>1.</b> | <b>Update of Excess Insurance Renewals</b><br><i>The Committee will receive a verbal report on the excess insurance renewals</i>   | <b>I</b> | <i>p. 21</i> |
| <b>2.</b> | <b>AORMA Liability Program Memorandum of Coverage</b><br><i>The Committee will be asked to approved the reviewed Liability Program memorandum of coverage</i>  | <b>A</b> | <i>p. 22</i> |
| <b>3.</b> | <b>Alliant Risk Control Consulting Renewal Contract Proposal for FY 2016/2017</b><br><i>The Committee will be asked to review and approve the renewal contract for Alliant Risk Control Consulting</i>                             | <b>A</b> | <i>p. 67</i> |
| <b>4.</b> | <b>Online Training Platform</b><br><i>The Committee will be asked to review and approve the contract extension for TargetSolutions, and approve an agreement with the Chancellor's Office, Systemwide Professional Development</i> | <b>A</b> | <i>p. 76</i> |
| <b>5.</b> | <b>Policy and Procedure Review</b><br><i>The Committee will be asked to review and approve revisions to AORMA's Policies and Procedures as appropriate</i>   | <b>A</b> | <i>p. 83</i> |
- a. A-3 – Target Surplus Funding Policy
  - b. A-4 – Dividends and Assessments
  - c. A-5 – Annual Calendar of Reports, Audits and Filings
  - d. A-6 – Risk Reduction Innovation Matching Grant Incentive Program
  - e. A-8 – Closed Session
  - f. L-1 – Liability Claims Reporting
  - g. L-3 – Approved Legal Counsel Selection
  - h. L-4 – Employee Driving Standards
  - i. L-6 – Requirement to Purchase PAI for all Activities Involving Minors
  - j. UI-1 – Formula for Determining UIP Annual Deposit
  - k. W-2 – Workers' Compensation Contribution Payments
  - l. W-3 – Workers' Compensation Experience Modifications
  - m. W-4 – Workers' Compensation Claims Handling
  - n. W-5 – Workers' Compensation Claims Settlement Authority
  - o. W-6 – Workers' Compensation Volunteer Coverage
  - p. W-8 – Workers' Compensation Renewal Payroll Reporting

<b>6.</b>	<b>CSURMA AORMA Committee Election Results</b> <i>The Committee will review the election results for the AORMA Committee term July 1, 2015 to June 30, 2017</i>	<b>I</b>	<i>p. 135</i>
<b>7.</b>	<b>Integration of Auxiliary Organizations into the Campus Continuity of Operations and Emergency Operations Plan</b> <i>The Committee will hear an update regarding the integration of the Auxiliary Organization</i>	<b>A</b>	<i>p. 136</i>
<b>8.</b>	<b>Watercraft Tracking Program</b> <i>The Committee will hear an update regarding the Watercraft Tracking Program</i>	<b>I</b>	<i>p. 137</i>
<b>9.</b>	<b>AOA Annual Conference – Risk Management Sessions</b> <i>The Committee will be asked to discuss the proposed Risk Management Sessions for the 2017 AOA Conference</i>	<b>A</b>	<i>p. 140</i>
 <b>G. INFORMATION ITEMS</b>			
<b>1.</b>	CSURMA AORMA 2016 Meeting Calendar	<b>I</b>	<i>p. 141</i>
<b>2.</b>	AORMA Long Range Action Plan	<b>I</b>	<i>p. 143</i>
<b>3.</b>	AORMA Service Calendar	<b>I</b>	<i>p. 147</i>
<b>4.</b>	CSURMA AORMA Program Administrator’s Contact Lists	<b>I</b>	<i>p. 154</i>
<b>5.</b>	AORMA Committee Members - Effective 7/1/15	<b>I</b>	<i>p. 167</i>
<b>6.</b>	Policy & Procedure A-7 – CSURMA Travel Reimbursement Policy	<b>I</b>	<i>p. 169</i>
<b>7.</b>	CSU IIPP WorkGroup	<b>I</b>	<i>p. 172</i>
 <b>H. ADJOURNMENT</b>			

*The next AORMA Committee meeting is scheduled for September 7 and 8, 2016 at the Alliant Office in Sacramento, CA. If you have questions regarding the agenda package, please contact Mimi Long at [mlong@alliant.com](mailto:mlong@alliant.com) / (415) 403-1423 or Tevea Him at [thim@alliant.com](mailto:thim@alliant.com) / (415) 403-1416*

**APPROVAL OF THE AGENDA**

**ISSUE:** The Committee will be asked to approve the agenda for today's meeting.

**RECOMMENDATION:** Staff recommends that the Committee approve the agenda as presented.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**APPROVAL OF MINUTES – MARCH 10, 2016**

**ISSUE:** The Committee will be asked to review and approve the draft minutes of its March 10, 2016 meeting.

**RECOMMENDATION:** It is recommended that the Committee approve the minutes of its March 10, 2016 meeting, including corrections as necessary.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA AORMA Committee Meeting Minutes – March 10, 2016

**MINUTES OF THE  
CSURMA AORMA COMMITTEE MEETING  
MARCH 10, 2016  
ALLIANT INSURANCE SERVICES, INC.  
100 PINE STREET, SAN FRANCISCO, CA  
10:00 AM**

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**MEMBERS PRESENT:**

Cheree Aguilar, San Jose State University Research Foundation  
Dwayne Brummett, Associated Students, Inc., Cal Poly San Luis Obispo  
Guy Dalpe (AORMA Vice-Chair), Associated Students, Inc., San Francisco State University  
Leslie Davis, University Union Operation of CSUS, Inc.  
Robert de Wit, Forty-Niner Shops, Inc., CSU Long Beach  
Keith Kompsi, Fresno Association, Inc., CSU Fresno  
Frank Mumford (AORMA Chair), CSU Fullerton Auxiliary Services Corporation  
Dave Nakamura, Humboldt State University Center (*via Teleconference; joined at 11:13am*)  
Dave Nirenberg, University Glen Corporation, CSU Channel Islands  
Brian Nowlin, CSU Long Beach Research Foundation (*via Teleconference; left at 10:58am*)  
Jim Reinhart, University Enterprises, Inc., CSU Sacramento

**MEMBERS ABSENT:**

Gigi Kiama, The University Corporation at Monterey Bay

**STAFF, GUESTS AND CONSULTANTS**

Katie Brandt, Sedgwick CMS (*via Teleconference*)  
Patricia Daniels, Sedgwick CMS (*via Teleconference*)  
Zachary Gifford (CSURMA Secretary/Auditor), CSU Office of the Chancellor  
Jacki Graf, Alliant Insurance Services, Inc.  
Tevea Him, Alliant Insurance Services, Inc.  
Daniel Howell, Alliant Insurance Services, Inc.  
William Hsu, CSU Office of the Chancellor, Office of General Counsel  
Mimi Long, Alliant Insurance Services, Inc.  
Mauri McGuire, Carl Warren & Company (*via Teleconference*)  
Brian Montagnese, Sedgwick CMS (*via Teleconference*)  
Susan Neville, Sedgwick CMS (*via Teleconference*)

**A. CALL TO ORDER**

The meeting was called to order by the Chair, Frank Mumford at 10:03 AM. Brian Nowlin expressed his request to abstain from voting on all motions.

**A1. Approval of the Agenda**

The agenda was approved by acclimation.

**B. PUBLIC COMMENTS**

There were no comments from members of the public.

**C. CONSENT CALENDAR**

- C1. Approval of Minutes – December 10, 2015**
- C2. FY 2015/2016 CSURMA Midterm Budget Amendments**

A motion was made to approve the items on the consent calendar.

Motion: Leslie Davis  
Second: Guy Dalpe

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
Dave Nakamura				X
Dave Nirenberg	X			
Brian Nowlin		X		
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**D. CLOSED SESSION**

- 1. Arce v. ASI Northridge**
- 2. Sandoval v. The University Corporation, CSU Northridge**
- 3. Foster v. The University Corporation, CSU Northridge**
- 4. Yu v. The University Corporation, CSU Northridge**
- 5. Pourfarrokh v. Associated Students, Inc., San Francisco State University**

A motion was made to enter closed session at 10:04 A.M.

Motion: Leslie Davis  
Second: Dave Nirenberg

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
Dave Nakamura				X
Dave Nirenberg	X			
Brian Nowlin		X		
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

The Committee left closed session at 10:41 AM. The Chair reported that action was taken on Sandoval v. The University Corporation, CSU Northridge, Foster v. The University Corporation, CSU Northridge, Yu v. The University Corporation, CSU Northridge and Pourfarrokh v. Associated Students, Inc., San Francisco State University, during closed session.

**E. STANDING COMMITTEE REPORTS**

**E1. Programs Committee Report**

Mimi Long provided a brief report of the Program Committee’s recent activities. The committee met on February 25<sup>th</sup> and approved a new Scoring Matrix for the Risk Reduction Innovation Matching Grant Incentive Program with the goal of providing better grant guidelines to the members as well as providing parameters for grant approval. The Committee also reviewed a Member request for dividends to remain “on account” with CSURMA to accumulate over time. The Programs Committee was not in favor of this idea and therefore no future action was taken. The Committee reviewed changes to the property and crime programs which will be discussed during today’s meeting. The Committee approved Sonoma State Enterprises, Inc. as a new Workers’ Compensation Program member.

There was discussion regarding Food Trucks on campus and the general public’s expectation of safety. The Committee directed Staff to suggest Food Truck Disclaimer Wording to be posted at the point of sale. Staff will also request that information regarding food trucks be added to the

Special Events Manual that is currently being prepared. It was suggested that the manual should also include information about musical performances of different genres.

**E2. AOA Executive Committee Report**

Frank Mumford provided a report of the recent activities of the AOA Executive Committee. The AOA EC continues to discuss the open meetings laws.

**F. GENERAL ADMINISTRATION**

**F1. Chancellor's Office Services Budget Proposal for FY 2016/2017**

Mimi Long noted that CSURMA obtains services from Financial Services Administration & Accounting, Office of General Counsel, and Systemwide Risk Management within the Chancellor's Office under three memoranda of understanding. Each year, the CSURMA Executive Committee considers the services and budget proposals as a part of the budget adoption process. The annual cost for all three services will increase slightly due to a mandatory salary increase within the CSU.

This item is for information only as the Executive Committee will review and approve these agreements at its meeting later today.

**F2. Update of Excess Insurance Renewals**

Daniel Howell provided an update of FY 16/17 excess insurance renewals. Howell expects the workers' compensation and property renewals to be flat. There have been some losses within the crime program, so a small increase is expected. Also, AORMA has requested an optional crime quote of \$5,000,000 which will increase the overall program costs. Due to claims activity within the AORMA Reinsurance Layer - \$4,650,000 excess of \$350,000 - Genesis, the current reinsurer, will not offer acceptable renewal terms; therefore, Staff is marketing the reinsurance placement. Howell expects the reinsurance premium to increase significantly, as well as the necessity to increase the pooled layer above \$350,000.

**F3. Property Appraisals**

Mimi Long explained that every five years, Alliant Appraisal Services will appraise all real property locations within the AORMA Property Program with a replacement value at or above \$5,000,000 at no cost. AORMA can choose to have all of the real property appraised for an additional fee. The cost to appraise all of the Auxiliary's real property would be \$71,850. The Committee can decide to have appraisals of only those buildings with a value of more than \$1,000,000. The Committee review the appraisal fee schedule.

Real Property Replacement Value	Number of Locations to be Appraised	Fees Per Building	Total Fees	Responsible Party
\$5,000,000 and above	25	\$0	\$0	Paid by APIP
\$4,999,999 to \$1,000,000	66	\$250	\$16,500	Paid by AORMA
Less than \$1,000,000	369	\$150	\$55,350	Paid by AORMA

Five years ago, the AORMA Committee decided to pay to appraise only those buildings between \$1,000,000 and \$4,999,999. The Committee discussed an appraisal schedule of every five years the buildings between \$1,000,000 and \$4,999,999 would be appraised and every ten years all buildings would be appraised. The Committee directed Staff to add this requirement to a Policy and Procedure.

A motion was made to approve the cost of \$71,850 for the appraisals of all Auxiliary owned buildings.

Motion: Robert De Wit  
Second: Leslie Davis

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe			X	
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
Dave Nakamura				X
Dave Nirenberg	X			
Brian Nowlin		X		
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**F4. FY 2016/2017 CSURMA Operating Budget**

Mimi Long noted that CSURMA’s next fiscal year begins on July 1, 2016. The FY 2016/17 operating budget is to be approved by the Board of Directors at its May 6, 2016 meeting. The Chancellor’s Office Enterprise Accounting Services and the Program Administrators worked together to develop a draft FY 2016/17 budget for review at today’s meeting.

The Committee reviewed the major changes to the proposed **AORMA Programs** budget:

- Projected Liability Reinsurance Premiums increased from \$850,000 to \$1,000,000 in anticipation of increased costs due to claims activity within the pooled layer.
- Projected Liability Program increase in Claims Payments and Legal Expense from \$1,157,383 to \$1,700,777 due to actuarial projected claim trend.
- Projected Liability Program decrease in Reinsurance Recovery by \$5,993,779.
- Projected increase in Workers’ Compensation Claims Payments and Legal Expenses from \$2,671,580 to \$3,236,000 due to actuarial projected claim trend.
- Projected decrease in Workers’ Compensation Program Reinsurance Recovery by \$564,420 due to actuarial projected paid claims.
- Projected increase in Property contributions from \$2,204,231 to \$2,368,714 due to change in total insured values and expected insurance premiums. Premiums are subject to adjustment based on final reported total insured values (TIV) and final negotiated rates.
- Projected increase in Crime Program Contributions from \$299,468 to \$310,552 due to expected insurance premiums.
- Projected decrease in Contributions from \$2,595,674 to \$2,127,354 due to a reduction in Unemployment Insurance claims.

A motion was made to recommend approval of the draft proposed budget for FY 2016/17 to the Executive Committee.

Motion: Guy Dalpe  
Second: Keith Kompsi

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
David Nakamura		X		
Dave Nirenberg	X			
Brian Nowlin				X
Jim Reinhart	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**F5. AORMA Property Program Deductibles**

Mimi Long explained that the deductible for the AORMA Property Program was changed effective July 1, 2014 to \$5,000 Per Occurrence (*Personal Property & Business Interruption/Rents*), 1% of the Real Property Value (*Real Property*), subject to a minimum of \$5,000 and maximum of \$50,000.

Long notes that in retrospect, Staff believes that the 1% deductible amount is too high and makes assigning a deductible confusing. Auxiliary Organizations own very few buildings with values in excess of \$10,000,000. The Programs Committee reviewed the proposed deductible structure at its last meeting and is recommending adoption.

Real Property - Proposed Deductible Schedule			
Building Value		# of bldgs	Deductible
Less than	5,000,000	451	5,000
5,000,001	10,000,000		5,000
10,000,001	20,000,000	16	10,000
20,000,001	25,000,000		10,000
25,000,001	40,000,000	5	25,000
40,000,001	50,000,000		25,000
50,000,001	60,000,000	4	50,000
60,000,001	70,000,000		50,000
70,000,001	80,000,000		50,000
80,000,001	90,000,000		50,000
90,000,001	100,000,000		50,000
100,000,001	and above		50,000

A motion was made to adopt the revised real property deductible schedule retrospectively to July 1, 2014 and adjust one Member’s property deductible which results in a return of \$8,536 to Spartan Shops.

Dave Nakamura arrived to the meeting and expressed his desire to abstain for voting on all motions.

Motion: Guy Dalpe  
Second: Jim Reinhart

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X

Keith Kompsi	X			
Frank Mumford	X			
Dave Nakamura		X		
Dave Nirenberg	X			
Brian Nowlin				X
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

**MOTION CARRIED**

**F6. Crime Program – Amendments to the AORMA Memorandum of Coverage**

Mimi Long explained that ERISA requires all employee benefit plans to be bonded for at least 10% of the plan assets subject to a minimum bond amount of \$1,000 and a maximum bond amount of \$500,000. The current AORMA Crime Program provides a limit of \$2,000,000 which well exceeds the ERISA bonding requirement.

The AORMA Crime Program currently includes a \$5,000 per occurrence deductible. ERISA requires the bond to insure the plans for the first dollar of the loss. The AORMA memorandum of coverage is currently silent with regard to the ERISA required bond coverage as well as the \$0 deductible. The excess crime policy specifically adds coverage for the employee benefit plans. In order to clarify that the AORMA Crime Program does comply with the ERISA bonding requirement, the AORMA Crime Program memorandum of coverage has been amended as follows:

**Item 3: Limits of Liability:**

- 1. Per Occurrence - including coverage required by ERISA to protect employee benefit plans): .....\$25,000
- 2. Annual Aggregate for all Member losses paid within the Coverage Period .....\$100,000

**Item 4: Deductible:**

- 1. Per Occurrence:.....\$5,000
- 2. Per Occurrence – coverage required by ERISA to protect employee benefit plans: .....\$0

A motion was made to approve the amendments to the FY 16/17 the Crime Program memorandum of coverage (MOC) and to include the amendments in all prior year’s MOCs as well.

Motion: Guy Dalpe  
Second: Robert de Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
Dave Nakamura		X		
Dave Nirenberg	X			
Brian Nowlin				X
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**F7. AORMA Committee Nominations and Election**

Mimi Long explained that the AORMA Committee held an election at its December 10, 2015 meeting to fill the Chair and First Vice Chair seats; however, the Second Vice Chair seat still needs to be filled. Frank Mumford, the Nominating Committee chair announced that the Nominating Committee has nominated Gigi Kiama to run for the open seat for the term July 1, 2016 to June 30, 2018. Gigi Kiama has accepted the nomination. The AORMA Committee conducted its election and Gigi Kiama was elected the AORMA Committee Second Vice Chair for her first term of July 1, 2016 to June 30, 2018.

Long also noted that there are two seats up for re-election which are currently held by Leslie Davis and Dave Nakamura. The AORMA Committee ballots will be sent out in April.

**F8. Final 2016 CSURMA Meeting Calendar**

Mimi Long noted that the CSURMA board of directors meeting has been scheduled for November 2<sup>nd</sup> in Sacramento. Long pointed out that the meeting locations have been finalized as well. The committee reviewed the meeting dates and locations.

- March 10, 2016 at 10:00 AM (San Francisco) ..... AORMA
- May 5, 2016 at 10:00 AM (Chancellor’s Office) ..... AORMA
- May 6, 2016 at 10:30 AM (Chancellor’s Office) ..... BOD
- September 7, 2016 at 9:00 AM (Sacramento) ..... AORMA NMO

September 7, 2016 at 10:00 AM (Sacramento) .....	AORMA LRP
September 8, 2016 at 9:00 AM (Sacramento) .....	AORMA
<b>November 2, 2016 at 2:00 PM (Sacramento, FTPC) .....</b>	<b>EC</b>
<b>November 2, 2016 at 4:30 PM (Sacramento, FTPC) .....</b>	<b>BOD</b>
October 20, 2016 at 10:00 AM (San Francisco) .....	AORMA
December 1, 2016 at 10:00 AM (Chancellor’s Office) .....	EC

**F9. Analysis of Potential Liability Apportionment Between Auxiliary Organization and Campus**

Mimi Long pointed out the recommended changes to Policy and Procedure L-2 to confirm AORMA’s policy regarding liability apportionment between the Auxiliary Member and Campus or two Members. The committee reviewed the additional wording that has been added to Policy and Procedure L-2.

It is the policy of AORMA that the TPA will analyze all CLAIMs for potential liability apportionment between the Campus and the MEMBER or two or more MEMBERS and will provide notification to the PROGRAM DIRECTOR.

The TPA shall perform an analysis of all CLAIMs and lawsuits for potential liability apportionment between either the Campus and the MEMBER or between two or more MEMBERS.

- a. If the TPA believes there may be a basis for apportionment between the Campus and the MEMBER, the TPA will notify the PROGRAM DIRECTOR. The PROGRAM DIRECTOR will submit the matter to the MEMBER Executive Director and the Campus Vice President of Administration and Finance, or their designees, to determine whether apportionment is appropriate and, if so, what apportionment percentages should apply. In the event they are unable to reach agreement regarding apportionment and/or apportionment percentages, the matter will be submitted for decision to the CSURMA Secretary-Auditor who will review the matter with the Executive Vice-Chancellor/Chief Financial Officer of the California State University. The decision of the CSURMA Secretary-Auditor shall be final, non-appealable and binding.
  
- b. If the TPA believes there may be a basis for apportionment between two or more MEMBERS, the TPA will notify the PROGRAM DIRECTOR. The PROGRAM DIRECTOR will submit the matter to the Executive Directors of the MEMBERS, or their designees, to determine whether apportionment is appropriate and, if so, what apportionment percentages should apply. In the event they are unable to reach agreement regarding apportionment and/or apportionment percentages, the matter will be submitted for decision to the CSURMA Secretary-Auditor who will review the matter with the Executive Vice-Chancellor/Chief Financial Officer of the

California State University. The decision of the CSURMA Secretary-Auditor shall be final, non-appealable and binding.

Zachary Gifford explained that the excess insurance / reinsurance underwriters want to be assured that liability is apportioned as appropriate and that there is a procedure in place.

A motion was made to approve the revisions to Policy and Procedure L-2.

Motion: Keith Kompsi  
Second: Cheree Aguilar

NAME	AYE	ABSTAIN	NAY	ABSENT
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
David Nakamura		X		
Dave Nirenberg	X			
Brian Nowlin				X
Jim Reinhart	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**F10. Carl Warren & Company Third Party Liability Claims Administration Contract Renewal**

Mimi Long stated that the current five-year contract with Carl Warren & Company for third party liability claims administration is due to expire on June 30, 2016. A three-year contract with two one-year options is being proposed.

The proposed agreement has been updated to include the terms added by addendum to the July 1, 2011 contract as well as the requirement that Carl Warren & Company provide an analysis of all claims for potential liability apportionment. The committee reviewed the proposed contract and proposed rating structure:

<b>Carl Warren &amp; Company – Proposed Contract Rates</b>		
<b>Term</b>	<b>Adjuster Service Rate Per Billable Hour / Unit</b>	<b>RMIS &amp; Administration</b>
FY 15/16 (Current)	\$58	\$14,000
FY 16/17	\$58	\$14,000
FY 17/18 and FY 18/19	\$60	\$15,000
FY 19/20 and FY 20/21	\$62	\$16,000

A motion was made to delegate authority to the CSURMA Secretary-Auditor to finalize and execute the contract as well as to include any changes recommended by the CSURMA JPA Legal Counsel.

Motion: Keith Kompsi  
Second: Cheree Aguilar

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Cheree Aguilar	X			
Guy Dalpe	X			
Leslie Davis	X			
Gigi Kiama				X
Keith Kompsi	X			
Frank Mumford	X			
David Nakamura		X		
Dave Nirenberg	X			
Brian Nowlin				X
Jim Reinhart	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Dwayne Brummett	X			
Robert de Wit	X			

Motion carried.

**G. INFORMATIONAL ITEMS**

The committee reviewed the following information items.

- G1. Service Provider Performance Evaluation of CSURMA Vendors**
- G2. FY 2015/2016 AORMA Long Range Action Plan**
- G3. CSURMA AORMA 2016 Meeting Calendar**
- G4. CSURMA AORMA Program Administrator Contact Lists**
- G5. CSURMA AORMA Committee Contact List**
- G6. AORMA Travel Reimbursement Policy**

**H. ADJOURNMENT**

The meeting was adjourned at 12:47 PM.

## **PROGRAMS COMMITTEE REPORT**

**ISSUE:** The Committee Members will not hear a verbal report on recent activities as the Programs Committee has not meet since the AORMA Committee meeting on March 10, 2016.

**RECOMMENDATION:** This is an information item only; no action is required.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None

**AOA EXECUTIVE COMMITTEE REPORT**

**ISSUE:** The AORMA Chair attends the AOA Executive Committee meetings and reports on recent AORMA activities. The Committee will hear a brief verbal overview of the AOA Executive Committee meeting.

**RECOMMENDATION:** This item is for information only; no action is requested.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**UPDATE OF EXCESS INSURANCE RENEWALS**

**ISSUE:** Staff will provide a verbal report at today's meeting regarding the reinsurance and excess insurance renewals.

**RECOMMENDATION:** This item is for information only.

**FISCAL IMPACT:** To be determined. The final pricing is still being negotiated, but Staff will provide estimates at today's meeting.

**BACKGROUND:** The CSURMA Secretary-Auditor has been authorized to finalize negotiations with insurers and to bind insurance on behalf of the CSURMA.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**REVISED LIABILITY MEMORANDUM OF COVERAGE**  
**EFFECTIVE JULY 1, 2016**

**ISSUE:** Insurance companies regularly review their policy forms and make revisions to reflect industry trend and claims experience. Similarly, it is prudent for AORMA to review its coverage form and make amendments as necessary to maintain coverage quality for its members, and as may be needed for effective placement of reinsurance and excess insurance to manage AORMA's claim liabilities. Staff has drafted the revised AORMA Liability Program Memorandum of Coverage (MOC) to become effective July 1, 2016. The AORMA Liability Program MOC, the Campus Liability Risk Pool MOC and the primary excess liability insurance MOC were designed to use the same basic coverage form. Specialty wording will be added to each form as appropriate. Staff will present a summary of the proposed revisions and highlight significant changes at today's meeting.

**RECOMMENDATION:** The AORMA Committee is asked to review the draft AORMA Liability Program MOC and adopt it for use effective July 1, 2016.

**FISCAL IMPACT:** There are no direct fiscal impact as the recommended revisions serve to clarify AORMA's original intent. However, changes in coverage may impact future funding requirements to the extent that coverage is broadened or limited.

**BACKGROUND:** The AORMA Liability Program MOC has been customized to meet the specific needs of the CSU Auxiliary Organizations.

**PUBLICATION:** None at this time.

**ATTACHMENTS:**

- a. Draft AORMA Liability Program Memorandum of Coverage

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

Throughout this Memorandum, words and phrases that appear in **boldface** type have special meanings. They are defined in SECTION VI, **DEFINITIONS** and/or with respect to **Covered Parties** in Section IV - **Covered Parties**.

The California State University Risk Management Authority Auxiliary Organizations Risk Management Alliance (hereinafter called CSURMA AORMA) is an intergovernmental agency, risk sharing, joint powers authority, duly formed pursuant to California Government Code Sections 6500-6512, and other provisions of law.

This Memorandum of Coverage does not provide insurance, but instead provides for pooled self-insurance. This Memorandum is a negotiated agreement among the **Members** of the CSURMA AORMA, and none of the parties to the Memorandum is entitled to rely on any contract interpretation principles which require interpretation of ambiguous language against the drafter of such agreement. This Memorandum shall be applied according to the principles of contract law, giving full effect to the intent of the **Members** of the CSURMA AORMA.

In consideration of payment of the contribution and subject to the limit of liability set forth in the Declarations and other terms of this Memorandum, as follows:

**SECTION I – DEFINITIONS**

- A. **Additional Covered Party** means any person, organization, board member or estate who is specifically endorsed to this Memorandum by written endorsement and to whom or to which the **Member** is obligated by virtue of written contract to provide coverage as is afforded by this Memorandum, but only with respect to operations performed by or on behalf of the **Member** or facilities owned or used by the **Member**. The limit and scope of coverage afforded by endorsement to this Memorandum shall be no broader than that which is required by such contract and shall in no event be broader than the coverage afforded by this Memorandum or endorsements to this Memorandum.

The coverage does not extend, either with respects to defense or indemnity to the sole negligence, or to the willful misconduct or any **person or organization obligated by written contract or by a specific endorsement**.

- B. **Administration**, with respect to **Employee Benefits Liability**, means:
1. Providing information to **Employees**, including their dependents and beneficiaries, with respect to eligibility for or scope of **Employee Benefit Programs**;
  2. Handling records in connection with the **Employee Benefit Program**; or
  3. Effecting, continuing or terminating any **Employees'** participation in any benefit included in the **Employee Benefit Program**.

However, **Administration** does not include handling payroll deductions.

- C. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air, but does not include **Unmanned Aerial Vehicle**.
- D. **Automobile** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment, but **automobile** does not include **Mobile Equipment**.
- E. **Auto Liability** means liability for **Bodily Injury** or **Property Damage** arising from the ownership, maintenance, operation, use, loading or unloading of an **Automobile**.
- F. **Bodily Injury** means bodily injury, sickness, disease or death, including but not limited to shock, mental anguish, mental injury and humiliation sustained by any person that occurs during the Policy Period. **Bodily Injury** includes damages claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.
- G. **Claim** means:
  - 1. A written demand to a Member for payment of Damages received by the CSURMA AORMA Secretary-Auditor or by the chief executive, Risk Manager, or general counsel of a Member; and/or
  - 2. A civil proceeding against a Member in which Damages are sought on account of Bodily Injury, Property Damage, Personal Injury or a Medical Malpractice Occurrence, Errors and Omissions Occurrence, Employee Benefits Liability Occurrence or Employment Practices Liability Occurrence to which this insurance applies, including an arbitration or other alternative dispute resolution proceeding in which monetary Damages are sought and to which the Member must or does submit with our written consent.
- H. **Completed Operations Hazard** includes **Bodily Injury** and **Property Damage** arising out of **operations** or reliance upon a representation or warranty made at any time with respect thereto, but only if the **Bodily Injury** or **Property Damage** occurs after such **operations** have been completed or abandoned and occurs away from premises owned by or rented to **you**. **Operations** include materials, parts or equipment furnished in connection therewith. **Operations** shall be deemed completed at the earliest of the following time:
  - 1. When all operations to be performed by or on behalf of you at the site of the operations have been completed.
  - 2. When all operations to be performed by or on behalf of you under the contract have been completed; or
  - 3. When the portion of the work out of which the injury or Damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project

**Operations** which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete shall be deemed completed. The **Completed Operations Hazard** does not include **Personal Injury** or **Property Damage** arising out of:

- 1. Operations in connection with the transportation of property unless the Personal Injury or Property Damage arises out of a condition in or on a vehicle created by the Loading or Unloading of that vehicle by any Insured; or

2. The existence of tools, uninstalled equipment or abandoned or unused materials.

I. **Coverage Period** means the period of coverage provided under this Memorandum as shown on the Declarations Page.

J. **Covered Individuals** means persons who are past or present elected or appointed officials, employees or appointed volunteers of the **Member**, whether or not compensated while acting for or on behalf of the **Member**, including while acting on outside boards at the direction of the **Member**. Covered Individuals do not include employees of nonmember organizations, including, but not limited to auxiliary organizations, alumni associations and volunteer university support groups.

K. Covered Party means the entities or individuals named in Section IV – COVERED PARTIES as being covered by this document.

L. Dam means any artificial barrier together with appurtenant works which:

1. Is twenty-five feet or more in height from the foot of a natural bed of stream or watercourse; or
2. Has water impounding capacity of fifty acre feet or more.

Except, any such barrier which is not in excess of twenty-five (25) feet in height regardless of storage capacity, or which has a storage capacity not in excess of fifteen (15) acre feet regardless of height, shall not be considered a **dam**; and, no structure specifically exempted from jurisdiction by the applicable state agency overseeing **dams** shall be considered a **dam**, unless such structure is under the jurisdiction of any agency of the federal government.

M. Damages includes damages for death and for care and loss of services resulting from Personal Injury and damages for loss of use of property resulting from Property Damage, and losses for Wrongful Acts as defined in this Policy.

N. Defense costs means reasonable fees charged by an attorney, including expenses of a claims servicing organization the Member has engaged, and all other reasonable fees, costs, including third-party attorney's fees and costs as authorized by law or under contract, and expenses attributable to the investigation, defense, administration or appeal of a claim or suit within the scope of coverage afforded by this policy. Defense costs shall include any allocated claims expenses, salaries or overhead incurred by attorneys who are employees of the California State University's Office of General Counsel. However, such expenses in "defense costs" shall be limited at \$250 per hour.

O. Discrimination, as respects Employment Practices Liability, means the actual or alleged failure to employ, failure to promote, or the demotion or transfer of any Employee because of race, color, creed, national origin, sex, sexual orientation or preference, religion, age, gender, disability or handicap or pregnancy. Discrimination, other than as respects Employment Practices Liability, means Bodily Injury, Personal Injury and/or Errors and Omissions liability arising from alleged acts, errors or omissions showing favor, prejudice or bias for or against a person because of race, color, creed, national origin, sex, sexual orientation or preference, religion, age, gender, disability or handicap or pregnancy.

P. **Employee** means:

1. Any person who has an assigned work schedule for the Member and is on the Member's regular payroll; and
2. Any person who is leased to the Member through a staffing or temporary agency and is working for the Member under the Member's supervision, including a Leased Worker.
3. Employee does not include independent contractors. An Employee's status as a Covered Party will be determined as of the date of the Occurrence or Wrongful Act upon which a Claim involving the Employee is based; and
4. As respects Employment Practices Liability and Employee Benefit Liability and when appearing in boldface type in this Memorandum, means any present or former Employee of the named Covered Party; and
5. Solely as respects Employment Practices Liability arising from alleged Discrimination with respect to negligent hiring, only, Employee includes an applicant for employment

Q. Employee Benefits Liability means liability for actual or alleged Errors and Omissions in the Administration of a Member's Employee Benefit Program.

R. Employee Benefit Program means a program providing some or all of the following benefits to Employees:

1. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts;
2. Profit sharing plans, Employee savings plans, Employee stock ownership plans, pension plans and stock subscription plans; and
3. Unemployment insurance, social security benefits, workers' compensation and disability benefits.

S. **Employment Practice Liability** means any claim or **suit** by a past, present or prospective employee of CSURMA AORMA (and the spouse, child, parent, brother or sister of that person as a consequence of **employment practices liability** at whom any of the **employment practices liability** is directed) arising out of the following **wrongful acts**: wrongful dismissal, discharge, or termination, either actual or constructive, of employment; employment related misrepresentation; **retaliation**; wrongful failure or refusal to employ or promote; wrongful deprivation of career opportunity or reassignment; wrongful discipline; failure to grant tenure or negligent employee evaluation; sexual or workplace harassment or humiliation of any kind, including, but not limited to, the alleged operation of a harassing workplace environment; negligence resulting in **damages** to a person that is a **whistle-blower**; unlawful discrimination, whether direct, indirect, intentional or unintentional; failure to provide adequate employee policies and procedures; or any act, error, or omission in the **administration** of the **CSURMA AORMA's Employee Benefit Program**. **Employment practices liability** shall include actions brought under state, local, or federal law, whether common or statutory, and shall include, but not limited to allegations of violations of the following federal laws, as amended, including regulations promulgated thereunder:

1. Americans With Disabilities Act of 1992 (ADA)
2. Civil Rights Act of 1991

3. Age Discrimination In Empowerment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990
4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978;
5. Civil Rights Act of 1866, Section 1981; and
6. Fifth and Fourteenth Amendments of the U.S. Constitution.

T. **Errors and Omissions** means any actual or alleged misstatement or misleading statement or act or omission or neglect or breach of duty or lack of ordinary skill in the performance of a professional act including misfeasance, malfeasance or nonfeasance by **Covered Individuals** individually or collectively in the discharge of their duties for the **Member**, or any matter claimed against them solely by reason of their being or having been public officials.

U. **Impaired Property** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

1. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or "your" fulfilling the terms of the contract or agreement.

V. **Land Subsidence** means the movement of land or earth, including, but not limited to, sinking or settling of land, earth movement, earth expansion, and/or contraction, landslide, slipping, falling away, caving in, eroding, earth sinking, and earth rising or shifting or tilting.

W. **Leased Worker** means a person leased to the **Member** by a labor-leasing firm under a previously executed written agreement between the **Member** and the labor-leasing firm, to perform duties related to the conduct of the **Member**.

X. **Loss Adjustment Expense** means all costs and expenses incurred by the **Member** in connection with the investigation, appraisal, negotiation, adjustment, settlement, litigation, defense or appeal of a specific **claim** or loss, including but not limited to defense attorney fees, court costs, costs of supersedeas and appeal bonds, monitoring counsel expenses, post-judgment interest, pre-judgment interest (unless included as part of an award), subrogation, salvage and recovery expense, costs and expenses in connection with coverage questions and legal actions and other associated costs and expenses. **Loss Adjustment Expense** shall also include a pro-rata share of salaries and expenses of **Member** in-house counsel who are **Employees** while working as outside adjusters according to time spent on specific **claims**, fees and expenses of outside adjusters, including Third Party Administrators (TPA), associated with specific **claims**, but excluding any **Loss Adjustment Expense** and fees paid to a TPA that are not allocable to a specific **claim**. **Loss Adjustment Expense** does not include salaries and expense of Entity **Employees** except as provided above as well as office and other overhead expenses.

Y. **Medical Malpractice Liability** means liability for **Bodily Injury** arising from **Medical Malpractice**.

- Z. **Media Wrongful Act** means any actual or alleged:
1. Invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, or misappropriation of name or likeness;
  2. Wrongful entry or eviction, trespass, eavesdropping, or other invasion of the right of private occupancy;
  3. Libel, slander, disparagement, or any other form of defamation or harm to the character or reputation of any person or entity;
  4. Outrage, infliction of emotional distress or prima facie tort;
  5. Infringement or dilution of trademark, trade name, trade dress, title, slogan, service mark or service name;
  6. Copyright infringement, plagiarism, piracy, breach of implied contract, or misappropriation of property rights, information or ideas;
  7. Breach of a promise of confidentiality or anonymity;
  8. Error or omission in content;
  9. Unfair competition or conspiracy
  10. Breach of an indemnification or hold harmless agreement relating to claims arising out of the media, but only when such claims allege a **Media Wrongful Act** falling within sections 1-9 above; solely when committed or allegedly committed by an **Covered Party** in is, her or its capacity as such and in connection with the creation or dissemination of media, or in connection with the creation or dissemination of advertising materials relating to media.
- AA. **Member** means the Member named in the Declarations.
- BB. **Member's Retained Limit** - As shown on the Declaration Page of this Memorandum the amount of each **Ultimate Net Loss** which the **Member** has to pay irrespective of the amount of the **Ultimate Net Loss**.
- CC. **Mobile Equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;
  4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - a) Power cranes, shovels, loaders, diggers or drills; or

- b) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- 5. Vehicles not described in Paragraph 1, 2, 3 or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a) Air compressors, pumps and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b) Cherry pickers and similar devices used to raise or lower workers;
- 6. Vehicles not described in Paragraph 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **Mobile Equipment** but will be an **Automobile**.

- a) Equipment designed primarily for:
  - i. Snow removal;
  - ii. Road maintenance, but not construction or resurfacing; or
  - iii. Street cleaning;
- b) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c) Air compressors, pumps and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment.

However, **Mobile Equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

DD. **Mold(s)** means to include, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produces molds.

EE. **Occurrence:**

- 1. With respect to **Bodily Injury** or **Property Damage** means an accident or event, including continuous or repeated exposure to conditions, which, during the coverage period, results in injury or damage to which this coverage applies; provided, such injury or damage is neither expected nor intended from the standpoint of the **Member**.
- 2. With respect to **Personal Injury: Occurrence** means any of the offenses described in the definition of **Personal Injury** in this Section I - Definitions, that is committed during the **Coverage Period**.

3. With respect to **Medical Malpractice: Occurrence** means an **Occurrence** arising out of the conduct described in the definition of **Medical Malpractice** in this Section I - Definitions, that is committed during the **Coverage Period**.
4. With respect to **Errors and Omissions: Occurrence** means any of the conduct described in the definition of **Errors and Omissions** in this Section I - Definitions that is committed during the **Coverage Period**.
5. With respect to **Employment Practices Liability: Occurrence** means any of the conduct described in the definition of **Employment Practices Liability** in this Section I – Definitions that is committed during the **Coverage Period**.
6. With respect to **Employee Benefit Liability: Occurrence** means any of the conduct described in the definition of **Employee Benefits Liability** in this Section I – Definitions that is committed during the **Coverage Period**.
7. With respect to **Media Wrongful Acts: Occurrence** means any of the conduct described in the definition of **Media Wrongful Act** in this Section I – Definitions that is committed during the **Coverage Period**.

FF. **Personal Injury** means any of the following offenses:

1. False arrest, detention, or imprisonment or malicious prosecution;
2. Shock, mental anguish, mental injury or humiliation
3. Publication or utterance of a libel or slander or of other defamatory or derogatory material, or a publication or utterance in violation of an individual’s right of privacy;
4. Wrongful entry or eviction or other invasion of the right of private occupancy;
5. Discrimination or violation of civil rights other than Employment Practices Liability, not intentionally committed by or at the direction of the Covered Party;

GG. **Pollutant** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. The term **Pollutant** as used herein is not defined to mean potable water or agricultural water or water furnished to commercial users.

HH. **Property Damage** means:

1. Physical injury to or destruction of tangible property which occurs during the coverage period, including the loss of use thereof at any time resulting from therefrom;
2. Loss of use of tangible property, which has not been physically injured or destroyed, provided such loss of use is caused by an **Occurrence** during the coverage period.

- II. **Sexual Harassment** shall mean any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature, of a person by another person, or person acting in concert, which causes physical and/or mental injuries. **Sexual Harassment** also includes the above conduct when:
1. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment, or a basis for employment decisions affecting a person; or
  2. Such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

**Sexual Harassment** does NOT include **Sexual Misconduct** as defined in this Memorandum.

JJ. **Sexual Misconduct** means:

1. The actual, attempted or alleged abuse or molestation of a person by another person, or persons acting in concert which causes physical and/or mental injuries. Sexual molestation includes: sexual abuse, sexual assault, sexual exploitation or sexual injury; or
2. The negligent employment, investigation, supervision, reporting to the proper authorities or failure to report the above of a **Covered Person**.

KK. **Ultimate Net Loss** as contained in the Declarations of this Memorandum means the amount of paid **Claims** and liability for **Damages** for which the **Member** is responsible on a per **Occurrence** basis, and which the **Member** actually pays in cash, after making proper deduction for all recoveries and salvages collectible. **Ultimate Net Loss** includes defense attorney fees and costs of the **Member** in defense of the **claim** and also includes court costs, **Loss Adjustment Expenses**, and other associated costs and expenses, but does not include any salaries of the **Member's** regular employees. **Ultimate Net Loss** shall not include any of the above-described expenses for damages against a **Member** or defense expenses incurred because of liability excluded by this Memorandum.

LL. **Unfair Employment Practices** means:

1. Any circumstance relating to a past, present or prospective **employee** of the **Member** (and the spouse, child, parent, brother or sister of that person as a consequence of **unfair employment practices** that person at whom any of the employment-related practices described below is directed) for or arising out of any actual or alleged wrongful dismissal, discharge, or termination either actual or constructive, of employment, employment related misrepresentation, retaliation, wrongful failure or refusal to employ or promote, wrongful deprivation of career opportunity or reassignment, wrongful discipline, failure to grant tenure or negligent **employee** evaluations; or
2. Sexual or workplace harassment or humiliation of any kind, including but not limited to, the alleged operation of a workplace harassing workplace environment, or
3. Actual or alleged negligence resulting in **damages** to a person that is a "whistle blower", unlawful **discrimination**, whether direct, indirect, intentional or unintentional, or
4. Failure to provide adequate **employee** policies and procedures.

**Unfair employment practices** shall include actions brought under state, local, or federal law, whether common or statutory, and shall include, but not be limited to allegations of violations of the following federal laws, as amended, including regulations promulgated there under:

1. Americans with Disabilities Act of 1992 (ADA);
2. Civil Rights Act of 1991;
3. Age **Discrimination** in Employment Act of 1967 (ADEA), including the Older Workforce Benefit Protection Act of 1990;
4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy **Discrimination** Act of 1978;
5. Civil Rights Act of 1866, Section 1981; and
6. Fifth and Fourteenth Amendments of the U.S. Constitution.

MM. The following definitions are applicable only to Exclusion I:

1. Hazardous properties include radioactive, toxic or explosive properties;
2. Nuclear material means source material, special nuclear material or byproduct material;
3. Source material, special nuclear material and byproduct material have the meaning given in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. Spent fuel means fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
5. Waste means any waste material, (a) containing a byproduct material and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph a. or b. thereof;
6. Nuclear Facility means:
  - a) Any **nuclear reactor**;
  - b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging **waste**;
  - c) Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the **Member** at the premises where such equipment or device is located consists of or contains more than 25 grams plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

- d) Any structure, basin, excavation site premises or place prepared or used for the storage or disposal of **waste** and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- 7. Nuclear Reactor means any apparatus designed or used to sustain nuclear fission in a supporting chain reaction or to contain a critical mass of fissionable material.

With respect to injury to or destruction of property, the word injury or destruction includes all forms of radioactive contamination of property.

NN. **Unmanned Aerial Vehicle** means any vehicle without a human pilot aboard capable of flight principally in the air that is designed for the transport of equipment and weighing no more than 100 lbs. maximum take-off weight.

OO. **Your Product** means:

- 1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - a) You;
  - b) Others trading under your name; or
  - c) A person or organization whose business or assets you have acquired; and
- 2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- 3. Includes:
  - a) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - b) The providing of or failure to provide warnings or instructions.
  - c) Does not include vending machines or other property rented to or located for the use of others but not sold.

PP. **Your Work:**

- 1. Means:
  - a) Work or operations performed by you or on your behalf; and
  - b) Materials, parts or equipment furnished in connection with such work or operations.
- 2. Includes:
  - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

- b. The providing of or failure to provide warning or instructions.

QQ. **Wrongful Termination** means the actual, alleged or constructive termination of an employment relationship between an **Employee** and a **Member** in a manner and/or a reason which is contrary to applicable law.

## SECTION II - COVERAGES

Subject to the **Member's retained limit**, the CSURMA AORMA agrees:

To pay on behalf of the **Member** those sums for **Ultimate Net Loss** in excess of the **Member's retained limit** which the **Member** shall become obligated to pay as **Damages** (1) by reason of liability assumed by the **Member** by contract because of **General Liability, Automobile Liability, Errors and Omissions Liability, Employee Benefits Liability, Employment Practices Liability, Medical Malpractice Liability** and **Products/Completed Operations Liability** arising from operations of the **Member** to which this Memorandum applies caused by an **Occurrence** (2) by reason of liability imposed by law because of **General Liability, Automobile Liability, Errors and Omissions Liability, Employee Benefits Liability, Employment Practices Liability, Medical Malpractice Liability** and **Products/Completed Operations Liability** arising from operations of the **Member** to which this Memorandum applies caused by an **Occurrence**.

## SECTION III - LIMITATIONS UPON CSURMA AORMA'S LIABILITY

Regardless of the number of (1) persons or entities covered under this Memorandum, or (2) persons or organizations who sustain injury or damage, or (3) **Claims** made or suits brought because of injury or damage, the CSURMA AORMA's liability for damages is limited as follows:

The CSURMA AORMA's liability for **damages** shall be only for the **Ultimate Net Loss** in excess of the **Member's retained limit** not to exceed the **Limit of Liability** shown in the Memorandum, as the result of any one **Occurrence**. There is no limit to the number of **occurrences** during the document period for which **Claims** may be made.

The **Member's retained limit** applies to each such **Occurrence** without regard to exclusions, limitations or exhaustion of aggregate limits in underlying or contributing coverage, insolvency of any insurance carrier or insurance pool, or any circumstances wherein underlying or contributing coverage is uncollectible.

For the purpose of determining the CSURMA AORMA **Limit of Liability** and the **Member's retained limit**, all **Damages** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **Occurrence**.

This Memorandum applies to **Occurrences**, which take place anywhere in the world during the specified **Coverage Period** stated in the Declarations of this Memorandum.

The term **Covered Party** is used severally and not collectively. The **Limit of Liability** and **Member's retained limit** as stated in the Declarations apply separately to each **Covered Party**. In the event of an **Occurrence** for which more than one **Covered Party** is or may be held liable, one **Member retained limit** and one **Limit of Liability** coverage will apply. CSURMA AORMA's liability for all **Covered Parties** shall not exceed the **Limit of Liability** set forth in Declarations.

An **Occurrence** with a duration of more than one coverage period shall be treated as a single **Occurrence** arising during the coverage period when the **Occurrence** ends even if the **Occurrence** began before any applicable coverage period of the CSURMA AORMA and under no circumstances shall the fact that said **Occurrence** has a duration of more than one coverage period entitle a **Covered Party** to more than one Limit of Liability or to coverage under more than one Memorandum.

#### SECTION IV - COVERED PARTIES

The parties covered by the CSURMA AORMA:

- A. The **Member** named in the selected deductible form.
- B. The following individually and collectively, when acting solely within the scope of their duties, office, or employment for the named **Member**:
  - 1. Governing Board.
  - 2. Officers.
  - 3. Employees.
  - 4. Non compensated individuals, while acting for or on behalf of the **Member**
- C. **Additional covered parties** as defined in Section I, A. of this document.
- D. **Covered individuals** as defined in Section I, J. of this document.

#### SECTION V – EXCLUSIONS

This Memorandum shall not apply to and CSURMA AORMA shall not be obligated to make any payment or defend any lawsuit in connection with any **Claim** for liability or **Damages**:

- A. Aircraft - For any liability for damages arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft capable of flight. This exclusion does not apply to static aircraft, or to an **Unmanned Aerial Vehicle**.
- B. Asbestos - Arising out of or related to the presence of, or installation or removal of, asbestos or any product containing asbestos material.
- C. Aviation Activities - To liability for **damages** arising out of the ownership, maintenance, loading or unloading, use or operation of any:
  - 1. **Aircraft**
  - 2. Airfields;
  - 3. Runways;
  - 4. Hangars; or

5. Buildings of other properties in connection with aviation activities.

This exclusion shall not apply, however, to those areas open to the public for the purpose of entering, leaving, or using the airport facilities (including parking lots and garages).

This exclusion shall not apply, however, to the maintenance and operations of permanently stationary **aircraft** used for instructional purposes only.

- D. **Bodily Injury** - To Bodily Injury to any of your employees arising out of and in the course of employment by you, but this exclusion does not apply to Workers' Compensation Coverage B, Employers Liability, or Stop Gap Liability, as defined by the National Council on Workers' Compensation Insurance or **Employment Practice Liability**.

With respect to **Employment Liability, bodily injury**, to any **employee** of the **Member** arising out of and in the course of his/her employment by any **Member**; but this exclusion does not apply to liability assumed by any **Member** under any written contract.

- E. **Contractual Obligations** - The actual or alleged failure to perform or breach of any contract, agreement or other guarantee or promise, except this exclusion does not apply to any employment related contracts as provided under Employment Practices Liability.

- F. **Dams** - To any liability arising out of the rupture, bursting, overtopping, accidental discharge or partial or complete failure of any Dam.

- G. **Employment Benefit Liability**

1. Arising out of an insufficiency of funds to meet any obligations under any plan included in the **Employee Benefit Program**
2. Failure of any investment to perform;
3. Errors in providing information on past performance of investment vehicles; or
4. Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the **Employee Benefit Program**.
5. For any **Employee Benefits Liability Claim** for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the **Covered Party**, from the applicable funds accrued or other collectible insurance.
6. For taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

Except as provided within the Fiduciary Liability Coverage endorsement.

- H. **Eminent Domain and Inverse Condemnation** - For any loss, damage or expense arising out of or related to, either directly or indirectly, from any claim, suit or demand arising from or in connection with the direct condemnation of property or exercise of power of eminent domain by the Member or on the Member's behalf, or inverse condemnation, or any taking of property by the Member which is compensable under the

Fifth or Fourteenth Amendments to the United States Constitution, or any taking of property by the Member which is compensable under the law of the State in which the Claim is made.

This exclusion shall not apply to physical injury or to destruction of tangible property, including all resulting loss of use of such property, for which the **Member** may be legally responsible and for which recovery is sought for **Claims** for inverse condemnation, by whatever name called; provided, however, that in any case in which a **Claim** for inverse condemnation, by whatever name called, is made against the **Member**, coverage shall only exist for physical injury to or destruction of tangible property, including all resulting loss of use of that property, and there shall be no coverage for reduced value of property (diminution of value), attorney fees, expert fees, severance damages, relocation costs or any other form of relief, however denominated.

- I. ERISA - For the violation of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act, the National Labor Relations Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, and any rules or regulations of the foregoing promulgated thereunder, and amendments thereto, or any similar federal, state, local, or foreign statutory law or common law; provided, however, this exclusion shall not apply to **Employment Practices Liability** for an alleged violation of the Equal Pay Act.

Except as provided within the Fiduciary Liability Coverage endorsement.

- J. Fiduciary Liability - To liability arising out of;
  1. The purchase, or sale, or offer of sale, or solicitation of any security, or decline in price or value of any security, debt, bank deposit or financial interest or instrument;
  2. Any representation made at any time in relation to the price or value of any security, debt, bank deposit or financial interest or instrument; or
  3. Any depreciation or decline in price or value of any security, debt, bank deposit or financial interest or instrument;

Except as provided within the Fiduciary Liability Coverage endorsement.

- K. Funds, Grants or Appropriations - For the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations for the return of such funds, grants, or appropriations for any reason. However, costs to defend any action or suits brought against any **Covered Party** for such causes of action shall be considered **Ultimate Net Loss** unless the **Covered Party's** alleged conduct was outside the scope of employment.

However, CSURMA AORMA will defend any action or suits brought against any **Covered Party** for the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations or for the return of such funds, grants or appropriations for such causes of action, unless their alleged conduct was outside the scope of employment, subject to the CSURMA AORMA SIR program sublimit of \$250,000 per **occurrence**.

- L. Insolvency - Arising by contract, operation of law, or otherwise, from **Covered Party's** participation or membership, whether voluntary or involuntary, in any insolvency fund. "Insolvency Fund" includes any guaranty fund, insolvency fund, plan, pool, association, fund or other arrangement, howsoever

denominated, established or governed, which provides for any assessment of or payments or assumption by CSURMA AORMA or any **Covered Party** of part or all of any **claim**, debt, charge, fee or other obligation of an insurer, or its successors or assigns, which has been declared by any competent authority to be insolvent, or which is otherwise deemed unable to meet any **claim**, debt, charge, fee or other obligation in whole or in part.

- M. Intentional Conduct - Arising out of any intentional, dishonest, fraudulent, criminal or malicious act, committed by any **Covered Party**, including the willful or reckless violation of any statute.

This exclusion shall not apply to any vicarious liability that any **Member** has with regards to the managerial, advisory, supervisory, or controlling obligations over the action of another.

Defense coverage will be provided until a **Covered Party** is proven to have engaged in fraudulent or dishonest conduct, through final adjudication or judgment.

- N. Lack of Occurrence - For injuries or damages which do not arise out of an **Occurrence** as defined in this Memorandum;

- O. Land Use - To any liability for **damages** arising from any claim, suit or proceeding arising from allegations related to land use, land planning or land development. However, CSURMA AORMA shall defend the **Covered Party** up to an amount not exceeding \$250,000 **ultimate net loss** for such liability.

This exclusion shall not apply, however, to any land use litigation where suits or claims for land use litigation are a result of negligence proven on the part of a **Covered Party**. Nothing herein shall act to increase the limit of liability.

- P. Lead - Arising out of, resulting as a consequence of, or related to lead whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

- Q. Medical Malpractice - To any liability arising out of the operation of any hospital, clinic, or health care facility, owned or operated by any **Member**. This includes, but is not limited to:

1. The rendering or failure to render:
  - a. Medical, surgical, dental, x-ray or nursing service or treatment, or furnishing of food or beverages in connection therewith;
  - b. Any service or treatment related to physical or mental health or of a professional nature;
  - c. Any cosmetic or tonsorial service or treatment.
  - c. The furnishing of or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to liability arising out of

1. Ambulance operations, occupational physical examinations, student nursing programs, infirmaries, on-clinic nursing services or services of the Insured's employees who are nurses, physician

assistants, paramedics, emergency medical technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists;

**2. Employment Practices Liability;**

3. First aid to any person. For the purposes of this exception, first aid means the immediate and emergency care given to an ill or injured person before regular medical aid can be obtained.
4. Any medical services clinic that does not perform invasive surgery of any kind; or
5. Operations performed by coroners.
6. Volunteer medical personnel while attending an activity sponsored by the Insured or while on school premises under the **Member's** control.

R. Mold - Arising from **mold, moss, mildew, fungi, spores, bacterial infestation or any similar organism, wet or dry rot and extremes of temperature or humidity**. This includes, but is not limited to, the cost for investigation, testing, and remediation services. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

S. Non-Compensatory Amounts and/or Damages - For any non-monetary equitable redress or form of relief other than the payment of monetary damages, including but not limited to, declaratory, injunctive or administrative relief or specific performance award, or any cost or expense to comply with any declaratory, injunctive or administrative relief or specific performance award.

T. Nuclear Material - To any liability for **damages** arising out of injury, sickness, disease, death or destruction:

1. For any loss or liability accruing to the **Covered Party** as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.
  - a. It is agreed that this Memorandum does not apply under any liability coverage, to *{Injury, sickness, disease, death or destruction, bodily injury or property damage}* with respect to which a **Covered Party** under the Memorandum is also an **Covered Party** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability. The **Member** is, or had such coverage not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Resulting from the hazardous properties of nuclear material, if:
  - a. The nuclear material is at any nuclear facility owned by, or operated by or on behalf of a **Member**, or has been discharged or dispersed therefrom;
  - b. The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a **Member**; or

- c. The injury, sickness, disease, death or destruction arises out of the furnishing by a **Member** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this part c. applies only to injury to or destruction of property at such nuclear facility.

However, this Exclusion shall not apply to liability arising from the use of radioactive materials in instructional laboratories operated by the **Member** and/or research activities sponsored by the **Member**, but only to a sublimit of \$250,000 each **occurrence**.

- U. Office of Foreign Assets Control (OFAC) - For any liability for premium or loss under this Memorandum if it would result in a violation of any mandatory sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America that are applicable to either party.
- V. Pollution - For any loss, cost, or expense:
  - 1. Arising out of, or that would not have occurred in whole or in part but for, the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, however, wherever or whenever occurring and by whomever caused or alleged to have been caused;
  - 2. Arising out of any **claim**, suit, governmental direction or request, request, demand or order, whether by or on behalf of a governmental authority or not, that any **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of pollution or **pollutants**:
    - a. At any premises owned, rented or occupied by the **Covered Party**;
    - b. At or from any site or location used by or for the **Covered Party** or others for the handling, storage, dispersal, processing or treatment of waste;
    - c. Which are at any time transported, handled, stored, treated or disposed of; or processed as waste by or for the **Covered Party** or any person or organization for whom the **Covered Party** may be legally responsible; or
    - d. At or from any site or location on which the **Covered Party** or any contractors or subcontractors working directly or indirectly on the **Covered Party's** behalf are performing operations:
      - i. If the **Pollutants** are brought on or to the site or location in connection with such operation; or
      - ii. If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **Pollutants**.

Subparagraph (a) and (d.1.) do not apply to bodily injury of property damage arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a “hostile fire” means one, which becomes uncontrollable or breaks out from where it was intended to be.

Provided, however, that this exclusion does not apply to:

1. Discharge, dispersal, release or escape directly caused by hostile fire, explosion, lightning, windstorm, vandalism or malicious mischief; or
2. Personal injury or property damage which is within the product hazard of the completed operations hazard; or
3. A discharge, dispersal, release or escape of pollutants that meets all of the following conditions:
  - a) It was accidental and was neither expected nor intended by the **Covered Party**.
  - b) It was instantaneous and was demonstrable as having commenced at a specific time and date during the term of this coverage.
  - c) Its commencement became known to the Director of Risk Finance and Insurance Services, or Executive Director of the **Covered Party** within ten (10) calendar days.
  - d) Its commencement was reported in writing within forty (40) calendar days of becoming known to the Director of Risk Finance and Insurance Services, or Executive Director of the **Covered Party**.
  - e) Reasonable effort was expended by the **Covered Party** to terminate the situation as soon as conditions permitted.

Nothing contained in this exclusion shall operate to provide any coverage with respect to:

2. Any site or location used by others on the **Covered Party’s** behalf, principally for the handling, storage, disposal, dumping, processing or treatment of waste material.
3. Any fines, penalties or exemplary damages.
4. Any clean-up costs ordered by the Superfund program, or any federal, state or local governmental authority. However, this specific exclusion (3) shall not serve to deny coverage for third party clean-up costs otherwise covered by this endorsement simply because of the involvement of a governmental authority;
5. Acid rain;
6. Clean up, removal, containment, treatment, detoxification or neutralization of **Pollutants** situated on premises you currently own, rent or occupy at the time of the actual discharge, dispersal, seepage, migration, release or escape of said **Pollutants**; or
7. Water **Pollution** caused by oil or by its derivatives.

W. Property Damage - For the cost to modify any building or property in order to make said building or property more accessible or accommodating to any disable or incapacitated person.

Arising from **Property Damage** to:

1. Property owned by a **Covered Party**; or
2. Property rented or leased to a **Covered Party** where the **Covered Party** had assumed liability for damage to or destruction of such property unless the **Covered Party** would have been liable in the absence of such assumption of liability or contractual liability

X. Silica - Arising out of, in whole or in part, the injurious properties of silica or any product or material containing or composed of silica in any form, under any theory of liability whatsoever. “Silica” means silica occurring in any form, including silicon dioxide, silica particles, silica fibers, silica sand, silica dust or silica compounds, including a mixture or combination of any of the foregoing and any other mineral, dust, particle or any substance or material of any kind or origin.

Y. Subsidence - For any **Property Damage** arising from or related to **Land Subsidence** for any reason whatsoever, notwithstanding any coverage provided under Exclusion H.

Z. Terrorism - For any loss, damage, cost or expense directly or indirectly caused by, contributed by, resulting from, or arising out of: (i) an Act of Terrorism as defined under the Terrorism Risk Insurance Act of 2002 or any amendments, renewals or successor legislation thereto in connection with biological, chemical, radiological or nuclear explosion, pollution or contamination; and (ii) any act, whether or not related to terrorism or any act of terrorism in connection with biological, chemical, radiological or nuclear explosion, pollution, contamination; whether in time of peace or war, and regardless of who commits the act, regardless of any other cause or event contributing concurrently or in any other manner.

AA. War - Arising from war, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military or usurped power, or martial law or confiscation by order of any government or public authority.

BB. Watercraft - Arising out of the ownership, maintenance, operation, use, entrustment to others, loading or unloading of any watercraft owned or operated by or rented or loaned by any **Covered Party**, but this exclusion does not apply to:

1. Watercraft while ashore on premises owned or rented by **Covered Party**;
2. Watercraft less than fifty (50) feet in length at the waterline.
3. Watercraft less than seventy five (75) feet in length, with no self-propulsion capabilities

CC. Wrongful Acts

1. Arising from any lockout, strike, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations. This exclusion shall not apply to a **Claim** brought by (i) an **Employee** alleging wrongful termination or retaliation as a result of strike activity or union involvement, or (ii) a law enforcement officer responding within the scope of his or her duties to any lockout, strike, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations.

2. For injunctions, equitable relief, or any other form of relief other than the payment of money damages.
3. Liability arising out of an alleged willful commission of a crime by **Member** or other dishonest fraudulent, or malicious act. At CSURMA AORMA's discretion, however, **CSURMA AORMA** will pay for **Defense Costs** until final adjudication, judgment, or settlement to which CSURMA AORMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA AORMA for all costs associated with the defense.
4. Liability arising out of a **Member's Wrongful Act** for gain, profit, or advantage to which **member** is not legally entitled. At CSURMA AORMA's discretion, however, CSURMA AORMA will pay **Defense Costs** for any **Claim** or **Suit** arising from an alleged willful commission of a crime by a **Member** or other dishonor, fraudulent or malicious act, for any **Claim** or **Suit** arising out of the **Members Wrongful Act** for gain, profit, or advantage to which **Member** is not legally entitled until final adjudication, judgment, settlement to which CSURMA AORMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA AORMA for all costs associated with the defense.

This exclusion shall not apply to any vicarious liability that any **Member** has with regards to the managerial, advisory, supervisory, or controlling obligations over the action of another **Member**.

DD. Under Errors and Omissions Liability;

1. Based on **Covered Party's** obtaining of financial gain to which the **Covered Parts** was not legally entitled.
2. Arising out of the willful violation of a penal code or ordinance committed by or with knowledge of consent of any **Covered Party**; except that any act pertaining to any one **Covered Party** shall not be imputed to any other **Covered Party** for the purpose of determining the application of this exclusion.

EE. Under Media Wrongful Acts;

1. Based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving any actual or alleged infringement, contributing to the infringement, or inducing the infringement of any patent.
2. Actual or alleged violation of any federal, state or local statute, law or regulation regarding the dissemination of unsolicited communications, including but not limited to unsolicited telephone calls, facsimiles and electronic mail; or
3. Liability of any **Member** arising in whole or in part, out of any **Covered Party** obtaining remuneration or financial gain to which the **Covered Party** was not legally entitled;
4. Liability arising out of the willful violation of a penal statute, code or ordinance committed by or with the knowledge or consent of any **Member**; except that any act for which a **Covered Party** is responsible shall not be imputed to any other **Covered Party** for purposes of this subpart 3.

This exclusion does not apply to liability arising from the managerial, advisory, supervisory, or controlling obligations of any **Covered Party** over the action of another **Covered Party**;

- FF. Uninsured/Underinsured Motorists - For any **Claim** under any Uninsured Motorists, Underinsured Motorists, or No-Fault Law, or any similar federal, state, local or municipal law, and to any sums the **Covered Party** may be legally entitled to recover as **Damages** from the owner or operator of any uninsured or underinsured **Automobile** because of **Bodily Injury** or **Property Damage** sustained by any **Covered Party**.

## SECTION VII – CONDITIONS

- A. Action Against CSURMA AORMA - No action shall lie against CSURMA AORMA unless, as a condition precedent thereto, the **Covered Party** shall have fully complied with all the terms of this Memorandum nor until the amount of the **Covered Party's** obligation to pay shall have been finally determined whether by judgment against the **Covered Party** after actual trial or by written agreement of the **Covered Party**, the claimant and CSURMA AORMA. Said judgment shall not be deemed final, if an appeal be prosecuted therefrom, until the suit shall have been finally determined on appeal. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this document to the extent of the coverage afforded by this document. Nothing contained in this document shall give any person or organization any right to join CSURMA AORMA as a co-defendant in any action against the **Covered Party** to determine such **Covered Party's** liability.
- B. Arbitration:
  1. In the event that a question or dispute arises between CSURMA AORMA and a **Covered Party** concerning the applicability of the coverage provided by this document to an occurrence or claim against the **Covered Party**, either the **Covered Party** or CSURMA may make a written request for arbitration. Where such a request is made, arbitration shall be a condition precedent to the filing of any civil action concerning, or in any way arising out of, such question or dispute.
  2. If a **Covered Party** and CSURMA AORMA fail to agree upon an arbitrator, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request selection by a judge of a court having jurisdiction. Each party will bear the expense it incurs, and the two parties will bear the expense of the third arbitrator equally. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will constitute a determination of the matter in question or dispute.
  3. Except as otherwise provided above, arbitration hereunder shall be conducted as provided in Title 9 of the California Code of Civil Procedure (Code of Civil Procedure Section 1280, *et seq.*).
- C. Assignment: No assignment of interest under this Memorandum shall bind CSURMA AORMA without its written consent to endorse hereon.
- D. Bankruptcy or Insolvency: Bankruptcy or insolvency of the **Member** or any **Covered Party** shall not relieve CSURMA AORMA of any of its obligations hereunder nor shall such bankruptcy or insolvency increase CSURMA AORMA'S obligations hereunder.
- E. Cancellation and Termination: This Memorandum may, with respect to any **Member**, be cancelled by CSURMA AORMA either for the then-current coverage period or, in the event of expulsion, permanently

upon the occurrence of the events and under terms set forth in the CSURMA AORMA Joint Powers Agreement and the Bylaws.

This Memorandum may be terminated at any time in accordance with the Bylaws of CSURMA AORMA

- F. Changes to the Memorandum: Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or change in any part of this Memorandum nor preclude CSURMA AORMA from asserting any right under the terms of this Memorandum, nor shall the terms of this Memorandum be waived or changed, except by written endorsement issued by CSURMA AORMA to form a part of this Memorandum.
- G. Claims Settlement: As stated in the CSURMA AORMA Policy and Procedures regarding Claims Reporting and Claims Administration and Litigation Management:
1. Claim Settlement Authority : The following guidelines apply to settlement authority of CSURMA AORMA, within this Memorandum:
    - a. \$0 to 25,000 – Claims Administrator. The Liability Claims Administrator has authority to settle claims up to, and including, \$25,000 per claim.
    - b. Up to the **Pooled Layer Limit** – AORMA Committee. The AORMA Committee has authority to authorize claims settlement up to the **Pooled Layer Limit**.
  2. Claims Settlement Responsibility: AORMA Committee shall have the primary responsibility to control and direct settlement negotiations and to determine the terms of any settlement. However, before effecting any settlement, AORMA Committee shall give notice to the **Member** of the terms of the proposed settlement.
  3. **Member** Appeal Process:
 

First Level Appeal

If a **Member** wishes to appeal a decision regarding whether or not coverage is provided or to appeal a settlement decision, the **Member** must present an appeal in writing to the AORMA Committee within thirty (30) days of the disputed decision. The AORMA Committee will review the appeal at its next regularly scheduled meeting and inform the **Member** within five (5) business days of its final decision.

Second Level Appeal

If a **Member** wishes to appeal the AORMA Committee’s decision, the **Member** will notify the CSURMA Secretary-Auditor in writing within five (5) business days of receipt of the AORMA Committee’s decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee’s decision will be the final determination.
- H. Contribution Payment: The annual contribution payment shall be due and payable upon inception of coverage and each renewal thereafter. The amount of the annual contribution will be computed in accordance with CSURMA AORMA’s rules and rates. CSURMA AORMA shall not be required to perform any obligations under this Memorandum if contributions are not paid.

- I. Defense of Claims: Defense fees and costs are included in the **Member's retained limit**. After the amount of the **Member's retained limit** has been exhausted, CSURMA AORMA will pay Defense fees and costs only at a rate agreed to by CSURMA AORMA in writing.

Provided it can be communicated without breach of the **Covered Party's** attorney-client privilege of confidentiality, the CSURMA AORMA shall be entitled to complete access to the **Covered Party's claim** file, the defense attorney's file, and all investigation material and reports, including all evaluations and information on negotiations. The **Covered Party** shall be responsible to report on the progress of the litigation and any significant developments as requested by the CSURMA AORMA, and to provide the CSURMA AORMA with copies of all correspondence provided to the **Covered Party** in which a demand for an amount that is within the CSURMA AORMA's coverage is made.

- J. Drop Down Exclusion: CSURMA AORMA's Limit of Liability stated in the Declarations herein shall not be increased for any reason, including, but not limited to, the refusal or inability, for any reason, of the **Member** to pay its **Member's retained limit** or by the refusal or inability of any underlying or excess insurer to pay, whether by reason of insolvency, bankruptcy, or otherwise.

- K. Duties in the Event of Occurrence, Wrongful Act, Claim or Suit:

1. In the event of an **Occurrence** or **Wrongful Act** that is reasonably likely to involve **CSURMA AORMA**, written notice containing particulars sufficient to identify **Member** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of any injured persons and witnesses, shall be given by or for **Member** to **CSURMA AORMA** or any of **CSURMA AORMA's** authorized agents as soon as practicable after Executive Director of the **Member** has knowledge of the **Occurrence** or **Wrongful Act**.
2. If **Claim** is made or **Suit** is brought against **Member** that is reasonably likely to involve **CSURMA AORMA**, **Member** shall immediately forward to **CSURMA AORMA** every demand, notice, summons or other process received by **Member** and **Member's** representatives.
3. **Member** shall cooperate with **CSURMA AORMA** and upon **CSURMA AORMA's** request assist in making settlements, in the conduct of **Suits** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **you** because of **Personal Injury, Property Damage or Public Official's Errors and Omissions** with respect to which insurance is afforded under this Policy; and **you** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. **Member** will not, except at **Member's** own cost, voluntarily make any payment, assume any obligation or incur any expense; however, in the event that the amount of **Ultimate Net Loss** becomes certain either through trial court judgment or agreement among **you**, the claimant and us, you may pay the amount of **Ultimate Net Loss** to the claimant to effect settlement and upon submission of due proof thereof, **we** shall indemnify **you** for that part of such payment which is in excess of **Members' retained limit**, or upon **Member's** request, make such payment to the claimant on **your** behalf.
4. In the event of an **Occurrence** or **Wrongful Act**, which is reserved at greater than or equal to fifty (50) percent of **Member's retained limit**, **Member** shall:
  - a. Report said **Occurrence** or **Wrongful Act**; or

- b. Regardless of the reserve amount, report losses without regard to liability falling within the following classifications:
  - i. Fatalities; Spinal cord, paralysis or brain injuries;
  - ii. Amputations; Loss of sight;
  - iii. Serious head injury;
  - iv. Paralysis;
  - v. Severe burns;
  - vi. Sexual Abuse or Molestation.
  - vii. Serious loss of use of any body functions;

5. Whenever **Member** has information from which **Member** may reasonably conclude that an **Occurrence** or **Wrongful Act** covered hereunder involves injuries or **Damages**, which in the event that **you** shall be held liable, are likely to involve this Policy, notice shall be sent to us as soon as practicable; provided, however, that failure to give notice of any **Occurrence** or **Wrongful Act** which at the time of its happening did not appear to involve this Policy, but which at a later date would appear to give rise to **Claims** hereunder, shall not prejudice such **Claims**.

L. Inspection and Audit: **CSURMA AORMA** shall have the right, but not the obligation, to inspect the **Member's** property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon shall constitute an undertaking, on behalf or benefit of the **Member** or others, to determine or warrant that such property or operations are safe or healthy.

The **Member** shall maintain records of such information as is necessary for premium computation, and shall send copies of such record to CSURMA AORMA at the end of the Policy Period and at such times during the Policy Period as we may direct. We may examine and audit **Member's** books and records as they related to this Policy at any time during the Policy Period and extensions thereof and within three (3) years after the final termination of this Policy.

M. No Voluntary Payments: Except as stated below, no **Member** will, except at that **Member's** own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the consent of CSURMA AORMA.

With respect to **unfair employment practices**, as stated in CSURMA AORMA Policy and Procedure on Claims Reporting, in no event shall any payments be made by CSURMA AORMA for any costs incurred to defend a covered claim more than thirty (30) days prior to written notification of an **occurrence**, offense, claim or suit to the TPA.

Moreover, no settlement of any claim shall be paid by CSURMA AORMA without prior written authorization of the Liability Claims Administrator.

N. Other Coverage:

1. Except as provided in F(2), the **Member** must pay the full amount of its **Member’s retained limit** in order for coverage under this Memorandum to apply. Payment of the **Member’s retained limit** by the **Member** is required in addition to, and regardless of, any payment or payments from any other source for or on behalf of that **Member**. If insurance or any other coverage with any insurer, joint powers authority or other source is available to the **Covered Party** covering a loss also covered hereunder (whether on a primary, excess or contingent basis), the coverage hereunder shall be in excess of, and shall not contribute with, such other insurance or coverage. This coverage shall be in excess of, and shall not contribute with, any insurance or coverage which names a **Covered Party** herein as an **Member** or a **Covered Party**, where such coverage applies to a loss also covered hereunder.
2. If any coverage is available to the Covered Party, whether such coverage is called excess over, or pro rata with other valid and collectible insurance or not, the coverage afforded hereunder shall not apply until such other coverage has been exhausted, provided that this clause does not apply with respect to excess insurance purchased specifically to be in excess of this Memorandum.
3. CSURMA AORMA acknowledges that a **Member** from time to time may purchase or become an additional insured on underlying insurance with Limits of Liability less than, equal to, or greater than the amount of the **Member’s retained limit**, for certain operations, events or hazards for which this Memorandum affords excess coverage. It is agreed that this Memorandum (subject to its Declarations, terms, Conditions, Exclusions, and Endorsements that complete this Memorandum) shall provide insurance in excess of such underlying insurance subject to the following condition:

If the Limits of Liability of the underlying policy are less than the **Member’s retained limit** the **Member** shall bear the risk of the difference; however, if such limits are greater than the **Member’s retained limit** this Memorandum is in excess of the greater limit.

- O. Premium: The premium designated in the Policy **Declarations** is flat and not adjustable, unless:
1. A material exposure is added under the Policy;
  2. The Limits of Liability are increased or decreased;
  3. The Policy is restricted or broadened by endorsement; or
  4. The Policy Period is increased or shortened
- P. Separation of Insureds: Except with respect to the Section III – Limitations Upon CSURMA AORMA’s Liability, and any rights or duties specifically assigned to this Memorandum, this coverage applies:
1. As if each **Covered Party** were the only **Covered Party**; and
  2. Separately to each **Covered Party** against whom the claim is made or suit is brought.
- Q. Statutory Provisions: Terms of the Memorandum which are in conflict with the statutes of the State of California are amended to conform to such statutes.

- R. Subrogation/Transfer of Rights of Recovery Against Others to CSURMA AORMA: CSURMA AORMA shall be subrogated to the extent of any payment hereunder, to all of **Member's** rights of recovery and **Member** shall do nothing after loss to prejudice such rights and shall do everything necessary to secure such rights. **Member** may elect to waive their rights to subrogation prior to a loss. To the extent that **Member** elects to waive such rights, CSURMA AORMA shall have no right of subrogation. Any amount recovered shall be apportioned as follows:

Any interest, including yours, having paid an amount in excess of **Member's retained limit** plus the Limit of Liability hereunder shall be reimbursed first to the extent of actual payment. CSURMA AORMA shall be reimbursed next, to the extent of actual payment hereunder. If any balance then remains unpaid, it shall be applied to reimburse you. The expense of all such recovery proceedings shall be apportioned in the ratio of the respective recoveries. If there is no recovery in proceedings conducted solely by **Member**, then **Member** shall bear the expenses thereof.

#### SECTION VII - DEFENSE AND SETTLEMENT

- A. The CSURMA AORMA shall have the right and duty to defend any claim or suit against a **Covered Party** seeking damages to which this Memorandum applies, even if allegations are groundless, false or fraudulent. However, the CSURMA AORMA, at its own expense, shall have the right, but not the duty, to associate itself with any **Covered Party** in the control, negotiation, investigation, defense or appeal of any claim or proceeding which, in the opinion of the CSURMA AORMA or the **Covered Party**, is or may be covered by this document, and for which the **Ultimate Net Loss** therefrom may exceed the **Member's retained limit**. The Covered Party shall fully cooperate with the CSURMA AORMA in all matters pertaining to such claim or proceeding.
- B. No claim shall be settled, whether by out of court settlement, stipulated judgment or otherwise, by a **Covered Party** wherein the **Ultimate Net Loss** exceeds the **Retained Limit**, without the prior written consent of the CSURMA AORMA.

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

**DOMESTIC HIRED AUTOMOBILE PHYSICAL DAMAGE  
AMENDATORY ENDORSEMENT - #1**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE  
PLEASE READ IT CAREFULLY***

The term “auto(s)” as used in this endorsement means a land motor vehicle designed for travel on public roads, but does not refer to those types of automobiles excluded under Exclusion # 1 below or to mobile equipment.

The term “loss” as used in this endorsement means direct and accidental loss or damage.

**SECTION I - COVERED AUTOS**

Domestic Hired Autos Only – Only “autos” the **Covered Party** may hire, lease, rent or borrow for no more than thirty (30) consecutive days by execution of a contract within the coverage territory. This does not include any automobile a **Covered Party** may lease, hire, rent or borrow from any of **Member** employees or members of their household.

**SECTION 2 - PHYSICAL DAMAGE COVERAGE**

**A. Coverage Extensions**

1. CSURMA AORMA will pay for “loss” to a covered **automobile** or its equipment under Comprehensive and Collision coverage.
2. The coverage provided by this Endorsement is excess over any other collectible coverage
3. For Hired Auto Physical Damage, CSURMA AORMA will pay expenses for which a **Covered Party** becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. However, the most CSURMA AORMA will pay for any expenses for loss of use is \$60 per day, to a maximum of \$1,800.

CSURMA AORMA will pay up to the limits shown in the Declarations for towing and labor costs incurred each time a covered **automobile** of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

**B. Limit of Coverage**

1. The most CSURMA AORMA will pay for “loss” in any one “accident” is the lesser of:
  - (1) The actual cash value of the damaged or stolen property at the time of the “loss”; or
  - (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
  - (3) \$50,000.

**C. Deductible**

For each covered **automobile**, CSURMA AORMA’s obligation to pay for repair, return or replace damaged or stolen property will be reduced by the applicable deductible of \$1,000. A deductible of \$5,000 will apply to all losses covered subject to the add-back of coverage detailed in Exclusions G and N.

**D. Coverage Territory**

Under this Endorsement, CSURMA AORMA will cover accidents and losses occurring:

1. During the Memorandum period shown in the Declarations Page.
2. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America; and Puerto Rico.

**SECTION 3 – EXCLUSIONS**

- A. CSURMA AORMA will not pay for loss to any expensive, exotic or antique automobile,; semi-trailer trucks; motorcycles, mopeds, or motorbikes. Antique automobile is defined as any vehicle over twenty (20) years old or any vehicle that has not been manufactured for ten (10) years or more. Examples of excluded expensive or exotic automobiles include but are not limited to those manufactured by Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maeserati, Porsche and Rolls Royce. However, selected models of BMW, Mercedes-Benz, Cadillac and Lincoln are covered.
- B. CSURMA AORMA will not pay for loss to any covered **automobile** while used in any professional or organized racing or demolition contest or stunt activity, or while practicing for such contest or activity. CSURMA AORMA will also not pay for loss to any covered **automobile** while that covered **automobile** is being prepared for such contest or activity.
- C. CSURMA AORMA will not pay for loss caused by or resulting from any of the following unless caused by other loss that is covered by this coverage:
  1. Wear and tear, freezing or mechanical or electrical breakdown; or

2. Blowouts, punctures or other road damage to tires.
- D. CSURMA AORMA will not pay for loss to any of the following:
1. Tapes, records, discs, or other similar audio, visual data electronic devices designed for use with audio, visual or data electronic equipment.
  2. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measuring equipment.
  3. Any electronic equipment, without regard to whether the equipment is permanently installed, that receives or transmits audio, visual, or data signals and that is not designed solely for the reproduction of sound.
  4. Any accessories used with the electronic equipment described in Paragraph c. above Exclusions 2.c. and 2.d. do not apply to:
    - a. Equipment designed solely for the reproduction of sound and accessories, provided such equipment is permanently installed in the covered **automobile** at the time of the loss or such equipment is removable from a housing unit which is permanently installed in the covered **automobile** at the time of loss, and such equipment is designed to be solely operated by use of the power from the **automobile's** electrical system, in or upon the covered **automobile**.
    - b. Any other electronic equipment that is:
      - 1) Necessary for the normal operation of the covered **automobile** or the monitoring of the covered **automobile's** operating system
      - 2) An integral part of the same unit housing any sound reproducing equipment described above in i. above and permanently installed in the opening of the dash or console of the covered **auto** normally used by the manufacturer for installation of a radio.
- E. CSURMA AORMA will not pay for loss to a covered **automobile** due to diminution of value.
- F. CSURMA AORMA will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this Endorsement.
- G. CSURMA AORMA will not pay for loss arising out of any violation of the rental car agreement. This exclusion does not apply to operation of an **automobile** on non-paved roads, subject to Exclusion N.
- H. CSURMA AORMA will not cover damage to **automobiles** that are hired, rented or borrowed for more than thirty (30) consecutive days.
- I. CSURMA AORMA will not pay for loss or theft of personal belongings.

- J. CSURMA AORMA will not pay for loss caused by or resulting from the use of **automobile** by Member volunteers.
- K. CSURMA AORMA will not pay for damages resulting from any **Covered Party's** personal liability.
- L. CSURMA AORMA will not pay for depreciation of the rental **automobile** caused by loss or damage including but not limited to "diminished value".
- M. CSURMA AORMA will not pay for loss due to intentional acts, or due to the driver(s) being under the influence of alcohol, intoxicants, or drugs, or due to contraband or illegal activities.
- N. CSURMA AORMA will not cover loss due to operation of the rented **automobile** on non-paved roads, except when (1) the off-road operation is authorized by a Covered Party for an appropriate business operation, and (2) the rented **automobile** is appropriate for the condition of the non-paved road.
- O. CSURMA AORMA will not pay for confiscation by authorities.
- P. CSURMA AORMA will not pay for **automobiles** that do not meet the definition of covered **automobiles**.
- Q. CSURMA AORMA will not pay for losses reported more than forty-five (45) days from the date of loss.

*All other terms and conditions in the Memorandum remain unchanged.*



California State University Risk Management Authority  
Auxiliary Organizations Risk Management Alliance

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

**MEDICAL PAYMENTS  
AMENDATORY ENDORSEMENT - #2**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE  
PLEASE READ IT CAREFULLY***

It is agreed that this Memorandum will pay medical expense limit of \$5,000 per any one person as described below for **bodily injury** caused by an accident:

1. On premises the **Member** owns or rents,
2. On ways next to premises the **Member** owns or rents, or
3. Because of the **Member's** operations;
4. Provided that:
  - a. The accident takes place in the covered territory and during the **coverage period**;
  - b. The expenses are incurred and reported to CSURMA AORMA within one (1) year or the date of the accident; and
  - c. The injured person submits to examination, at CSURMA AORMA's expense, by physicians of the CSURMA AORMA's choice as often as CSURMA AORMA reasonably require.

CSURMA AORMA will make these payments regardless of fault. These payments will not exceed the applicable limit of coverage. CSURMA AORMA will pay reasonable expenses for:

1. First aid administered at the time of an accident;
2. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
3. Necessary ambulance, hospital, professional nursing and funeral services.

The Program will not pay expenses for **bodily injury**:

1. To any **Member**;
2. To a person hired to do work for or on behalf of any **Member** or a tenant of any **Member**;
3. To a person injured on that part of premises the **Member** owns or rents that the person normally occupies;
4. To a person, whether or not an employee of any **Member**, if benefits for **bodily injury** are payable or must be provided under workers' compensation or disability benefits law or a similar law;
5. To a person injured while taking part in athletics;
6. To a person who is a student of the California State University or a participant enrolled in a CSU sponsored program;
7. Included with the products-completed operations hazard; and
8. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

*All other terms and conditions in the Memorandum remain unchanged.*



California State University Risk Management Authority  
Auxiliary Organizations Risk Management Alliance

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

**CALIFORNIA UNINSURED OR UNDERINSURED MOTORISTS COVERAGE  
BODILY INJURY  
AMENDATORY ENDORSEMENT - #3**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE  
PLEASE READ IT CAREFULLY***

For a covered automobile licensed or principally garaged in or with operations conducted in California this endorsement modifies the Memorandum provided under the following:

**Bodily injury** to which this additional coverage applies.

With respect to the additional coverage provided by this endorsement, the provisions of the Memorandum apply unless modified by this endorsement. This endorsement changes the Memorandum effective on the inception date unless another date is indicated below.

**SCHEDULE:** Limit of Liability - \$250,000 per **occurrence**

**A. Coverage**

1. CSURMA AORMA will pay all sums the **Covered Party** is legally entitled to recover as compensatory damages from the owner or driver of an **uninsured or underinsured motor vehicle**. The damages must result from **“bodily injury”** sustained by the **Covered Party** caused by an **occurrence**. The owner’s or driver’s liability for these damages must result from the ownership, maintenance or use of the **uninsured or underinsured motor vehicle**.
2. CSURMA AORMA will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a claim, suit or proceeding brought without the written consent of CSURMA AORMA is not binding.

**B. Exclusions**

This additional coverage does not apply to any of the following:

1. Punitive or exemplary **damages**.

2. Any claim settled without consent of the CSURMA AORMA. However, this exclusion does not apply to a settlement made with the insurer of an **auto** described in Paragraph b. of the definition of **uninsured or underinsured motor vehicle**.
3. The direct or indirect benefit of any insurer or self-insurer under any worker's compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. **Bodily injury** sustained by any **Covered Party** while occupying or when struck by any **auto** owned by that **Covered Party** that is not a covered **automobile** for **uninsured or underinsured motorists** Coverage under this Coverage Form;

However, Exclusion 4 shall not apply to **bodily injury** sustained by any **Covered Party** when struck by an **auto** owned by the **Member** and operated or caused to be operated by a person without that **Member's** consent in connection with criminal activity that has been documented in a police report and to which that **Covered Party** is not a party to.

5. Anyone using an **automobile** without a reasonable belief that the person is entitled to do so.
6. **Bodily injury** sustained by a **Covered Party** while occupying any **automobile** that is rented or leased to that **Covered Party** for use as a public or livery conveyance.
7. **Bodily injury** arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### C. Limit of Liability

1. Regardless of the number of covered **automobiles**, the **Member**, premiums paid, claims made or **automobiles** involved in the **occurrence**, the most CSURMA AORMA will pay for all damages resulting from any one **occurrence** is the limit of liability for **uninsured or underinsured motorists** coverage shown in the schedule of declarations.
2. For an **automobile** described in Paragraph b. of the definition of **uninsured motor vehicle**, our limit of liability shall be reduced by all sums paid because of **bodily injury** by or for anyone who is legally responsible, including all sums paid or payable under this policy's liability coverage.
3. No one will be entitled to receive duplicate payment under this coverage for any element of **damages** for which payment has been made by or for anyone who is legally responsible.
4. CSURMA AORMA will not make a duplicate payment under this coverage for any element of **damages** for which payment has been made by or for anyone who is legally responsible.

5. CSURMA AORMA will not pay for any element of **damages** if a person is entitled to receive payment for the same element of **damages** under any workers' compensation, disability benefits or similar law.

#### **D. Changes in Conditions**

The conditions are changed for California **uninsured motorist's** coverage – **bodily injury** as follows:

1. Duties in the Event of Accident, Claim, Suit or Proceeding is changed by adding the following:
  - a. Promptly notify the police if a hit-and-run driver is involved; and
  - b. Send CSURMA AORMA copies of the legal papers if a claim, suit or proceeding is brought. In addition, a person seeking coverage under Paragraph b. of the definition of **uninsured motor vehicle** must:
    - (1) Provide CSURMA AORMA with a copy of the complaint by personal service or certified mail if the **Covered Party** brings an action against the owner or operator of such **uninsured motor vehicle**;
    - (2) Within a reasonable time, make all pleadings and depositions available for copying by CSURMA AORMA or furnish CSURMA AORMA copies at the expense of CSURMA AORMA; and
    - (3) Provide CSURMA AORMA with proof that the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.
2. Action Against CSURMA AORMA is replaced by the following:

No legal action may be brought against CSURMA AORMA under this endorsement until there has been full compliance with all the terms of this endorsement and with respect to Paragraphs a., c. and d. of the definition of **uninsured motor vehicle** unless within two (2) years from the date of the **occurrence**:

- a. Agreement as to the amount due under this Memorandum has been concluded;
  - b. The **Covered Party** has formally instituted arbitration proceedings against CSURMA AORMA. In the event that the **Covered Party** decides to arbitrate, the **Covered Party** must formally begin arbitration proceedings by notifying CSURMA AORMA in writing, sent by certified mail, return receipt requested; or
  - c. Claim, suit or proceeding, for **bodily injury** has been filed against the **uninsured motorist** in a court of competent jurisdiction.
3. Transfer of Rights of Recovery Against Others to CSURMA AORMA is replaced by the following:
    - a. With respect to Paragraphs a., c. and d. of the definition of **uninsured or underinsured motor vehicle**, if CSURMA AORMA makes any payment, CSURMA AORMA is entitled

to recover what CSURMA AORMA paid from other parties. Any person to or for whom CSURMA AORMA makes payment must transfer to CSURMA AORMA his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.

- b. With respect to Paragraph b. of the definition of **uninsured or underinsured motor vehicle**, if CSURMA AORMA makes any payment and the **Covered Party** recovers from another party, the **Covered Party** shall hold the proceeds in trust for CSURMA AORMA and pay back the amount CSURMA AORMA has paid.

4. Other Insurance is replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all endorsements and the memorandum combined may equal but not exceed the highest applicable limit for any one **automobile** under any endorsement and the memorandum providing coverage on either a primary or excess basis.
- b. Any coverage CSURMA AORMA provides with respect to an **automobile** the **Member** does not own shall be excess over any other collectible **uninsured or underinsured motorists** insurance providing coverage on a primary basis.
- c. If the coverage under this endorsement is provided:
  - (1) On a primary basis, CSURMA AORMA will pay only the share of the **damages** that must be paid under this Memorandum providing coverage on a primary basis. CSURMA AORMA's share is the proportion that the limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

**E. Additional Definitions**

- 1. **Occupying** means in, upon, getting in, on, out or off.
- 2. **Uninsured or underinsured motor vehicle** means a land motor **automobile** or trailer:
  - a. For which no liability bond or policy at the time of an **occurrence** provides at least the amounts required by the applicable law where a covered **automobile** is principally garaged;
  - b. That is an **underinsured motor vehicle**. An **underinsured motor vehicle** is a land motor vehicle or for which the sum of all liability bonds or policies at the time of an **occurrence** provides at least the amounts required by the applicable law where a covered **automobile** is principally garaged but that sum is less than the limit of liability for this coverage;
  - c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;

- d. That is a hit-and-run **automobile** and neither the driver nor owner can be identified. The **automobile** must make physical contact with a **Covered Party**, a covered **automobile** or an **automobile** a **Covered Party** is occupying; or
- e. That is owned by the **Member** and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, **uninsured motor vehicle** does not include any **automobile**:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed or modified primarily for use off public roads while not on public roads.

*All other terms and conditions in the Memorandum remain unchanged.*



California State University Risk Management Authority  
Auxiliary Organizations Risk Management Alliance

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

**NON-SALARIED EMPLOYEE AUTO LIABILITY  
AMENDATORY ENDORSEMENT - #4**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE  
PLEASE READ IT CAREFULLY***

The following is added to Section IV – COVERED PARTIES, Section C.

As respects motor vehicles operated by a **Non-Salaried Employee** of the California State University, CSURMA AORMA agrees to provide coverage directly in excess of the Motor Vehicle Liability Self-Insurance Program as defined by the State Administrative Manual of the State of California, section 2420 including any amendment or successor thereto, subject to all other terms and conditions of this Memorandum of Coverage. The coverage added does not involve the AORMA pooling layer of liability.

The coverage provided herein includes liability arising from the use of any owned, non-owned or hired vehicle operated by a **Non-Salaried Employee** while on **State** business.

For the purpose of the coverage provided by this endorsement, the following definitions are added:

1. **Non-Salaried Employee:** Means anyone, including but not limited to a student assistant or volunteer, operating a motor vehicle while on **State** business.
2. **State:** Means the State of California; the Trustees of the California State University; the California State University, and its campuses.

**2420 MOTOR VEHICLE LIABILITY SELF-INSURANCE PROGRAM (Revised 3/14)**

The ORIM administers the State Motor Vehicle Liability Self-Insurance Program (VELSIP), which provides unlimited self-insured liability coverage for the state, agencies, and employees who operate covered self-propelled land vehicles on state business (California Vehicle Code Sections 17000 and 17001). Effective January 1, 2004, liability coverage is limited to \$1 million per occurrence/accident when the state vehicle is operated by a non-salaried employee (i.e. student assistant, volunteer, etc.) on state business. The driver's employing department/agency will be financially responsible for the payment of any claims, settlements, judgments or verdicts in excess of \$1 million. With the exception of peace officers as defined in Insurance Code Section 557.5, the VELSIP provides excess liability coverage for state employees on state business while driving non-state vehicles, but only after the vehicle owner's liability policy limits have been paid. The VELSIP does not provide coverage for injury to state employees nor for damage to state vehicles. Employee injuries are handled through Workers' Compensation coverage. Damage to state vehicles are handled through the budget of the owning state agency.

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
LIABILITY PROGRAM  
MEMORANDUM OF COVERAGE FOR  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
(CSURMA AORMA)**

**FIDUCIARY LIABILITY  
AMENDATORY ENDORSEMENT - #5**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE  
PLEASE READ IT CAREFULLY***

**This is claims made and reported coverage; therefore, the coverage is limited to Claims that are first made against the Member during the coverage period and are reported to CSURMA AORMA during the coverage period.**

With respect to the additional coverage provided by this endorsement, the provisions of the Memorandum of Coverage apply unless modified by this endorsement.

**A. SUBJECT TO THE LIMIT STATED BELOW CSURMA AORMA AGREES:**

To pay on behalf of any **Covered Party** those sums for **loss** including **Claims Expenses** incurred in the defense and settlement of any **Claim** first made against the **Covered Party** and reported to Underwriters during the **Policy Period**, alleging a **Wrongful Act(s)** of any **Covered Party**, first committed, or allegedly committed on or subsequent to the **Retroactive Date** shown herein, in the **administration** of **Covered Party's Employee Benefit Plans or Covered Party's Trusts**.

**B. LIMIT OF LIABILITY: \$350,000 ANY ONE CLAIM**

For the purpose of determining the limit of liability of CSURMA AORMA under this endorsement, all **damages** arising out of continuous repeated exposure to substantially the same general conditions shall be considered as arising out of one **loss**.

**Loss**, with duration of more than one **policy period** shall be treated as a single **loss** arising during the **policy period** when the **Claim** is first made, and under no circumstances shall the fact that said **loss** has duration of more than one **policy period** entitle a **Covered Party** to more than one limit of coverage.

**C. EXCLUSIONS**

Exclusions H - Employee Benefits; J - ERISA; and L - Fiduciary Liability do not apply to the **administration** of the **Covered Party's Employee Benefit Plans or Covered Party's Trusts**, but only up to the limit of liability stated above for CSURMA AORMA .

Underwriters shall not be liable to make any payment for that part of **Loss**, other than Defense Expenses:

1. Which constitutes civil or criminal fines or penalties, taxes, or the multiple portion of any multiplied damage award;
2. Which constitutes payments due under the terms of the Benefit Plan or Trust , unless recovery is based upon a covered **Wrongful Act**;
3. **Loss** made against the **Covered Party**:
  - a. For libel, slander, bodily injury, emotional distress, disease, sickness or death of any person. Or any damage to or destruction of any tangible property including loss of use thereof;
  - b. For liability of others assumed by the **Covered Party** under any oral, written or implied contract or agreement; however, this exclusion shall not apply to the extent the **Covered Party** would have been liable in the absence of such contract or agreement; or the liability was assumed in accordance with or under the **Benefit Plan or Trust** agreement or equivalent document pursuant to which the plan was established;
  - c. Any **Insured's** gain of any profit, remuneration or advantage to which they were not legally entitled; or
  - d. For discrimination in violation of any law.
4. CSURMA AORMA shall not be liable to make any payment for **Loss** in connection with any claim based upon, arising out of, directly or indirectly resulting from or in consequence of:
  - a. Any fact, circumstance, situation, transaction event or **Wrongful Act** which was the subject to any notice given under any prior coverage for fiduciary liability or other similar insurance;
  - b. Any litigation or administrative or regulatory proceeding against any **Insured** pending on or before the effective date of this endorsement, or any actual, alleged fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein which was known to the **Covered Party** prior to the inception of this endorsement, or
  - c. Any deliberately fraudulent or dishonest act or omission or any willful violation of any statute or regulation by any **Insured**; however, this exclusion shall not apply unless a judgment or other final adjudication adverse to such **Insured** establishes such a deliberately fraudulent or dishonest act or omission or willful violation.

#### D. DEFINITIONS

For the purpose of the coverage provided by this endorsement, the following definitions are added:

1. **Administration** means:
  - a. Providing information, advice, counsel or notice to employees or **Trust** beneficiaries, with respect to the **Employee Benefits Plan** or **Trust**;

- b. Providing interpretations of the **Employee Benefits Plan** or **Trust**;
  - c. Handling records in connection with the **Employee Benefits Plan** or **Trust**, or
  - d. Effecting enrollment, termination or cancellation of employees, participants, or beneficiaries under the **Employee Benefit Plan**.
2. **Claim** means:
- a. A written demand for specific monetary, non-pecuniary, or injunctive relief;
  - b. A criminal or civil proceeding for monetary, non-pecuniary or injunctive relief which is commenced by;
    - i. Service of a complaint or similar pleading; or
    - ii. Return of an indictment (in the case of criminal proceeding); or
    - iii. Receipt or filing of a notice of changes; or
  - c. A formal agency or regulatory proceeding to which a **Covered Party** is subject  
Made against a Covered Party alleging a **Wrongful Act**.
3. **Claims Expenses** mean reasonable expenditures incurred by a **Covered Party** in defense of a Claim covered under this endorsement, including but not limited to, cost of investigations, experts, adjustment services, legal services, court costs and similar expenses; provided however that **Claims Expenses** does not include wages or salaries of a **Covered Party**, or cost of attachment or similar bonds.
4. **Covered Party** means any natural person who was, is now, or becomes:
- a. A trustee, member of the board of directors, officer, in-house general counsel or an employee of the Member of an **Employee Benefit Plan** or **Trust**, while acting in his or her capacity as a fiduciary of an **Employee Benefit Plan** or **Trust** or as a person performing **Administration** for an **Employee Benefit Plan** or **Trust**, or who is;
  - b. Assigned to act as a trustee, or an agent for finances of an **Employee Benefit Plan** or **Trust**.
5. **Employee Benefit Plan** means a program providing some or all of the following benefits to employees:
- a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements;



California State University Risk Management Authority  
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- b. Pension plans, provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to all employees who are eligible under the plan for such benefits;
  - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
  - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family and civil leave, tuition assistance plans; transportation and health club subsidies.
6. **Insured** means:
- a. **Member**
  - b. CSU and CSU Campus Auxiliary Organizations
  - c. Elected/Appointed Officials: all past, present and future, including the Member Designated Professional Fiduciary
  - d. Employees: all past, present, and future
7. **Loss** means the amount which a **Covered Party** is legally and personally liability to pay on account of a **Claim** first made or instituted during the coverage period covered under and not excluded by this additional coverage endorsement.
8. **Member** means the signatory to the CSURMA Joint Powers Authority
9. **Retroactive Date** shall mean any Claim or Loss reported pursuant to the terms and conditions herein and rendered on or after the date set forth herein:

For all Members other than those Members specifically listed below the retroactive date for this endorsement is: July 1, 2010. For all Members listed below the retroactive date is as stated.

<u>Campus</u>	<u>AORMA Member</u>	<u>Retroactive Date</u>
Chico	Associated Students of CSU Chico	July 1, 2005
Long Beach	CSU Long Beach Foundation	July 1, 2008
Los Angeles	Associated Students Inc. CSU Los Angeles	July 1, 2007
Northridge	The University Corp., CSU Northridge	October 1, 1991
Northridge	University Student Union, CSU Northridge	October 1, 1999
Sacramento	Capital Public Radio, CSU Sacramento	April 15, 2010
San Jose	San Jose University Research Foundation	July 1, 2002



California State University Risk Management Authority  
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San Jose

Spartan Shops, Inc.

February 1, 1998

10. **Trust(s)** means charitable remainder trusts, charitable lead trusts, pooled income funds, or any combination thereof, or any employee pension benefits or employee welfare benefits trust, formed under U.S. Internal Revenue Code Section 501(c)(9), in which a **Member** participates, provided the trust only serves auxiliary organizations who are **Members**.
11. **Wrongful Act** means:
  - a. Any actual or alleged breach of the responsibilities, obligations or duties imposed upon **Covered Party** for the **Trusts** by common or statutory law or regulation of the United States or any state;
  - b. Any other actual or alleged matter claimed against a **Covered Party** solely because of his or her service as the designated fiduciary of any **Employee Benefit Plans** or **Trusts**; or
  - c. Any actual or alleged negligent act, error or omission solely in the **Administration** of any **Employee Benefit Plan** or **Trust**, and
  - d. Any actual or alleged breach of duties, obligations and responsibilities imposed by ERISA or by COBRA or by any similar or related federal, state or local law or regulation in the discharge of the **Covered Party's** duties with respect to any **Employee Benefit Plans** or **Trust**.

*All other terms and conditions in the Memorandum remain unchanged.*

**ALLIANT RISK CONTROL CONSULTING  
RENEWAL CONTRACT PROPOSAL FOR FY 2016/2017**

**ISSUE:** The current contract with Alliant Risk Control Consulting is due to expire on June 30, 2016. ARCC has proposed a one-year contract effective July 1, 2016 to June 30, 2017 with an annual fee of \$93,000. This will include approximately 60 annual safety days. The safety days may be used for any risk management or safety related topic.

**RECOMMENDATION:** Staff recommends that the Committee review the ARCC renewal proposal and provide direction to Staff as appropriate.

**FISCAL IMPACT:** ARCC is proposing an hourly, daily and annual fee of \$193.75, \$1,550 and \$93,000, respectively. This represents a 7% increase over the pricing within the current contract.

Noted below are the historical fees for ARCC's services.

<b>Alliant Risk Control Consulting Historical Fee Schedule</b>			
<b>Fiscal Year</b>	<b>Per Day Cost</b>	<b>Hourly Cost</b>	<b>Annual Cost</b>
FY 09/10	\$1,500	Various	\$87,465
FY 10/11	\$1,545	Various	\$85,005
FY 11/12	\$1,450	\$181.25	\$58,000
FY 12/13	\$1,450	\$181.25	\$72,500
FY 13/14	\$1,450	\$181.25	\$102,000
FY 14/15	\$1,450	\$181.25	\$87,000
FY 15/16	\$1,450	\$181.25	\$87,000
FY 16/17	\$1,550	\$193.75	\$93,000

**BACKGROUND:** AORMA has had a contract with ARCC since 2006 and the scope of service has been similar over the years.

**PUBLICATION:** An AORMA bulletin will be sent out to all AORMA members as well as AOA members explaining the services provided by ARCC.

**ATTACHMENT(S):**

- a. FY 16/17 Alliant Risk Control Consulting – Proposed Contract

## **Alliant Risk Control Consulting Loss Control Services Agreement**

This agreement is made and entered into effective July 1, ~~2015-2016~~ through June 30, ~~2016-2016~~2017. The parties to this agreement are the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY (“CSURMA”) and ALLIANT RISK CONTROL CONSULTING (“ARCC”). CSURMA and ARCC are hereinafter collectively referred to as “the Parties.”

The Parties, for and in consideration of the promises and covenants hereinafter contained to be kept and performed do agree as follows:

### **1. ARCC Provided Safety Days**

ARCC will develop and present up to 60 Safety Days to the AORMA members.

- a. The Cost will be ~~\$1,450~~\$1,550 per day X 60 days, or ~~\$87,000.00~~\$93,000 (~~Eighty Seven~~Ninety Three Thousand Dollars) annually.
- b. Partial days will be charged in hourly increments at a rate of ~~\$181.25~~\$193.75 an hour. Travel costs are included in this rate.
- c. All safety days include travel expenses and training materials.
- d. Any credits from unused prior year’s contract will be applied to the current contract.
- e. In the event AORMA exhausts all existing funds (including previous years) during the policy period, rates will be billed monthly as described in items a. and b., above.

Safety Days may be used for any Risk Management or safety-related topic. Topics may be customized to each Auxiliary and may include live training, fact sheets, industrial hygiene, webinars, written programs or applicable risk management topics.

ARCC will not conduct additional work requiring billed rates over and beyond the contract without prior written approval from the AORMA committee. In the event, industrial hygiene services, laboratory analysis or other special equipment will be needed beyond the typical scope of a safety day; rates will be presented to the AORMA committee for approval.

### **2. Safety Assessment Priority**

Priority will be given to members that have leading workers’ compensation and general liability losses within AORMA as well as members with special projects and requests (such as new exposures, equipment and specialized training).

### **3. Experience Modification Reduction Plan**

ARCC will review the workers’ compensation losses for those AORMA members with an experience modification factor of between 1.10 and 1.25 and provide recommendations

as how to best reduce future losses. For those AORMA members with an experience modification in excess of 1.25, ARCC will meet with the AORMA member and assist in creating an experience modification reduction plan.

#### **4. First Aid and CPR Training**

ARCC has partnered with “Onsite Training” to provide cost effective First Aid, CPR, AED and BBP training to AORMA members. Onsite Training is authorized to teach classes following the guidelines of the Red Cross, AHA and EMS. Members may choose to use safety day funds towards First Aid/CPR Training.

#### **5. Videos, Newsletters, Factsheets and Webinars**

Members will receive invites to Alliant Risk Control's periodic safety and property webinars as well as email newsletters, custom videos and factsheets based upon various safety, risk management and insurance topics.

#### **6. Insurance**

ARCC shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by ARCC, its agents, representatives, or employees. Coverage shall be at least as broad as:

- a. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- b. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if ARCC has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- c. Workers’ Compensation insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- d. Professional Liability (Errors and Omissions) Insurance appropriate to ARCC’s profession, with limits no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If ARCC maintains higher limits than the minimums shown above, CSURMA requires and shall be entitled to coverage for the higher limits maintained by the ARCC. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CSURMA.

## 7. Other Insurance Provisions

- a. Additional Insured Status - California State University Risk Management Authority, members of Auxiliary Organizations Risk Management Alliance, their officers, directors, members and agents are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the ARCC including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the ARCC's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).
- b. Primary Coverage - For any claims related to this contract, ARCC's insurance coverage shall be primary. Any insurance or self-insurance maintained by CSURMA AORMA shall be excess of ARCC's insurance and shall not contribute with it.
- c. Notice of Cancellation - Each insurance policy required above shall state that coverage shall not be canceled, except with notice to CSURMA.
- d. Waiver of Subrogation - ARCC hereby grants to CSURMA a waiver of any right to subrogation which any insurer of said ARCC may acquire against CSURMA by virtue of the payment of any loss under such insurance. ARCC agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CSURMA has received a waiver of subrogation endorsement from the insurer.
- e. Deductibles and Self-Insured Retentions - Any deductibles or self-insured retentions must be declared to and approved by CSURMA. CSURMA may require the ARCC to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
- f. Acceptability of Insurers - Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to CSURMA.
- g. Claims Made Policies - If any of the required policies provide coverage on a claims-made basis:
  - 1) The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
  - 2) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
  - 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the ARCC must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- h. Verification of Coverage - ARCC shall furnish CSURMA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are

to be received and approved by CSURMA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the ARCC's obligation to provide them. CSURMA reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

- i. Subcontractors - ARCC shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and ARCC shall ensure that CSURMA is an additional insured on insurance required from subcontractors.
- j. Special Risks or Circumstances - CSURMA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

## **8. Indemnification**

ARCC agrees to indemnify, defend and hold harmless the California State University Risk Management Authority, members of Auxiliary Organizations Risk Management Alliance, their officers, directors, members and agents with regard to any and all claims, penalties, liabilities, damages, actions, causes of action and expenses of any nature (including but not limited to legal costs and attorney's fees) arising out of or relating to any negligence or willful misconduct by ARCC in performing under this agreement.

## **9. Termination**

Either ARCC or CSURMA may terminate, with or without cause, this agreement at any time by giving the other party thirty (30) days written notice.

## **10. Use, Ownership and Confidentiality of Information**

ARCC shall not utilize any information made available to it by reason of this agreement for pecuniary gain not contemplated by the terms of this agreement, regardless of whether ARCC is or is not under contract at the time such gain is realized.

Any information made available to ARCC by reason of this agreement or any report, survey, or other product developed by ARCC pursuant to this agreement is exclusively the property of CSURMA. Any such information and materials shall not be used by ARCC for any purpose or in any manner not authorized by CSURMA. ARCC disavows any ownership interest in such information and materials. CSURMA is not intending to, and does not, grant to ARCC any express or implied license or other rights to in the information or materials, except the limited right to use the information in accordance with this agreement.

Within seven calendar days from the termination or expiration of this agreement, ARCC will return to CSURMA any information it received from CSURMA.

ARCC shall treat as confidential any information made available to it by reason of this agreement. ARCC will not release or disclose any such information without the express approval of CSURMA. To the extent it is necessary for ARCC to disclose CSURMA's information to a third party, ARCC shall limit the information disclosed to the minimum

amount required for it to perform its obligations under this agreement and shall inform the third-party that the information is to be treated as confidential.

ARCC shall maintain the privacy of any information made available to it by reason of this agreement. ARCC represents and warrants that its collection, access, use, storage, disposal and disclosure of any such information will comply with all applicable federal and state privacy and data protection laws, as well as all other applicable regulations.

ARCC shall protect any information made available to it by reason of this agreement from any unauthorized use or disclosure. ARCC shall use the same level of care in preventing the unauthorized use and disclosure of this information that it uses to protect its own similar information. In no event, however, shall ARCC use less than reasonable care.

ARCC will immediately notify CSURMA of any unauthorized use or disclosure of its information or other materials. ARCC will take all reasonable remedial and corrective measures to address the incident, including the prevention of future incidents.

This Paragraph shall not apply to any information or material which is or becomes publicly available other than as a result of a breach of this section by ARCC; is already otherwise rightfully in ARCC's possession; is independently developed by ARCC outside the scope of this agreement; or, is rightfully obtained by ARCC from third-parties outside the scope of this agreement.

#### **11. No Assignment or Delegation**

The Parties recognize that this agreement is one for personal services and cannot be assigned or delegated, in whole or in part, by either party without the prior written consent of the other party.

#### **12. Independent Contractor**

In performing under the terms of this agreement, ARCC and its agents, personnel and employees shall act in an independent capacity and not as employees of CSURMA.

#### **13. Applicable Law and Dispute Resolution**

This agreement shall be deemed to be made in California, and shall be governed by and interpreted in accordance with the laws of the State of California.

Any dispute or claim arising under or relating to this agreement which is not resolved within a reasonable period of time by authorized representatives of the Parties shall be brought to the attention of the Chief Executive Officer (or designated representative) of ARCC and the Chair (or designee) of CSURMA for joint resolution. At the request of either party, CSURMA shall provide a forum for discussion of the disputed item(s).

If the Parties are unable to informally resolve a dispute or claim, the Parties agree that with regard to any dispute or claim related to this agreement, prior to the initiation of arbitration or other dispute resolution mechanism, they shall and must, in good faith, submit the claim or dispute to mediation with any mutually agreeable neutral possessing not less than three years mediation or other neutral alternative dispute resolution

experience. To initiate the mediation process, the aggrieved party shall notify the other of the party's intent to seek mediation and provide a name for consideration as the neutral. The parties shall, within seven (7) days thereafter, in good faith select the neutral, and, as soon as such agreement is reached, the mediation process shall proceed. If the Parties are unable to reach agreement as to the selection of a neutral, they shall immediately submit the claim or dispute to the American Arbitration Association ("AAA") for mediation. The Parties agree to share equally the cost of the mediation, except that each party shall pay and bear its own attorney's fees and attorney related costs. At such time as the mediator declares that an impasse exists, either party may submit the matter to arbitration or other adjudication as provided for in ~~subparagraph D,~~the paragraph below.

The Parties agree that any claim or dispute between or among them, their agents, employees, assignees, or successors, in any way related to or arising out of this agreement must be resolved by arbitration under the commercial arbitration rules of the AAA and California Code of Civil Procedure §1280 et seq., which code sections shall prevail in the case of any conflict with the rules of the AAA. In any such arbitration, the arbitrator's powers may include, without limitation, the power to determine the scope of the arbitration, including whether any or all of the any issues raised by either party are subject to arbitration, the power to grant any relief which may be granted by a court of law or equity, and the power to award costs and attorney's fees to the prevailing party. The venue and location for any such arbitration shall be Los Angeles County, California, and the arbitration shall be governed by and interpreted in accordance with the laws of the State of California.

#### **14. Notices**

Any notices required to be given to ARCC under this agreement shall be delivered to:

Alliant Insurance Services, Inc.  
1301 Dove Street, Suite 200  
Newport Beach, CA 92660  
Attention: Alliant Risk Control Consulting

Any notices required to be given to CSURMA under this agreement shall be delivered to:

California State University Risk Management Authority  
CSU Office of the Chancellor  
401 Golden Shore, 5th Floor  
Long Beach, CA 90802  
Attention: Office of Risk Management

These addresses may be changed at any time by either party upon written notice to the other party. Notices shall be effective when delivered, or, if refused, when delivery is attempted.

#### **15. Severability**

Should any portion of this agreement be determined to be illegal or unenforceable, the remainder of this Agreement shall be interpreted, construed and enforced as if such illegal or unforced portion were not a part of this agreement.

**16. Entire Agreement**

This agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in the agreement, and no prior agreement, understanding or representation, oral or written, shall be effective for any purpose. This agreement supersedes any prior statement, writing or understanding of the Parties with respect to the subject matter hereof. This agreement may be modified or amended only by a written statement signed by the Parties. Such modification or amendment shall thereupon become a part of this agreement.

Notice to Proceed

<b>Alliant Insurance Services, Inc.</b>	<b>Client (Authorized Representative)</b>
BY: <u>Alliant Risk Control Consulting</u>	BY: <u>California State University Risk Management Authority</u>
<b>Name:</b> Tim Leech	<b>Name:</b> <u>Zachary Gifford</u>
<b>Title:</b> First Vice President	<b>Title:</b> <u>CSURMA Secretary-Auditor</u>
<b>Date:</b>	<b>Date:</b>

This contract has been reviewed and approved by CSURMA legal counsel.

\_\_\_\_\_  
William Hsu – CSURMA Legal Counsel

\_\_\_\_\_  
Date

## **ONLINE TRAINING PLATFORM**

**ISSUE:** This item includes two issues:

1. The current contract with TargetSolutions for on-line safety training is due to expire on June 30, 2016. TargetSolutions has offered a one-year extension of the existing contract.
2. One-half of the Campuses have on-boarded their auxiliary organization staff onto the SkillPort platform. The Chancellor's Office, Systemwide Professional Development (SPD), has proposed an agreement which outlines the LawRoom Compliance and SkillSoft Content available to the auxiliary organizations as well as the services to be provided by SPD to support the auxiliary organizations. The SPD agreement is attached for the Committee's review and approval.

**RECOMMENDATION:** 1. Staff recommends renewing the TargetSolutions contract for one additional year. 2. Staff also recommends discussing the SPD agreement and delegating authority to the CSURMA Secretary-Auditor to finalize the terms of the agreement.

**FISCAL IMPACT:** 1. The TargetSolutions extension will continue at the existing cost of \$80,750, annually.

2. The annual fee proposed by SPD is;

FY 16/17 - \$50,000  
FY 17/18 - \$60,000  
FY 18/19 - \$70,000  
FY 19/20 - \$75,000

**BACKGROUND:** The campuses shown below have completed the upload of all auxiliary organization employees onto the SkillPort Platform. These auxiliaries have been contacted by Staff and have been provided the Chancellor's Office, Systemwide Professional Development, contact for help with the transition as well as assistance uploading custom training.

Chancellor's Office	CSU Stanislaus	CSU Fresno
CSU Fullerton	CSU Sonoma	CSU Northridge
Humboldt State University	CSU Sacramento	Cal Poly (SLO)
CSU San Bernardino	San Jose State University	CSU San Marcos
CSU Chico		

**PUBLICATION:** Staff will provide periodic updates as more campuses come online as well as providing transition information to those campuses still in the transitional phase.

**ATTACHMENT(S):**

- a. TargetSolutions Service Agreement One-Year Extension
- b. CO's Auxiliary Solution Contact Sheet
- c. Systemwide Professional Development agreement

AMENDMENT NO. 2 TO AGREEMENT BY AND BETWEEN  
TARGETSAFETY.COM, INC. (dba TARGETSOLUTIONS) AND CSURMA

This Amendment No. 2 is made and entered into as of July 1, 2016 by and between TargetSolutions Learning LLC ("TS") and California State University Risk Management Authority ("CSURMA") to amend the "Internet Services Agreement Between TargetSafety.COM, INC. (DBA TargetSolutions) and California State University Risk Management Authority for TargetSolutions Training and Applications," entered into on August 13, 2012 ("the Agreement").

In consideration of the mutual promises and covenants herein and other good and valuable consideration, TS and CSURMA agree to amend the Agreement as set forth below:

1. Paragraph 2 of the Agreement ("AGREEMENT TERM") is hereby amended to read as follows:

TargetSolutions Learning LLC, agrees to allow CLIENT access to the TargetSolutions Platform for twelve (12) months beginning July 1, 2016 and ending June 30, 2017.

2. Paragraph 3 of the Agreement ("INVOICING AND PAYMENT") is hereby amended to read as follows:

The annual license fee for the twelve month period beginning July 1, 2016 and ending June 30, 2017 shall be \$80,750.00 (Eighty Thousand Seven Hundred Fifty Dollars), and shall be invoiced 25 days prior to the effective date. The invoiced amount represents the total and entire license fee for that twelve month period. This amount paid by CSURMA to TS is exclusive of taxes.

3. Exhibit C to the Agreement ("Scope and Description of Optional Additional Services") is hereby deleted and removed in its entirety.

Agreed on this date by the following:

**For CSURMA:**

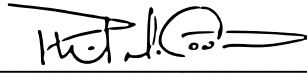
Zachary Gifford  
CSURMA Secretary-Auditor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**For TargetSolutions Learning LLC:**

Philip Coons  
Sales Director

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

3/22/16

Campus	Last Name	First Name	E-mail	Auxiliary Solution	Schedule Date/Status	Implementation Date (Tentative)	1 on 1 Call
CSU-Pomona	Arboleda	Albert	aarboleda@csupomona.edu		Initial call on 9/1. AI to allocate resources and give us implementation timeline. March 17th implementation	17-Mar	9/1/2015
	Patterson	Dave	dipatterson@csupomona.edu				
	Hang	Ly	lahang1@csupomona.edu				
	Roth	Loretta	ljroth@csupomona.edu				
	Branconier	Leanne	lrpage@csupomona.edu				
	Beltran	Patricio	pbeltran@csupomona.edu				
	Swart-Reiter	Sharon	slreiter@csupomona.edu				
CSU-Los Angeles	Okuno	Sheryl	seng@calstatela.edu	Database	Sent information to campus. Initial call scheduled for 7/27. Meet with Mike Lee, excited about solution. Working with		7/27/2015
	Lee	Mike	mlee40@cslanet.calstatela.edu				
	Carnahan	Jill	jcarnah@cslanet.calstatela.edu				
CSU-Channel Islands	Spencer	Joyce	joyce.spencer@csuci.edu		Working with Mike T. Waiting on Network change before testing. Peter to start working on it Late January		1/23/2015
	Scamardo	Peter	<a href="mailto:peter.scamardo@csuci.edu">peter.scamardo@csuci.edu</a>				
CSU-Monterey Bay	Mauro	Mary	mmauro@csumb.edu	API	Steve Mann heading solution. Looks like they might be ready for testing mid-June pending Mike T's feedback from e-mail questions. Received Key to start testing. Technical call scheduled 8/12. Working with team to start preping data.		8/12/2015
	Mann	Steven	smann@csumb.edu				
	Olano-Defensor	Antoinette	aolano-defensor@csumb.edu				
	Simpson	Henry	hsimpson@csumb.edu				
	McFarlane	Susan	smcfarlane@csumb.edu				
CSU-East Bay	Greeff	Peter	Peter.Greeff@csueastbay.edu	API	Mike working with technical team on project. Campus tech team investigating solution. Ball in campus IT's court, working on getting data and method finalized. Easy bay waiting for		1/14/2015
	Bartholomew	Dave	Dave.Bartholomew@csueastbay.edu				
	Chen	Roger	roger.chen@csueastbay.edu				
	Lippman	George	george.lippman@csueastbay.edu				
	Gin	Corey	corey.gin@csueastbay.edu				
CSU-Bakersfield	Dinz	Christopher	cdiniz@csub.edu	API	Ready. They lost their Shib/IDP person and wanted to load data into prod before configuring the release policy. Still without Shib/IDP (8/10). Still without Shib/IDP. Project on hold		1/29/2015
	Garcia	Kellie	kgarcia@csub.edu				
	Rivera	Sue	srivera@csub.edu				
	Chen	Brian	bchen@csub.edu				
CSU-Maritime	Miller	Demetra	dmiller@csum.edu		Ready to jump on call and get this things going. E-mail Follow up to check on status. 8/7		
	Busquaert	Emily	ebusquaert@csum.edu				
	Williams	Ingrid	iwilliams@csum.edu				
	Edwards	Kristofer	kedwards@csum.edu				
	Axsom	Margo	maxsom@csum.edu				
	Brown	William	wbrown@csum.edu				
CSU-Long Beach	Litman	Adam	Adam.Litman@csulb.edu		Want to know when automation and assignment of auxiliary organizations to Skillport. Refer to Asyu e-mail dated 2/5/15. Need to work with Aux orgs on campus		1/29/2015
	Spruill	Aysu	aysu.spruill@csulb.edu				
	Wohlgezogen	Gene	gene.wohlgezogen@csulb.edu				
	Alfaro	George	George.Alfaro@csulb.edu				
CSU-Dominguez Hills	Apel	Scott	sapel@csulb.edu		Waiting for solution confirmation from Bill. They want to use PeopleSoft, explained not an option. They went back to their team to look over		1/21/2015
	Statham	Russel	rdstatham@csudh.edu				
	Manriquez	Chris	cmanriquez@csudh.edu				
	Chang	Bill	bchang@csudh.edu				
	Vagts	Sarah	svagts@csudh.edu				
*CSU-San Diego	Vlahos	Felecia	fvlahos@mail.sdsu.edu		Working on new IDM. Production could be as late as Fall 2016.		1/16/2015
	McKelvey	Kent	kent@sdsu.edu				
	Jeffers	Marcus	mjeffers@mail.sdsu.edu				
	Clements	Christopher	cclement@mail.sdsu.edu				
CSU-San Francisco	LeDuc	Gene	gleduc@mail.sdsu.edu		Initial call on 7/23. Follow up with campus on August 17th for progress. Still working on solution, no timeline given.		7/23/2015
	McCoy	Henry	henry@sfsu.edu				
	Tolson	Julianne	jtolson@sfsu.edu				
	Kaur Kandola	Praveen	pratnan@sfsu.edu				
CSU - Chancellor's Office	Titus	Reji	reji@sfsu.edu	API	DONE		Done
	Trullinger	Mike	mtrullinger@calstate.edu				
	Pham	Eli	epham@calstate.edu				
CSU-Fullerton	Kervella	David	dkervella@calstate.edu	Database	DONE		3/24/2015
	Luzzi	Joe	jluzzi@exchange.fullerton.edu				
	Boyer	Kerry	kboyer@exchange.fullerton.edu				
	Dominguez	Melissa	mdominguez@fullerton.edu				
	Badal	Welson	wbadal@fullerton.edu				

Campus	Last Name	First Name	E-mail	Auxiliary Solution	Schedule Date/Status	Implementation Date (Tentative)	1 on 1 Call
CSU-Humboldt	Mullery	Colleen	cbm1@humboldt.edu	Database	Done		Done
	Callahan	Josh	jc115@humboldt.edu				
	Williams	Jeff	Jeffrey.Williams@humboldt.edu				
	Johnson	Peter	Peter.Johnson@humboldt.edu				
CSU-Northridge	Krzewinski	Kevin	kevin.krzewinski@csun.edu	Database	Done		4/8/2015
	De la Vega	Kristina	kristina.delavega@csun.edu				
	Choi	Sean	sean.choi@csun.edu				
CSU-San Jose	Pugliese	Beth	beth.pugliese@sjsu.edu	Database	DONE		DONE
	Huynh	Hien	hien.huynh@sjsu.edu				
	Meka	Prasad	prasad.meka@sjsu.edu				
	Cook	Mike	mike.cook@sjsu.edu				
CSU-San Luis Obispo	Malone	Dan	dmalone@calpoly.edu	Database	Done		Done
	Ross	Dave	ddross@calpoly.edu				
	Gallagher	Beth	begallag@calpoly.edu				
	Weller	Karen	kweller@calpoly.edu				
	Schiffman	Deborah	schiffma@calpoly.edu				
	Bullaro	David	dbullaro@calpoly.edu				
	Schultz	Craig	cschultz@calpoly.edu				
CSU-Sonoma	Stekkinger	Dana	boyerd@sonoma.edu	6 Aux Employees. Inputting into PeopleSoft	DONE		Done
	Dawson	Craig	craig.dawson@sonoma.edu				
	Kenber	Tammy	kenber@sonoma.edu				
	Spitzer	Kathleen	kspitzer@sonoma.edu				
	Luvisi	Andru	luvisi@sonoma.edu				
	Montalto	Meryl	meryl.montalto@sonoma.edu				
CSU-Stanislaus	Dunham-Filson	April	AFilson@csustan.edu	API	DONE		1/29/2015
	Boucher	Craig	cboucher@csustan.edu				
	Cardoza	Corey	ccardoza@csustan.edu				
	Marlow	Julie	jcmarlow@csustan.edu				
CSU-Sacramento	Bishop	Skip	william.bishop@csus.edu	Database	Done		1/15/2015
	Pech	Seima	pechs@csus.edu				
	Pike	Brennan	pikejb@csus.edu				
	Fox	Marc	foxm@skymail.csus.edu				
	Gentry	Bev	bgentry@csuchico.edu				
CSU-Chico	Wilson	Doug	EDWilson@csuchico.edu	API	Done		1/22/2015
	Coates	Greg	GCoates@csuchico.edu				
	Abernatha	Sharyn	sabernatha@csuchico.edu				
	Kissinger	Beth	bkissinger@csuchico.edu				
	Bealer	Yvonne	ybealer@csuchico.edu				
	Bentley	Wendy					
CSU-Fresno	Morilla	David	dmorilla@csufresno.edu	Database	Have to work on scope of project to include State Employees in data. Ready to implement	July 16th/23rd	1/14/2015
	Wagenleitner	John	johnwa@csufresno.edu				
	Parten	Janice	jparten@csufresno.edu				
CSU-San Bernardino	Portillo	Cesar	cportillo@csusb.edu	API	6/15/2015 (Followed up 5/13 to confirm implementation date). No testing has been done with campus. Call on 7/20. E-mail. Looking to implement on 11/5	11/19/2015	1/30/2015
	O'Linger	Jim	jolinger@csusb.edu				
	Torner	Javier	jtornier@csusb.edu				
	Rogers	Lenora	lenora@csusb.edu				
	Casis-Woidyla	Rowena	rwoidyla@csusb.edu				
	Lin	Sunny	slin@csusb.edu				
CSU-San Marcos	Rauch	Pete	prauch@csusm.edu	Database	Testing 2/13; Put on Hold. Should be ready to implement April/May. (Follow up 4/10). Need to come up with new identifier and send to CO	1/14/2016	1/23/2015

*Systemwide Professional Development*  
401 Golden Shore, 4th Floor  
Long Beach, CA 90802-4210

[www.calstate.edu](http://www.calstate.edu)

## MEMORANDUM

Date: May 5, 2016  
To: AORMA Committee  
From: David Kervella, Senior Director Systemwide Professional Development  
Subject: **Annual AORMA Training Costs**

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The following services (costs) are assigned to the Auxiliary Organizations Risk Management Alliance (AORMA) for training provided through Systemwide Professional Development.

This memo outlines the ongoing services provided by Systemwide Professional Development (SPD) to AORMA to provide loss control training in the area of Employment Practices, Cyber Security, and Legal/Statutory Compliance via LawRoom and Environmental Health and Safety (EHS), professional development training (Business, Desktop, IT, Videos and Books) via Skillssoft. These services will allow AORMA to benefit from CSU's Systemwide contract pricing and are to be funded by AORMA.

### LawRoom Compliance Content

- SPD will administer the LawRoom contract and compliance content for the approximately 25,000 Non Member (auxiliary) employees through our learning management system. SPD will absorb the charge under our negotiated contract with the vendor and request reimbursement from AORMA for the 25,000 Non Member employees.

### Skillssoft Content

- SPD will administer the SkillSoft EHS, SkillChoice (IT, Business, Desktop, Videos and Books) contract and content for the approximately 25,000 Non Member (auxiliary) employees through our learning management system. SPD will absorb the charge under our negotiated contract with the vendor and request reimbursement from AORMA for the 25,000 Non Member employees.

### Services to be provided by SPD

- Management of Skillport learning management system
- System training to Auxiliary organization administrators
- Customer Support for Skillport learning management system end users
- Hosting AORMA Custom Courseware not exceeding our contract limitations with the vendor

Costs

The annual cost to provide the services identified above is noted below:

FY 16/17 - \$50,000

FY 17/18 - \$60,000

FY 18/19 - \$70,000

FY 19/20 - \$75,000

In the event the California State University contract with SkillSoft and/or LawRoom is revised, the fee schedule shown above is subject to change.

The annual fee includes the LawRoom compliance Libraries, the SkillSoft libraries and services provided by SPD.

This agreement is effective for the fiscal period beginning July 1, 2016 and continuing through June 30, 2020. SPD will invoice CSURMA AORMA on July 1<sup>st</sup> of every year.

If there are any questions, please contact me at [dkervella@calstate.edu](mailto:dkervella@calstate.edu) or by calling (562) 951-4454.

## **POLICY AND PROCEDURE REVIEW**

**ISSUE:** Policy and Procedure A-5, requires that the AORMA Committee review its policies and procedures at least every two years. Sixteen policies and procedures were review by Staff. Most of the proposed changes are minor and intended to establish formatting, terminology and definition consistency. Noted within the background section is a summary of the proposed changes that are substantive.

**RECOMMENDATION:** Staff recommends that the Committee review and approve the recommended revisions, with additional changes as appropriate. Staff is also asking for authority to make the formatting consistent through all of the AORMA Policies and Procedures.

**FISCAL IMPACT:** None.

**BACKGROUND:** Below is a summary of the recommended revisions.

### **A-5 Annual Calendar of Reports, Audits and Filings**

- ✓ The liability and workers' compensation third party claims administrators (TPA) are required to be audited every two years. A statement was added to the Policy and Procedure that allows the AORMA Committee to change the TPA audit schedule for business reasons such as an RFP or the need to monitor the vendor's services more frequently.
- ✓ The requirement that the AORMA Committee review the Policy and Procedure review schedule was removed. All Policies and Procedures are reviewed every two years, so the review of the review schedule is redundant. As Policies and Procedures are reviewed, Staff will include as an information item the review schedule.
- ✓ A Property Appraisals section was added that confirms the AORMA Committee's desire to appraise all real property owned by Auxiliary Organizations (and insured within the AORMA Property Program) regardless of value every ten years, and with a value of \$1,000,000 or more every five years.

### **A-6 Risk Reduction Innovation Matching Grant Incentive Program**

- ✓ The Member Services, Loss Control and Training Committee was replaced by the Programs Committee. The Programs Committee now oversees the grant program.

#### **L-4 Employee Driving Standards**

- ✓ The intent of the Policy and Procedure is to exclude coverage for those employees in violation of the employee driving standards. However, this policy only applies to the AORMA pooled layer of coverage (currently \$350,000). The Policy and Procedure was amended to clarify this condition.
- ✓ The term Non-Occasional Driver was replaced with Regular Driver.

#### **L-6 Requirement to Purchase PAI for all Activities Involving Minors**

- ✓ When this Policy and Procedure was reviewed in 2014, the Committee directed staff to offer higher limits to those auxiliaries purchasing PAI policies with limits of \$10,000 or less. Staff offered higher limits for two years. Most auxiliaries chose not to increase their policy limits. Attached is listing of all of the PAI policies purchased and their limits.

#### **W-2 Workers' Compensation Contribution Payments**

- ✓ Staff recommends deleting this Policy and Procedure. The wording is identical to CSURMA Policy and Procedure No. 6 which is applicable to the AORMA members.

#### **W-5 Workers' Compensation Claims Settlement Authority**

- ✓ The AORMA Committee officers' titles were updated.

#### **W-1 Workers' Compensation Member Allocation Formula and W-8 Workers' Compensation Renewal Payroll Reporting**

- ✓ Staff recommends deleting Policy and Procedure W-8 because most of the wording is redundant as it also appears on Policy and Procedure W-1.
- ✓ The one statement within W-8, which is not redundant, has been moved to the Annual Payroll Audit section of Policy and Procedure W-1.

**PUBLICATION:** The revised policies and procedures will be posted on the CSURMA website.

#### **ATTACHMENT(S):**

- a. A-3 – Target Surplus Funding Policy
- b. A-4 – Dividends and Assessments
- c. A-5 – Annual Calendar of Reports, Audits and Filings
- d. A-6 – Risk Reduction Innovation Matching Grant Incentive Program
- e. A-8 – Closed Session
- f. L-1 – Liability Claims Reporting
- g. L-3 – Approved Legal Counsel Selection
- h. L-4 – Employee Driving Standards
- i. L-6 – Requirement to Purchase PAI for all Activities Involving Minors
- j. PAI Policies and Limits
- k. UI-1 – Formula for Determining UIP Annual Deposit
- l. W-1 – Workers' Compensation Program Member Allocation Formula

- m. W-8 – Workers’ Compensation Renewal Payroll Reporting
- n. W-2 – Workers’ Compensation Contribution Payments
- o. W-3 – Workers’ Compensation Experience Modifications
- p. W-5 – Workers’ Compensation Claims Settlement Authority
- q. W-6 – Workers’ Compensation Volunteer Coverage



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-3**

**SUBJECT: TARGET SURPLUS FUNDING POLICY**

**ADOPTED: JANUARY 10, 2007**

**AMENDED: OCTOBER 29, 2009  
SEPTEMBER 16, 2010  
OCTOBER 23, 2014  
MAY 5, 2016**

**EFFECTIVE: JANUARY 1, 2007**

**POLICY & PROCEDURE NO.: (FORMERLY) 7-AORMA**

*Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the AORMA Committee and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.*

In an effort to assure the long term financial strength of the Workers' Compensation, Liability, Property and Crime Programs (Programs), the AORMA Committee desires to fund the Programs in a responsible manner. Furthermore, in recognition that there is a high degree of uncertainty in actuarial estimates due to the possibility of occasional catastrophic claims and inconsistent or inaccurate case reserving, the AORMA Committee desires to establish a ~~Target Surplus Goal~~ **TARGET SURPLUS GOAL** that will guide them in making annual funding decisions for the Programs.

~~*Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the AORMA Committee and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.*~~

**POLICY**

The ~~Target Surplus Goal~~ **TARGET SURPLUS GOAL** is hereby established to be, at a minimum, the actuarially determined 70% ~~confidence level~~ **CONFIDENCE LEVEL**, discounted for investment. In evaluating the Programs' funding position relative to the ~~Target Surplus Goal~~ **TARGET SURPLUS GOAL** as a part of each year's ratemaking process, the AORMA COMMITTEE shall take into consideration the following ratios: Gross Premium to ~~Surplus~~ **SURPLUS** Ratio, ~~Surplus~~ **SURPLUS** to Pool Retention Ratio and Outstanding Reserves to ~~Surplus~~ **SURPLUS** Ratio.

The AORMA ~~Committee~~ **COMMITTEE** may take action to set a higher or lower ~~confidence level~~ **CONFIDENCE LEVELS** based on AORMA's goals to retain more or less risk.

**PROCEDURE**

**1. Annual Actuarial Study** - Each year the Program Director will engage CSURMA’s accredited independent actuary to perform an actuarial analysis of the Workers’ Compensation and Liability Programs. This analysis shall include ~~ESTIMATED OUTSTANDING LOSSES estimates of the outstanding losses~~ (including IBNR) at various ~~confidence levels~~ CONFIDENCE LEVELS as well as ~~PROJECTED ULTIMATE LOSSES estimates of ultimate losses~~ for the upcoming year(s). The analysis shall also compare the current program funding against the ~~outstanding liabilities~~ OUTSTANDING LOSSES and determine the ~~confidence level~~ CONFIDENCE LEVEL to which the program is currently funded. Because the Property and Crime Programs have an annual aggregate retention, an actuarial analysis is not performed.

**2. Calculation of ~~Industry-Target Surplus~~ Ratios** - The Program Director will also calculate certain insurance industry ratios to help determine the Program’s current financial position as follows:

**Gross Premium to Surplus Ratio: Target <1.5:1**

This ratio is a measure of how ~~surplus~~ SURPLUS is leveraged against possible pricing inaccuracies. A low ratio is desirable.

**Surplus to Pool Retention Ratio: Target >5-10:1**

This ratio is a measure of the maximum amount that ~~surplus~~ SURPLUS could decline due to a single loss. A high ratio is desirable.

**Outstanding Reserves to Surplus Ratio: Target ≤ 1.5:1**

This ratio is a measure of how ~~surplus~~ SURPLUS is leveraged against possible reserve inaccuracies. A low ratio is desirable.

**3. Application of Target Surplus Criteria** – After an annual review of the Target Surplus Ratios, the AORMA COMMITTEE will determine whether it is desirable to increase, decrease, or stabilize ~~surplus~~ SURPLUS. If the AORMA COMMITTEE desires to decrease ~~surplus~~ SURPLUS, it may approve a funding level below the 70% ~~confidence level~~ CONFIDENCE LEVEL. Conversely, a funding decision above the 70% ~~confidence level~~ CONFIDENCE LEVEL will indicate a bias toward increasing ~~surplus~~ SURPLUS. A determination to fund at the 70% ~~confidence level~~ CONFIDENCE LEVEL will reflect the AORMA COMMITTEE’s desire to keep ~~surplus~~ SURPLUS at the current level.

Because the Property and Crime Programs have annual aggregate retentions, and therefore no actuarial study is performed, the ~~Target Surplus Funding~~ shall be the amount of funds that exceed the maximum liability retained by the program for all program years. The AORMA COMMITTEE will approve the annual funding for each program.

## CSURMA AORMA

## POLICY AND PROCEDURE NO. A-3

The ~~Program-Target Surplus Funding Analysis and Dividend Calculation Report~~ will be prepared for each self-funded program and presented to the AORMA COMMITTEE after the end of each fiscal year.

4. **Dividends** – Dividends may be available from the amount of ~~surplus-SURPLUS~~ exceeding the ~~Target-Surplus-TARGET SURPLUS GOAL~~ amount established by the AORMA COMMITTEE. The allocation of any dividend shall be pursuant to the Dividends and Assessments Policy and Procedure detailed in Policy and Procedure No. A-4.
5. **Assessments** – Assessments may be required when the AORMA COMMITTEE determines that the amount of ~~surplus-SURPLUS~~ is not sufficient and can best be remedied by an extraordinary assessment. The allocation of any assessment shall be pursuant to the Dividends and Assessments Policy and Procedure detailed in Policy and Procedure No. A-4.

### MEMBER APPEAL PROCESS

If a MEMBER wishes to appeal any decision regarding the application of the Target Surplus ~~Funding~~ Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary-Auditor within 30 days of the disputed decision. The Secretary-Auditor shall place the Member's appeal on the AORMA COMMITTEE's agenda at its next regularly scheduled meeting. The AORMA COMMITTEE will review the appeal and inform the Member of the final decision within 5 business days of the final decision.

If a Member wishes to appeal the AORMA COMMITTEE's decision, the Member will notify the CSURMA Secretary-Auditor in writing within 5 business days of receipt of the AORMA COMMITTEE's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.

**DEFINITIONS:**

**AORMA COMMITTEE** - ~~Auxiliary Organizations Risk Management Alliance Committee, a committee of the CSURMA providing management and oversight to the Auxiliary Organizations Risk Management Alliance. The AORMA COMMITTEE is comprised of the Chair, the Vice Chair, eight “At Large” members, and two non-voting members~~The governing body of AORMA.

**AORMA** - ~~AORMA—The~~ Auxiliary Organizations Risk Management Alliance ~~is~~, a group of ~~programs—PROGRAMs~~ that operate ~~within~~under the California State University Risk Management Authority representing the auxiliary organizations.

**CONFIDENCE LEVEL:** A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, an 80% confidence level means that the actuary believes funding will be sufficient in eight years out of ten.

**CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its ~~A~~auxiliary ~~O~~rganizations.

**ESTIMATED OUTSTANDING LOSSES** – Estimated Outstanding Losses are the cost of claims that have occurred but have not yet been paid. They typically include indemnification and allocated loss adjustment expenses (ALAE), but not unallocated loss adjustment expenses (ULAE). They are calculated as projected ultimate losses less paid losses. Alternative, they are the sum of case reserves and incurred but not reported (IBNR) claims. Estimated Outstanding Losses are usually the largest single item listed as a liability the balance sheet of a public entity’s financial statement. GASB Statement No. 10 requires they be calculated by actuarial methods. Other common names for estimated outstanding losses are outstanding claim liability and unpaid claims.

**GROSS PREMIUM** - Includes pool premium and reinsurance/excess insurance premium but does not include administrative costs.

**IBNR** – Incurred but Not Reported losses

**MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority.

**OUTSTANDING RESERVES** - The sum total of unpaid case reserves in the pool layer as determined by the various claims examiners.

**POOL RETENTION** - The maximum amount of exposure to a single loss retained by the pool over the most recent ~~5~~five years.

## CSURMA AORMA

## POLICY AND PROCEDURE NO. A-3

**PROJECTED ULTIMATE LOSSES** – Projected Ultimate Losses are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. Projected Ultimate Losses are the total loss costs for a particular period. They typically include indemnification and allocated loss adjustment expenses (ALAE), but not unallocated loss adjustment expenses (ULAE).

**SURPLUS** - The amount of cash equivalent available to pay claims in excess of actuarial expected losses discounted for investment income.

**TARGET SURPLUS GOAL** – The amount of cash equivalent available to pay claims in excess of actuarial 70% **CONFIDENCE LEVEL** discounted for investment income.

**CONFIDENCE LEVEL:** A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, an 80% confidence level means that the actuary believes funding will be sufficient in eight years out of ten.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-4**

**SUBJECT: DIVIDENDS & ASSESSMENTS**

**ADOPTED: MARCH 8, 2007**

**AMENDED: OCTOBER 29, 2009  
SEPTEMBER 16, 2010  
OCTOBER 23, 2014  
MAY 5, 2016**

**EFFECTIVE: JULY 1, 2007**

**POLICY & PROCEDURE NO.: (FORMERLY) 8-AORMA**

*Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the AORMA ~~Committee~~ COMMITTEE and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.*

**POLICY**

It is the policy ~~of the~~ AORMA ~~Committee~~ COMMITTEE that:

- Evaluation of the funding for each Self-Insured PROGRAM shall be made based on all coverage periods combined for that particular PROGRAM rather than on each coverage period on its own. The availability of any dividend or need for any assessment will be determined based on the PROGRAM’s overall funding relative to the Target Surplus ~~Funding~~ Goal detailed in the separate Policy and Procedure No. A-3.
- Assessments and Dividends shall be allocated to the MEMBERS based on participation in “open” policy periods only.
- Unless the AORMA ~~Committee~~ COMMITTEE takes specific action to the contrary, a coverage period shall be considered “closed” for dividend and assessment purposes five (5) years from the expiration of that period (i.e. 6/30/03 for FY 07/08).
- Assessments are a responsibility of membership and shall be allocated to all ~~members~~ MEMBERS who participated in the open policy periods which the assessment is based on, regardless of whether they are current ~~members~~ MEMBERS at the time the assessment is declared.
- Dividends are a privilege of membership and shall be allocated only to the current ~~members~~ MEMBERS in the PROGRAM at the time the dividend is declared who participated in one or more of the open policy periods which the dividend is based on.

**PROCEDURE**

**1. Annual Funding Analysis** – Each year the Program Director will analyze the current funding position of the PROGRAMS in accordance with the Target Surplus ~~Funding~~ Goal detailed in Policy and Procedure No. A-3. This analysis will, in part, determine whether the PROGRAM’s overall funding is sufficient to consider a dividend or is depleted to the point

of considering an assessment. The Program Director's analysis will be reviewed by the AORMA COMMITTEE.

2. **Closure of Policy Periods** - Upon reaching five (5) years of maturity after the end of a coverage period, that period shall be "closed" and there shall be no further dividends or assessments allocated with respect to those PROGRAM periods. Notwithstanding the above, the AORMA ~~Committee~~ **COMMITTEE** may take action to leave a policy period "open" even though it may otherwise qualify for closure. In addition, the last five (5) policy periods shall always remain "open" unless the AORMA ~~Committee~~ **COMMITTEE** takes specific action to declare any of the last five (5) policy periods closed.
3. **Dividends and Assessments** - Dividends and assessments shall be allocated to the MEMBERS based upon the proportion of all premiums paid to the PROGRAM in all "open" periods only. For purposes of allocating dividends and assessments pursuant to this subparagraph, all "open" policy periods shall be considered collectively.
4. **DECLARATION OF ASSESSMENTS** – Assessments will be declared as needed by the AORMA COMMITTEE, and will be collected from a MEMBER in accordance with its proportionate funding to the PROGRAM during all “open” policy periods, whether or not they currently participate in the PROGRAM at the time of the assessment.
5. **DECLARATION OF DIVIDENDS** – The AORMA COMMITTEE may declare dividends if overall funding is sufficient to support such action. Upon such a declaration, the dividend shall be allocated to those MEMBERS currently participating in the PROGRAM at the time the dividend is declared, based on the proportionate funding of all “open” policy periods.

#### **MEMBER APPEAL PROCESS**

If a MEMBER wishes to appeal any decision regarding the application of the Dividend/Assessment Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary-Auditor within 30 days of the disputed decision. The Secretary-Auditor shall place the MEMBER appeal on the AORMA ~~Committee~~ **COMMITTEE** agenda at its next regularly scheduled meeting. The AORMA COMMITTEE will review the appeal at its next regularly scheduled meeting and inform the MEMBER of the final decision within 5 business days of its decision.

If a ~~Member~~ **MEMBER** wishes to appeal the AORMA COMMITTEE's decision, the ~~Member~~ **MEMBER** will notify the CSURMA Secretary-Auditor in writing within 5 business days of receipt of the AORMA COMMITTEE's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.



**DEFINITIONS:**

**AORMA** – Auxiliary Organizations Risk Management Alliance, a group of PROGRAMs of the California State University Risk Management Authority, ~~a California Joint Powers Authority~~ representing auxiliary organizations.

**AORMA COMMITTEE** – The governing body of AORMA.

**MEMBER** – ~~The MEMBER is a signatory to the CSURMA Joint Powers Authority. Any auxiliary organization participating in AORMA.~~

**PROGRAM** – For purposes of dividends and assessments, AORMA’s PROGRAMs are the Liability, Workers’ Compensation, Property and Crime.

**CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-5**

**SUBJECT:** CALENDAR OF REPORTS, AUDITS, FILINGS AND REVIEWS

**ADOPTED:** OCTOBER 29, 2009

**EFFECTIVE:** OCTOBER 29, 2009

**AMENDED:** SEPTEMBER 12, 2013  
NOVEMBER 6, 2013  
MARCH 20, 2014  
OCTOBER 23, 2014  
MAY 5, 2016

**PURPOSE:**

This policy and procedure outlines the various audits, reports and filings compiled by CSURMA AORMA on an annual basis.

**POLICY:**

It shall be the policy of the CSURMA AORMA to take the following action on an annual or semi-annual basis:

**Reports and Audits:**

1. Actuarial Study. Annually, the Program Director will engage CSURMA’s accredited independent actuary to perform an actuarial study analysis will be performed on of both the Workers' Compensation and Liability Programs, to ascertain. The analysis shall include (1) Projected Ultimate Losses the necessary funding for the upcoming fiscal year(s) and (2) the Estimated Outstanding liabilities-Losses (including IBNR) at various confidence levels for the prior fiscal years as detailed in CSURMA Policy & Procedure #4.
2. Third-Party Claims Administration Audits for both the Liability and Workers’ Compensation Program. These audits will be performed by an independent outside auditor in accordance with CSURMA Policy and Procedure #5. The AORMA Liability Program shall be audited in every odd numbered calendar year. The AORMA Workers’ Compensation Program shall be audited in every even number calendar year. Upon the recommendation of the Program Administrator, the AORMA COMMITTEE may adjust the audit schedule described above based on AORMA’s business needs such as a planned Request-for-Proposal process, or a need to monitor a vendor’s service performance more frequently.
3. Financial Audit. This audit will be performed annually by an independent outside auditor.

### **State of California Regulatory Required Filings:**

1. Form 700 - Statement of Economic Interests. All ~~designated and alternate~~-AORMA Committee members will annually file with the FPPC the Form 700 - Statement of Economic Interests by April 1. All ~~designated and alternate~~-AORMA Committee members will also file with the FPPC the Form 700 upon becoming or retiring as a Committee designated or alternate member.

### **Policy and Procedure Review Schedule:**

- ~~1. Every year during the annual AORMA Committee Long Range Planning meeting, the AORMA Policy and Procedure Review Schedule will be evaluated and approved.~~
21. In the absence of other reasons to review a policy and procedure more frequently, all policies and procedures will be reviewed at least every two years.

### **Member Allocation Formula Review**

1. The Member Allocation Formula for each AORMA program with a pooled layer will be reviewed by the AORMA Programs Committee at least every three (3) years in order to verify that the allocation formulas are still fair and equitable. The AORMA Programs Committee will provide to the AORMA Committee a thorough report of its review, findings and recommendations.
2. The AORMA Committee will approve any and all revisions to the member allocation formulas before being utilized.

### **Property Appraisals**

1. Every five (5) years, the Program Administrator will engage a qualified property appraisal firm to appraise all buildings owned by MEMBERS and insured within the AORMA Property Program with total insurable values of \$1,000,000 or greater.
- ~~2.~~Every ten (10) years, the Program Administrator will engage a qualified property appraisal firm to appraise all buildings owned by MEMBERS and insured within the AORMA Property Program regardless of the value.

**DEFINITIONS:**

**AORMA** – Auxiliary Organizations Risk Management Alliance is the group of PROGRAMs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

**AORMA COMMITTEE** – The governing body of AORMA.

**MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority.

**CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-6**

**SUBJECT:** RISK REDUCTION INNOVATION MATCHING GRANT INCENTIVE PROGRAM

**ADOPTED:** MAY 9, 2013

**EFFECTIVE:** JULY 1, 2013

**AMENDED:** SEPTEMBER 12, 2013  
MARCH 20, 2014  
DECEMBER 4, 2014  
MAY 5, 2016

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**PURPOSE:**

The Risk Reduction Innovation Matching Grant Program (**Program**) makes funds available to AORMA Members (**Members**). It funds original and inventive training programs, the purchase of cutting edge safety equipment, innovative modernization of the **Member's** premises or any other unique or creative safety related project that may lead to a documentable reduction in claims costs. The purpose of this type of *matching grant program* is to encourage **Members** to enhance existing risk reduction efforts and to inspire ingenious safety ideas that the other **Members** may employ.

**POLICY:**

1. Annually, the following activities will be completed
  - a. The ~~Member Services, Loss Control and Training Programs~~ Committee (~~MSLCTCPC~~) will propose to the AORMA Committee a budget amount for the **Program**.
  - b. The ~~MSLCTC-PC~~ will approve the maximum grant amount.
  - c. The ~~MSLCTC-PC~~ along with the Program Administrator will review the grant applications, and if found to be appropriate and consistent with the purpose of the **Program** may be approved by the ~~MSLCTCPC~~.
2. To access funds under the **Program**, the **Member**, must complete the grant application which is located on the CSURMA website and will include the following information;
  - a. A description of the proposed risk reduction project
  - b. The anticipated timeline for completion of the risk reduction project.
  - c. An estimate of the total costs for the proposed risk reduction project.
3. The **Member** will be expected to complete the proposed risk reduction project within the timeline provided within the grant application. Upon review, the ~~MSLCTC-PC~~ may rescind

the grant if the **Member** has not started, or completed, the risk reduction project within the timeframe proposed.

4. Fifty percent (50%) of the **Member's** risk reduction project costs (up to the maximum grant amount approved for that **Member**) will be reimbursed under the **Program**. The **Member** will submit to the ~~MSLCTC-PC~~ the final paid receipt to be used to calculate the **Program** reimbursement amount.
5. After the grant funds are utilized, the **Member** will provide a brief report providing information that will assist the ~~MSLCTC-PC~~ in monitoring this **Program's** effectiveness and the merits of future **Program** funds.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. A-8

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**SUBJECT:** CSURMA AORMA CLOSED SESSION POLICY

**ADOPTED:** OCTOBER 23, 2014

**EFFECTIVE:** OCTOBER 23, 2014

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*Should there be any discrepancy between this document and either the LIABILITY MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the AORMA COMMITTEE and the MEMBER, the LIABILITY-MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.*

### **POLICY:**

CSURMA AORMA conducts its meetings in compliance with the Bagley-Keene Open Meeting Act. The Act allows CSURMA AORMA to meet in closed session to confer with or receive advice from its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of CSURMA AORMA in the litigation.

From time to time, a MEMBER may be asked to recuse himself/herself from CLOSED SESSION discussions due to a potential conflict of interest.

### **PROCEDURE:**

Prior to entering closed session, upon advice from the CSURMA Legal Counsel, Claims Administrator and/or Program Director, an AORMA ~~committee~~-COMMITTEE member may be asked to recuse himself/herself from the closed session discussion where a potential conflict of interest may exist.



**DEFINITIONS:**

**AORMA** – Auxiliary Organizations Risk Management Alliance is the group of PROGRAMs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

**AORMA COMMITTEE** – The governing body of AORMA.

**MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority.

**CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. L -1

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**SUBJECT:** **LIABILITY CLAIMS REPORTING**

**ADOPTED:** **DECEMBER 7, 2006**

**AMENDED:** **OCTOBER 8, 2009**  
**DECEMBER 4, 2014**  
**MAY 5, 2016**

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**EFFECTIVE:** **JANUARY 1, 2007**

*Should there be any discrepancy between this document and either the MEMORANDUM OF COVERAGE or PARTICIPATION AGREEMENT between the AORMA COMMITTEE and the MEMBER, the MEMORANDUM OF COVERAGE and the PARTICIPATION AGREEMENT will govern.*

### **POLICY:**

It is the policy of CSURMA AORMA that all MEMBERS will comply with the following conditions of the AORMA Liability Program MEMORANDUM OF COVERAGE.

- A. Duties in the Event of an Accident, OCCURRENCE, Offense, Claim, Suit or Proceeding: The following provisions are precedent to coverage under the AORMA Liability Program MEMORANDUM OF COVERAGE. The COVERED PARTY's failure to comply with any of these provisions will be cause for a reduction in or denial of coverage by CSURMA AORMA.
1. In the event of any OCCURRENCE or offense which may result in a claim, suit or proceeding against a COVERED PARTY, written notice (includes e-mail correspondence, fax transmissions and original hard copy notifications) shall be given by the MEMBER to the TPA as soon as practicable.
  2. When the MEMBER submits the first -claim report, the following information shall be included, if available and applicable:
    - a. How, when and where the OCCURRENCE or offense took place;
    - b. The names and addresses of any injured persons and witnesses;
    - c. The nature and location of any injury or damage arising out of the OCCURRENCE or offense;
    - d. Incident reports;
    - e. Investigation reports;

- f. Police reports;
- g. Claims notice(s) and ~~MEMBER and any other involved COVERED PARTY~~ response(s)
- h. Medical reports
- i. Request for Assignment of “Non-Approved” Legal Counsel (See AORMA Legal Counsel Selection Policy & Procedure)
- j. Other information helpful to the TPA

**TPA – Contact Information**

**Regular Mail**

Carl Warren & Company  
P.O. Box 7059  
Ventura, CA 93006-7059  
Attn: Mauri McGuire  
Phone: 805.650.7020, ext. 1003  
Fax: 805.658.9950  
Email: [mmcguire@carlwarren.com](mailto:mmcguire@carlwarren.com)

**Express Mail**

Carl Warren & Company  
1000 South Hill Rd., Suite 215  
Ventura, CA 93003-4455  
Attn: Mauri McGuire  
Phone: 805.650.7020, ext. 1003  
Fax: 805.658.9950  
Email: [mmcguire@carlwarren.com](mailto:mmcguire@carlwarren.com)

- 3. The MEMBER and any other involved COVERED PARTY shall provide immediate notice of any Pleadings, Summons, Complaints and any other legal papers received by the MEMBER or other involved COVERED PARTY to the TPA and authorize CSURMA AORMA to obtain records and other information;

- a. Late Reporting Penalties

If an OCCURRENCE, offense, claim, suit or proceeding is not reported by the MEMBER to the TPA within the timeframes set below, the following late reporting schedule will apply:

- i. If an OCCURRENCE, offense, claim, suit or proceeding is reported 1-6 months late as determined by the TPA, a 25% reduction of coverage will apply;
- ii. If an OCCURRENCE, offense, claim, suit or proceeding is reported 7-12 months late as determined by the TPA, a 50% reduction of coverage will apply;
- iii. If an OCCURRENCE, offense, claim, suite or proceeding is reported more than 12 months late as determined by the TPA, no recovery will be available to the MEMBER or other involved COVERED PARTY.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. L -1

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4. The MEMBER and any other involved COVERED PARTY will cooperate with CSURMA AORMA in the investigation or settlement of the claim, suit or proceeding and defense against and assist CSURMA AORMA, in the enforcement of any right against any person or organization which may be liable to the MEMBER because of injury to which this coverage may also apply.

B. No Voluntary Payments: Except as stated below, no MEMBER will, except at that MEMBER's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without consent of CSURMA AORMA.

With respect to UNFAIR EMPLOYMENT PRACTICES, in no event shall any payments be made ~~to~~ by CSURMA AORMA for any costs incurred to defend a covered claim more than thirty (30) days prior to written notification of any OCCURRENCE, offense, claim or suit to the TPA.

Moreover, no settlement of any claim shall be paid by CSURMA AORMA without prior written authorization of the TPA.

### MEMBER APPEAL PROCESS:

#### First Level Appeal

If a MEMBER wishes to appeal a decision resulting from the enforcement of this Policy and Procedure, the MEMBER must present an appeal in writing to the AORMA Committee within thirty (30) days of the disputed decision. The AORMA Committee will review the appeal at its next regularly scheduled meeting and inform the MEMBER within five (5) business days of its final decision.

#### Second Level Appeal

If a MEMBER wishes to appeal the AORMA Committee's decision, the MEMBER will notify the CSURMA Secretary-Auditor in writing within five (5) business days of receipt of the AORMA Committee's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. L -1

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### DEFINITIONS:

1. **AORMA** – Auxiliary Organizations Risk Management Alliance is the group of PROGRAMs that operate within the California State University Risk Management Authority representing the auxiliary organizations.
2. **CSURMA** – California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its ~~A~~auxiliary ~~O~~rganizations
3. **MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority, ~~and is named on the AORMA Liability Program~~ **MEMORANDUM OF COVERAGE** ~~Declarations Page.~~
4. **MEMORANDUM OF COVERAGE** – The AORMA Liability Program MEMORANDUM OF COVERAGE is a governing document which outlines the AORMA Liability Program’s definitions, coverages, exclusions and provisions. The AORMA Liability Program MEMORANDUM OF COVERAGE does not provide insurance, but instead provides for pooled-insurance. The MEMORANDUM OF COVERAGE is a negotiated agreement among the MEMBERS of CSURMA AORMA.
5. **OCCURRENCE** – As defined within the AORMA Liability Program MEMORANDUM OF COVERAGE.
6. **PARTICIPATION AGREEMENT** – A governing document of CSURMA AORMA which outlines the roles and responsibilities of AORMA and its MEMBERS.
7. **TPA** - Third party liability claims administrator whose responsibilities include claim handling, litigation management and excess liability carrier reporting.
8. **UNFAIR EMPLOYMENT PRACTICES** – As defined within the AORMA Liability Program MEMORANDUM OF COVERAGE.

**SUBJECT: LEGAL COUNSEL SELECTION**

**ADOPTED: DECEMBER 7, 2006**

**AMENDED: OCTOBER 8, 2009  
SEPTEMBER 16, 2010  
MAY 10, 2012  
OCTOBER 23, 2014  
MAY 5, 2016**

**EFFECTIVE: JANUARY 1, 2007**

**POLICY & PROCEDURE NO.: (FORMERLY) 3C-LIAB**

*Should there be any discrepancy between this document and either the LIABILITY MEMORANDUM OF COVERAGE or PARTICIPATION AGREEMENT between the AORMA and the MEMBER, the LIABILITY MEMORANDUM OF COVERAGE and the PARTICIPATION AGREEMENT will govern.*

**POLICY**

1. The TPA shall appoint all LEGAL COUNSEL to represent AORMA and its MEMBERS in defense of a covered liability claim. All appointed LEGAL COUNSEL shall be selected from the AORMA APPROVED LEGAL COUNSEL LIST and subject to the MAXIMUM ALLOWABLE HOURLY RATE for LEGAL COUNSEL. The TPA will send to LEGAL COUNSEL an engagement letter which the LEGAL COUNSEL will be asked to acknowledge and accept.
2. The CSURMA Secretary-Auditor approves the selection of defense counsel to be added to the AORMA APPROVED LEGAL COUNSEL LIST.
3. To avoid any appearance of a conflict of interest, actual or potential, any attorney who has advised a MEMBER in any capacity (such as serving as general or labor counsel) shall not be engaged as LEGAL COUNSEL for a matter on which that attorney previously advised the MEMBER without prior approval of the CSURMA Secretary-Auditor.

**PROCEDURE**

1. The TPA shall maintain and update the AORMA APPROVED LEGAL COUNSEL LIST of attorneys (not firms) to which claims will be assigned.
2. The TPA shall at least every 36 months survey LEGAL COUNSEL compensation and recommend to **the AORMA COMMITTEE** a fair and equitable MAXIMUM ALLOWABLE HOURLY RATE for LEGAL COUNSEL which will address partner rates, associate rates and blended rates. The AORMA COMMITTEE shall consider and take action at a regularly scheduled meeting to establish the MAXIMUM ALLOWABLE HOURLY RATE.
3. If LEGAL COUNSEL is handling the defense of any University case, then LEGAL COUNSEL will be retained at the University's hourly rate.

4. MEMBERS shall have the right to recommend LEGAL COUNSEL from the AORMA APPROVED LEGAL COUNSEL LIST; however, the CSURMA Secretary-Auditor shall make the final selection of LEGAL COUNSEL. If the MEMBER disapproves of the selection of LEGAL COUNSEL for a particular matter, the MEMBER may submit an appeal in writing to the AORMA COMMITTEE. ~~The following should be considered by the MEMBER prior to submitting an appeal: The AORMA APPROVED LEGAL COUNSEL listing.~~
5. Any MEMBER wishing to recommend LEGAL COUNSEL for inclusion on the AORMA APPROVED LEGAL COUNSEL LIST may do so by submitting background information on the individual attorney to the TPA. The TPA will then review the information and, if appropriate, request that the CSURMA Secretary-Auditor approve inclusion of the attorney on the AORMA APPROVED LEGAL COUNSEL LIST.-
6. Due to the potential conflict of interest, attorneys who serve regularly as general counsel, in-house counsel or labor counsel for that MEMBER may not defend that MEMBER unless prior written approval is granted by the CSURMA Secretary-Auditor.
7. Except as permitted by Paragraph Nos. ~~6, 7, and 89~~, 10 and 11 below, the CSURMA Secretary-Auditor and the TPA shall have the sole responsibility to select and engage LEGAL COUNSEL to represent ~~members~~ MEMBERS of AORMA as to any matters tendered by a MEMBER through AORMA for DEFENSE and INDEMNITY. A MEMBER may request selection of LEGAL COUNSEL from the AORMA APPROVED LEGAL COUNSEL LIST for a specific claim.
8. The TPA shall assign claims to LEGAL COUNSEL within five days after receipt of notice from the MEMBER that a Summons and Complaint has been received by the TPA.
9. If there is a conflict of interest between AORMA and a MEMBER (which would be a conflict of interest between an insured and its insurer within the meaning of California Civil Code Section 2860) then that MEMBER has the same rights to select and engage INDEPENDENT COUNSEL as would an insured under Civil Code Section 2860. AORMA also has all of the rights reserved to an insurer under Civil Code Section 2860, and all of the provisions of Civil Code Section 2860 shall apply as if AORMA was an insurer and the MEMBER was an insured.
10. A MEMBER may recommend LEGAL COUNSEL to defend an action if all of the following conditions apply:
  - a. Recommended LEGAL COUNSEL is selected from the AORMA APPROVED LEGAL COUNSEL LIST;
  - ~~b.~~ The CSURMA Secretary-Auditor approves the recommendation. (The recommendation will be approved by the CSURMA Secretary-Auditor unless the MEMBER's selection is found to be imprudent, i.e., LEGAL COUNSEL proposed by the MEMBER does not have sufficient experience, expertise or other qualifications required to competently undertake the defense assignment).
  - c. One or more of the following circumstances exists:
    - i. The MEMBER has significant exposure to a claim which the AORMA ~~Committee~~ COMMITTEE has either denied coverage for, or has reserved its

- rights to deny coverage for, but which claims there may not be a conflict of interest between AORMA and MEMBER of the kind referred to in Paragraph No. 610 above. If the MEMBER chooses to avail itself of the privilege of selecting LEGAL COUNSEL under this No. 710 c(i), the MEMBER shall affirmatively waive its rights under No. 69 above.
- ii. The case involves legal or factual issues which merit handling by LEGAL COUNSEL with specialized expertise.
  - iii. The case involves unusual ancillary factors, which justify retaining LEGAL COUNSEL having special sensitivity in dealing with those factors.
11. The MEMBER always may select and engage, *at its own expense*, MONITORING COUNSEL in addition to the LEGAL COUNSEL. However, the LEGAL COUNSEL selected by the CSURMA Secretary-Auditor or the TPA shall manage and control the litigation.
  12. AORMA will pay for INDEPENDENT COUNSEL and LEGAL COUNSEL selected and engaged pursuant to Paragraph Nos. 69 and 710 above. AORMA *will not pay for* MONITORING COUNSEL engaged pursuant to Paragraph 811, above.
  13. In conjunction with LEGAL COUNSEL, selected pursuant to No. 69, above, the AORMA ~~Committee~~ COMMITTEE and the TPA shall have the right to manage and control the conduct of the litigation. INDEPENDENT COUNSEL selected pursuant to No. 69, above, may participate in the defense of the litigation but shall not interfere with AORMA's right of control.
  14. If a MEMBER has concerns regarding the selected LEGAL COUNSEL, they must communicate with the CSURMA Secretary-Auditor prior to initiating the Member MEMBER Appeal Process as described below.

## **NOTIFICATION**

The TPA shall notify the MEMBER of LEGAL COUNSEL assigned to a claim, and confirm by sending the MEMBER a copy of the TPA's engagement letter. Before AORMA will pay any costs for LEGAL COUNSEL fees, selected LEGAL COUNSEL must confirm IN WRITING to the TPA that the engagement is between LEGAL COUNSEL and AORMA, not LEGAL COUNSEL and MEMBER.

## **MEMBER APPEAL PROCESS**

### **First Level Appeal**

If a MEMBER wishes to appeal a decision resulting from the enforcement of this policy & procedure, the MEMBER must present an appeal in writing to the AORMA COMMITTEE within 30 days of the disputed decision. The AORMA COMMITTEE will review the appeal at its next regularly scheduled meeting and inform the MEMBER within five business days of its final decision.

**Second Level Appeal**

If a Member wishes to appeal the AORMA COMMITTEE's decision, the MEMBER will notify the CSURMA Secretary-Auditor in writing within five business days of receipt of the AORMA's decision. The CSURMA EXECUTIVE COMMITTEE will then review the appeal at its next meeting or sooner. The CSURMA EXECUTIVE COMMITTEE's decision will be the final determination.

DEFINITIONS:

1. **APPROVED LEGAL COUNSEL LIST** - A list of pre-approved attorneys approved by the CSURMA Secretary-Auditor and the TPA to handle defense and litigation of AORMA ~~member~~ **MEMBER** claims.
2. **AORMA** – Auxiliary Organizations Risk Management Alliance ~~is the,~~ a group of programs under the California State University Risk Management Authority representing the auxiliary organizations.
3. **AORMA COMMITTEE** - ~~A Committee of the CSURMA providing management and oversight to the Auxiliary Organizations Risk Management Alliance. The AORMA COMMITTEE is comprised of the Chair, the Vice Chair, eight “At Large” members, and two non-voting members. The governing body of AORMA.~~
4. **CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its ~~A~~ auxiliary ~~O~~rganizations.
5. **DEFENSE** - Legal costs incurred as the result of defending a covered claim. These may include claimant’s and defense counsel’s attorney fees.
6. **EXECUTIVE COMMITTEE** – The CSURMA Executive Committee.
7. **INDEMNITY** - Compensation for an incurred injury, loss or damage
8. **INDEPENDENT COUNSEL** – Legal Counsel selected if a potential conflict of interest exists between AORMA and a MEMBER. INDEPENDENT COUNSEL may participate in the defense of the litigation but shall not interfere with LEGAL COUNSEL’S right of control.
9. **IN WRITING** - The required manner for reporting a claim to the AORMA TPA. Notification in writing includes email correspondence, faxed transmissions, and original, hard copy notifications.
10. **LEGAL COUNSEL** - Any attorney selected to represent an AORMA member. Legal Counsel is selected from the approved legal counsel list maintained by the TPA.
11. **MAXIMUM ALLOWABLE HOURLY RATE** – The maximum hourly fee for which AORMA will pay for an attorney to defend a covered claim. The TPA will survey the legal counsel marketplace to determine the maximum allowable hourly rate for AORMA in accordance with this Policy and Procedure.
12. **MEMBER** – ~~Any Auxiliary Organization participating in AORMA. The MEMBER is a signatory to the CSURMA Joint Powers Authority.~~
13. **MEMORANDUM OF COVERAGE** - A governing document of AORMA. This document outlines the AORMA program definitions, coverages, exclusions and provisions.
14. **MONITORING COUNSEL** – Legal Counsel hired by the ~~Member~~ **MEMBER** to monitor.
15. **PARTICIPATION AGREEMENT** – ~~The participation Agreement, which is a~~ governing document of CSURMA AORMA which, outlines the roles and responsibilities of AORMA and its ~~membership~~ **MEMBERS.**
16. **TPA - THIRD PARTY CLAIMS ADMINISTRATOR (TPA)** – ~~A~~ Third party liability claim ~~claims~~ administrator whose responsibilities include claim handling, litigation management, and excess liability carrier reporting.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. L-4

**SUBJECT:** EMPLOYEE DRIVING STANDARDS

**ADOPTED:** JULY 1, 2002

**AMENDED:** JANUARY 10, 2007  
NOVEMBER 5, 2007  
OCTOBER 8, 2009  
JUNE 17, 2010  
OCTOBER 23, 2014  
MAY 5, 2016

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*This policy and procedure may limit your coverage. Please review carefully. Non-compliance may result in denial of or reduction in coverage under the Auxiliary Organizations Risk Management Alliance Liability Coverage Program.*

**POLICY:** Each MEMBER shall institute and enforce the employee and volunteer driving eligibility standards as set forth in this policy and procedure. Employees and volunteers failing to meet these driving eligibility standards will be excluded from automobile liability coverage under within the pooled layer of the AORMA LIABILITY COVERAGE PROGRAM, but not the Reinsurance and/or Excess Liability Insurance. ~~auto liability coverage within the liability coverage program.~~ In addition, if AORMA is required to make payments for any covered loss as a result of any MEMBER's failure to comply with these driving eligibility standards, AORMA will be entitled to recover the total amount of those payments from the MEMBER together with interest at the legal rate.

### **DRIVING ELIGIBILITY STANDARDS:**

1. Employees and volunteers must possess a valid California driver's license or equivalent to legally operate the class of vehicle(s) they operate in their employment.
2. Employees or volunteers driving on auxiliary organization business will have no more than 3 (three) VIOLATION POINTS in a 12 (twelve) month period or no more than 5 (five) points in an 18 (eighteen) month period. Employees or volunteers accumulating 4 VIOLATION POINTS within a 12 (twelve) month period or six VIOLATION POINTS within an 18 (eighteen) month period will be excluded from the automobile liability coverage within the AORMA LIABILITY COVERAGE PROGRAM. These provisions apply regardless of whether or not the driving that resulted in acquiring the VIOLATION POINTS was or was not in the course of employment.

**PROCEDURE:** The following steps should be taken to enforce the policy:

## CSURMA AORMA

## POLICY AND PROCEDURE NO. L-4

1. MEMBERS will enroll all ~~NON-OCCASIONAL REGULAR~~ DRIVERS in the Department of Motor Vehicles (DMV) Employer Pull Notice program. ~~NON-OCCASIONAL REGULAR~~ DRIVERS is defined to be either an employee or volunteer whose job requires that he or she drive more than once a week or an employee or volunteer whose primary duty is driving-related. The MEMBER shall annually confirm compliance with this requirement. ~~be required to confirm annually that this practice is being complied with.~~ ~~Occasional OCCASIONAL drivers—DRIVERS~~ are exempt from ~~the~~ Item 2 of the DRIVING ELIGIBILITY STANDARDS—~~above~~. Some examples of an ~~occasional driver~~ OCCASIONAL DRIVER are as follows:
  - a. An employee or volunteer driving once a week or less to the store for office supplies
  - b. An employee or volunteer driving a golf cart on campus, regardless of how often;
  - c. An employee or volunteer driving a rented vehicle while out of town at a business-related conference
2. All ~~NON-OCCASIONAL REGULAR~~ DRIVERS<sub>s</sub> will be informed of the DRIVING ELIGIBILITY STANDARDS.
3. Names of all ~~NON-OCCASIONAL REGULAR~~ DRIVERS not meeting the DRIVING ELIGIBILITY STANDARDS will be provided to the Program Administrator within 15 calendar days upon the MEMBER's receipt of the DMV employers' notification of point assignment, resulting in ~~an employee's or volunteer's~~ a REGULAR DRIVER's failure to comply with the DRIVING ELIGIBILITY STANDARDS. The Program Administrator will acknowledge exclusion from coverage of such employee or volunteer by the issuance of an amendatory endorsement. The employee or volunteer shall be considered uninsured as of the date of such an endorsement from the Program Administrator. The Program Administrator should be notified when the MEMBER determines that the ~~employee's or volunteer's~~ REGULAR DRIVER's driving record is in compliance with the DRIVING ELIGIBILITY STANDARDS.
4. The Program Administrator will, upon receipt of such notice as described in #43 above, issue an endorsement reinstating coverage for such employee or volunteer.
5. **Use of Personal Vehicles on Auxiliary Organization Business** - If an employee or volunteer uses a personal vehicle in the course and scope of AUXILIARY ORGANIZATION BUSINESS, the MEMBER shall verify that the employee or volunteer maintains personal automobile liability insurance and that the employee's or volunteer's personal vehicle is in safe mechanical condition as defined by State of California 2007 Vehicle Code, General Provisions, Division 12. A sample form is attached to this policy and procedure.

### MEMBER APPEAL PROCESS:



## **CSURMA AORMA**

## **POLICY AND PROCEDURE NO. L-4**

If a MEMBER wishes to appeal any decision regarding the application of the Target Surplus Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary-Auditor within 30 days of the disputed decision. The Secretary-Auditor shall place the Member's appeal on the AORMA COMMITTEE's agenda at its next regularly scheduled meeting. The AORMA COMMITTEE will review the appeal and inform the Member of the final decision within 5 business days of the final decision.

If a Member wishes to appeal the AORMA COMMITTEE's decision, the Member will notify the CSURMA Secretary-Auditor in writing within 5 business days of receipt of the AORMA COMMITTEE's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.

**DEFINITIONS:**

**AUXILIARY ORGANIZATION BUSINESS** – Performance by an employee, with the permission of the employer of those duties required by the employer for employment. This does not include employee travel to or from the place of employment.

~~**AORMA** – Auxiliary Organizations Risk Management Alliance is the group of Programs that operate within the California State University Risk Management Authority representing the auxiliary organizations.~~  
~~**AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE (AORMA)** – An insurance purchasing program for use exclusively by auxiliary organization members of the CSURMA.~~

~~**AORMA COMMITTEE** – The governing body of AORMA.~~

~~**AORMA LIABILITY COVERAGE PROGRAM** – The AORMA Liability Program which is detailed in the Liability Program Memorandum of Coverage.~~

~~**AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE (AORMA) COMMITTEE** – A Committee of the CSURMA providing management and oversight to the Auxiliary Organizations Risk Management Alliance. The AORMA Committee is comprised of the Chair, the Vice Chair, eight “At Large” members, and two non-voting members.~~

**CSURMA** – The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its Auxiliary Organizations.

**EMPLOYER PULL NOTICE PROGRAM** – A program administered by the DMV which alerts an employer anytime an employee registered in the Program has any negativity of his or her driving record.

**EXECUTIVE COMMITTEE** – The CSURMA Executive Committee.

~~**MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority.~~  
~~Any Auxiliary Organization participating in AORMA.~~

~~**NON-OCCASIONAL**~~  
**REGULAR DRIVER** – An auxiliary organization employee or volunteer whose job requires that he or she drive more than once a week or whose primary duty is driving-related.

~~**SIR LAYER OF AUTOMOBILE LIABILITY COVERAGE** – The automobile liability coverage provided by the AORMA SIR Liability Fund. This does not include excess liability coverage provided by purchased insurance.~~

**VIOLATION POINT** – As defined by the Department of Motor Vehicles’ Vehicle Code Violations at <http://www.dmv.ca.gov/dl/vioptct.htm>.

~~**OCCASIONAL DRIVER** – An auxiliary organization employee or volunteer who drives (1) once a week or less, (2) a golf cart on campus, regardless of how often.~~



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. L-4**

**AUTHORIZATION TO USE PRIVATELY-OWNED VEHICLES ON AUXILIARY BUSINESS**

Approval is requested to use a privately owned vehicle to conduct official Auxiliary Organization business.

*I hereby certify that*, whenever I drive a privately owned vehicle on Auxiliary business;

- I will have a valid driver's license
- I will maintain auto liability insurance with the minimum limits prescribed by State Law (\$15,000 for personal injury to, or death of one person; \$30,000 for injury to, or death of, two or more persons in one accident; \$5,000 property damage.)
- I will have evidence of auto liability insurance in the privately owned vehicle at all times
- The privately owned vehicle will be adequate for the work to be performed
- The privately owned vehicle will be equipped with safety belts in operating condition
- The privately owned vehicle, to the best of my knowledge, will be in a safe mechanical condition as required by law
- I understand that the mileage rate I receive is full reimbursement for the cost of operating the privately owned vehicle, including fuel, maintenance, repairs and both auto liability and physical damage insurance
- All accidents will be reported within 48 hours
- Should I get into an accident, I understand that the insurance policy covering the privately owned vehicle will respond to the accident - the Auxiliary will NOT provide primary insurance coverage**
- I understand that permission to drive a privately owned vehicle on Auxiliary business is a privilege which may be suspended or revoked at any time.

DIVER'S LICENSE NUMBER	STATE	EXPIRATION DATE
EMPLOYEE'S SIGNATURE	PRINT NAME	DATE SIGNED

**II. APPROVAL**

*Use of a privately owned vehicle Auxiliary Organization business approved.*

APPROVING AUTHORITY SIGNATURE	TITLE	DATE APPROVED
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**III. RENEWAL**

*I have reviewed the above certification and approval and certify that the information provided is correct and valid.*

EMPLOYEE'S SIGNATURE	APPROVING AUTHORITY SIGNATURE	DATE APPROVED
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*I have reviewed the above certification and approval and certify that the information provided is correct and valid.*

EMPLOYEE'S SIGNATURE	APPROVING AUTHORITY SIGNATURE	DATE APPROVED
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**CSURMA AORMA**

**POLICY AND PROCEDURE NO. L-6**

**SUBJECT:** **REQUIREMENT THAT PARTICIPANT ACCIDENT INSURANCE BE PURCHASED FOR ALL CHILD CARE AND CAMP OPERATIONS INVOLVING MINORS**

**ADOPTED:** **JUNE 17, 2010**

**AMENDED:** **OCTOBER 23, 2014**  
**MAY 5, 2016**

**EFFECTIVE:** **JUNE 17, 2010**

**PURPOSE:**

The purpose of this Policy and Procedure is to describe the conditions under which a MEMBER must purchase PARTICIPANT ACCIDENT INSURANCE.

Coverage provided under the CSURMA AORMA ~~Self-Insured~~-Liability ~~p~~Program is governed solely by the Liability Memorandum of Coverage and excess insurance policies providing coverage under that program. This Policy and Procedure shall not be construed to broaden or restrict coverage in any way. Rather, this Policy and Procedure is intended to guide Auxiliary Organizations as respects coverage.

**POLICY:**

It is the policy of the AORMA that MEMBERS will protect the CSURMA program assets by purchasing a separate PARTICIPANT ACCIDENT INSURANCE policy for all child care and camp operations involving minors.

**PROCEDURE:**

MEMBERS will purchase PARTICIPANT ACCIDENT INSURANCE for all child care and camp operations involving minors. The each accident limit shall be no less than \$10,000; however, higher limits may be purchased. The coverage may be purchased on a primary or excess basis.

**DEFINITIONS:**

- 1. AORMA** – Auxiliary Organizations Risk Management Alliance is the group of programs that operate within the, ~~an insurance purchasing program of the~~ California State University Risk Management Authority representing the auxiliary organizations., ~~a California Joint Powers Authority.~~
- 2. CSURMA** - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. L-6

3. **MEMBER** – The MEMBER is a signatory to the CSURMA Joint Powers Authority.~~Any auxiliary organization participating in AORMA.~~
  
4. **PARTICIPANT ACCIDENT INSURANCE** – This coverage pays for medical and dental expenses incurred by a participant in a MEMBER sponsored activity as a result of bodily injury sustained without regard to negligence. The MEMBER has no requirement of legal liability in order for coverage to exist.

**CSURMA AORMA  
PAI Premium, Losses, Limits History  
from 2007-2008 thru Current**

<b>Campus</b>	<b>Policyholder</b>	<b>Activities / Events</b>	<b>AMED Limit</b>	<b>AD&amp;D Limit</b>	<b>Deductible</b>
Bakersfield	CSU Bakersfield Foundation	Children Center	20,000	10,000	0
Chico	Associated Students Inc, CSU Chico	Adventure Outing	15,000	10,000	25
Chico	Associated Students Inc, CSU Chico	Children Center	25,000	10,000	50
Chico	Associated Students Inc, CSU Chico	Aquatic Center	50,000	10,000	500
Chico	CSU Chico Research Foundation	Various Program	10,000	10,000	50
Dominguez Hills	Associated Students Inc., CSU Dominguez Hills	Recreational Activities	15,000	10,000	0
Dominguez Hills	Associated Students Inc., CSU Dominguez Hills	Child Development Center	25,000	10,000	0
Dominguez Hills	CSU Dominguez Hills Foundation	Children Center	15,000	5,000	0
East Bay	Associated Students, Inc CSU East Bay	Children Center	25,000	10,000	0
East Bay	Associated Students, Inc CSU East Bay	Various Program	15,000	10,000	0
Fresno	CSU Fresno Asssocation	BARK Camp	25,000	15,000	0
Fresno	CSU Fresno Association / CSU Fresno Courtyard	Various Program	5,000	10,000	0
Fresno	Fresno State Programs for Children	Infant Toddler Center / Preschool / Huggins EEC	25,000	15,000	50
Fullerton	Associated Students CSU Fullerton	Various Program	15,000	15,000	50
Fullerton	Associated Students CSU Fullerton	Day Care	20,000	10,000	100
Fullerton	Cal State Fullerton Auxiliary Services Corp	Various Program	25,000	15,000	0
Humboldt	University Center, Humboldt State Univ	Various Youth Activities	10,000	10,000	50
Long Beach	Associated Students, CSU Long Beach	Children Center	15,000	10,000	100
Long Beach	Associated Students, CSU Long Beach	Cheer Camp	25,000	15,000	0
Long Beach	Associated Students, CSU Long Beach	Outdoor Adventure Program	25,000	25,000	50
Long Beach	CSU Long Beach Research Foundation	CAMP Program	25,000	25,000	50
Long Beach	CSU Long Beach Research Foundation	Various Programs	25,000	25,000	50
Long Beach	Forty-Niner Shops, CSU Long Beach	Retreats	25,000	25,000	50
Long Beach	Forty-Niner Shops, CSU Long Beach	Retreats	50,000	25,000	50
Los Angeles	CA State LA Univ Auxiliary Services	Day Care Center / Upward Bound	25,000	15,000	0
Los Angeles	University Student Union, CSU Los Angeles	Various Trips	10,000	15,000	0
Monterey	The University Corporation at Monterey Bay	Camp Sea Lab	20,000	15,000	25
Monterey	The University Corporation at Monterey Bay	Early Outreach Program	25,000	15,000	0
Northridge	Associated Students, Inc CSU Northridge	Childcare Center	25,000	15,000	0
Northridge	Associated Students, Inc CSU Northridge	Various Trips	10,000	10,000	25
Northridge	Associated Students, Inc CSU Northridge	Outdoor Adventure	15,000	10,000	25
Northridge	The University Corporation, CSU Northridge	Various Activities	15,000	10,000	50
Northridge	University Student Union, CSU Northridge	Various Activities	15,000	10,000	50

**CSURMA AORMA**  
**PAI Premium, Losses, Limits History**  
**from 2007-2008 thru Current**

Campus	Policyholder	Activities / Events	AMED Limit	AD&D Limit	Deductible
Pomona	Associated Students, Inc, CSPU Pomona	BEAT Program	15,000	10,000	0
Pomona	Associated Students, Inc, CSPU Pomona	Day Care Center	25,000	15,000	0
Pomona	Associated Students, Inc, CSPU Pomona	Intramurals Sports	25,000	25,000	0
Sacramento	Associated Students Inc, Sacramento	Aquatic Center / Peak Adventures	15,000	10,000	50
Sacramento	Associated Students Inc, Sacramento	Day Care Center	15,000	15,000	50
Sacramento	University Union, CSU Sacramento	Various Activities	15,000	15,000	50
San Bernardino	Associated Students Inc., CSU San Bernardino	Various Retreats / Activities	25,000	25,000	50
San Bernardino	UEI, CSU San Bernardino	Children Center	25,000	10,000	0
San Diego	Associated Students, SDSU	Children Center	12,500	10,000	0
San Diego	Associated Students, SDSU	Mission Bay	12,500	10,000	0
San Francisco	ASI, SFSU / SFSU Student Center	Various Retreats / Activities	15,000	10,000	50
San Francisco	The University Corp, SFSU	Youth Sailing / Kayaking Activities	25,000	15,000	50
San Jose	Associated Students, Inc SJSU	Children Center	10,000	10,000	50
San Jose	Associated Students, Inc SJSU	Cheerleading	5,000,000	100,000	50,000
San Jose	SJSU Research Foundation	Various Program	10,000	15,000	0
San Jose	Student Union, Inc of SJSU	Various Program	10,000	10,000	25
San Luis Obispo	Associated Students Inc., CPSU San Luis Obispo	Chumush Challenge	12,500	10,000	0
San Luis Obispo	Associated Students Inc., CPSU San Luis Obispo	Intramurals	2,000,000		25,000
San Luis Obispo	Associated Students Inc., CPSU San Luis Obispo	Intramurals	2,000,000		25,000
San Luis Obispo	Cal Poly Corporation	Various Program	15,000	10,000	0
San Marcos	Associated Students Inc, CSU San Marcos	Sports Team	10,000	5,000	100
San Marcos	Associated Students Inc, CSU San Marcos	Surf Activities	10,000	10,000	0
San Marcos	CSU San Marcos University Corporation	Intramurals	50,000	5,000	100
San Marcos	CSU San Marcos University Corporation	Outdoor Excursions	10,000	10,000	25
San Marcos	CSU San Marcos University Corporation	Various Excursions	50,000	10,000	0
San Marcos	University Auxiliary & Research Services Corp, CSU San Marcos	Upward Bound	10,000	10,000	0
Sonoma	Associated Students, Inc Sonoma State University	Various Program	10,000	15,000	50
Sonoma	Associated Students, Inc Sonoma State University	Childcare Center	10,000	10,000	0
Stanislaus	Associated Students Inc, CSU Stanislaus	Various Program	10,000	10,000	100
Stanislaus	Associated Students Inc, CSU Stanislaus	Intramurals	10,000	15,000	0
Stanislaus	University Student Union, CSU Stanislaus	Outdoor Activities	10,000	15,000	0
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## CSURMA AORMA

## POLICY & PROCEDURE UI-1

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**SUBJECT:** FORMULA FOR DETERMINING THE UNEMPLOYMENT INSURANCE PROGRAM ANNUAL CONTRIBUTIONS

**ADOPTED:** MAY 12, 2010

**EFFECTIVE:** JULY 1, 2011

**REVISED:** DECEMBER 6, 2012  
MAY 8, 2014  
MAY 5, 2016

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The AORMA Unemployment Insurance Program (UIP) annual contribution for each Auxiliary Organization participating in the AORMA UIP (MEMBER) shall be calculated using two factors – paid claims and administrative costs.

### DEPOSIT FORMULA:

Paid claims (the MEMBER's average annual paid claims for five years ending 6/30), plus an administrative cost. The administrative costs are allocated to each MEMBER based on its percentage of the total average annual paid claims.

### MINIMUM FUND BALANCE:

Each MEMBER must maintain in the AORMA UIP a minimum fund balance of two times its average annual losses. If a MEMBER's fund balance is below the minimum, annually, the additional funding required will be calculated and the MEMBER will be assessed at the program anniversary date an amount not to exceed 20% of the additional funding required to achieve the minimum fund balance. The MEMBER will be assessed annually until the MEMBER's fund balance is at the minimum fund balance.

At the end of each fiscal year, the AORMA UIP ~~Financial Statement~~Fund Balance Report will be distributed to each MEMBER. The ~~Financial Statement~~Fund Balance Report will include actual paid claims for the fiscal year rather than estimates. If the MEMBER's fund balance exceeds the minimum fund balance required (two times annual average losses) then the MEMBER can request that the excess funds be returned. *Any obligation to a third party will be the responsibility of the MEMBER.*

### MINIMUM CONTRIBUTION:



## CSURMA AORMA

## POLICY & PROCEDURE UI-1

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There is no minimum contribution based on paid claims. However, there is a \$250 minimum annual contribution for administrative costs.

### **INVESTMENT INCOME / LOSS:**

The total Investment Income or Loss is allocated to each MEMBER based on its percentage of the total AORMA UIP average fund balance for the preceding fiscal year. For the purpose of calculating the MEMBER's average fund balance, the following formula shall be used:

Beginning fund balance *plus* additional contributions *less* MEMBER's paid claims *less* MEMBER's allocated administrative costs = MEMBER's average balance.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. W - 1

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**SUBJECT:** WORKERS' COMPENSATION MEMBER ALLOCATION FORMULA

**ADOPTED:** MAY 15, 2008

**EFFECTIVE:** MAY 15, 2008

**AMENDED:** DECEMBER 8, 2009  
SEPTEMBER 10, 2015  
MAY 5, 2016

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### PURPOSE:

It shall be the policy of the CSURMA Auxiliary Organizations Risk Management Alliance (AORMA) to determine each ~~member's~~ **MEMBER's** allocation of the workers' compensation ~~Total Program Funding~~ **TOTAL PROGRAM FUNDING** as outlined in the Workers' Compensation Member Allocation Formula noted below:

### PROCEDURE:

Annually, in September, the AORMA ~~Committee~~ **COMMITTEE** will approve the ~~Total Program Funding~~ **TOTAL PROGRAM FUNDING** for the workers' compensation program for the upcoming fiscal year.

Annually, in December, the ~~Programs Committee~~ **PROGRAMS COMMITTEE** will approve or accept the following allocation criteria with the Workers' Compensation Member Allocation Formula:

1. ~~AORMA Basic Rates~~ **AORMA BASIC RATES** for each class code
2. ~~Experience Modification Factors~~ **EXPERIENCE MODIFICATION FACTOR (EMF)** (as determined by the actuary.)

### ALLOCATION FORMULA:

1. The ~~member's~~ **MEMBER's** ~~Experience Modification Factor~~ **EXPERIENCE MODIFICATION FACTOR** is applied separately to each of the ~~AORMA Basic Rates~~ **AORMA BASIC RATES**. *Result – Member's modified rates.*

2. ~~Member's~~ MEMBER's modified rates are applied separately to the ~~member's~~ MEMBER's estimated payroll, separated by class code, for the upcoming fiscal year. *Result – Member's final modified deposit premium.*

**\*\* Example \*\***

<b>1001</b>	<b>.50</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>.48</b>
<b>1002</b>	<b>1.00</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>.95</b>
<b>1004</b>	<b>1.50</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>1.43</b>
<b>1005</b>	<b>3.00</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>2.85</b>
<b>1006</b>	<b>4.00</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>3.80</b>
<b>1007</b>	<b>5.00</b>	<b>*</b>	<b>.95</b>	<b>=</b>	<b>4.75</b>
AORMA basic rates			Experience modification factor		Modified rates
<b>1001</b>	<b>.48</b>	<b>*</b>	<b>\$1,000,000</b>	<b>=</b>	<b>\$4,800</b>
<b>1002</b>	<b>.95</b>	<b>*</b>	<b>\$800,000</b>	<b>=</b>	<b>\$7,600</b>
<b>1004</b>	<b>1.43</b>	<b>*</b>	<b>\$0</b>	<b>=</b>	<b>\$0</b>
<b>1005</b>	<b>2.85</b>	<b>*</b>	<b>\$0</b>	<b>=</b>	<b>\$0</b>
<b>1006</b>	<b>3.80</b>	<b>*</b>	<b>\$0</b>	<b>=</b>	<b>\$0</b>
<b>1007</b>	<b>4.75</b>	<b>*</b>	<b>\$0</b>	<b>=</b>	<b>\$0</b>
					<b>\$12,400</b>
	Modified rates		Estimated payroll		Final modified deposit premium

**ANNUAL PAYROLL AUDIT:**

The ~~Member's~~ MEMBER's final payroll separated by AORMA class code will be requested at the end of each program year. The ~~Member's~~ MEMBER's final workers' compensation premium will be calculated by multiplying the ~~Member's~~ MEMBER's actual payroll per class code by the ~~Member's~~ MEMBER's modified rates. The ~~Member~~ MEMBER will receive either a refund or additional deposit billing based on how their audited contribution compares with their initial deposit. ~~Members~~ MEMBERS will allocate their payroll to each of the AORMA class codes as outlined in the (1) AORMA Workers' Compensation Explanation of Classification Codes and (2) AORMA Workers' Compensation Payroll Rules to Follow publications.

If the final audit or the renewal application is not received by the deadline, then the Program Administrator may increase that MEMBERS payrolls by the average payroll increase for all MEMBERS for the prior two years.

**MEMBER APPEAL PROCESS**

If a MEMBER wishes to appeal any decision regarding the application of the Workers' Compensation Program Member Allocation Formula Policy and Procedure, the MEMBER must present an appeal in writing to the CSURMA Secretary-Auditor within 30 days of the disputed decision. The Secretary-Auditor shall place the MEMBER's appeal on the AORMA

COMMITTEE's agenda at its next regularly scheduled meeting. The AORMA COMMITTEE will review the appeal and inform the MEMBER of the final decision within 5 business days of the final decision.

If a MEMBER wishes to appeal the AORMA COMMITTEE's decision, the MEMBER will notify the CSURMA Secretary-Auditor in writing within five (5) business days of receipt of the AORMA COMMITTEE's decision. The CSURMA EXECUTIVE COMMITTEE will then review the appeal at its next meeting or sooner. The CSURMA EXECUTIVE COMMITTEE's decision will be the final determination.

**DEFINITIONS:**

**AORMA** – Auxiliary Organizations Risk Management Alliance is a group of PROGRAMs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

**AORMA COMMITTEE** – The governing body of AORMA.

~~**AORMA Basic Rates**~~**AORMA BASIC RATES** – The AORMA Basic Rates will be approved annually by the ~~Programs Committee~~PROGRAMS COMMITTEE. The WCIRB class code rates shown below will be utilized when determining the AORMA ~~Basic Rates~~BASIC RATES. A normalization factor will be added to the WCIRB class code rates in order to achieve the ~~Total Program Funding~~TOTAL PROGRAM FUNDING required as approved by the AORMA ~~Committee~~COMMITTEE.

<b>Class Code Description</b>	<b>AORMA</b>	<b>WCIRB</b>
Clerical	1001	8810
Off-site activities / professional / student activities	1002	8868
Retail	1004	8071
Sports / day care	1005	9053
Food service	1006	9079
Manual labor	1007	9101

**CSURMA** – The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.

**CSURMA EXECUTIVE COMMITTEE** – The California State University Risk Management Authority Executive Committee.

~~**Experience Modification Factor**~~**EXPERIENCE MODIFICATION FACTOR (EMF)** – The experience rating system is a merit rating system intended to provide MEMBERS a direct financial incentive to reduce work-related accidents. The experience rating system objectively distributes the cost of the workers’ compensation program more equitably among the MEMBERS. An EMF less than 100% reflects better than average experience. The actuary will determine each ~~Member’s~~MEMBER’s ~~EMF Experience Modification Factor~~ based on the current published WCIRB method. The ~~Experience Modification Factors~~EMF will be adjusted for the normalization factor and capped at a maximum change of +/- 15% from the prior (normalized) ~~Experience Modification Factor~~EMF.

**MEMBER** – The Member is a signatory to the CSURMA Joint Powers Authority as well as the AORMA Workers’ Compensation Program Participation Agreement.

**PROGRAMS COMMITTEE** - The Programs Committee oversees the management of all programs not otherwise assigned to another committee, including, but not limited to, the Liability, Workers' Compensation, Property, Crime, Unemployment Insurance, Participant Accident Insurance and Foreign Travel Liability Programs, as well as new program development. The Committee will assist in the review of annual actuarial reports and the development of rating plans for allocation of annual costs, policies and coverage documents. Training, service provider RFP development and selection will also be handled by this Committee. The Programs Committee will act as a liaison to the AOA Human Resources Committee.

**Total Program Funding****TOTAL PROGRAM FUNDING** - The Total Program Funding costs will include (1) the pooled layer funding requirement, as recommended by the actuary, (2) administrative costs and (3) excess insurance or reinsurance costs.





**CSURMA AORMA**

**POLICY AND PROCEDURE NO. W - 2**

**OBJECT:** CONTRIBUTION PAYMENTS  
**ADOPTED:** DECEMBER 9, 2004  
**EFFECTIVE:** DECEMBER 9, 2004  
**AMENDED:** DECEMBER 8, 2009  
MARCH 20, 2014  
MAY 5, 2016

**PURPOSE:**

AORMA establishes this policy and procedure for Member contribution payments.

**POLICY**

It is the policy of CSURMA AORMA that the AORMA Committee shall adopt the procedure outlined in this document for purposes of collecting Member contributions due from each Member each program year. It is also the policy of CSURMA AORMA that all members fairly benefit from investment income accrued by CSURMA. This policy is supported by prompt collection of member payments.

**Commented [ML1]:** This section appears in the POLICY section of CSURMA P&P 6.

**PROCEDURE**

The following steps will be taken to affect the policy:

1. Contribution Payments:
  - a. In October, the Members will provide their estimated workers' compensation payroll for the upcoming fiscal year.
  - b. In December, the Programs Committee will adopt the program rates for the upcoming fiscal year.
  - c. In December, the Program Administrator will prepare for each Member their annual contributions (per Policy and Procedure W-1 – Deposit Development Plan) for the upcoming fiscal year.
  - d. In January, The Program Administrator will send a renewal letter to each Member with the Members' annual contribution and quarterly deposits for the upcoming fiscal year.
  - e. The Program Administrator will then provide billing instructions to CSURMA's Accountant.
  - f. All Member payments shall be due within thirty (30) days of the invoice date.
  
2. Delinquent Amounts - CSURMA Accounting will calculate and assess a late payment penalty fee of 1% on all receivable(s), outstanding beyond sixty (60) days, whose total program balance is over \$1,000 for each month that the receivable is outstanding.

**Commented [ML2]:** This exact section appears in the PROCEDURE section Late Payment Penalty of CSURMA P&P 6.



**CSURMA AORMA POLICY AND PROCEDURE NO. W - 2**

3. **Disputed Transactions** - Disputed transactions must be reported to the CSURMA Accounting Department within sixty (60) days of the transaction date. Upon receiving notice from a member of a disputed invoice, the CSURMA Accounting Department will suspend late payment penalty assessment for the disputed transaction until further notice and refer the dispute to the CSURMA Program Administrator who shall attempt to resolve the dispute with the member. If the Program Administrator and member cannot resolve the dispute, the dispute shall be referred to the AORMA Committee for consideration at the AORMA Committee's next regularly scheduled meeting. The CSURMA Treasurer shall recommend a proposed resolution of the dispute to the AORMA Committee, and the AORMA Committee's determination on the disputed transaction shall be final. The AORMA Committee at its sole discretion may waive or include late payment penalties as it determines appropriate.

**Commented [ML3]:** This exaction section appears in the PROCEDURE section Disputed Transactions of CSURMA P&P 6.

4. **Refunds/Adjustments**– If the dispute resolution results in a reduction, the member can elect to:  
a) Request a refund check to be issued within 2 business days of the approved request.  
b) Request a CPO be issued within 2 business days of the approved request.  
c) Request the adjustment be applied towards the next payment.

**Commented [ML4]:** This exaction section appears in the PROCEDURE section Refunds / Adjustments of CSURMA P&P 6.

All requests should be communicated to CSURMA Accounting to ensure compliance with member's request.

5. **Disputed Late Payment Penalties** – Disputed late payment penalties must be reported in writing to the CSURMA Accounting Department. Upon receiving notice from a member of a disputed late payment penalty, the CSURMA Accounting Department shall refer the dispute to the CSURMA Program Administrator to research the dispute with the member. Based on this research, the CSURMA Program Administrator shall recommend a course of action to the CSURMA Treasurer. The CSURMA Treasurer shall have the discretion to waive late payment penalties for charges under \$1,000 as determined appropriate. Charges over \$1,000 will require AORMA Committee approval.

**Commented [ML5]:** This exaction section appears in the PROCEDURE section Disputed Late Payment Penalties of CSURMA P&P 6.

**CSURMA AORMA**

**POLICY AND PROCEDURE NO. W - 3**

**SUBJECT:** **REQUIREMENT OF MEMBERS TO MAINTAIN  
EXPERIENCE MODIFICATION FACTOR OF 1.25  
OR LESS**

**ADOPTED:** **SEPTEMBER 9, 2003**

**EFFECTIVE:** **SEPTEMBER 9, 2003**

**AMENDED:** **DECEMBER 8, 2009  
MARCH 20, 2014  
MAY 5, 2016**

**PURPOSE:**

The AORMA Workers' Compensation Program is dedicated toward reducing ~~Member~~ ~~MEMBER~~ costs through a combination of effective loss prevention, claims mitigation, claims management and administrative efficiencies. The long-term viability of the AORMA Workers' Compensation Program requires that a ~~member~~ ~~MEMBER~~ with an ~~experience modification factor~~ ~~EXPERIENCE MODIFICATION FACTOR (EMF)~~ in excess of 1.25 develop and implement a plan to reduce that ~~member's~~ ~~MEMBER's~~ ~~experience modification factor~~ ~~EMF~~ to 1.25 or less.

**POLICY STATEMENT:**

It is the policy of the AORMA ~~Committee~~ ~~COMMITTEE~~ that ~~members~~ ~~MEMBERS~~ of the AORMA Workers' Compensation Program shall work to maintain an ~~experience modification factor~~ ~~EMF~~ of 1.25 or less.

**PROCEDURE:**

Using loss data valued at June 30<sup>th</sup>, the Program Administrator shall by October 1<sup>st</sup> of each year, calculate the ~~experience modification factor~~ ~~EMF~~ of each ~~member~~ ~~MEMBER~~. The formula used to determine the ~~experience modification factor~~ ~~EMF~~ developed by the Actuarial consultant and agreed by the AORMA ~~Committee~~ ~~COMMITTEE~~. This ~~experience modification factor~~ ~~EMF~~ shall be applicable in developing each ~~Member's~~ ~~MEMBER's~~ share of the actuarially required contribution for the upcoming plan year effective the following July 1<sup>st</sup>. By January 31<sup>st</sup>, the Program Administrator will notify each ~~member~~ ~~MEMBER~~ of their updated ~~experience modification factor~~ ~~EMF~~.

1. Members with an ~~experience modification factor~~ ~~EMF~~ less than 1.10 will be notified that their ~~experience modification factor~~ ~~EMF~~ is satisfactory.

## CSURMA AORMA

## POLICY AND PROCEDURE NO. W - 3

2. For ~~members~~ MEMBERS with ~~experience modification factors~~ EMFs ranging from 1.10 to 1.25, notice will be given that their ~~experience modification factor~~ EMF is near the maximum threshold of 1.25. The Program Administrator will offer to assist the ~~member~~ MEMBER in evaluating how best to avoid having their ~~experience modification~~ EMF exceed 1.25.
3. For ~~members~~ MEMBERS with ~~experience modification factors~~ EMFs exceeding 1.25, the Program Administrator will assist the ~~member~~ MEMBER in creating a plan to reduce its ~~experience modification factor~~ EMF. The ~~experience modification~~ EMF reduction plan ~~will~~ may be presented to the AORMA Programs Committee for review and approval.

### DEFINITIONS:

**AORMA:** The Auxiliary Organizations Risk Management Alliance is a group of programs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

**AORMA COMMITTEE:** The governing body of AORMA.

**EXPERIENCE MODIFICATION FACTOR (EMF):** The experience rating system is a merit rating system intended to provide Members a direct financial incentive to reduce work-related accidents. The experience rating system objectively distributes the cost of the workers' compensation program more equitably among the Members. An experience modification factor less than 100% reflects better than average experience. The actuary will determine each MEMBER's experience modification factor based on the current published WCIRB method. The experience modification factors will be adjusted for the normalization factor and capped at a maximum change of +/- 15% from the prior (normalized) experience modification factor.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. W-5**

**SUBJECT: WORKERS COMPENSATION COVERAGE  
CLAIMS SETTLEMENT AUTHORITY**

**ADOPTED: OCTOBER 27, 2005**

**EFFECTIVE: JULY 1, 2005**

**AMENDED: JANUARY 8, 2006  
DECEMBER 8, 2009  
SEPTEMBER 16, 2010  
MARCH 20, 2014  
MAY 5, 2016**

**PURPOSE:**

It is the policy of CSURMA Auxiliary Organizations Risk Management Alliance (**AORMA**) that ~~Members~~ MEMBERS of the Workers' Compensation Program shall have the opportunity to participate in the final claim settlement process (i.e. Stipulations with Findings and Award or a Compromise & Release with Findings and Award) as provided for by this policy and procedure. Though Workers' Compensation benefits are mandated and established by State law, the amount and actual settlement of a claim is the responsibility of the THIRD PARTY CLAIMS ADMINISTRATOR (TPA) ~~Claims Administrator~~ and/or an attorney selected to negotiate such settlement. It shall be **CSURMA AORMA** policy that a ~~Member~~ MEMBER shall have input and be a part of the claim settlement process. Various levels of settlement authority have been established as **CSURMA AORMA** policy. These levels are as follows:

**WORKERS COMPENSATION CLAIMS SETTLEMENT AUTHORITY:**

\$0 to \$25,000 - ~~CLAIMS ADMINISTRATOR (TPA)~~ TPA

The Claims Administrator shall have authority to settle claims up to, and including \$25,000 per occurrence. Only the Director for the Claims Administrator will hold this authority.

\$25,001 to \$50,000 – ~~CSURMA SECRETARY-AUDITOR OFFICE OF THE SECRETARY/AUDITOR OF CSURMA~~

The ~~CSURMA Secretary-Auditor Office of the Secretary/Auditor of CSURMA~~ has authority to authorize claims settlement up to and including \$50,000 per occurrence.

\$50,001 to Pool Layer Limit – AORMA COMMITTEE

The AORMA ~~Committee~~ COMMITTEE has authority to authorize claims settlement up to the pool layer limit per occurrence. The excess carrier will be involved in accordance with the carrier policy reporting and settlement requirements.

All of the foregoing notwithstanding, if time is of the essence in a specific matter, the AORMA ~~Committee~~ COMMITTEE Chair, First Vice Chair and Second Vice Chair, ~~Past Chair and Ex~~



## CSURMA AORMA

## POLICY AND PROCEDURE NO. W-5

~~Office~~, on the advice of the ~~Third Party Administrator~~ TPA, shall have authority to determine the terms of an emergency settlement up to the Pooled Layer Limit upon the agreement of a majority consisting of at least two participants, provided that no ~~member~~ MEMBER involved in the specific matter may participate in the determination. Any determination reached under this paragraph shall be reported to the AORMA ~~Committee~~ COMMITTEE at the next regularly scheduled meeting.

The CSURMA Secretary ~~/~~ Auditor may participate in any legal proceeding and represent the interests of the AORMA Programs.

### DEFINITIONS:

AORMA: The Auxiliary Organizations Risk Management Alliance is a group of programs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

AORMA COMMITTEE: The governing body of AORMA.

CSURMA - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.

MEMBER – The Member is a signatory to the CSURMA Joint Powers Authority as well as the AORMA Workers’ Compensation Program Participation Agreement.

TPA - Third party claims administrator whose responsibilities include claim handling, litigation management and excess liability carrier reporting.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. W-6**

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**SUBJECT: VOLUNTEER COVERAGE**

**ADOPTED: JANUARY 12, 2005**

**EFFECTIVE: JANUARY 1, 2005**

**AMENDED: DECEMBER 8, 2009  
MARCH 20, 2014  
MAY 5, 2016**

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**PURPOSE:**

The CSURMA AORMA ~~Committee~~COMMITTEE agreed that coverage would be extended to volunteers per California Labor Code Section 3363.6. This Policy and Procedure describes the process by which an evaluation may take place to determine possible CSURMA AORMA exposures to those ~~Members~~MEMBERS wishing to insure Worker's eCompensation claims involving volunteers.

**POLICY:**

It is the policy of AORMA to adopt the procedures outlined in this document for purposes of determining AORMA's exposure to Workers' Compensation claims of volunteers from each ~~Member~~MEMBER wishing to provide ~~w~~Worker's eCompensation coverage to its volunteers.

**BACKGROUND:**

California Labor Code Section 3363.6 provides that a person who performs voluntary service without pay for a private, nonprofit organization, as designated and authorized by the board of directors of the organization, shall, when the board of directors of the organization, in its sole discretion, so declares in writing and prior to the injury, be deemed an employee of the organization for the purposes of Workers' Compensation while performing such service.

Labor Code Section 3363.6 incorporates the following definition: "voluntary service without pay" shall include:

1. The performance of service by a parent, without remuneration in cash, when rendered to a cooperative parent participation nursery school if such service is required as a condition of participation in the organization.
2. The performance of services by a person who receives no remuneration other than meals, transportation, lodging or reimbursement for incidental expenses.

**PROCEDURES:**

The following steps will be taken by AORMA ~~members~~MEMBERS to affect the policy:

## CSURMA AORMA

## POLICY AND PROCEDURE NO. W-6

1. Each ~~member-MEMBER organization~~ electing to cover volunteers for ~~w~~Workers' ~~e~~Compensation claims shall provide the Program Administrator a copy of the ~~member MEMBER's organization's~~ board resolution declaring that its volunteers shall be deemed employees for the purposes of Workers' Compensation.
2. ~~Members-MEMBERS~~ choosing not to cover volunteers shall file a written statement with AORMA stating that ~~w~~Workers' ~~e~~Compensation coverage shall not be provided to volunteers. This written statement shall also acknowledge that AORMA will not cover the ~~Member's-MEMBER's~~ volunteers for ~~w~~Worker's ~~e~~Compensation claims.
3. Beginning in January 2010, the Program Administrator may evaluate the actual losses from volunteers for each ~~Member-MEMBER~~ for the prior Program Year and provide a report of AORMA's volunteer exposure to the AORMA ~~Programs Committee~~PROGRAMS COMMITTEE at its next scheduled meeting for further information and direction as may be needed to ensure the rating integrity of the plan.

### DEFINITIONS:

**AORMA:** The Auxiliary Organizations Risk Management Alliance is a group of programs that operate within the California State University Risk Management Authority representing the auxiliary organizations.

**AORMA COMMITTEE:** The governing body of AORMA.

**CSURMA -** The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its auxiliary organizations.

**MEMBER** – The Member is a signatory to the CSURMA Joint Powers Authority as well as the AORMA Workers' Compensation Program Participation Agreement.

**PROGRAMS COMMITTEE** - The Programs Committee oversees the management of all programs not otherwise assigned to another committee, including, but not limited to, the Liability, Workers' Compensation, Property, Crime, Unemployment Insurance, Participant Accident Insurance and Foreign Travel Liability Programs, as well as new program development. The Committee will assist in the review of annual actuarial reports and the development of rating plans for allocation of annual costs, policies and coverage documents. Training, service provider RFP development and selection will also be handled by this Committee. The Programs Committee will act as a liaison to the AOA Human Resources Committee.

## **CSURMA AORMA COMMITTEE ELECTION RESULTS**

**ISSUE:** The following two “at large” incumbent seats are up for reelection:

**Leslie Davis (Incumbent)**

Executive Director

University Union Operation of CSUS Inc. (Union WELL Inc.)

*Third Term – 7/01/16 to 6/30/18*

**Dave Nakamura (Incumbent)**

Executive Director

Humboldt State University Center

*First Term – 7/01/16 to 6/30/18*

Ballots were sent out to all of the primary contacts for AORMA. Ballots must be received back by April 30, 2016. Staff will report on the election results at today’s meeting.

**RECOMMENDATION:** No action is required; this item is for information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** The AORMA Committee consists of seven at-large members and three Officers. These ten individuals also serve corresponding terms on the CSURMA Board of Directors.

**PUBLICATION:** The election results will be announced via an AORMA bulletin.

**ATTACHMENT(S):** None.

**INTEGRATION OF AUXILIARY ORGANIZATIONS INTO THE  
CAMPUS CONTINUITY OF OPERATIONS AND EMERGENCY  
OPERATIONS PLAN**

**ISSUE:** The AORMA Committee Long Range Action Plan for FY 15/16 includes the Integration of Auxiliary Organizations (AO) into the Campus Continuity of Operations and Emergency Operations Plan. The Chancellor's Office has confirmed that the AO's have been integrated where appropriate. If an AO has a role in emergency response, it is included in the Campus Emergency Operations Plan (EOP). For example, if AO dining needs to perform an emergency feeding function, that AO's function would be included in the EOP. If not, the AO is treated similar to any other entity on campus during an emergency. If an AO performs an essential function, it is included in the Campus Continuity of Operations Plan / Business Continuity (COOP/BC) plan.

According to the Chancellor's Office, if an AO doesn't fall into either of these two categories, they may still need a department emergency plan that details how they would respond in an emergency in order to keep its staff safe (evacuate, shelter-in-place, account for each other, phone trees, etc.) just like any other department on campus.

**RECOMMENDATION:** This item is for information only; however, the Committee may direct staff to take further action.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None at this time.

**ATTACHMENT(S):** None.

## **WATERCRAFT TRACKING PROGRAM**

**ISSUE:** The AORMA Long Range Action plan for FY 15/16 included a Watercraft Insurance Tracking Program item. Staff surveyed the Campuses as well as the Auxiliary Organizations and created a list of owned watercraft and noted which watercraft are insured under separate policies. Staff will annually survey the CSURMA members in order to assure that the list is complete and accurate.

**RECOMMENDATION:** Staff recommends closing out the Watercraft Tracking Program item as complete.

**FISCAL IMPACT:** None.

**BACKGROUND:** Maintaining the list of owned watercraft will assist Staff with coverage questions as well as providing assurance that the correct insurer is responding to losses involving a particular watercraft.

**PUBLICATION:** None. This watercraft list will be maintained by Staff.

**ATTACHMENT(S):**

- a. Watercraft Listing

**Campuses that owned Watercraft, excluding small watercraft (row boats, sail boats, jet ski) or watercraft without a motor**

1. California State University, Channel Islands
2. California State University, Fullerton
3. Humboldt State University
4. California Maritime Academy
5. California State University, Sacramento
6. San Diego State University
7. San Francisco State University
8. San Jose State University
9. California Polytechnic State University, SLO

Campus Member	List of Watercraft
1. CSU Channel Islands	<ol style="list-style-type: none"> <li>1. 2002 Boston Whaler, Montauk 170 (16')</li> <li>2. 2008 Boston Whaler, Sport 110 (10')</li> </ol>
2. CSU Fullerton	<ol style="list-style-type: none"> <li>1. 1987 Boston Whaler, Outrage (18')</li> <li>2. Zodiac Pro Open 550</li> </ol>
3. Humboldt State University	<ol style="list-style-type: none"> <li>1. 1974 Coral Sea (90')</li> </ol> <p style="background-color: yellow;">Has stand-alone Hull and P&amp;I insurance policy</p>
4. California Maritime Academy	<ol style="list-style-type: none"> <li>1. 1988 Yacht Knight and Carver (88')</li> </ol> <p style="background-color: yellow;">Has stand-alone Hull and P&amp;I insurance policy</p>
5. CSU Sacramento	<ol style="list-style-type: none"> <li>1. 2015 Crestliner (18')</li> </ol> <p style="background-color: yellow;">Has stand-alone Hull and P&amp;I insurance policy</p>
6. San Diego State University	<ol style="list-style-type: none"> <li>1. Parker Boat #L900 (21')</li> <li>2. Parker Boat #A606 (18')</li> <li>3. Parker Boat #K102 (18')</li> <li>4. 1995 Parker Boat #D595 (18')</li> <li>5. 1976 Boston Whaler (21')</li> <li>6. 1990 Catalina #6900(30')</li> <li>7. Parker Boat #B999 (18')</li> <li>8. Parker Boat #G900 (18')</li> <li>9. Parker Boat #K203 (21')</li> </ol>
7. San Francisco State University	<ol style="list-style-type: none"> <li>1. 1971 Questuary (37.8')</li> <li>2. C-Dory (22')</li> </ol> <p style="background-color: yellow;">Has stand-alone Hull and P&amp;I insurance policy</p>
8. Cal Poly San Luis Obispo	<ol style="list-style-type: none"> <li>1. 2013 Radon Signature (26')</li> <li>2. 1974 Boston Whaler (14')</li> <li>3. 1995 Munson Aluminum Boat (21')</li> <li>4. 2001 Zodiac Mark V (19')</li> </ol>

Auxiliary Member	List of Watercraft
Auxiliary members that owned Watercraft (excluding small boats without motors and jet skis)	<ol style="list-style-type: none"> <li>1. Humboldt State University Sponsored Programs Foundation</li> <li>2. The University Corporation at Monterey Bay</li> <li>3. Associated Students, San Diego State University</li> <li>4. San Jose State University Research Foundation</li> </ol>
1. Humboldt SPF	1. Coral Sea (Campus Owned) and RHIB (20')
2. Monterey Bay University Corporation	<ol style="list-style-type: none"> <li>2. 1961 Pearson Keelboat (22')</li> <li>3. 1989 Spcns Keelboat (20')</li> <li>4. 1998 Boston Whaler (17')</li> <li>5. 1986 Glassport (17')</li> </ol>
3. SDSU Associated Students	<ol style="list-style-type: none"> <li>1. SV-2111 Air Nautique</li> <li>2. Correct Crafts 211 Nautique 21'</li> <li>3. Boston Whaler</li> <li>4. Mastercraft X2 22'</li> <li>5. 1982 Hatteras 46'</li> </ol>
4. SJSU Research Foundation	<ol style="list-style-type: none"> <li>1. Westport 55 (56') *</li> <li>2. Muson PackCat (30')</li> <li>3. Boston Whaler (16')</li> </ol> <p>* Has stand-alone Hull and P&amp;I insurance policy</p>

**AOA ANNUAL CONFERENCE – RISK MANAGEMENT SESSIONS**

**ISSUE:** The following Risk Management sessions have been proposed for the 2017 AOA Conference:

1. Drones – Rob Leong, Zachary Gifford and Jerry New Orleans
2. Insurance Requirements in Contracts – Daniel Howell
3. Major Property Losses Pre and Post – Bob Frey, Martin Fox-Foster
4. Foreign Travel Good Practices / Rental Car Coverage – Stacey Weeks and Zachary Gifford
5. Cyber Losses – Ed Hudson, William Perry, Phillippe Garcia

**RECOMMENDATION:** The Committee will be asked to discuss the proposed sessions as well as suggesting other ideas for presentations and providing direction to Staff.

**FISCAL IMPACT:** None at this time.

**BACKGROUND:** None.

**PUBLICATION:** Staff will work with the AOA Conference Planning committee in finalizing the proposed conference sessions.

**ATTACHMENT(S):** None.

**CSURMA AORMA 2016 MEETING CALENDAR**

**ISSUE:** The Program Administrator includes a current copy of the CSURMA AORMA meeting calendar in every agenda

**RECOMMENDATION:** No action is requested on this item.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA AORMA – 2016 Meeting Calendar



California State University Risk Management Authority

## 2016 CSURMA MEETING CALENDAR

JANUARY				FEBRUARY				MARCH			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
9		AOA EC	Sacramento	25	1:00 PM	PC	Teleconference	10	10:00 AM	AORMA	San Francisco
10	3:00 PM	EC (AOA Conference)	Sacramento					10	2:00 PM	EC	San Francisco
10 - 13		AOA Annual Conference	Sacramento					11	8:30 AM	EC LRP	San Francisco
11	10:30 AM	AIME	Sacramento					18		AOA EC	TBD
APRIL				MAY				JUNE			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
				2	10:30 AM	AIME	Northridge	17		AOA EC	TBD
				5	10:00 AM	AORMA	Long Beach	23	1:00 PM	PC	Teleconference
				5	2:00 PM	BOD Orientation	Teleconference				
				6	8:00 AM	EC	Long Beach				
				6	10:30 AM	BOD	Long Beach				
JULY				AUGUST				SEPTEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
12 - 13	11:00 AM	AORMA Officers Retreat	TBD	19		AOA EC	TBD	7	9:00 AM	AORMA New Member	Sacramento
								7	10:00 AM	AORMA LRP	Sacramento
								8	9:00 AM	AORMA	Sacramento
								8	4:00 PM	EC Orientation	Sacramento
								9	8:30 AM	EC	Sacramento
								29	1:00 PM	PC	Teleconference
OCTOBER				NOVEMBER				DECEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
17	10:30 AM	AIME	SF or SJ	18		AOA EC	TBD	1	10:00 AM	AORMA	Long Beach
20	10:00 AM	AORMA	TBD	2	1:30 PM	EC (FTPT Conference)	Sacramento	2	8:30 AM	EC	Long Beach
				2	4:00 PM	BOD (FTPT Conference)	Sacramento	8	8:00 AM	PC	San Francisco
				3-4		FTPT Conference	Sacramento				

*AORMA = Auxiliary Organizations Risk Management Alliance Committee*  
*AIME = Athletic Injury Medical Expense Committee*  
*MSLCTC = AORMA Member Services, Loss Control & Training Committee*

*PC = AORMA Programs Committee*  
*AORMA LRP = AORMA Long Range Planning Meeting*  
*AOA = CSU Auxiliary Organizations Association*

*EC = CSURMA Executive Committee*  
*EC LRP = EC Long Range Planning Meeting*  
*BOD = CSURMA Board of Directors*

**FY 2015/2016 AORMA LONG RANGE ACTION PLAN**

**ISSUE:** The Program Administrator includes a copy of the current AORMA Long Range Action Plan in every agenda.

**RECOMMENDATION:** No action is requested; this item is for information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. FY 2015/2016 AORMA Long Range Action Plan

**FY 2015/16 CSURMA AORMA LONG RANGE ACTION PLAN**

<b>GOAL</b>	<b>ACTION / TASK</b>	<b>RESPONSIBLE ENTITY</b>	<b>DEADLINE</b>	<b>STATUS</b>	
<b>LRP-1 Risk Reduction Innovation Matching Grant Incentive Program</b>					
<b>Promote the Matching Grant Program</b>	<b>1</b>	Create a bulletin that describes the types of projects that may be approved as an innovation grant	PA	Oct., 2015	Completed
	<b>2</b>	Review grant applications	PA, AORMA	Dec., 2015	Completed
	<b>3</b>	Evaluate Policy & Policy A-6 and recommend changes as appropriate	PA, AORMA	May, 2016	Completed
<b>LRP-2 Monthly AORMA Update Newsletter</b>					
<b>Create a AORMA Newsletter to be sent out monthly</b>	<b>1</b>	Create template for the newsletter	PA	May, 2016	In Process
	<b>2</b>	Finalize topics for the October newsletter	PA	Jun., 2016	
	<b>3</b>	Send out newsletter and post on CSURMA website	PA	Jun., 2016	
<b>LRP-3 Workers' Compensation Claims Closure Initiative</b>					
<b>Development of a plan for closure of very old claims</b>	<b>1</b>	Identify AORMA claims for action, adopt strategy	PA, SRM, Sedgwick, Consultant	TBD	
	<b>2</b>	Status report to AORMA Committee	PA, SRM	Dec., 2015	Completed
<b>LRP-4 Campus Visit Member Presentation</b>					
<b>Update Campus Visit Member Presentation</b>	<b>1</b>	Update Campus Visit Presentation	PA	Oct., 2015	Completed
	<b>2</b>	Present to Auxiliary Organizations throughout the year		Continuous	
<b>LRP-5 CSURMA Website</b>					
<b>Complete upgrades to the CSURMA website</b>	<b>1</b>	Update Website - make nomenclature consistent and add definitions	PA	Oct., 2015	In Process
	<b>2</b>	Resolve password issue by allowing members to change their passwords	PA	Jun., 2016	In Process
<b>LRP-6 Cyber Risk Control Services</b>					
<b>Raise awareness of CSURMA's Cyber Risk Control Services</b>	<b>1</b>	Create a Cyber Liability informational bulletin explaining the services currently available	PA	Dec., 2015	Completed
	<b>2</b>	Include Cyber Liability tip in each of the monthly AORMA updates	PA	Continuous	In Process
<b>LRP -7 Benchmarking Initiative</b>					
<b>Develop a workers' compensation statistical industry benchmarking operation</b>	<b>1</b>	Initial report to AORMA Committee	PA, SRM	Oct., 2015	Completed
	<b>2</b>	Report to AORMA Membership at AOA Conference	PA, SRM	Jan., 2016	Completed
	<b>3</b>	Presentation of sustainable long term benchmarking program	PA, SRM	Sep., 2016	
	<b>4</b>	Approval of long term benchmarking project scope and costs	AORMA, EC	Sep., 2016	

## FY 2015/16 CSURMA AORMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
<b>LRP-8 Evaluation of Campus Threat Assessment</b>					
<b>Integration of Auxiliary Organizations into the Campus Continuity of Operations (COOP) and Emergency Operations Plan (EOP)</b>	<b>1</b>	Review Campus EOP and COOP for integration of the Auxiliary Organizations	Witt O'Briens	Oct. - Dec., 2015	Completed
	<b>2</b>	Develop a list of Auxiliary Organization resource contacts to collaborate on threat assessment	PA	Jan., 2016	Completed
	<b>3</b>	Begin outlining how best to integrate or address Auxiliary Organizations within in the Campus EOP and COOP	PA, SRM, Witt O'Briens	Jan., 2016	Completed
	<b>4</b>	Develop and provide Campuses and Auxiliaries Organizations with good practices in addressing the issue at hand while providing a plan addendum template	PA, SRM, Witt O'Briens	June, 2016	
	<b>5</b>	Develop some training sessions/webinars etc.	PA, SRM, Witt O'Briens	June, 2016	
<b>LRP-9 Watercraft Program / Insurance Tracking Program</b>					
<b>Create schedule of all owned watercraft as well as stand-alone watercraft policies purchased</b>	<b>1</b>	Survey Campus Risk Managers for list of owned watercraft as well as separate watercraft policies purchased	PA	Oct., 2015	Completed
	<b>2</b>	Survey Auxiliary Organization for list of watercraft owned or used in navigatable water and/or over 50 feet	PA	Oct., 2015	Completed
	<b>3</b>	Create list of watercraft owned or used by campuses and auxiliaries, as well as separate insurance purchased	PA	Dec., 2015	Completed
<b>LRP-10 Creation of Executive Overview CSURMA AORMA Presentation</b>					
<b>Create an Executive Overview of the CSURMA AORMA Programs</b>	<b>1</b>	Create presentation for the AORMA Big Picture AOA Conference	PA	Jan., 2016	Completed
	<b>2</b>	Post on CSURMA website	PA	Jan., 2016	Completed
	<b>3</b>	Disseminate information to the AORMA members	PA	Jan., 2016	Completed
<b>LRP-11 Smart Phone Application for CSURMA AORMA Contact Information</b>					
<b>Purchase a smart phone application for all CSURMA and AORMA Contacts</b>	<b>1</b>	Review options available	PA	Oct., 2015	Completed
	<b>2</b>	Present options and costs to the AORMA Committee	PA	Jun., 2016	In Progress
	<b>3</b>	Report to AORMA Membership at AOA Conference	PA	Jan., 2016	Completed
<b>BOD: CSURMA Board of Directors</b>		<b>EC: CSURMA Executive Committee</b>			

**FY 2015/16 CSURMA AORMA LONG RANGE ACTION PLAN**

<b>GOAL</b>		<b>ACTION / TASK</b>	<b>RESPONSIBLE ENTITY</b>	<b>DEADLINE</b>	<b>STATUS</b>
<b>PC:</b> AORMA Programs Committee			<b>OGC:</b> CSU Office of General Counsel		
<b>CABO:</b> CSU Chief Administrators and Business Officers			<b>PA:</b> CSURMA Program Administrator		
<b>CO:</b> Chancellor's Office			<b>SRM:</b> CSU Systemwide Risk Management		
<b>AORMA:</b> AORMA Committee					

## **CSURMA ADMINISTRATIVE SERVICE CALENDAR**

**ISSUE:** This item is provided as information to advise the AORMA Committee of the various recurring administrative activities and when they take place over the course of the year. It includes items noting when they appear before the AORMA Committee, Executive Committee and Board of Directors. It is to be provided for information with each agenda packet.

**RECOMMENDATION:** It is recommended that the Committee review the CSURMA Administrative Service Calendar and provide direction to staff as appropriate.

**FISCAL IMPACT:** No direct fiscal impact is expected.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA Administrative Service Calendar

# CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>JANUARY 2016</b>				
01/02/16	FORM 700 - JPA ADMIN finalizes current year member listing	Alliant Staff	Tevea Him	Completed
01/06/16	Statement of Facts – Roster of Public Agencies - file with Secretary of State	Alliant Staff	Tevea Him	Completed
01/07/16	Announce the new AORMA Committee Vice Chair as well as open seats on the AORMA Committee	Nominations Committee	Mimi Long	Completed
<b>01/10/16</b>	<b>CSURMA AOA CONFERENCE</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>01/10/16</b>	<b>CSURMA EC Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>01/11/16</b>	<b>AIME Committee Meeting</b>	<b>Alliant Staff</b>	<b>Stacey Weeks</b>	<b>Completed</b>
01/15/16	FORM 700 - JPA ADMIN sends Form 700 to CSURMA FILERS, including EC, BOD, AORMA, Standing Committees, and designated consultants, including identified Alliant personnel	Alliant Staff	Tevea Him	Completed
01/31/16	Final premium / rate letter to all AORMA members	Alliant Staff	Mimi Long	Completed
01/31/16	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
<b>FEBRUARY 2016</b>				
02/01/16	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
02/01/16	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 12/31	Alliant Staff	Tevea Him	Completed
02/01/16	UIP - Send EDD Claims Information to Individual Members	Alliant Staff	Tevea Him	Completed
02/01/16	Campus Liability Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	---
02/01/16	Campus Workers' Compensation Risk Pool claims audit (every odd year)	Alliant Staff	Jacki Graf	---
02/01/16	AORMA Workers' Compensation program claims administration audit (every even year)	Alliant Staff	Jacki Graf	---
02/01/16	AIME Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	---
02/01/16	AORMA Liability Program claims audit (every odd year)	Alliant Staff	Mimi Long	---
02/15/16	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
<b>02/25/16</b>	<b>AORMA Program Committee Meeting (Teleconference)</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>MARCH 2016</b>				
03/01/16	Annual Review of (1) Data Security Policies and (2) the Integrated CSU Administration Manual	Alliant Staff	Mimi Long	Completed
03/01/16	AORMA Liability Program - Reinsurance Recovery (verify w/ Mauri)	Carl Warren	Mimi Long	Pending
03/01/16	Approval by EC Resolution allowing Treasurer to invest or reinvest funds (annual approval required - see Res 01-15 BOD)	BOD and Alliant Staff	Tevea Him	Completed
03/01/16	Approval of Conflict of Interest Code by BOD every even-number year - File with FPPC as required.	BOD and Alliant Staff	Tevea Him	Completed
03/01/16	Chancellor's Office Services Budget Proposals	Alliant Staff	Mimi Long	Completed
03/01/16	CSURMA Budget	Alliant Staff	Robert Leong	Completed
03/01/16	CSURMA Master Investment Policy and Investment Policy for the Fixed Income Portfolio	Alliant Staff	Mimi Long	Completed
03/01/16	CSURMA Mid-Term Budget Amendments	Alliant Staff	Robert Leong	Completed
03/01/16	FORM 700 - Follow up No. 3 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
03/01/16	Review the Auxiliary Service Provider Report	Alliant Staff	Mimi Long	Completed
03/01/16	Appointment of the Campus Programs RPTG - Spring 2016 (FY 2017/2018)	Alliant Staff	Robert Leong	
03/01/16	Appointment of the Student Insurance Programs RPTG - Spring 2016 (FY 2017/2018)	Alliant Staff	Robert Leong	
<b>03/10/16</b>	<b>AORMA Committee Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>03/10/16</b>	<b>CSURMA EC Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>

# CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>03/11/16</b>	<b>CSURMA EC LRP Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
03/15/16	FORM 700 - Follow up - JPA ADMIN follows up with FILER, prepares status report for CSURMA EC review at Long Range Planning meeting	Alliant Staff	Tevea Him	Completed
03/15/16	Quarterly Risk Management Report	Alliant Staff	Mimi Long	Completed
03/19/16	CSURMA Policies and Procedures (odd in odd years / even in even years)	Alliant Staff	Robert Leong	Completed
03/20/16	Forward slate of nominees to fill the open seats on the AORMA Committee	Alliant Staff	Mimi Long	Completed
03/31/16	Approval by BOD Resolution allowing Treasurer to invest or reinvest funds (annual approval required - see Res 01-15 BOD)	BOD and Alliant Staff	Tevea Him	Completed
03/31/16	Completion of the Form 700 – Statement of Economic Interest	BOD and Alliant Staff	Tevea Him	Completed
03/31/16	CSURMA Quarterly EPL Deductible Recoverys	Alliant Staff	Van Rin	Completed
<b>APRIL 2016</b>				
04/01/16	Campus Risk Pool Administrator verifies Campus Primary and Alternate representative remain in place by contacting campus representatives ( i.e. ensure no leave of absence, retirement, change in duties, etc.)	Alliant Staff	Tevea Him	Completed
04/01/16	FORM 700 - JPA ADMIN sends all forms received to FPPC for processing	Alliant Staff	Tevea Him	Completed
04/01/16	Send out ballot for AORMA Committee term beginning on July 1, 2016	Alliant Staff	Tevea Him	Completed
04/30/16	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
<b>MAY 2016</b>				
<b>05/02/16</b>	<b>AIME Committee Meeting</b>	<b>Alliant Staff</b>	<b>Stacey Weeks</b>	<b>Completed</b>
05/06/16	Receive back all AORMA Committee ballots for the term beginning on July 1, 2016	Alliant Staff	Tevea Him	in process
<b>05/05/16</b>	<b>AORMA Committee Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>05/05/16</b>	<b>CSURMA BOD NMO Meeting via Teleconference</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>05/06/16</b>	<b>CSURMA EC Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>05/06/16</b>	<b>CSURMA BOD Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
05/01/16	Develop a benchmarking project for the EC to review	Alliant Staff	Jacki Graf	
05/11/16	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	Completed
05/15/16	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
05/30/16	Send out appointment letters to the newly appointed AORMA Standing Committee Chairs for the term beginning on July 1, 2016	AORMA Chair/Alliant Staff	Tevea Him	
05/30/16	Send out appointment letters to the newly elected AORMA Committee members for the term beginning on July 1, 2016	AORMA Chair/Alliant Staff	Tevea Him	
05/30/16	Send out appointment letters to the newly elected Executive Committee members for the term beginning on July 1, 2016	AORMA Chair/Alliant Staff	Tevea Him	
05/30/16	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 3/31/16	Alliant Staff	Tevea Him	Completed
05/30/16	Update the AORMA Committee and Standing Committee Org Chart for the term beginning July 1, 2016	Alliant Staff	Tevea Him	Completed
05/30/16	Update the AORMA Committee and Standing Committee Roster for the term beginning July 1, 2016	Alliant Staff	Mimi Long	
<b>JUNE 2016</b>				
06/01/16	AORMA Liability Program - Reinsurance Recovery (verify w/ Mauri)	Carl Warren	Mimi Long	
06/01/16	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
06/15/16	Quarterly Risk Management Report	Alliant Staff	Mimi Long	
06/23/16	<b>AORMA Program Committee Meeting (Teleconference)</b>	Alliant Staff	Mimi Long	
06/30/16	CSURMA Quarterly EPL Deductible Recoverys	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Carl Warren &amp; Company - July 1, 2011 to June 30, 2016</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: CO Enterprise Accounting / Financial Services - July 1, 2015 to June 30, 2016</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Genesis Reinsurance Corp - July 1, 2010 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: UC Office of Risk Services Performing Arts Center of Excellence - November 1, 2013 to June 30, 2017</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: A-G Administrator (AIME) - July 1, 2009 to June 30, 2017</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Alliant Loss Control Services - July 1, 2014 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: CO OGC / Legal - July 1, 2014 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: CO Risk Management - July 1, 2014 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Praesidium - July 1, 2014 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Target Safety dba Target Solutions - July 1, 2012 to June 30, 2015</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Employers Group - July 1, 2014 to June 30, 2017</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Employers Risk - July 1, 2013 to June 30, 2018</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: HSR - July 1, 201? to June 30, 2019</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Agility - July 1, 2015 to June 30, 2016</i>	Alliant Staff	Mimi Long	
06/30/16	<i>Expiring Contract: Sedgwick - July 1, 2013 to June 30, 2018</i>	Alliant Staff	Mimi Long	
06/30/16	Government Compensation Report (request from CSU Accounting and post on CSURMA website)	Accounting	Tevea Him	
06/30/16	Request COI from all vendor's contract	Alliant Staff	Mimi Long	
<b>JULY 2016</b>				
07/01/16	<i>Expiring Contract: CSAC Excess Insurance Authority - January 1, 2015 to July 1, 2016</i>	Alliant Staff	Mimi Long	
07/01/16	<i>Expiring Contract: CSAC Excess Insurance Authority - July 1, 2015 to July 1, 2016</i>	Alliant Staff	Mimi Long	
07/01/16	<i>Expiring Contract: Witt O'Brien's, LLC (formally Witt Group Holdings, LLC) - July 1, 2014 to July 1, 2016</i>	Alliant Staff	Mimi Long	
07/01/16	Financial audit prep with KPMG	Alliant Staff / RM	Van Rin	
07/01/16	FORM 700 - JPA ADMIN sends entering and leaving office notices to AORMA FILERS who will be taking office on AORMA and Standing Committees	Alliant Staff	Tevea Him	
07/01/16	Send to CSU Accounting the approved dividends and allocation of program costs for invoicing	Alliant Staff	Van Rin	
07/04/16	Send out AORMA binder, insurance summary and invoice to all members	Alliant Staff	Van Rin	
07/05/16	Request a review of the claims activity within the UIP – claims activity variations of more than 10% above or below pricing levels used will resulting in a pricing adjustment	Alliant Staff	Mimi Long	
07/05/16	Request Workers' Compensation and Liability loss runs @ 6/30 – Forward to Actuary	Alliant Staff	Mimi Long	
07/07/16	Request Liability (EPL check register) for minimum EPL deductible calculation for upcoming fiscal year	Alliant Staff	Tevea Him	
07/14/16	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
07/15/16	Final FY Payroll - request from Chancellor's Office	Alliant Staff	Robert Leong	
07/15/16	Process the Liability and Workers' Compensation dividend checks and forward to Alliant for distribution	CSU Accounting	Van Rin	
7/19-20/2016	<b>AORMA Officers Retreat – San Francisco, CA</b>	<b>AORMA Officers</b>	<b>Mimi Long</b>	
07/21/16	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
07/21/16	Upon receipt of loss data begin semi-annual loss charts for RM meeting in October and to be sent to members	Alliant Staff	Robert Leong	
07/28/16	FORM 700 - FORMS DUE TO FPPC ON THIS DATE [ASSUMING/LEAVING]	Alliant Staff	Tevea Him	
07/31/16	Actuarial Study - receive draft and forward to RM	Alliant Staff	Robert Leong	
07/31/16	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report	Alliant Staff	Robert Leong	
07/31/16	Distribute the Liability and Workers' Compensation dividend checks	Alliant Staff	Van Rin	
07/31/16	Request final audited payroll from all Workers' Compensation program members for expired year	Alliant Staff	Hsan Htein	
07/31/16	Survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate (every three years)	Liability TPA	Mimi Long	
07/31/16	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	
<b>AUGUST</b>				
08/01/16	Send out letter regarding Campus Appointment of CSURMA Board of Directors Members and Alternate	Alliant Staff	Tevea Him	
08/01/16	Research the single bond approach & report back at the September meeting	Alliant Staff	Dan Howell	
08/01/16	Send out letter to regarding Claims Settlement Authority Annual Confirmation	Alliant Staff	Tevea Him	
08/01/16	Send out letter to regarding Foreign Travel Authority Confirmation	Alliant Staff	Tevea Him/Stacey Weeks	
08/01/16	Completion of draft actuarial studies for Workers' Compensation and Liability programs	Actuary	Mimi Long	
08/01/16	AOA EC Meeting: Send out AORMA Summary	Alliant Staff	Mimi Long	
08/11/16	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
08/15/16	AOA EC Meeting - San Diego	Alliant Staff	Mimi Long	
08/31/16	Calculate additional premium or return premium for each Workers' Compensation program member based on the audited payroll	Alliant Staff	Mimi Long	
08/31/16	Calculate each member's minimum EPL deductible for the upcoming program term	Alliant Staff	Mimi Long	
08/31/16	Complete Target Surplus Funding Report	Alliant Staff	Mimi Long	
08/31/16	Completion of Financial Audit	CSU Accounting	Mimi Long	
08/31/16	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 6/30	Alliant Staff	Tevea Him	
Begin Task	Completion of the Public Self-Insurer's Annual Report for CSURMA (must be filed with the state by Oct 1st.)	Alliant Staff	Mimi Long	
Begin Task	AORMA Workers' Compensation Desk Audit	Alliant Staff	Mimi Long	
<b>SEPTEMBER</b>				
09/01/16	AORMA Liability Program - Reinsurance Recovery (verify w/ Mauri)	Carl Warren	Mimi Long	
09/01/16	Stewardship Report	Alliant Staff	Robert Leong	
<b>09/07/16</b>	<b>AORMA Long Range Plan meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	
<b>09/07/16</b>	<b>AORMA New Committee Member Orientation meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	
<b>09/08/16</b>	<b>AORMA Committee Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	
<b>09/13/16</b>	<b>CAJPA Fall Conference and Training Seminar -South Lake Tahoe</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	
09/14/16	CAJPA Standards review (2014 and every 3 years thereafter)	Alliant Staff	Mimi Long	
09/15/16	Prepare invoices or checks for the Workers' Compensation payroll audit	CSU Accounting	Van Rin	
09/15/16	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	
<b>09/29/16</b>	<b>AORMA Program Committee Meeting (Teleconference)</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
09/30/16	Completion of the AORMA Committee (September Letter) updating all AORMA members on the funding and dividends approved for the upcoming fiscal year	Alliant Staff/AORMA C	Mimi Long	
9/TBD/2016	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
9/TBD/2016	<i>CSURMA EC Orientation Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<b>OCTOBER</b>				
10/01/16	Request completion of the Liability application	Alliant Staff	Mimi Long	
10/01/16	Request estimated Workers' Compensation payroll	Alliant Staff	Mimi Long	
10/15/16	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
10/15/16	Poll eligible AORMA Committee members to determine which members are willing to be nominated for the Vice Chair position	Nominations Committee	Mimi Long	
10/17/16	<i>AIME Committee Meeting</i>	<i>Alliant Staff</i>	<i>Stacey Weeks</i>	
10/20/16	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/31/16	Create Government Compensation Report page on CSURMA website for public viewing	Alliant Staff	Tevea Him	
10/31/16	CSURMA Quarterly EPL Deductible Recoverys ending September 30 (Begin Task)	Alliant Staff	Van Rin	
10/31/16	<i>Expiring Contract: Praesidium - October 31, 2015 to October 1, 2016</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/31/16	Government Compensation Report (request from CSU Accounting)	Accounting	Tevea Him	
10/31/16	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	
10/TBD/2016	<i>CSURMA BOD NMO Meeting via Teleconference</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<b>NOVEMBER</b>				
11/01/16	FORM 700 - Campus Risk Pool Administrator sends request to campus president to confirm appointments of primary and alternate representative to BOD (Note: AORMA Representatives are maintained through their election process)	Alliant Staff	Tevea Him	
11/02/16	<i>CSURMA BOD Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
11/02/16	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
11/28/16	Campus Risk Pool Deductible - Confirm (every 3 years - 2014, 2017, 2020)	Alliant Staff	Robert Leong	
11/28/16	Send campus risk pool renewal budget (Budget)	Alliant Staff	Robert Leong	
11/28/16	Send campus risk pool renewal budget (Early Bird Renewal Letter)	Alliant Staff	Robert Leong	
11/30/16	Review volunteer losses within the Workers' Compensation program	Alliant Staff	Mimi Long	
11/30/16	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 9/30	Alliant Staff	Tevea Him	
<b>DECEMBER</b>				
12/01/16	2016 Vendor Survey - Review List of Vendors and Work on Recipients	Risk Management	Rebecca Skidmore	
12/01/16	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
12/01/16	AORMA Liability Program - Reinsurance Recovery (verify w/ Mauri)	Carl Warren	Mimi Long	
12/01/16	P & P Outlining Underwriting Guidelines for Granting Additional Insured Status	Alliant Staff	Dan Howell	
12/02/16	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
12/08/16	<i>AORMA Program Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
12/15/16	FORM 700 - Campus Risk Pool Administrator sends revised Campus Primary and Alternate CSURMA BOD member listing to JPA ADMIN	Alliant Staff	Tevea Him	
12/15/16	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
12/30/16	Financial Audit - mail to Secretary of State and County Auditor	Alliant Staff/Accounting	Tevea Him	
12/31/16	CSURMA Quarterly EPL Deductible Recoverys	Alliant Staff	Van Rin	
<b>12/31/16</b>	<b><i>Expiring Contract: Alliant Insurance Services (Brokerage Agreement) - January 1, 2014 to December 31, 2015</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
<b>12/31/16</b>	<b><i>Expiring Contract: Alliant Insurance Services (Program Admin Agreement) - January 1, 2014 to December 31, 2015</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
<b>12/31/16</b>	<b><i>Expiring Contract: Enterprises Rent A Car - January 1, 2015 - December 31, 2015</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	

## **CSURMA AORMA PROGRAM ADMINISTRATOR CONTACT LISTS**

**ISSUE:** Staff includes an updated AORMA Program Administrator contact list in each agenda.

**RECOMMENDATION:** No action is requested on this item.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. AORMA Program Administrator - Contact List
- b. Claims Reporting Contacts

## CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
<b>JPA Program Administrator – Alliant Insurance Services, Inc.</b>				
<b>Certificate of Insurance Requests</b>	<b>Hsan Htein Van Rin</b>	hhhtein@alliant.com vrin@alliant.com	415-403-1452 415-403-1408	415-874-4810 415-874-4810
<b>General CSURMA Coverage Questions</b>	<b>Robert Leong Van Rin Hsan Htein Daniel Howell</b>	rleong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
<b>General AORMA Coverage Questions</b>	<b>Mimi Long Van Rin Hsan Htein Daniel Howell</b>	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
<b>Inland Marine</b>	<b>Van Rin Hsan Htein Mimi Long</b>	vrin@alliant.com hhhtein@alliant.com mlong@alliant.com	415-403-1408 415-403-1452 415-403-1423	415-874-4810 415-874-4810 415-874-4810
<b>Participant Accident Insurance (PAI)</b>	<b>Van Rin</b>	vrin@alliant.com	415-403-1408	415-874-4810
<b>Special Events Insurance</b>	<b>Van Rin</b>	vrin@alliant.com	415-403-1408	415-874-4810
<b>Foreign Travel Program</b>	<b>Stacey Weeks Van Rin</b>	sweeks@alliant.com vrin@alliant.com	415-403-1448 415-403-1408	415-874-4810 415-874-4810
<b>General Risk Management Questions</b>	<b>Mimi Long Van Rin Hsan Htein Daniel Howell</b>	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
<b>Workers' Compensation Claims Consultant</b>	<b>Jacki Graf</b>	jgraf@alliant.com	415-403-1438	415-874-4810
<b>Alliant Claims Consulting</b>	<b>Robert Frey Diana Walizada Michelle Maffei Martin Fox-Foster Elaine Kim</b>	rfrey@alliant.com dwalizada@alliant.com mmaffei@alliant.com martin.fox-foster@alliant.com ekim@alliant.com	415-403-1445 415-403-1453 415-403-1418 415-403-1417 415-403-1458	415-403-1466 415-403-1466 415-403-1466 415-403-1466 415-403-1466
<b>Form 700</b>	<b>Tevea Him</b>	thim@alliant.com	415-403-1416	415-402-0773
<b>Website and Technology Questions</b>	<b>Tevea Him Myron Leavell</b>	thim@alliant.com mleavell@alliant.com	415-403-1416 415-403-1404	415-874-4810 415-874-4810

### CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
<b>CSU Chancellor's Office</b>				
<b>CSU Chancellor's Office</b>	Zachary Gifford	zgifford@calstate.edu	562-951-4568	562-951-4859
	Rebecca Skidmore	rskidmore@calstate.edu	562-951-4574	562-951-4859
	Leona Ching	lching@calstate.edu	562-951-4580	562-951-4859
	Alice Kim	akim@calstate.edu	562-951-4627	562-951-4865
	Kelly Cox	kcox@calstate.edu	562-951-4611	562-951-4865
	Robert Eaton	reaton@calstate.edu	562-951-4572	562-951-4971
	Audra Reed	areed@calstate.edu	562-951-4564	562-951-4971
	William Hsu	whsu@calstate.edu	562-951-4500	562-951-4956
	Steve Relyea	srelyea@calstate.edu	562-951-4600	562-951-4971
	Martha Guiditta	mguiditta@calstate.edu	562-951-4557	562-951-4859
	Michael Clements	mclements@calstate.edu	562-951-4091	
	Jessica Liu	jliu@calstate.edu	562-951-4621	
	Cindi Le	cle@calstate.edu	562-951-4651	
Daisy Thompson	dthompson@calstate.edu	562-951-4567		

### Loss Control Consultants – Alliant Risk Control

<b>Alliant Risk Control Consulting</b>	<b>Brent Escoubas</b>	bescoubas@alliant.com	949-260-5013	
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### Online Training - TargetSolutions

<b>Business Manager</b>	<b>Jennifer Jones</b>	jennifer.jones@targetsolutions.com	858-376-1632	858-487-8762
<b>Account Manager</b>	<b>Stacy L. Schaefer</b>	stacy.schaefer@targetsolutions.com	858-376-1610	

### Unemployment Insurance Claims Administrator – Employers Edge

<b>Client Services</b>	<b>Angie Hansen</b>	ahansen@employersedge.com	720-891-4900 x116	720-420-7356
<b>Unemployment Claims Operations, Claim Specialist</b>	<b>Reina Gonzales</b>	rgonzales@employersedge.com	720-891-4900 x139	720-420-7390
<b>Tax Analyst</b>	<b>Larry Blankenship</b>	lblankenship@employersedge.com	720-891-4900 x108	720-420-7430
<b>Appellate Level</b>	<b>Jen Venable Jamie Clark</b>	jvenable@employersedge.com jclark@employersedge.com	720-891-4900 x114 720-891-4900 x122	720-420-7354 720-420-7396
<b>Account Management</b>	<b>Steve Bell</b>	sbell@employersedge.com	720-891-4900 x101	720-420-7431

### CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
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### Human Resources Consulting – Employers Group

<b>Helpline</b>	<b>Mark Nelson</b>	mnelson@employersgroup.com	213-765-3952 or 800-748-8484	
<b>Client Service</b>	<b>Bill Stephens</b>	bstephens@employersgroup.com	805-807-9922	213-226-0216
<b>Reference Library</b>	<b>Robert Campbell</b>	rcampbell@employersgroup.com	800-748-8484 Ext. 3430	
<b>Unemployment Questions</b>	<b>Mark Nelson</b>	mnelson@employersgroup.com	213-765-3952	
<b>Affirmative Action Plans</b>	<b>Suzanne Oliva</b>	soliva@employersgroup.com	213-765-3918	
<b>Leave Management</b>	<b>Helpline</b>	helpline@employersgroup.com	800-748-8484	
<b>Research and Surveys</b>	<b>Juan Garcia</b>	jpgarcia@employersgroup.com	213-765-3969	
<b>Employee Opinion Survey</b>	<b>Megan Vallone</b>	mvallone@employersgroup.com	213-765-3920	
<b>Training Services</b>	<b>Somaly Heng</b>	sheng@employersgroup.com	213-765-3962	
<b>Employer Advocacy</b>	<b>Ken Tiratira</b>	ktiratira@employersgroup.com	213-765-3915	



## **LIABILITY – CLAIMS REPORTING CONTACT**

**In the event of a loss, please contact:**

**Mauri McGuire**

Carl Warren & Company  
1000 South Hill Road, Suite 110  
Ventura, CA 93003

E-mail: [mmcguire@carlwarren.com](mailto:mmcguire@carlwarren.com)

Tel: 805-650-7020 ext. 1003

Mobile: 805-509-1426

Fax: 805-658-9950



## **POLLUTION – CLAIMS REPORTING CONTACT**

(All pollution incidents must be reported within **seven** days of discovery)

### **Report the incident immediately to:**

ACE Environmental Risk  
casualtyriskenvironmental@acegroup.com  
888-310-9553

### **AND:**

**Alliant Insurance Services, Inc.**  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111-5101

Tel: 877-725-7695  
Fax: 415-403-1466

### **OR**

**Diana Walizada, Claims Unit Manager**  
Alliant Insurance Services, Inc.  
E-mail: [dwalizada@alliant.com](mailto:dwalizada@alliant.com)  
Tel: 415-403-1453  
Fax: 415-403-1466  
Cell: 415-693-8714

### **OR**

**Michelle Maffei, Sr. Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: [mmaffei@alliant.com](mailto:mmaffei@alliant.com)  
Tel: 415-403-1418  
Fax: 415-403-1466  
Cell: 415-693-8864

### **OR**

**Martin Fox-Foster, Sr. Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: [martin.fox-foster@alliant.com](mailto:martin.fox-foster@alliant.com)  
Tel: 415-403-1417  
Fax: 415-403-1466  
Cell: 415-755-0405

### **After hours claims reporting number**

**Robert Frey, First Vice President**  
Alliant Insurance Services, Inc.  
E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490



## **CYBER LIABILITY – CLAIMS REPORTING CONTACT**

**Report the incident immediately to:**

**Beazley Group**  
1270 Avenue of the America's, Suite 1200  
New York, NY 10020

bbr.claims@beazley.com  
Tel: 646-943-5900  
Fax: 546-378-4039

**AND COPY TO:**

**Elaine Kim, Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: ekim@alliant.com  
Tel: 415-403-1458  
Fax: 415-403-1466  
Cell: 415-609-2133

**OR Diana Walizada, Claims Unit Manager**  
Alliant Insurance Services, Inc.  
E-mail: dwalizada@alliant.com  
Tel: 415-403-1453  
Fax: 415-403-1466  
Cell: 415-693-8714

**OR**

**Martin Fox-Foster, Sr. Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: martin.fox-foster@alliant.com  
Tel: 415-403-1417  
Fax: 415-403-1466  
Cell: 415-755-0405

**After hours claims reporting number**

**Robert Frey, First Vice President**  
Alliant Insurance Services, Inc.  
E-mail: rfrey@alliant.com  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490



## **SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) CLAIMS REPORTING CONTACT**

**Report the incident immediately to:**

**Elaine Kim, Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: [ekim@alliant.com](mailto:ekim@alliant.com)  
Tel: 415-403-1458  
Fax: 415-403-1466  
Cell: 415-609-2133

**OR Diana Walizada, Claims Unit Manager**  
Alliant Insurance Services, Inc.  
E-mail: [dwalizada@alliant.com](mailto:dwalizada@alliant.com)  
Tel: 415-403-1453  
Fax: 415-403-1466  
Cell: 415-693-8714

**OR:**

**After hours claims reporting number:**

**Robert Frey, First Vice President**  
Alliant Insurance Services, Inc.  
E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490



## **AUTO PHYSICAL DAMAGE (APD) CLAIMS REPORTING CONTACT**

**Report the incident immediately to:**

**Elaine Kim, Claims Advocate**  
Alliant Insurance Services, Inc.  
E-mail: [ekim@alliant.com](mailto:ekim@alliant.com)  
Tel: 415-403-1458  
Fax: 415-403-1466  
Cell: 415-609-2133

**OR Diana Walizada, Claims Unit Manager**  
Alliant Insurance Services, Inc.  
E-mail: [dwalizada@alliant.com](mailto:dwalizada@alliant.com)  
Tel: 415-403-1453  
Fax: 415-403-1466  
Cell: 415-693-8714

**OR:**

**After hours claims reporting number:**

**Robert Frey, First Vice President**  
Alliant Insurance Services, Inc.

E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490



## PROPERTY / BOILER & MACHINERY CLAIMS REPORTING CONTRACT

**Report the incident immediately to Toll Free 877-725-7695:**

**OR**

**Diana Walizada, Claims Unit Manager**

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco, CA 94111-5101  
E-mail: [dwalizada@alliant.com](mailto:dwalizada@alliant.com)  
Tel: 415-403-1453  
Fax: 415-403-1466  
Cell: 415-693-8714

**OR**

**Michelle Maffei, Sr. Claims Advocate**

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco, CA 94111-5101  
E-mail: [mmaffei@alliant.com](mailto:mmaffei@alliant.com)  
Tel: 415-403-1418  
Fax: 415-403-1466  
Cell: 415-693-8864

**OR**

**Martin Fox-Foster, Sr. Claims Advocate**

Alliant Insurance Services, Inc.  
E-mail: [martin.fox-foster@alliant.com](mailto:martin.fox-foster@alliant.com)  
Tel: 415-403-1417  
Fax: 415-403-1466  
Cell: 415-755-0405

**OR**

**Elaine Kim, Claims Advocate**

Alliant Insurance Services, Inc.  
E-mail: [ekim@alliant.com](mailto:ekim@alliant.com)  
Tel: 415-403-1458  
Fax: 415-403-1466  
Cell: 415-609-2133

**AND COPY TO:**

**Cathryn O'Meara**

McLaren's  
1301 Dove Street, Suite 200  
Newport Beach, CA 92660  
[cathryn.omeara@mcclarens.com](mailto:cathryn.omeara@mcclarens.com)  
Tel: 949-757-1413  
Fax: 949-757-1692

**After hours claims reporting number:**

**Robert Frey, First Vice President**

Alliant Insurance Services, Inc.  
E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490



## WORKERS' COMPENSATION – CLAIMS REPORTING CONTACT

In the event of a Workers' Compensation claim, please forward the Workers' Compensation Claim Form (DWC1) and the Employer's Report of Occupational Injury or Illness (Form 5020) to:

**Brian Montagnese - Supervisor**  
Sedgwick CMS  
P.O. Box 14629  
Lexington, KY 40512-4629

E-mail: [brian.montagnese@sedgwickcms.com](mailto:brian.montagnese@sedgwickcms.com)  
Tel: 916-851-4441  
Fax: 916-851-8079

### YOUR CLAIM WILL BE ASSIGNED TO EITHER:

**Katie Brandt, Adjuster**  
Sedgwick CMS  
P.O. Box 14629  
Lexington, KY 40512-4629

E-mail: [katie.brant@sedgwickcms.com](mailto:katie.brant@sedgwickcms.com)  
Tel: 916-636-4451  
Fax: 916-851-8079

**OR**

**Biba Olson**  
**Claims Assistant and Medical Only Examiner**  
Sedgwick CMS

E-mail: [biba.olson@sedgwickcms.com](mailto:biba.olson@sedgwickcms.com)  
Tel: 916-636-4446

**Susan Neville**  
**Adjuster, Northridge Auxiliary Only**  
Sedgwick CMS

E-mail: [susan.neville@sedgwickcms.com](mailto:susan.neville@sedgwickcms.com)  
Tel: 916-636-4455



## **PARTICIPANT ACCIDENT INSURANCE (PAI)**

In the event of a Participant Accident Insurance (PAI) claim, *please forward the completed HSR claim form directly to:*

**Health Special Risk, Inc.**  
HSR Plaza II  
4100 Medical Parkway  
Carrollton, TX 75007

E-mail: [CSRM@hsri.com](mailto:CSRM@hsri.com)  
Tel: 972-512-5600  
Fax: 972-512-5820  
Tel Toll Free: 866-523-3186



## **UNEMPLOYMENT INSURANCE PROGRAM (UIP)**

For Unemployment Insurance Program (UIP) claim, please contact Employers Edge directly at:

**Reina Gonzales, Claim Specialist**

Employers Edge  
P.O. Box 351567  
Westminister, CO 80035

Email: [rgonzales@employersedge.com](mailto:rgonzales@employersedge.com)

Tel: (720) 891-4900 x139

**Steve Bell, Account Management**

Employers Edge  
P.O. Box 351567  
Westminister, CO 80035

Email: [s.bell@employersedge.com](mailto:s.bell@employersedge.com)

Tel: (720) 891-4900 x101

## **CSURMA AORMA COMMITTEE CONTACT LIST**

**ISSUE:** Attached for the Committee's review is the AORMA Committee and Standing Committee Membership Roster Contact List.

**RECOMMENDATION:** It is recommended that the Committee Members review the contact information for accuracy and report any changes or corrections to Staff.

**FISCAL IMPACT:** None.

**BACKGROUND:** Contact lists are provided at every meeting.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. AORMA Committee Roster - Effective at July 1, 2015

**AORMA Committee**  
**Ten voting members - two alternates - twelve members total**  
**Effective at July 1, 2015**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	E-Mail	Telephone Number
AORMA	Chair	Frank Mumford	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	fmumford@fullerton.edu	657-278-4101
AORMA	Vice Chair	Guy Dalpe	Managing Director	San Francisco	Associated Students, Inc., San Francisco State University	gdalpe@sfsu.edu	415-338-1044
AORMA	Past Chair	Robert de Wit	Chief Financial Officer	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	rdewit@csulb.edu	562-985-5549
AORMA	Ex Officio	Dwayne Brummett	Director of Business Services	San Luis Obispo	Associated Students, Inc., Cal Poly San Luis Obispo	dbrummet@calpoly.edu	805-756-5768
AORMA	At Large	Brian Nowlin	Chief Operating Officer	Long Beach	California State University, Long Beach Research Foundation	Brian.Nowlin@csulb.edu	562-985-4690
AORMA	At Large	Cheree Aguilar	Senior Director, Human Resources	San Jose	San Jose State University Research Foundation	cheree.aguilar@sjsu.edu	408-924-1505
AORMA	At Large	Dave Nakamura	Executive Director	Humboldt	Humboldt State University Center	dave.nakamura@humboldt.edu	707-826-4878
AORMA	At Large	Dave Nirenberg	Senior Director	Channel Islands	University Glen Corporation	dave.nirenberg@csuci.edu	805-437-2668
AORMA	At Large	Gigi Kiama	Human Resources Director	Monterey Bay	The University Corporation at Monterey Bay	gkiama@csumb.edu	831-582-4301
AORMA	At Large	Jim Reinhart	Executive Director	Sacramento	University Enterprises, Inc. (UEI)	Jim.Reinhart@csus.edu	916-278-7001
AORMA	At Large	Keith Kompzi	Director, Foundation Financial Services	Fresno	Fresno Association, Inc., CSU Fresno	kkompzi@csufresno.edu	559-278-0838
AORMA	At Large	Leslie Davis	Executive Director	Sacramento	University Union Operation of CSUS, Inc.	leslied@saclink.csus.edu	916-278-2904

**Programs Committee**  
**Minimum of five members - at least two of whom are AORMA Committee members**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	E-Mail	Telephone Number
PC	Chair	Gigi Kiama	Human Resources Director	Monterey Bay	University Corporation, CSU Monterey Bay	gkiama@csumb.edu	831-582-4301
PC	At Large	Bill Olmsted	Associate Executive Director	Sacramento	University Union Operation of CSUS, Inc.	olmsted@csus.edu	916-278-6744
PC	At Large	Guy Dalpe	Managing Director	San Francisco	Associated Students, Inc., San Francisco State University	gdalpe@sfsu.edu	415-338-1044
PC	At Large	Jason Porth	Executive Director	San Francisco	The University Corporation, San Francisco State	jporth@sfsu.edu	415-338-6880
PC	At Large	Jun Reina	Chief Operating Officer/ Chief Financial Officer	Sacramento	Capital Public Radio, Inc., CSU Sacramento	jreina@csus.edu	916-278-8925
PC	At Large	Raven Tyson	Human Resources & Risk Manager	San Diego	Associated Students of San Diego State University	raven.tyson@sdsu.edu	619-594-3760

**AORMA TRAVEL REIMBURSEMENT POLICY**

**ISSUE:** Reasonable expenses associated with your travel to and from the AORMA Committee meetings and CSURMA Board of Directors meetings are reimbursable by CSURMA. Attached for your review is Policy & Procedure A-7 – CSURMA AORMA Travel Reimbursement Policy.

**RECOMMENDATION:** No action is requested on this item.

**FISCAL IMPACT:** None.

**BACKGROUND:** Please contact Mimi Long should you have any questions regarding your travel expenses.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. Policy & Procedure A-7 – CSURMA AORMA Travel Reimbursement Policy



## **CSURMA AORMA**

## **POLICY AND PROCEDURE NO. A-7**

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**SUBJECT:** CSURMA AORMA TRAVEL REIMBURSEMENT  
POLICY

**ADOPTED:** MARCH 21, 2013

**AMENDED:** MARCH 19, 2015

**EFFECTIVE:** MARCH 21, 2013

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### **PURPOSE:**

CSURMA AORMA members benefit from the work of their elected and appointed representatives who give their time to participate in the governance and development of CSURMA programs. Committee Member in person attendance at the AORMA Committee, standing committee meetings and task group meetings is preferred. This Policy and Procedure is intended to formalize the prior existing practices of CSURMA.

### **POLICY:**

It is the policy of the CSURMA AORMA Committee that reasonable and actual expenses incurred by AUTHORIZED TRAVELERS for COVERED PURPOSES related to operation of CSURMA's programs shall be reimbursed. The method of approving travel, and reporting and calculating the reimbursable amount shall be in accordance with the travel reimbursement policy of the California State University or the AUTHORIZED TRAVELER's member auxiliary organization at the time of the travel.

### **PROCEDURE:**

1. Reimbursement requests will be reported on the AUTHORIZED TRAVELER's completed State of California – Travel Expense Claim form or the form utilized by the AUTHORIZED TRAVELER's member auxiliary organization. The claim form should be forwarded to the AUTHORIZED TRAVELER's member auxiliary organization accounting department for reimbursement. The member auxiliary organization's accounting department should then seek reimbursement from CSURMA.
2. The AUTHORIZED TRAVELER's accounting department should send the following documents to CSURMA c/o the Systemwide Office of Risk Management:
  - a) Invoices for all reasonable expenses
  - b) Completed State of California (or AUTHORIZED TRAVELER's member auxiliary organization) – Travel Expense Claim form



- c) Documentation of the purpose of the travel such as a copy of the agenda, presentation, etc. for the COVERED PURPOSE that the AUTHORIZED TRAVELER attended.

**DEFINITIONS:**

**AUTHORIZED TRAVELER** – includes AORMA Committee members and officers, standing committee members and participants in duly established task groups. Other persons traveling on CSURMA AORMA related travel shall be reimbursed pursuant to this Policy and Procedure No. A-7 as agreed under separate agreement in advance of the travel. Independent consultants shall not be considered AUTHORIZED TRAVELERS under this Policy and Procedure No. A-7 and any travel expenses incurred by independent consultants may be reimbursed as provided under separate consulting agreements.

**COVERED EXPENSES** – includes reasonable expenses incurred by the AUTHORIZED TRAVELER as provided under the travel reimbursement policy of the California State University or the AUTHORIZED TRAVELER’s member auxiliary organization travel reimbursement policy requirements.

**COVERED PURPOSES** – covered purposes shall include attendance at meetings of the CSURMA AORMA Committee, standing committees, task group meetings, program presentations, member meetings, and approved professional development trainings. Any other COVERED PURPOSES must be approved for reimbursement by the AORMA Committee. The AORMA Committee Chair or designee is expected to attend the AOA Executive Committee meetings as the representative of the AORMA Committee and therefore reasonable expenses associated with travel to and from as well as participation in the AOA Executive Committee meetings are reimbursable by CSURMA. If a there is travel to an event that would otherwise be a COVERED PURPOSE in conjunction with another event the AUTHORIZED TRAVELER would otherwise attend such as the AOA Annual Conference or the CSURMA Fitting the Pieces Together Conference, the AUTHORIZED TRAVELER is eligible for reimbursement of COVERED EXPENSES to attend the COVERED PURPOSE meeting only and there will be no CSURMA reimbursement of the expenses the AUTHORIZED TRAVELER would have normally incurred to attend the AOA Annual Conference or the CSURMA Fitting the Pieces Together Conference.

## **CSU IIPP WORKGROUP**

**ISSUE:** “Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses”. A really good read with practical ideas on how to incorporate movement into a desk jockey’s day. The suggestions for movement can be very self-directed and without adverse impact to production. The following can be directly related:

- Training
- Providing the argument toward ergonomic movement in the workplace or
- Pure edification of an alternative ergonomic philosophy and equipment.

**RECOMMENDATION:** No action is requested on this item.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses

# Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses

Kellie Marshall, CSU Stanislaus  
 Jill Millican, CSU East Bay  
 Adell Seibles, CSU Sacramento  
 Thomas Sneed, CSU East Bay

## INTRODUCTION

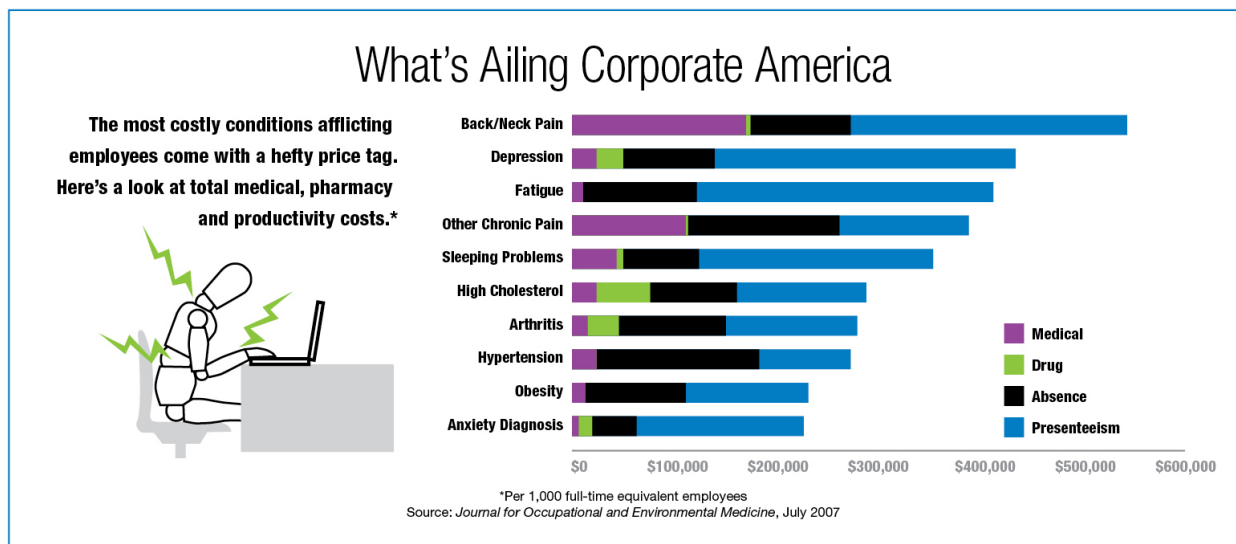
For decades sitting at a desk has been the norm. But thanks to science and research we now know that sedentary behavior causes a host of health and wellness problems – from poor circulation to premature spinal disc degeneration – and is detrimental to our long term well-being. An estimated 70% of the U.S. workforce sits in offices each day and the average American spends around 95% of the workday seated.

Is sitting the problem and standing the solution? Short answer: NO! Prolonged standing is linked to foot pain, varicose veins and static muscle fatigue. It causes joints in the hips and knees to become temporarily immobilized in turn causing damage to tendons and ligaments. People who have sedentary jobs, even those who exercise for an hour or more several times per week, still have a higher risk for developing these illnesses or even dying prematurely.(1) Movement is the key! We need movement, and more of it. Researchers recommend factoring more breaks into the workday and striking a balance between seated and standing positions.(2, 3) Standing for 10-15 minutes every hour boosts circulation, takes pressure off the spine, and balances muscle use. Rebooting the body and mind regularly also enhances productivity and reduces fatigue.

"Today, our bodies are breaking down from obesity, high blood pressure, diabetes, cancer, depression, and the cascade of health ills and everyday malaise that come from what scientists such as myself have named sitting disease."

~ James A. Levine, MD, PhD. *Move a Little, Lose A Lot*, 2009

Fig. 1



This paper will detail the problems with sedentary work habits and its associated costs. It will also outline multiple solutions that can be incorporated to improve our employees' situations, thus lessening the risks, improving attitudes and productivity, and positively affecting the aforementioned costs.

## PROBLEM

We have grown to realize that office workers, bolstered by recent research, sit for too long throughout the day. Add to that long commute times, sitting at meals, and engaging in sedentary activities at home, it becomes easy to see how cultural and lifestyle choices can be a negative force on our health status. Research shows that the average American spends an estimated 80% of time sitting while on a computer, on a portable device, watching TV, eating and/or commuting to work, etc.

Fig. 2



As pointed out in the introduction the risk of chronic diseases increases greatly for those who have these sedentary lifestyle habits. By some estimates, over 50% of the US population will become obese or diabetic by 2020. The economic costs associated with sedentary habits both to workers and their employers can be staggering.

Many times, efforts to promote more movement throughout the day and decrease sedentary habits have largely been lacking or ineffective. A survey was taken in 2013 of the various California State University Campuses about whether there was a program in place to teach stretching for employees. The majority of campuses had no formalized stretching, exercise, or movement program in place for employees.

This has likely changed to some extent since then, but we could all probably strive to do more. Even when classes or software is made available, participation and retention rates tend to be marginal at best.(4, 5) When it comes to software solutions, some find that they are too busy when prompted or it pops up at an inconvenient time and they bypass the session. For classes, convenience, flexible time to participate during the work day, and waning interest can all impact participation and retention. We also used to have a false sense of security when it came to exercising regularly. It used to be thought that regular exercise was a buffer against the consequences of working at a desk job. While people who exercise regularly tend to be more fit and healthy than those that do none, exercising outside of the work day does not mitigate or prevent the effects of sedentary work.(1, 6)

The costs associated with sedentary habits in healthcare dollars, absenteeism, presenteeism, and decreased productivity add up to thousands of dollars for individual employees and tens of billions of dollars for all workers in the United States every year. Also, a RAND study from 1989 determined that the lifetime subsidy from others to those with a sedentary life style is \$1900.00.(7) Studies performed from 2005-2007 that looked at data from the populations of Maine, California, and other states showed that the costs for medical care, workers' compensation, and lost productivity, were the higher for those who were inactive when compared to obesity and being overweight.(8, 9) In the table below, which reflects data from California workers, losses from physical inactivity were roughly 40% higher than losses from obesity and overweight combined. One thing that is apparent from these studies and others like them is that the costs incurred as a result of both lifestyle, workplace culture, and workplace environment affect

us all in tangible economic ways. Whether we individually make healthy choices in the workplace or not, the actions of our colleagues also affect us. It follows that this effect is also translated to the organizations that we work for.

*Fig. 3*

Direct, Indirect, and Total Costs for Physical Inactivity, Obesity, and Overweight in California Adults (in Year 2000 Dollars).

	<i>Medical Care Cost</i>		<i>Workers' Compensation Cost</i>	<i>Lost Productivity Cost</i>		<i>Total Cost</i>
	Treatment	Cost of Prescription Drugs		Absenteeism, Presenteeism, and Short-term	On-the-job Injury	
<b>Physical Inactivity</b>						
Direct	\$241,985,581	\$1,065,943,038	\$50,005,040	\$7,528,629,764	\$274,983,844	\$9,161,574,267
Indirect	\$725,956,744	\$3,197,829,114	\$200,020,159	0	0	\$4,123,806,017
<b>Total Physical Inactivity Cost</b>						<b>\$13,285,353,284</b>
<b>Obesity</b>						
Direct	\$135,520,641	\$595,514,095	\$17,658,344	\$3,364,013,159	0	\$4,112,706,239
Indirect	\$406,561,922	\$1,786,542,286	\$70,633,376	0	0	\$2,263,737,584
<b>Total Obesity Cost</b>						<b>\$6,376,443,823</b>
<b>Overweight</b>						
Direct	\$93,509,242	\$410,605,609	0	0	0	\$504,114,851
Indirect	\$280,527,726	\$1,231,816,827	0	0	0	\$1,512,344,553
<b>Total Overweight Cost</b>						<b>\$2,016,459,404</b>
<b>Total Cost of Physical Inactivity, Obesity, and</b>						<b>\$21,678,256,511</b>

## SOLUTION

Generally speaking we need to stand more and we need to move more. Not one or the other, but both. How much we should stand and move is up for scholarly debate, but recent consensus in the UK is for office workers to move for about 2 hours out of an 8 hour work day.(2) Canadian physician, Dr. David Alter, recommends cutting sitting time by 2-3 hours for those sitting at least 12 hours per day.(10) It seems like a lot, that it may interfere with an employee's work day and reduce their productivity. However, if we think about it and take a multicomponent approach to the problem, the guidelines outlined above are approachable.

### *Strategies for increasing movement.*

First off, it is obvious that the goal of 2 hours of movement per work day should be divided into smaller segments throughout the day. There is also no evidence that suggests that one approach or time frame has any advantage over another. There may be some workers where it's feasible to be out of their chair moving to some degree for 15 minutes for every hour worked, adding up to 2 hours. For most workers, that is probably not the case. Depending on the duties being performed, there may be 5 minutes one hour and 30 minutes another. Also, some aspects of an employee's work might be more conducive to standing, such as talking on the phone, for example. Dr. Alan Hedge at Cornell University suggests that for each 30 minutes an employee sit for 20 minutes, stand for 8 minutes, and walk around for 2 minutes. That adds up to more than 2.5 hours per day out of the chair.(3) Is it too much? For some perhaps it is. However, we could all probably stand more than we think if we look at the many ways we can work and conduct our days besides just sitting in a chair. Even if someone thinks that they can't, they probably can still move more. NASA research shows that standing for 2 minutes 16 times per day is enough to at least

maintain bone and muscle density. The following table lists many of those ways we can incorporate movement along with a brief discussion for each.(1, 10, 11)

Fig. 4

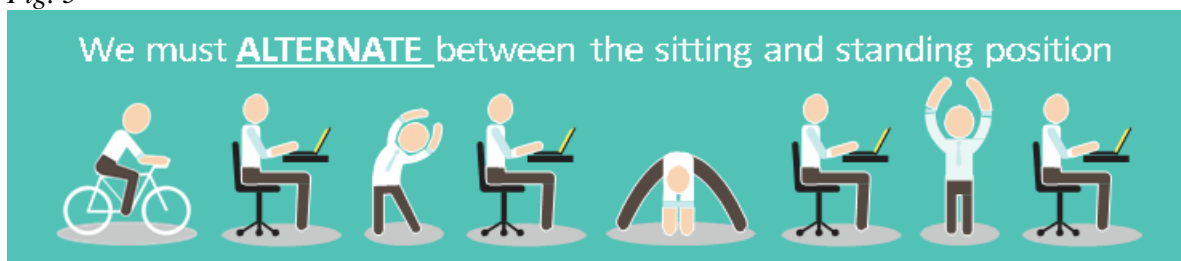
Possible solutions to decrease sedentary time in the office.

<b>Method</b>	<b>Comments</b>
Use a workstation or device that allows work to be done either sitting or standing.	Allows a great deal of flexibility for how long and frequently one could stand or sit. Though an initial cost may be associated with it, it tends to pay for itself over time when used correctly. Some types of furniture may not support this type of equipment and it may interfere with jobs that require personal interaction with others. Caution should be taken with individuals that have conditions aggravated by weight bearing postures.
Use a software solution that reminds employees to take breaks and/or guides them through brief movement or stretching routines.	Can conveniently be added to the individual's computer and usually customized to their needs. Some lose interest and bypass the reminders over time. A cost is typically involved, such as a licensing fee.
Send work to a remote printer.	Makes you take more steps unless this option is not be available or you don't print your work. No cost is associated.
Use a restroom on another floor or in another area.	Makes you take more steps unless multiple restrooms do not exist in the area. No cost is associated.
Visit someone instead of sending an email or text message.	Makes you take more steps. Face to face interaction can have social benefits and allow for easier discussion and dialogue. No cost is associated.
Take a walk during breaks or at lunch.	Makes you take more steps. Also, it provides a mental break from the tasks of the day. No cost is associated.
Take stairs instead of an elevator.	Makes you take more steps and you are working different muscles than walking unless stairs are not present. No cost is associated.
Take a mini break to stretch.	You can work on areas of the body that feel most stressed. It is a gentle and easy activity that costs nothing and can be practiced in any environment.
Hold small group meetings while walking.	Makes you take more steps. There is also evidence that walking stimulates the mind. It may not be practical for larger groups or if the meeting involves materials/technology. No cost is associated.
Conduct or participate in department sanctioned exercise sessions.	It can be a fun, focused, and work on areas of the body that feel most stressed. It can build rapport with co-workers. At least initially, more personal instruction and guidance needs to be given. Costs may or may not be associated based upon how this is implemented.

Strategically alternate tasks that require standing or moving. Alternatively, designate certain tasks as "standing tasks", such as talking on the phone.	This is a way to break up the repetition associated with certain work. Modification of some work tasks may be required. No cost is associated.
Use a device that tracks movement.	Gives biometric data to the user regarding activity and fitness. They can be fun to use. Cost for more technologically advanced devices can be a factor, but there are less expensive alternatives. (i.e. Fitbit vs. pedometer)

Most employees probably can't do all of these. Some might only be able to do a few. But when you look at what is possible, 2 hours of movement doesn't seem so insurmountable. Also, it should be noted that the majority of the actions outlined above are low or no cost to implement.

Fig. 5



#### Strategies for compliance and retention.

Motivation, compliance, and long term retention have been and will continue to be challenges that we all encounter when attempting to implement and administer movement programs. More people will want to participate in a program if they deem the exercise or activity as an achievable benefit to them, regardless of routine or complexity.(4, 12) Self-efficacy also increases the levels of compliance and adherence to a program over the long term.(12, 13, 14) Additionally, group cohesion, social support, and management involvement have proven to be morale boosters that increase rates of adherence to an exercise program.(13, 15) Conversely, poor psychosocial work environments and low self-efficacy have the opposite effect.(16) The following list contains some suggestions on how adopt and encourage an office activity program.

1. Encourage management buy-in and participation. This is extremely important for the goal of changing the organization's long term culture. It demonstrates leadership from the top, shows the value of your program to employees, and it's good for the managers' health too.
2. Have a fun name or tag line for the activity. Possibly incorporate a mascot or cartoon-like character as a symbol for the program.
3. Advertise the program – Keep the idea in front of staff. One might even be able to partner such a program with other safety or employee policy initiatives that are currently in place.
4. Have department schedule regular task break times.
5. Share information about the benefits of movement during the workday from multi-media sources. There has been a plethora of information recently in both print and visual media.
6. Solicit feedback from the employees about what they would like to do. Allow them to participate in the development or evolution of your program.
7. Train the employees and managers initially with preset, guided routines. This can also be reinforced with brochures, videos, PowerPoint presentations, etc.
8. Keep the activities and movements simple and easy to duplicate, especially in the beginning. Mimic some of the movements that people instinctively do to stretch and move. Encourage them to do them more frequently, beyond any group sessions. Additional complexity can be added once the program is established.

9. Provide department incentives or awards when possible, either for participation or for reaching certain milestones.

Like the methods of movement outlined above, one might not be able to incorporate all of these suggestions. For example, employees at a busy customer service counter can't just stop and all take a break together. They might have to focus on individual task breaks or maybe work with a partner instead. There is no "one" best or only way to promote and maintain a program. A multi-faceted approach is best...consistent and persistent.

## **CONCLUSION**

The data in the workers' compensation column of *Figure 3* shows that approximately 73% of the total costs listed were related to physical inactivity. Internal data from all the CSU campuses show an expenditure of over 14 million dollars for workers' compensation from FY2011-FY2015. That amounts to a potential pool of over 10 million dollars that could have been positively impacted by efforts to encourage workers to move more.

Changing the culture and attitudes of our workplaces in regards to movement and exercise will have a positive effect on employee participation and ultimately their health and well-being. The suggestions outlined above are not meant to replace any efforts that may be in place, but to augment them. The more tools we can give, along with the encouragement and acknowledgement of achievements, the more it will help to move employees toward the positive end of a wellness continuum. Programs should be fluid and ever-changing as new ideas and information become available. They can also be customizable. No two initiatives need be exactly the same, though they should be constructed with the goal of increasing participation and adherence through an institutional and culture shift. Positive changes have the potential for improving employee morale, health, and productivity, which can lead to substantial cost savings for the employer over time.

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