



**CSURMA EXECUTIVE COMMITTEE MEETING AGENDA**  
**“This is an Open Public Meeting”**

*In accordance with the requirements of the Bagley-Keene Open Meeting Act, notice of this meeting must be posted in publicly accessible places, including the Internet, at least ten (10) days in advance of the meeting.*

Meeting Date: January 12, 2014  
 Time: 3:00 p.m.

Primary Location: Sheraton Grand Sacramento Hotel  
 Williams Boardroom  
 1230 J Street (13th And J)  
 Sacramento, CA 95814

Legend: **A** = Action  
**I** = Information  
**V** = Verbal  
**S** = Separate

**A. CALL TO ORDER**

- 1. **Approval of the Agenda** A p. 4

**B. PUBLIC COMMENTS**

**C. CONSENT CALENDAR** A

*The Committee is asked to take action on the consent calendar items as a group, except that a member may request that an item be withdrawn from the Consent Calendar for discussion and action.*

- 1. **Approval of Minutes – November 6, 2013** p. 5
- 2. **Receipt and Review of the Draft Financial Statement at November 30, 2013** p. 15  
*Draft Financial Statement at November 30, 2013*

**D. GENERAL ADMINISTRATION**

- 1. **CSU Trustee’s Audit Update** A p. 16  
*The Committee is asked to discuss the issues and provide direction to staff as appropriate.*
- 2. **Underwriter Meetings Report** A p. 20  
*The Committee will receive a report on the recent meetings with CSURMA’s leading underwriters.*
- 3. **Pollution Liability Insurance Coverage** A p. 25  
*The Committee is asked to authorize the extension of coverage for Pollution Liability through June 30, 2014.*

- |     |   |   |       |
|-----|---|---|-------|
| 4.  | <b>Program Administration Service Agreements</b><br><i>The Committee will receive a report on the status of negotiation and drafting of the program administration service agreements.</i>  | A | p. 30 |
| 5.  | <b>Rating Plans Task Groups</b><br><i>The Committee will receive reports from the CSURMA Student Insurance Programs Coverage and Rating Task Group and the Campus Risk Pool Rating Plans Task Group.</i>                                | A | p. 31 |
| 6.  | <b>Adoption of Resolution No. 01-14-EC Amending CSURMA Conflict of Interest Code</b><br><i>The Committee is asked to review the proposed revisions to the Conflict of Interest Code and adopt Resolution No. 01-14-EC.</i>              | A | p. 36 |
| 7.  | <b>Schools Excess Liability Fund Excess Workers' Compensation Program Assessment</b><br><i>The Committee will receive an update on the efforts to evaluate the causes of the assessment and possible strategies to reduce the cost.</i> | A | p. 51 |
| 8.  | <b>Foreign Travel Software</b><br><i>The Committee will receive an update on the Foreign Travel Software procurement process.</i>   | A | p. 53 |
| 9.  | <b>Training for Programs Involving Minors on Campus</b><br><i>The Committee is asked to evaluate the AORMA Committee's recommendation regarding program evaluation and staff training consulting services.</i>                          | A | p. 54 |
| 10. | <b>Executive Committee Nominations</b><br><i>The Committee will be asked to review the seats coming available and take action to appoint a Nominating Committee to propose a slate of candidates.</i>                                   | A | p. 64 |
| 11. | <b>Service Provider Performance Survey</b><br><i>The Committee will receive a report from staff on the Service Provider Performance Survey process.</i>   | A | p. 66 |
| 12. | <b>Student Health Insurance</b><br><i>The Committee will receive a report on the Student Health Insurance Program and may take action or provide direction as necessary.</i>  | A | p. 67 |
| 13. | <b>Update on Concussive Injuries Initiatives</b><br><i>The Committee will receive a report on Concussive Injuries Initiatives and may take action as necessary.</i>   | A | p. 68 |
| 14. | <b>Review of FY 2013/2014 CSURMA Long Range Planning Goals</b><br><i>The Committee will receive a report on the Long Range Planning Goals, taking action as appropriate.</i>  | A | p. 74 |

- 15. **2014 Long Range Planning Meeting Date, Location, and Agenda** A p. 79  
*The Committee is asked to approve the Draft Long Range Planning meeting date, agenda and location.*
  
- E. CLOSED SESSION Pursuant to Cal. Gov. Code Sec. 11126(e)(1), 11126(f)(1) & 11126(a)(1);**– *Action may be taken per Government Code Section 11126(e)(1), 11126(f)(1) and/or 11126(a)(1). The claims and matters listed below may be discussed. The Committee may take action or provide direction to Staff regarding the litigation discussed.*  
  
 Sanchez-Graves v. CSU, Northridge
  
- F. AUXILIARY ORGANIZATION COVERAGE PROGRAM**
  
- 1. **AORMA Programs Status Report** I p. 81  
*The Committee will receive a verbal report on the AORMA programs.*
  
- G. INFORMATION ITEMS**
  
- 1. **2014 PARMA Conference Announcement** I p. 84
  
- 2. **Workers’ Compensation Program Claims Audit** I p. 87  
*The Committee will review the recently completed audit of Sedgwick claims handling performance.*
  
- 3. **CSURMA Administrative Service Calendar** I p. 124  
*The Committee will review the CSURMA Administrative Service Calendar.*
  
- 4. **CSURMA Executive Committee and Staff Contact List** I p. 130
  
- H. ADJOURNMENT** A
  
- TELECONFERENCE LOCATIONS**  
 None.

*The Executive Committee is scheduled to next meet on Thursday, March 20, 2014 at 2:00 p.m. at a location to be determined, please contact [mleavell@alliant.com](mailto:mleavell@alliant.com) with any questions.*

## **APPROVAL OF THE AGENDA**

**ISSUE:** Approval of the order of agenda items.

**RECOMMENDATION:** The Executive Committee is asked to review and approve the proposed agenda before discussion of any business.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**ATTACHMENT(S):** None.

**APPROVAL OF MINUTES –**  
**NOVEMBER 6, 2013**

**ISSUE:** Acceptance of the Executive Committee draft meeting minutes.

**RECOMMENDATION:** The Executive Committee is asked to review and accept the November 6, 2013 draft meeting minutes with corrections as necessary.

**FISCAL IMPACT:** None.

**BACKGROUND:** The minutes reflect the actions taken by the Executive Committee at its last meeting.

**ATTACHMENT(S):** Draft Minutes - November 6, 2013 Executive Committee meeting

**MINUTES OF THE CSURMA  
EXECUTIVE COMMITTEE MEETING  
NOVEMBER 6, 2013  
SACRAMENTO, CALIFORNIA**

**MEMBERS PRESENT**

George V. Ashkar, CSU Office of the Chancellor, Treasurer  
Lisa Chavez, CSU Los Angeles  
Robert DeWit, CSU Long Beach  
Robert Eaton, CSU Office of the Chancellor, Secretary-Auditor  
Linda Hawk, CSU San Marcos  
Mike Lee, Sacramento State University  
Cynthia Teniente-Matson, CSU Fresno, Chair  
Michael Thorpe, CSU Chico

**MEMBERS ABSENT**

Dwayne Brummett, California Polytechnic State University  
Lori Gentles, CSU Fullerton

**STAFF, GUESTS & CONSULTANTS**

Kelly Cox, CSU Office of the Chancellor  
Zachary Gifford, CSU Office of the Chancellor  
Jacki Graf, Alliant Insurance Services, Inc.  
Daniel Howell, Alliant Insurance Services, Inc.  
William Hsu, CSU Office of General Counsel  
Myron Leavell, Alliant Insurance Services, Inc.  
Robert Leong, Alliant Insurance Services, Inc.  
Rebecca Skidmore, CSU Office of the Chancellor  
Chris Roy, KPMG

**A. CALL TO ORDER**

The meeting was called to order at 1:02 p.m. by Chair, Dr. Cynthia Teniente-Matson.

**A.1. Approval of the Agenda**

A motion was made to approve the order of the agenda as presented.

**MOTION:** Mike Lee                      **SECOND:** Mike Thorpe                      **MOTION CARRIED**

**B. PUBLIC COMMENTS**

**C. CONSENT CALENDAR**

**C.1 Approval of Minutes – September 12 & 13, 2013****C.2 Financial Information**

- a. Receipt and Review of the Draft Financial Statements at September 30, 2013
- b. Treasurer's Report

A motion was made to pull Item C.2.b from the consent calendar for additional discussion.

Chair Matson directed the Executive Committee's attention to the Travel Expense Report now included in the draft financial statements for review. Mike Thorpe requested that more detail as to the purpose of the travel be included in future reports.

A motion was made to approve the remaining items on the consent calendar as discussed at today's meeting.

**MOTION:** Linda Hawk                      **SECOND:** Robert Dewit                      **MOTION CARRIED**

**C.2 Financial Information**

- b. Treasurer's Report

George Ashkar, Treasurer, reported that all investments are in compliance with the current investment policy and that CSURMA has sufficient funds to meet its expenditures for the next six months.

Chris Roy of KPMG, CSU's financial auditor, reviewed the audited financials at June 30, 2013 with the Executive Committee. The audit presented a clean opinion with no management issues in delivering the audit.

A motion was made to accept the draft Financial Audit and to approve the Treasurer's Report as discussed at today's meeting.

**MOTION:** Mike Thorpe                      **SECOND:** Mike Lee                      **MOTION CARRIED**

**D. GENERAL ADMINISTRATION****D.1 Trustee's Audit Status Report**

Daniel Howell reviewed the item with the Executive Committee. Daniel Howell and Chair Teniente-Matson have been working in concert on the outstanding issues to bring them to resolution. Zachary Gifford and Daniel Howell met with the CSU Office of the University Auditor in early August and, at that time, proposed responses to the items still open but find that Items 10 and 12 are still under review.

All items will be handled by the CSURMA with the exception of Item 10, relating to travel expenses, which will be handled as a separate matter by the Chancellor's Office.

The majority of the University Auditor's recommendations were resolved through the adoption of policy and procedures or by providing documentation that the recommendation was satisfied.

No action was taken on this item at today's meeting.

## **D.2 Appointment of Acting Secretary-Auditor**

Chair Matson introduced the item to the Executive Committee. At its last meeting, the Executive Committee delegated authority to CSURMA Chair Cynthia Teniente-Matson to appoint Vice Chair, Mary Ann Rodriguez as Acting Secretary-Auditor for an additional sixty (60) days.

Unfortunately, Mary Ann Rodriguez left the CSU on October 31, 2013. To facilitate the continued smooth operation of the Authority, Chair Teniente-Matson has recommended that Robert Eaton temporarily be appointed to fill the position until which time formal action could be taken.

George Ashkar reviewed the shifting of responsibilities within Systemwide Risk Management with George overseeing all aspects of the Authority, Robert managing Risk Management with all else the same as usual.

A motion was made to appoint Robert Eaton as Acting Secretary-Auditor for the period October 31, 2013 through November 6, 2013 and then formally naming him as Secretary-Auditor by resolution.

**MOTION:** Mike Lee                      **SECOND:** Linda Hawk                      **MOTION CARRIED**

## **D.3. Student Insurance Programs**

### **D.3.a CSURMA Student Insurance Programs Coverage and Rating Task Group**

Mike Thorpe reviewed the plan for the sub-committee with the Executive Committee. The Task Group will be reviewing the following programs that directly impact students: Foreign Travel Insurance Program, Club Sports Insurance Program, Student Travel Accident Insurance, Student Professional Liability Insurance Program (SPLIP), and Student Academic Field Experiential for Credit Liability Insurance Program (SAFECLIP). Mike Thorpe suggested adding an Alliant service team member and possibly an International Students representative to round out the committee with additional insights.

The committee will present a report at the Long Range Planning session in March 2014.

No action was taken at this time.

### **D.3.b Student Health Insurance Program**

Zachary Gifford reviewed the item with the Executive Committee. Wells Fargo is impeding development. The Western Interstate Compact for Higher Education WICHE is working to provide an option to the CSU.

The Chancellor's Office continues to follow up with campuses to get census data as Wells Fargo believes that each campus is a standalone client that is not part of a larger system. The Office of General Counsel has also been trying to gather the needed data but Wells Fargo has been resistant to those requests as well. It appears that the auxiliary organizations have a proprietary view of the program, although there are no real contracts in place with AO's. Due to new HIPAA issues, WellsFargo wanted the auxiliary organizations to sign new agreements for this cover; although this has been discouraged by the Office of General Counsel.

Understandably, WellsFargo is trying to protect their program. It may well be that the WellsFargo product is perfectly fine but we are not sure due to protection of coverage information.

WellsFargo has set up a meeting on December 9, 2013 with the campus contacts to "discuss" the plan and its options.

No action was taken at this time.

### **D.3.c Approval of Student Travel Accident Policy Renewal**

Daniel Howell reviewed this item with the Executive Committee. The CSU provides coverage for injuries to students (including Extended Education Program students) during travel to and from campus to participate in school sponsored activities.

The insurer presented two renewal options: a \$15,000 coverage limit at \$21,000 (same as expiring) and a higher limit of \$25,000 at a cost of \$23,330. Staff recommended the higher limit option.

A motion was made to renew the Student Travel Accident coverage with QBE for the period December 31, 2013/14 with a \$25,000 limit for off-campus activities at a cost not to exceed \$23,330.

**MOTION:** Mike Thorpe                      **SECOND:** George Ashkar    **MOTION CARRIED**

### **D.4 Campus Risk Pool Rating Plans Task Group**

Chair Teniente-Matson reviewed the item with the Executive Committee. There has been a practice of reviewing the rating plans used by CSURMA for the Campus Risk Pool programs every three years for their continued appropriateness. The expected timeline for the next review would be for a Task Group to review the rating plans and prepare a report for the Executive Committee's review at the March 2014 Long Range Planning Session. A final report would be presented to the Board of Directors at the May 2014 meeting. Any rating plan changes would likely be implemented with the FY 15/16 coverage year.

The Chair has appointed a task group consisting of Linda Hawk, Lisa Chavez, Mike Lee and George Ashkar with additional support from Robert Eaton, Zachary Gifford and the Program Administration staff.

**MOTION:** Mike Thorpe                      **SECOND:** George Ashkar    **MOTION CARRIED**

**D.5 Adoption of Revised Policy & Procedure No. 20 Owner Controlled Insurance Program and Builder’s Risk Insurance Program**

Daniel Howell introduced the item to the Executive Committee. CSURMA established an Owner Controlled Insurance Program (OCIP) and a Builder’s Risk Insurance Program (BRIP), providing property and casualty insurance for most of CSU’s capital projects.

At the September 13, 2013 meeting, the Executive Committee adopted Policy and Procedure No. 20 implementing a funding rate and invoicing process for the programs. Later in the September 13, 2013 meeting, the Executive Committee took action to transfer \$2 million of Campus Risk Pool Liability Program dividend funds to the OCIP fund as a way of equalizing the financial burden of the new program for campuses with initial projects that would not benefit from future program savings. As a result, the additional funding reduces the program charge from 2.376% to 2.072% of the Initial Construction Contract Value. This amounts to a 15% reduction in the OCIP cost to the projects.

A motion was made to adopt Resolution 08-13 (EC) amending the Policy & Procedure No. 20 Owner Controlled Insurance Program and Builders’ Risk Insurance Program as written and to issue payments to those affected.

**Motion:** George Ashkar                      **Second:** Linda Hawk                      **MOTION CARRIED**

**D.6 Schools Excess Liability Fund Excess Workers’ Compensation Program**

Zachary Gifford reviewed the item with the Executive Committee. The CSU participated in the Schools Excess Liability Fund’s (SELF’s) Excess Workers’ Compensation Program (EWCP) from July 1, 1995 to June 30, 2004. SELF has previously reported that the EWCP is substantially underfunded and notified members of assessments. CSU has paid previous assessments and CSURMA has carried a liability for future assessments. Recently SELF adopted a policy and procedure with a 10 year plan to fund the remaining outstanding liability.

At the September 13, 2013 meeting, the Executive Committee reviewed the Schools Excess Liability Fund’s (SELF’s) Excess Workers’ Compensation Program (EWCP) assessment policy and calculation for the CSU. The EC approved requesting information from SELF on the assessments of other members so that CSURMA could evaluate its position in the program and opportunities to reduce the cost of the assessment. Action taken at that time established a budget of \$4,500 for the data request and possible review by CSURMA’s independent actuary.

Staff was successful in obtaining the requested information but found some anomalies and is continuing its review

No action was taken at this time.

### **D.7 Foreign Travel Software**

Zachary Gifford reviewed the item with the Executive Committee. Upon Staff's recommendation, the Executive Committee discussed needs for a software package to facilitate enrolling, tracking and communicating with CSU's travelers abroad. Systemwide Risk Management evaluated various options and recommended a solution involving Simplicity's Horizons software that is in currently use by several campuses. Staff was directed to assess user satisfaction from among the campuses that currently use the software.

The Horizons product meets or exceeds CSURMA requirements with a shorter go live timetable possible due to limited access by users.

For the limited deployment of the Horizons software, Simplicity has provided a quote of \$7,500 (recurring fees) and \$2,500 (non-recurring fees) with optional professional services ranging from \$500-\$4,500. In subsequent years, there will be a 4% bump at renewal through an escalator clause. The Board approved a budget for the current fiscal year that includes a cost for travel management software.

A motion was made authorizing an amount not to exceed \$13,750 to implement the Horizons product for initial 18 months delegating authority to Robert Eaton to execute a contract.

**Motion:** Linda Hawk                      **Second:** Michael Thorpe                      **MOTION CARRIED**

### **D.8 Executive Committee Nominations**

Chair Teniente-Matson reviewed this item with the Executive Committee. With the departure of Mary Ann Rodriguez, and vacancy of Tom McCarron's position, the CSURMA Executive Committee has vacancies to fill. The Chair recommended that the Executive Committee nominate the following candidates for election by the Board of Directors:

- CSURMA Vice Chair: Linda Hawk to replace Mary Ann Rodriguez effective November 6, 2013 for term expiring June 30, 2014.
- CSURMA EC Member: Mike Lee to replace Tom McCarron effective July 1, 2013 for term expiring June 30, 2014.
- CSURMA EC Member: Lisa Chavez to replace Linda Hawk effective November 6, 2013 for term expiring June 30, 2015.

As per CSURMA's prior practice, the CSURMA Chair has appointed Mike Lee to Tom McCarron's seat and the Board will be asked to ratify that appointment as a part of the election at their November 6, 2013 meeting.

A motion was made to nominate the above slate of Executive Committee candidates to the Board of Directors.

**MOTION:** Cynthia Teniente-Matson    **SECOND:** George Ashkar    **MOTION CARRIED**

Linda Hawk abstained from the vote.

**E.    AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS**

**E.1    AORMA Programs Update**

Robert de Wit, AORMA Vice Chair was in attendance at the meeting and offered the following highlights from the AORMA meeting earlier today:

- AORMA’s long range action plan for FY 13/14.
- Election of the AORMA Committee vice-chair for the one-year term beginning on July 1, 2014.
- Who will receive the free AOA conference registrations.
- Revisions to Policy and Procedure A-5 – Calendar of Reports, Audits, Filings and Reviews – documenting that all policies and procedures are required to be reviewed every two years.
- Revisions to Policy and Procedure L-7 – Employment Practices Liability Deductible Options – documenting the new “one level annual increase” limit.
- Review and approval of Policy and Procedure P-1 – Property Program Member Allocation Formula – which documents in detail the newly approved member allocation formula.
- Review and approval of Policy and Procedure C-1 – Crime Program Member Allocation Formula – which documents in detail the newly approved member allocation formula.

**E.2    AOA Annual Conference Update**

AORMA Vice-Chair Robert DeWit reported that AORMA will provide AOA an increased sponsorship this year of \$20,000.

**F.    CLOSED SESSION**

**F.1    Sanchez-Graves v. CSU, Northridge**

**F.2    Personnel Matters**

A motion was made to enter Closed Session.

**Motion:** George Ashkar    **Second:** Michael Thorpe    **MOTION CARRIED**

The Executive Committee entered Closed Session at 2:22 p.m.

The Executive Committee excused all staff other than General Counsel to receive a report from the Chief Financial Officer.

A motion was made to leave Closed Session.

**Motion:** George Ashkar                      **Second:** Linda Hawk                      **MOTION CARRIED**

The Executive Committee left Closed Session at 3:09 p.m.

The Chair reported that action was taken in the Sanchez-Graves matter.

## **G. INFORMATION ITEMS**

### **G.1 Review of 2013/2014 Long Range Planning Goals**

The Executive Committee reviewed and discussed the FY 2013-14 Long Range Planning items.

### **G.2 Update on Risk Management Practices Related to Service Animals and Skateboards on Campus**

Zachary Gifford reviewed these Long Range Planning Session items with the Executive Committee. Because management of service animals and skateboards is a policy issue for the University and campuses, it was suggested that the Executive Committee review the attached information and provide direction to staff.

There are several ADA / Department of Rehabilitation / Department of Fair Housing issues complicating this matter for campuses. The ADA is limited to dogs, while the Rehabilitation Act allows for any animal that provides emotional support without training.

Ten campuses provided bicycle and/or skateboard policies, with Risk Management following up with an additional thirteen campuses for information. The information gathered thus far was reviewed by the Executive Committee.

### **G.3 Excess Liability Program Underwriter Meeting Report**

Daniel Howell reviewed the item. CSURMA's Chair encouraged a special meeting at the SDSU campus on October 3, 2013 to take advantage of the gathering of excess liability underwriters for a national convention.

The meeting on October 3, 2013 was hosted by Tom McCarron, SDSU's Vice President for Business and Financial Affairs, and included presentations from Systemwide Financing and Risk Management by George Ashkar, Robert Eaton and Zachary Gifford. Linda Hawk represented the CSURMA Executive Committee. The meeting was very well received by the underwriters and viewed as a positive outreach as the CSURMA works through leadership personnel changes.

CSURMA's practice of direct communication with underwriters by CSU leadership will continue with underwriter meetings in London on November 25-26. Chancellor White will be joined by Robert Eaton and CSURMA Chair Cynthia Teniente-Matson as we initiate discussions for the 2014-2015 program renewal.

#### **G.4 CSURMA Administrative Service Calendar**

Chair Matson reviewed the item with the Executive Committee. The document laid out the administrative scope of work in a calendar format. Daniel Howell added that the service calendar provides information to the board members for a better understanding of the work done, and when.

#### **G.5 CSURMA Executive Committee & Staff Contact List**

The Executive Committee reviewed the Contact List and was advised to inform the Program Administrators of any needed updates or corrections to the information presented.

### **H. ADJOURNMENT**

A motion was made to adjourn the meeting.

The meeting adjourned at 3:18 PM.

**DRAFT FINANCIAL STATEMENTS AT NOVEMBER 30, 2013**

**ISSUE:** The Chancellor's Office Financial Services Accounting prepares Financial Statements for CSURMA. The Draft Financial Statements at November 30, 2013 are provided as an attachment to this item. The Executive Committee is asked to review the Draft Financial Statements as part of the Consent Calendar. The Chancellor's Office Finance Services Accounting will be on hand to answer questions.

**RECOMMENDATION:** It is recommended that the Executive Committee review and accept the Draft Financial Statements at September 30, 2013 as part of the Consent Calendar.

**FISCAL IMPACT:** None.

**BACKGROUND:** Financial Statements provide a status of CSURMA's financial position and relied upon for decision making by the Executive Committee.

**ATTACHMENT(S):** Draft Financial Statements at November 30, 2013 (Handout)

**Trustee's Audit Status Report**

**ISSUE:** The CSU Office of the University Auditor has completed its report on CSURMA and management's response has been accepted. The audit was published in July. The Chair and Vice Chair had participated in review of the preliminary findings and the CSURMA Executive Committee has taken action at prior meetings to address expected findings from the preliminary report. Ten of the 12 items have been closed. The two remaining open items (Item 10 - Travel Expenses and Item 12 - Campus Settlement Authorities) have been completed by CSURMA and Chancellor's Office staff and submitted for closure. Attached to this item is staff's matrix tracking response and closure of the items.

**RECOMMENDATION:** The Executive Committee may take action or provide direction as necessary as respects the Audit findings.

**FISCAL IMPACT:** No direct fiscal impact is expected from action on this item at today's meeting.

**BACKGROUND:** None.

**ATTACHMENT(S):** Matrix of Response Item Status

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

#	Recommendation	Open Items	Response / Comments
1a	Document the requirement that CSURMA Board members and alternates must be appointed in writing, and ensure that the appointment of all current members and alternates is documented.	4c provided the memorandums that document campus representatives, however was missing some campuses. We will need all 23 campuses to close this item.	Item closed.
1b	Develop a written policy for nominating and electing EC members.	None.	Item closed.
2	We recommend that the CO update systemwide policies relating to the CSURMA.	Revised Executive Order drafted and approved.	<p>▶ Executive Order 1087 Issued October 17, 2013</p> <p>Item closed.</p>
3	We recommend that CSURMA define and document which CSU policies are relevant to program administration and formally adopt a travel policy.	<ul style="list-style-type: none"> <li>▶ Please provide the May 2013 Resolution that adopted ICSUAM 3601.01 – Travel Policy.</li> <li>▶ Please provide a copy of Policy and Procedure 17, the Travel Reimbursement procedure.</li> <li>▶ Will need the finalized September 2013 resolution to clear.</li> </ul>	<p>▶ Items cleared by CSURMA EC action at September 13, 2013 meeting</p> <p>Item closed.</p>
4a	Update the conflict-of-interest code to ensure that information included is current.	None.	Item closed.
4b	Require all key personnel at the CSURMA program administrator to complete Form 700 conflict-of-interest filing statements.	Please provide the March 2013 EC minutes, which discussed which Alliant personnel were appropriate to fill out COI forms.	<p>▶ Item cleared by CSURMA EC action at September 13, 2013 meeting.</p> <p>Item closed.</p>
4c	Ensure that the CSURMA program administrator maintains all conflict-of-interest statements on file.	Please provide the internal Alliant procedure that was developed to show how Form 700s will be tracked and maintained.	<p>▶ Alliant item submitted.</p> <p>Item closed.</p>
5	We recommend that the CSURMA perform audits of the CSURMA and AORMA general liability claims programs in accordance with	None.	Item closed.

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

	CSURMA policy.		
6	We recommend that the CSURMA document policies and procedures for the contracting process, including information on the required reviews and approvals and use of standard terms and conditions.	Please provide a signed version of the EC Resolution 03-13.	Item closed.
7	We recommend that the CSURMA <ul style="list-style-type: none"> <li>a. Document the delegation of authority from the Board or the EC to the CO risk management staff or other appropriate individuals to approve expenditures and sign MOUs related to cost recovery.</li> <li>b. Document the delegation of authority from the Board to the EC to approve changes to the CSURMA budget.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Please provide a signed copy of the BOT Resolution 01-13.</li> <li>▶ Please provide signed copies of the MOUs for Financial Services Overhead Costs, OGC, and Risk Management.</li> </ul>	Item closed.
8	We recommend that the CSURMA ensure that A-G Administrators provides bank statements and bank account reconciliations for CSURMA funds held in trust.	▶ Discussed review of service agreements for the three vendors holding program funds and either amending or requiring going forward that monthly statements and reconciliations are provided.	<ul style="list-style-type: none"> <li>▶ Agreement review completed, Carl Warren &amp; Co service agreement amended.</li> </ul> <p>Item closed.</p>
9	We recommend that the CSURMA: <ul style="list-style-type: none"> <li>a. Update the CSURMA investment policy and ensure that it is reviewed and approved on an annual basis by the EC.</li> <li>b. Document the delegation of authority from the CSURMA treasurer to the CO administrator assigned the responsibility of overseeing CSURMA investments.</li> </ul>	<p>Please provide approved CSURMA investment policy (Dan indicated there was a version approved March 2013.)</p> <p>Also, a copy of the finalized September 2013 resolution adopting the approved investment policy.</p>	<ul style="list-style-type: none"> <li>▶ Additional changes to be adopted by CSURMA EC at September 13, 2013 meeting.</li> </ul> <p>Item closed.</p>
10	Travel Expenses		▶ CSURMA actions submitted and Chancellor’s Office actions submitted.

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

			Item submitted for closure.
11	We recommend that the CSURMA document policies on information security systems access for the iVOS claims processing system.	Please provide a copy of the policy.	Item closed.
12	<p>We recommend that the CSURMA:</p> <ul style="list-style-type: none"> <li>a. Document the delegation of authority from the EC or the Board to the various entities and individuals who sign and/or approve claims settlement agreements.</li> <li>b. Develop and document a policy or procedure to address the CSURMA claims settlement process for campus pooled programs.</li> <li>c. Maintain a central repository of CO and campus settlement authorities for workers' compensation and general liability claims.</li> </ul>	Please provide the confirmations from the campuses on the settlement authorities, once received.	<ul style="list-style-type: none"> <li>▶ CSURMA obtained campus president confirmations for all campuses submitted.</li> </ul> <p>Item submitted for closure.</p>

### **Underwriter Meetings Report**

**ISSUE:** CSU representatives met with CSURMA's program underwriters in London on November 25-26. The meetings were attended by CSU Chancellor White, CSURMA Chair Teniente-Matson, CSURMA Secretary-Auditor Eaton and CSURMA Program Director Howell. The main goals of the meetings were:

- Demonstration of CSU leadership's commitment to risk management and discussion of the leadership change and transition plan
- Reinforcement of the depth of personnel expertise
- Introduction of a direct relationship to CSURMA's leadership
- Discussion on technical points of insurance placements and renewal expectations

Attached to this item is a summary of the meetings. Over the two day period there were 11 meetings with 22 London market participants. Meetings to negotiate renewal terms are scheduled for April 2-3, 2014.

The Secretary-Auditor will report on the London underwriter meetings and provide additional information as necessary.

**RECOMMENDATION:** No action is requested on this item at today's meeting.

**FISCAL IMPACT:** No direct fiscal impact is expected from action on this item at today's meeting.

**BACKGROUND:** None.

**ATTACHMENT(S):** November 2013 Underwriter Meeting Notes



### Officers

Cynthia Teniente-Matson  
Chair 559-278-2083

Linda Hawk  
Vice Chair 760-750-4950

George V. Ashkar  
Treasurer 562-951-4671

Robert Eaton  
Secretary-Auditor 562-951-4572

## MEMORANDUM

DATE: December 17, 2013

TO: CSURMA Executive Committee

FROM: Robert Eaton, CSURMA Secretary-Auditor

RE: November 2013 Underwriter Meetings in London

Representatives of the California State University (CSU) met with CSURMA's program underwriters in London on November 25-26. The main goals of the meetings were:

- Demonstration of CSU leadership's commitment to risk management and discussion of the leadership change and transition plan
- Reinforcement of the depth of personnel expertise
- Introduction of a direct relationship to CSURMA's leadership
- Discussion on technical points of insurance placements and renewal expectations

The CSU team was comprised of Dr. Timothy P. White, Chancellor of the CSU, Cynthia Teniente-Matson, CSURMA Chair, Robert Eaton, CSURMA Secretary-Auditor, and Dan Howell, Alliant Insurance Services. Each meeting included the Chancellor's review of the position and mission of the CSU as well as the future outlook. CSU's financial position and capital plans were reviewed as well as the State's reinvestment in the CSU with the Governor's four year funding commitment. CSURMA's role, financial position and leadership structure were also discussed. In all of the meetings, the CSU team received commentary on the impact of new capital entering the insurance market through investment bank involvement in reinsurance, catastrophic bond issuance, the emergence of Chinese insurance company capital investment, and the impact of "tracker" placements on the Lloyds market.

Tracker placements are being established by international brokers in London to offer select insurers the ability to have automatic participation on Lloyd's placements without investing in underwriting facilities. While tracker placements may have short term benefits on pricing and capacity (availability), Lloyds underwriters are concerned about how tracker placements will cannibalize the Lloyds franchise.

The individual meetings and discussions are summarized as follows:

Monday, November 25, 2013

1. Miller Insurance Services – CSU's casualty broker in London, Nick Fearon, joined Miller from Paragon in June 2013. Nick has been instrumental in the development of CSURMA's SPLIP, SAFECLIP, Fidelity, and Fiduciary programs. This meeting was an introduction to the Miller firm and its capabilities. Graham Clarke, CEO of Miller, led the discussion of Miller, its position in the London Market, and the broad outlook for the insurance market.
2. SPLIP/SAFECLIP – Meeting with Dan Curran (Catlin) and Keith Bryceland (Ace) regarding the status of the placements. CSU proposed a policy form review and price reduction. Renewal may involve re-evaluating the retained layer amount. Possible coverage for volunteers was also discussed, as was the new CSU Institute for Palliative Care at San Marcos and its potential impact on the program and standard of care statewide.
3. Fidelity – Meeting with Andrew Banks (Ace), Terry Kerrison (Catlin) and Joachim Tolle (Brit) regarding the status of the placements. The Chancellor thanked the underwriters for their responsiveness to conclude and pay a SDSURF claim following the spring 2013 meetings. Notable points of discussion included a training presentation at AOA conference regarding lessons learned and changed practices at SDSURF, as well as the Chancellor's Office response and communications to campuses regarding potential fraud attempts related to large, electronic student loan transactions..
4. FTIP – Meeting with Charlie Hanbury and Richard Dudley (Hiscox) regarding program and services. The Chancellor reviewed the CSU operating environment and the CSU team reported on the Chancellor's Office implementation of a software package to track and communicate with travelers. Hiscox reviewed traveler danger zones around the world—Mexico and North Africa in particular—and also agreed to allocate services for a training seminar to the Council of Presidents.
5. Fiduciary/Trustee's E&O – Meeting with Hans Sherman (Starr Syndicate) regarding program. The Chancellor reviewed the status of the Board of Trustees, as well as changes at the Chancellor's Office and campus executive levels. There was discussion regarding coverage for AORMA member single and multi-employer VEBA trusts. Sherman indicated an underwriting management change

may lead to repositioning the program with a Lloyds managing general underwriter for renewal. This would not change the security of the insurance company as the insurance policy would remain a Lloyds placement.

6. SPLIP/SAFECLIP – Meeting with Chris Brooking (Barbican) regarding interest in program. Chris underwrote the program prior to joining Barbican. He has toured CSU Long Beach campus and has an interest in being added to the program at next renewal. Discussion included a history of Barbican and their position and appetite in the market.

Tuesday, November 26, 2013

1. RKH Insurance Brokers – RKH and Gareth Tennant have been CSU’s London representative for property and cyber coverage for many years. At July 2013, the excess casualty layer \$25 million xs \$25 million was moved from London to domestic markets for more favorable renewal terms. Dominic Collins, Chairman of RKH, reviewed the market outlook and RKH’s position in London. The Chancellor and Mr. Collins discussed the strategic position of CSU and the London market and the overall need for new personnel with higher education degrees to support the economy and market. Mr. Collins suggested arranging a meeting with UK education leadership on a future visit. Mark Edwards and Layla O’Reilly of RKH also joined the meeting.
2. Property – Meeting with Rhys Thomas (Catlin) regarding state of the property market and CSU program. The CSU presented its plans for financing capital improvements.<sup>1</sup> Also discussed was the CSU’s outlook for a substantial premium reduction considering its improved loss history.
3. Property – Meeting with Paul Witzenfeld (Ace) regarding state of the property market and CSU program. Ace has announced a share buyback, and Witzenfeld indicated there is an oversupply of capital in the insurance market. Low catastrophic losses are overcoming low investment income and combining with capital influx to put downward pressure on rates. Also discussed was the CSU’s outlook for a substantial premium reduction considering its improved loss history. Witzenfeld expressed an interest in a larger share of CSU placement if available on renewal.
4. Property – Meeting with Dean Pitts (Liberty Syndicate) regarding state of the property market and CSU program. Markets discussion similar to that of other property underwriters. Pitts noted that Liberty has merged all international underwriting (i.e. non-domestic U.S.) under its London office.
5. Property – Meeting with John Marshall (Axis) regarding state of the property market and CSU program. Market discussion similar to that of other property underwriters. Marshall indicated that Axis has been upgraded to A+ and also

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<sup>1</sup> The CSU plans for financing capital improvements were presented to each property underwriter.

- revealed that day's announcement that Axis has been approved to operate within Lloyds, which will expand their market reach in London.
6. Cyber – Meeting with Paul Bantick and Andrew Maher (Beazley) regarding state of the market and CSU program. Joined by David Rees, RKH's Cyber practice leader. Specific point of discussion included CSU technology initiatives. Bantick reviewed the loss landscape and particular risks in California. The discussion also covered the pros (lower cost, lower deductible) and cons (expenses within the limit and up to \$2 million credit monitoring) of CSU's placement via group purchase vs. stand-alone under Beazley's breach response product. One issue for CSU outside of group purchase is the burden of completing underwriting applications for each of the many technology platforms used throughout the system. The Chancellor directed staff to initiate a project to evaluate the Cyber exposure and coverage needs for CSU.

## **POLLUTION LIABILITY INSURANCE**

**ISSUE:** CSURMA purchased supplemental insurance from ACE Environmental Risk to increase/broaden the coverage for pollution liability offered through Alliant's Public Entity Environmental Liability (APEEL) covering the period from January 1, 2013 to January 1, 2014. ACE Environmental Risk offered to extend the policy for six months to expire on July 1, 2014 at a cost of \$61,463.86 (taxes/fee included), which is pro-rata of the annual \$123,918.43 cost.

APEEL's proposal to CSURMA dated November 12, 2012 for coverage to become effective on January 1, 2014 was reviewed by the Program Director, the Associate Director for Systemwide Risk Management, and the Secretary-Auditor, who determined that the proposed terms for coverage are acceptable. The Executive Committee is requested to ratify the extension of the Pollution Liability policy offered by ACE Environmental Risk.

**RECOMMENDATION:** As the coverage extension for APEEL took effect on January 1, 2014, the Executive Committee is asked to ratify the decision of the Secretary-Auditor to bind the coverage including TRIA at a cost of \$61,463.86 (\$59,558.00 + \$1,786.74 state tax & \$119.12 stamping fee). The cost for the additional coverage is to be allocated to Campuses and AORMA based on the present allocation structure.

**FISCAL IMPACT:** The insurance increases FY 2012-13 budgeted expense by \$61,463.86.

**BACKGROUND:** APEEL's proposal to CSURMA serves to broaden and increase the coverage for Pollution Liability for Campuses and AORMA coverage programs.

APEEL offers the following advantages for CSURMA members:

- **Primary Insurance** - ACE drops down to provide primary \$5,000,000 per occurrence/aggregate Pollution Liability insurance with PEPiP providing excess coverage.
- **Deductible:** \$100,000 per pollution condition for campuses; \$50,000 for auxiliary organizations.
- **Extended Covered Operations** - enhanced to include all covered operations of the CSU and its Auxiliary Organizations, including:
  - a. Increased Mold Coverage: \$2,500,000 sub-limit applicable per member.
  - b. Business Interruption Coverage: 3 day waiting period.
  - c. Financial Assurance: for select above-ground storage tanks where required by the State.
  - d. Unlimited Underground Storage Tank Coverage: excess of a state fund or other primary UST insurance policy provided the UST's meet specified underwriting guidelines.
  - e. Leased Locations: included automatically with no additional premium or Phase I requirements.
  - f. Newly Acquired Locations (owned): Phase 1 requirement, low additional premium based on square footage.
  - g. Dedicated Limits.

- h. Optional TRIA: terrorism risk coverage offered at 5% additional premium (included in total cost above).

**PUBLICATION:** None.

**ATTACHMENT(S):** APEEL Coverage Extension Declarations.

**NOTICE:**

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC’S INTERNET WEB SITE AT [WWW.NAIC.ORG](http://WWW.NAIC.ORG).**
- 5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE’S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**
- 6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC’S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF**

**APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER, OR “SURPLUS LINE” BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**

**7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: [WWW.INSURANCE.CA.GOV](http://WWW.INSURANCE.CA.GOV).**

**8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER’S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

**D-2 (Effective July 21, 2011)**

## DECLARATIONS MODIFICATION (Additional Premium) ENDORSEMENT

Named Insured <b>California State University Risk Management Authority</b>			Endorsement Number <b>019</b>
Policy Symbol <b>PPE</b>	Policy Number <b>G2716822A 001</b>	Policy Period <b>01/01/2014 to 07/01/2014</b>	Effective Date of Endorsement <b>01/01/2014</b>
Issued By (Name of Insurance Company) <b>Illinois Union Insurance Company</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Premium (increase/reduction)    **\$59,558**

In consideration of the indicated premium adjustment, above, the "insured" and the Insurer hereby agree to the following changes to this Policy:

**Item 2** and **Item 3** of the Declarations to this Policy is hereby deleted in its entirety and replaced with the following:

<b>Item 2.</b>	<b>COVERAGE A – New Pollution Conditions Coverage (Premises)</b>	
<b>a. Policy Period</b> <small>local time of the address shown in Item 1.</small>	<b>Policy Inception Date:</b> <b>January 1, 2014 12:01 A.M.</b>	<b>Policy Expiration Date:</b> <b>July 1, 2014 12:01 A.M.</b>
<b>b. Limits of Liability</b> <small>per "pollution condition"</small>	<b>\$5,000,000</b>	
<b>c. Limits of Liability</b> <small>aggregate all "pollution conditions"</small>	<b>\$5,000,000</b>	
<b>d. Self-Insured Retention</b> <small>per "pollution condition"</small>	<b>\$100,000</b>	
<b>e. Retroactive Date:</b> <small>Coverage A. only</small>	<b>January 1, 2011 12:01 A.M.</b>	
<input type="checkbox"/> Coverage A not provided under this Policy (all fields in Item 2. are left blank)		

<b>Item 3.</b>	<b>COVERAGE B – Covered Operations Pollution Conditions Coverage</b>	
<b>a. Policy Period</b> <small>local time of the address shown in Item 1.</small>	<b>Policy Inception Date:</b> <b>January 1, 2014 12:01 A.M.</b>	<b>Policy Expiration Date:</b> <b>July 1, 2014 12:01 A.M.</b>
<b>b. Limits of Liability</b> <small>per "pollution condition"</small>	<b>\$5,000,000</b>	
<b>c. Limits of Liability</b> <small>aggregate all "pollution conditions"</small>	<b>\$5,000,000</b>	
<b>d. Self-Insured Retention</b> <small>per "pollution condition"</small>	<b>\$100,000</b>	
<b>e. Retroactive Date</b> <small>Coverage B. only</small>	<b>January 1, 2011 12:01 A.M.</b>	
<input type="checkbox"/> Coverage B not provided under this Policy (all fields in Item 3. are left blank)		

All other terms and conditions of this Policy remain unchanged.

CA Tax:                    \$1,786.74  
Stamping Fee:         \$ 119.12

*William P. Hyster*

Authorized Representative

*Michael M. [Signature]*

RECEIVED    12 / 03 / 2013

### **Program Administration Service Agreements**

**ISSUE:** Alliant currently serves as Program Administrator and Broker to CSURMA under service agreements that expire on December 31, 2013. An RFP process was conducted and at the September 12-13, 2013 meeting, action was taken to award new service agreements to Alliant for a period of two years commencing January 1, 2014 with options to extend up to an additional 8 years. The Chair and Secretary-Auditor were given authority to execute the agreements.

CSURMA's legal counsel drafted the agreements, including updates to improve language and formatting. The agreements now include all contractually specified subject matters designated in Resolution No. 03- 13 (EC). Compensation for program administration for the two year period is as proposed by Alliant in the RFP response and compensation for brokerage is unchanged from the expiring agreement.

Execution copies of the agreements were in circulation at the time of production of the agenda packet, with the goal of executing the agreements prior to January 1, 2014. The Secretary-Auditor will report on the status at today's meeting.

**RECOMMENDATION:** It is recommended that the Executive Committee consider the Secretary-Auditor's report at today's meeting and take action or provide direction as appropriate.

**FISCAL IMPACT:** The budgeted cost of the Program Administration and Brokerage Services Agreements is included in the CSURMA Budget and the amounts agreed upon in the service agreements are within the current budget.

**BACKGROUND:** None.

**ATTACHMENT(S):** None.

**RATING PLANS TASK GROUPS**  
**Campus Risk Pools, Student Insurance Programs**

**ISSUE:** The Executive Committee established Rating Plans Task Groups (RPTG) to review and recommend modifications, if any, to the cost allocation formulae for the Campus Risk Pools and the Student Insurance Programs. Campus Risk Pools RPTG met on November 6, 2013 and December 17, 2013. Student Insurance Programs RPTG met on December 19, 2013 and scheduled a second meeting on January 8, 2014. Task group members and Staff will provide a report on the RPTGs' meetings and activities at today's meeting.

**RECOMMENDATION:** No action requested. This item is to provide a status report on the RPTG activities as information for the Executive Committee.

**FISCAL IMPACT:** None.

**BACKGROUND:** The members of the rating plans task groups are:

Campus Risk Pools:

- Linda Hawk, CSU San Marcos – Campus Programs RPTG Chair
- Lisa Chavez, CSU Los Angeles
- Mike Lee, CSU Sacramento
- George Ashkar, CSU Chancellor's Office, CSURMA Treasurer
- Robert Eaton, CSU Chancellor's Office
- Zachary Gifford, CSU Chancellor's Office
- Daniel Howell, CSURMA Program Director
- Robert Leong, CSURMA Program Administrator

Student Insurance Programs:

- Mike Thorpe, CSU Chico – Student Programs RPTG Chair
- Lisa Kao, CSU Fresno
- Kirt Stout, CSU Sacramento
- Zachary Gifford, CSU Chancellor's Office
- Robert Leong, CSURMA Program Administrator
- Stacey Weeks, CSURMA Program Administrator

**ATTACHMENT(S):** Campus Risk Pools RPTG Agenda and Timeline  
Student Programs RPTG Agenda and Timeline (draft)



## CAMPUS COVERAGE PROGRAMS RATING PLANS TASK GROUP

*Meeting Date:* November 07, 2013  
*Time:* 5:30PM.

*Location:* Alliant Insurance Services  
1792 Tribute Road, Suite 450  
Sacramento, CA 95815  
916-643-2700

- 1. MEETING AGENDA**
  - a. Review of Rating Plans
  - b. Timetable for Approval of FY 2014/15 Contributions and Liability Deductible Selections
- 2. CSURMA FUNDING POLICY**
  - a. Policy & Procedures # 7: Self-Insured Program Funding
  - b. Coverage Programs Funding Status Report
  - c. Financial Statements as of June 30, 2013 (unaudited)
  - d. FY 2014/15 Risk Pool Contributions
- 3. WORKERS' COMPENSATION COVERAGE FUND**
  - a. Current Rating Plan
- 4. LIABILITY COVERAGE FUND**
  - a. Current Rating Plan
  - b. SPLIP
  - c. SAFECLIP
- 5. IDL/NDI/UI COVERAGE FUND**
  - a. Current Rating Plan
- 6. PROPERTY COVERAGE FUND**
  - a. Current Rating Plan
  - b. Campus Crime (Employee Fidelity)
- 7. AUTO LIABILITY FUND**
  - a. Current Rating Plan
- 8. ACTUARIAL REPORTS**
  - a. Workers' Compensation Program Actuarial Report, September 18, 2013
  - b. Liability Program Actuarial Report, September 18, 2013
  - c. Liability Program Indicated Deductible Credits, November 1, 2013 (draft)
- 9. 2010 RATING PLANS TASK GROUP**
  - a. 2010 RPTG Final Report

## CAMPUS RISK POOL RATING PLAN TASK GROUP PROJECT TIMETABLE

DATE	GROUP	ACTIVITY
November 7, 2013	Rating Plan Task Group	Reviews Rating Plans provides initial direction to Program Administrator
Nov. – Dec., 2013	Program Administrator	Follow up on Task Group direction, prepare initial materials
Jan. – Feb., 2014	Rating Plan Task Group	Review of materials, provide direction to Program Administrator on development of report findings and recommendations
March, 2014	Executive Committee	Review of Rating Plan Task Group Report, action as needed to recommend changes to Board
April, 2014	CABO	Presentation to CABO as necessary of proposed changes to rating plans
May, 2014	Board of Directors	Review of report and EC recommendation, action as needed to adopt changes to rating plans
July, 2014	Independent Actuary	Calculation outstanding liabilities and proposed funding for FY 15/16
August, 2014	Program Administrator	Calculation of proposed FY 15/16 Campus Risk Pool Rates
September, 2014	Executive Committee	Review of independent actuary's reports and staff calculation of proposed FY 15/16 rates
October, 2014	CABO	Presentation of funding recommended by CSURMA Executive Committee for adoption by CSURMA Board of Directors.
October, 2014	Board of Directors	Adopt funding and rates for FY 2015/16
November, 2010	Program Administrators	Notices to campuses of FY 2015/16 campus costs including liability deductibles options for incorporation in campus budget process
July 1, 2015	CSURMA Accounting	Adopted rating plans become effective, campuses invoiced by CSURMA.



## STUDENT INSURANCE PROGRAMS RATING PLANS TASK GROUP

*Meeting Date:* December 19, 2013  
*Time:* 11:00AM – 12:00PM

*Location:* Webinar

- 1. MEETING AGENDA**
  - a. Purpose & Objective of the Rating Plans Task Group
  - b. Timetable for Approval of the Student Insurance Programs Rating Plans
  
- 2. FOREIGN TRAVEL INSURANCE PROGRAM (FTIP)**
  - a. Coverage Summary
  - b. Current Rating Plan
  - c. Task Group Recommendations
  
- 3. CLUB SPORTS, INTRAMURAL & RECREATIONAL SPORTS INSURANCE PROGRAM (CSIP)**
  - a. Coverage Summary
  - b. Current Rating Plan
  - c. Task Group Recommendations
  
- 4. TRAVEL ACCIDENT INSURANCE PROGRAM**
  - a. Coverage Summary
  - b. Current Rating Plan
  - c. Task Group Recommendations
  
- 5. STUDENT PROFESSIONAL LIABILITY INSURANCE PROGRAM (SPLIP)**
  - a. Coverage Summary
  - b. Current Rating Plan
  - c. Task Group Recommendations
  
- 6. STUDENT ACADEMIC FIELD EXPERIENCE FOR CREDIT LIABILITY INSURANCE PROGRAM (SAFECLIP)**
  - a. Coverage Summary
  - b. Current Rating Plan
  - c. Task Group Recommendations

**STUDENT INSURANCE PROGRAMS  
RATING PLANS TASK GROUP  
PROJECT TIMETABLE**

<b>DATE</b>	<b>GROUP</b>	<b>ACTIVITY</b>
December 19, 2013	Rating Plans Task Group	<ol style="list-style-type: none"> <li>1. Define purpose and objectives.</li> <li>2. Review Coverage Summary and current Rating Plans.</li> <li>3. Provide initial direction to Program Administrator.</li> </ol>
December 2013	Program Administrators	<ol style="list-style-type: none"> <li>1. Follow up on Task Group direction.</li> <li>2. Prepare initial materials.</li> </ol>
January __, 2014	Rating Plans Task Group	<ol style="list-style-type: none"> <li>1. Review rating plan modifications.</li> <li>2. Provide direction to Program Administrator on development of findings and recommendations.</li> </ol>
January 12, 2014	Executive Committee	<ol style="list-style-type: none"> <li>1. Progress Report on the Task Group's activity and preliminary recommendations.</li> </ol>
February 2014	Program Administrators	<ol style="list-style-type: none"> <li>2. Calculation of proposed FY 2015/16 rates and premiums.</li> </ol>
March 20-21, 2014	Executive Committee	<ol style="list-style-type: none"> <li>1. Review of Task Group proposed modifications to the rating plans.</li> <li>2. Review staff calculation of proposed FY 2015/16 rates.</li> <li>3. Approve rating plan modifications.</li> </ol>
May 8, 2014	Board of Directors	<ol style="list-style-type: none"> <li>1. Presentation of Rating Plans to Board of Directors for adoption.</li> </ol>
October 23, 2014	Board of Directors	<ol style="list-style-type: none"> <li>1. Adopt funding and rates for FY 2015/16</li> </ol>
November 2014	Program Administrators	<ol style="list-style-type: none"> <li>1. Notices to campuses of FY 2015/16 campus costs for incorporation in campus budget process.</li> </ol>
July 1, 2015	CSURMA Accounting	<ol style="list-style-type: none"> <li>1. Adopted rating plans become effective.</li> <li>2. Campuses invoiced by CSURMA.</li> </ol>

**ADOPTION OF RESOLUTION NO. 01-14-EC**  
**AMENDING CSURMA CONFLICT OF INTEREST CODE**

**ISSUE:** CSURMA's most recently filed Conflict of Interest Code was revised by the Fair Political Practices Commission as part of its code modernization project. The Program Director has provided a draft of the CSURMA Conflict of Interest Code which updates the document to reflect FPPC's revisions.

**RECOMMENDATION:** The Committee is asked to review the proposed revisions to the Conflict of Interest Code and adopt Resolution No. 01-14-EC to effect the change and direct staff to file the revision with the Fair Political Practices Commission.

**FISCAL IMPACT:** No fiscal impact is expected by action taken on this item.

**BACKGROUND:** As a joint powers entity, CSURMA must comply with provisions of the Political Reform Act. Compliance is administered by the Fair Political Practices Commission. The Program Director administers CSURMA's Conflict of Interest Code, requesting, filing and retaining documents required under the code.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- (a) Resolution No. 01-14-EC Adopting Amended CSURMA Conflict of Interest Code
- (b) Proposed Revision of CSURMA Conflict of Interest Code
- (c) Proposed Revision of CSURMA Conflict of Interest Code showing changes
- (d) Notice of Intention to Amend Conflict of Interest Code

**CALIFORNIA STATE UNIVERSITY  
RISK MANAGEMENT AUTHORITY**

**EXECUTIVE COMMITTEE  
RESOLUTION NO. 01-14 (EC)**

**Resolution Adopting Conflict of Interest Code of  
the California State University Risk Management Authority**

The Executive Committee of the California State University Risk Management Authority finds and determines as follows:

(a) The Political Reform Act (Cal. Gov. Code Sect. 81000, *et seq.*) requires that state and local government agencies adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act.

(b) The terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest of code of the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY.

(c) Designated positions shall file their statements with the California State University Risk Management Authority who will make the statements available for public inspection and reproduction. (Cal. Gov. Code Sect. 81000). Statements for all designated positions will be retained by the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY.

(d) The Executive Committee of the California State University Risk Management Authority has reviewed the proposed Conflict of Interest Code and attached Appendix and recommends its adoption as the Conflict of Interest Code of the Authority.

In consideration of the foregoing findings and determinations,

IT IS RESOLVED by the Executive Committee of the California State University Risk Management Authority as follows:

The California State University Risk Management Authority does hereby adopt regulation 2 Cal. Code of Regs. Sec 18730 and the attached Appendix designating officials and

employees and establishing disclosure categories as the Conflict of Interest Code of the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY.

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I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly and regularly adopted and passed at a meeting of the Executive Committee of the California State University Risk Management Authority held on the 7th day of December, 2012 which was approved by the following vote:

AYES, and in favor thereof, members: Unanimous

NOES, members:

ABSTAIN, members:

ABSENT, members:

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Chair

ATTEST:

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Secretary-Auditor

**CONFLICT OF INTEREST CODE FOR THE  
CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT  
AUTHORITY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the California State University Risk Management Authority (Authority).

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Individuals holding designated positions shall file their statements of economic interests with the Authority, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) Upon receipt of the statements, the Authority shall make and retain copies and forward the originals to the Fair Political Practices Commission. All original statements will be retained by the Fair Political Practices Commission.

~~The Political Reform Act (Cal. Gov. Code Sect. 81000, et seq.) requires that state and local government agencies adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest of code of the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY.~~

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NOTE: Authority cited: Sections 81008, 87300, 87306, Government Code. Reference: Section 87302, Government Code.

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APPENDIX A DESIGNATED POSITIONS

<u>Designated Positions* *:</u>	<u>Disclosure Category:</u>
Members of the AORMA Committee _____	<u>1, 2, 3-All</u>
Attorney _____	_____
_____	<u>1, 2, All R3</u>
<u>Risk Management Consultant***</u> _____	<u>1, 2, 3</u>
<del>All</del> Secretary-Auditor _____	_____
_____	<u>1, 2, 3All</u>
<del>-</del> Claims Administrators* * * _____	<u>1, 2, 3</u>
_____	<u>All</u>
<del>Other</del> Consultants/ <u>New Positions</u> * * * _____	_____
_____	<u>All</u>
_____	<u>**</u>

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\*\*With respect to consultants/new positions, the Chair of the Authority may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus, is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Chair of the Authority’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Government Code Section 81008.)

Officials who manage public investments\*\*\*:-  
The following positions are NOT covered by the conflict of interest code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

It has been determined that the positions listed below manage public investments and will file a Statement of Economic Interest pursuant to California Government Code Section 87200:-

- Members of Board of Directors
- Alternate Members of Board of Directors
- Members of Executive Committee
- Chair
- Vice-Chair
- Program Director\*\*\*
- Treasurer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

Note: The positions of Risk Management Consultant, Claims Administrators, and Program Director are filled by an outside consultant, but act in a staff capacity.

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- (a) Investments in~
- (b) Sources of income from~ or
- (c) His or her status as a director, officer, partner, trustee, employee or any position of management in any business entities hereafter described.

~~description of the consultant's duties, and, based on that description, a statement of the extent of disclosure requirements. The Chair shall forward a copy of this determination to the Fair Political Practices Commission. Nothing herein excuses any such consultant from any other provisions of this Conflict of Interest Code.~~

~~If these positions are held by business firms, the statement shall be filed by the individual in the firm who has primary responsibility for conducting the firm's business activities for the CSURMA.~~

~~Disclosure Categories~~

~~Persons designated to report in any of the following categories shall disclose relevant information concerning:~~

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~~Category 2. Business entities which are the type to supply the CSURMA services, including professional services, utilized by the CSURMA.~~

~~Category 3. Business entities engaged in the business of insurance including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.~~

~~Category 4. Financial institutions including, but not limited to, banks, savings and loans associations and~~

~~credit unions in which the CSURMA has deposited or invested funds during the year preceding the filing of the statement.~~

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- ~~1. Investments and business positions in business entities, and income (including the receipt of loans, gifts, and travel payments), from sources of the type to contract with the Authority to supply goods, services, materials, supplies, or leased space.~~
- ~~2. Investments and business positions in business entities, and income (including the receipt of loans, gifts, and travel payments), from contractors engaged in the performance of work or services of the type utilized by the Authority, including insurance companies, carriers, holding companies, underwriters, agents, and accounting firms.~~
- ~~3. Investments and business positions in business entities, and income (including the receipt of loans, gifts, and travel payments), from sources that have filed claims, or have claims pending, against the Authority or any of its members during the reporting period.~~

**CONFLICT OF INTEREST CODE FOR THE  
CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT  
AUTHORITY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the California State University Risk Management Authority (Authority).

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NOTICE OF INTENTION TO AMEND THE CONFLICT-OF-INTEREST CODE  
OF THE CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

NOTICE IS HEREBY GIVEN that the California State University Risk Management Authority, pursuant to the authority vested in it by section 87306 of the Government Code, proposes amendment to its Conflict-of-Interest Code. The purpose of these amendments is to implement the requirements of sections 87300 through 87302, and section 87306 of the Government Code.

The California State University Risk Management Authority proposes to amend its Conflict-of-Interest Code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code.

This amendment clarifies the disclosure categories and makes other technical changes to reflect the current organizational structure of the [California State University Risk Management Authority](#) . Copies of the amended code are available and may be requested from the Contact Person set forth below.

[A 45-day written comment period has been established commencing \[Insert Start Date\]](#). Any interested person may submit written statements, arguments, or comments relating to the proposed amendments ~~by submitting them in writing~~ no later than (last day of 45-day period), or at the conclusion of the public hearing, ~~if requested~~, whichever comes later, to the Contact Person set forth below.

At this time, no public hearing has been scheduled concerning the proposed amendments. If any interested person or the person's representative requests a public hearing, he or she must do so no later than (15 days before close of the written comment period), by contacting the Contact Person set forth below. [No public hearing on this matter will be held unless any interested person or his or her representative requests a public hearing no later than \[Insert date\]](#).

The California State University Risk Management Authority has prepared a written explanation of the reasons for the proposed amendments and has available the information on which the amendments are based. Copies of the proposed amendments, the written explanation of the reasons, and the information on which the amendments are based may be obtained by contacting the Contact Person set forth below.

The California State University Risk Management Authority has determined that the proposed amendments:

1. Impose no mandate on local agencies or school districts.
2. Impose no costs or savings on any state agency.
3. Impose no costs on any local agency or school district that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
4. Will not result in any nondiscretionary costs or savings to local agencies.

5. Will not result in any costs or savings in federal funding to the state.
6. Will not have any potential cost impact on private persons, businesses or small businesses.

In making these proposed amendments, the California State University Risk Management Authority must determine that no alternative considered by the agency would be more effective in carrying out the purpose for which the amendments are proposed or would be as effective and less burdensome to affected persons than the proposed amendments.

All inquiries concerning this proposed amendment and any communication required by this notice should be directed to:

- (Name)
- (Address)
- (Telephone Number)
- (E-mail Address)

**Schools Excess Liability Fund Workers' Compensation Program Fund Assessment**

**ISSUE:** At the September 13, 2013 meeting, the Executive Committee reviewed the Schools Excess Liability Fund's (SELF's) Excess Workers' Compensation Program (EWCP) assessment policy and calculation for the CSU. The EC approved requesting information from SELF on the assessments of other members so that CSURMA could evaluate its position in the program and opportunities to reduce the cost of the assessment. SELF provided the requested information for all but one member.

Staff has reviewed the information and the attached exhibit shows that CSU is subject to the largest assessment and that CSU will be subsidizing other member losses by over \$12 million based on current projections. We are evaluating how CSU can work with SELF to reduce the overall program cost and CSU's share of the liability.

**RECOMMENDATION:** The Executive Committee may take action or provide direction as appropriate as respects considerations regarding how to approach the SELF assessment and plan.

**FISCAL IMPACT:** The CSURMA Accountant has established a reserve for SELF EWCP assessments. Action at the September 13, 2013 meeting established a budget of \$4,500 for the data request and possible review by CSURMA's independent actuary.

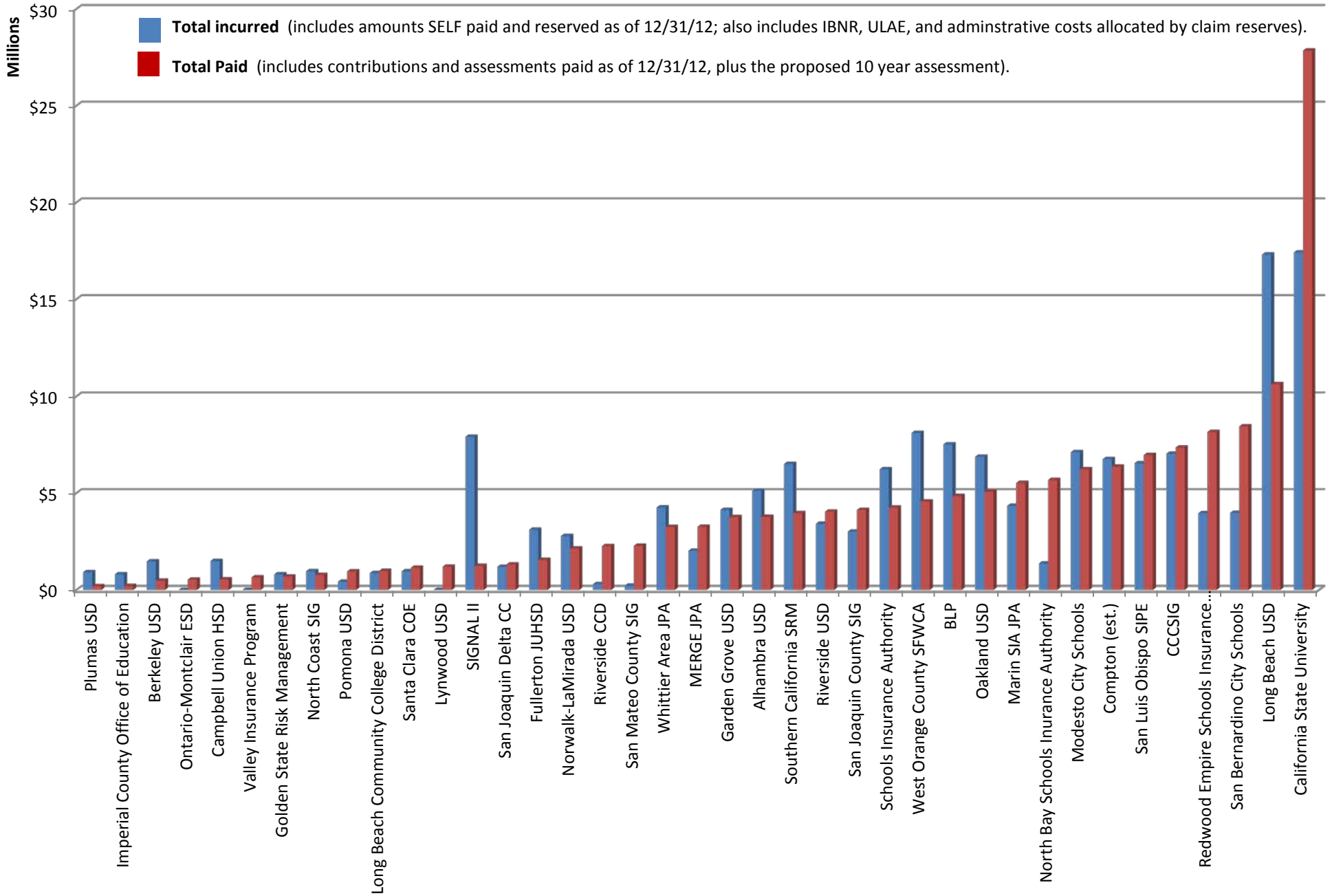
**BACKGROUND:** The CSU participated in the Schools Excess Liability Fund's (SELF's) Excess Workers' Compensation Program (EWCP) from July 1, 1995 to June 30, 2004. SELF has previously reported that the EWCP is substantially underfunded and notified members of assessments. CSU has paid previous assessments and CSURMA has carried a liability for future assessments. Recently SELF adopted a policy and procedure with a 10 year plan to fund the remaining outstanding liability.

SELF has provided the information from all members except Compton Unified School District, which has asked for their information to remain confidential. Staff has asked SELF to provide the CUSD information as staff considers it a public record.

On December 13, 2013, the Director of Excess Workers' Compensation Claims at SELF advised CSU's claims administrator of his pending retirement. His last day of work was December 20, 2013. We are not aware of SELF's plans to replace his role.

**ATTACHMENT(S):** SELF Total Incurred Losses vs Total Paid in Premiums by Member

**SCHOOLS EXCESS LIABILITY FUND  
EXCESS WORKERS' COMPENSATION PROGRAMS  
TOTAL SELF INCURRED VS. TOTAL TO BE PAID - BY MEMBER  
Fiscal Years 1989/90 - 2009/10**



## **FOREIGN TRAVEL SOFTWARE**

**ISSUE:** Upon Staff's recommendation, the Executive Committee discussed needs for a software package to facilitate enrolling, tracking and communicating with CSU's travelers abroad. Systemwide Risk Management evaluated various options and recommended a solution involving Simplicity's Horizons software that is in currently use by several campuses. Staff was directed to assess user satisfaction from among the campuses that currently use the software.

**RECOMMENDATION:** The Executive Committee may take action or provide direction as necessary as respects evaluation, selection and purchase of an international travel software package.

**FISCAL IMPACT:** For the limited deployment of the Horizons software, Simplicity has provided a quote of \$7,500 (recurring fees) and \$2,500 (non-recurring fees) with optional professional services ranging from \$500-\$4,500. The Board approved a budget for the current fiscal year that includes a cost for travel management software.

**BACKGROUND:** Following is a needs analysis by Systemwide Risk Management:

- Ability to record into a single database all Foreign Travel Insurance Program (FTIP) activity and requests for trips to high hazard countries that are processed through CSURMA.
- Ability to create or use canned reports, summary statistics etc.
- Ability to send announcements to applicable travelers; i.e., provide direction as to changing conditions in the country being visited, providing resource contact information, etc.
- One-stop database with comprehensive traveler information.
- Ability to send "batch" communications.
- Incident reporting and easy linking with Europe Assist, the insurer's service and claims intake manager.

It is envisioned that as requests for FTIP come to Alliant, the data would be inputted into a specialized software product. This avoids duplicate entry, and when issues arise, Staff would have a quick and efficient manner of identifying where CSU travelers are located and communicating with them accordingly. Further, for insurance underwriting purposes, we may be able to craft reports that would improve our ability to define our traveler risk profile and thereby reduce the cost of insurance.

**ATTACHMENT(S):** None.

## **TRAINING FOR PROGRAMS INVOLVING MINORS ON CAMPUS**

**ISSUE:** The AORMA Member Services, Loss Control and Training Committee (MSLCTC) and the AORMA Committee have been working with Praesidium to design a comprehensive risk management program for campus and auxiliary activities involving minors. Praesidium has proposed a one-year contract with the following deliverables:

1. Online Self-Assessment Tool – The self-assessment tools allows each youth program to identify those areas in which abuse may occur and it provides a customized action plan based on the program’s strengths and weaknesses. Sample policies and procedures are then provided for use by the program director and staff.
2. Armatus Online Training – The corresponding training provides the youth program’s staff with the training they need to prevent abuse, recognize the warning signs, and how to intervene and report abuse.

After much discussion, the MSLCTC and AORMA Committee felt that this contract needs to be negotiated at the campus level. There may need to be some type of campus mandate in order for the contract to be successful. The time involved in gathering the information necessary to complete the self-assessment is significant. The Praesidium contract is expensive and without campus support, the committees felt it would not get utilized as actively as it should in order to make it cost-effective. Also, the youth programs may involve both campus and auxiliary staff members and therefore collaboration is essential.

**RECOMMENDATION:** The AORMA Committee recommends approving this contract and at its December 5, 2013 meeting the AORMA Committee granted authority to Zach Gifford to negotiate the terms of the Praesidium contract with the CSURMA Executive Committee.

**FISCAL IMPACT:** \$2,000 per program, with an annual cost of not to exceed \$50,000. This cost includes access to both the Online Self-Assessment Tool and the Armatus Online Training. (Note, each youth program will have access to three different online courses. The total number of users may not exceed 20,000 annually.)

**BACKGROUND:** Praesidium notes the six steps to prevent abuse are as follows:

1. Assign leadership
2. Establish a child safety task force
3. Identify and assess current exposures
4. Establish policies
5. Provide training
6. Implement system for reporting and responding

The proposed agreement with Praesidium responds to items 3, 4 and 5.

Staff asked a few members with youth programs to view the self-assessment tool via a webinar and provide feedback for the committee's consideration.

Cindi Dulgar, Associate Director, Operations and Youth Programs, Associated Students of CSU Sacramento; Raven Tyson, Contract and Risk Management Coordinator, Associated Students of SDSU and Dave Nakamura, Executive Director, University Center, Humboldt State University viewed the self-assessment tool via a webinar with Aaron Lundberg from Praesidium. Aaron explained how the self-assessment tool works and walked them through the process. After viewing the webinar, the participants provided the following comments:

1. The service would be potentially beneficial to some auxiliary organization programs.
2. It appears to be a very thorough self-assessment tool.
3. The focus of the assessment is very narrow and may not be the most cost effective tool for assessing risk.
4. In order to effectively utilize the self-assessment tool, each program manager would have to commit significant time and resources, which may not be realistic for all programs.
5. One program manager from each campus could complete the self-assessment for each type of program (i.e., day care, summer camps, outreach programs, etc.), and then finalize the new policy and procedure to be shared with the other program directors.

**PUBLICATION:** If, and when, the contract is approved, Staff will notify all appropriate campus and auxiliary staff.

**ATTACHMENT(S):** Praesidium's most recent "Minor on Campus" proposal – dated December 4, 2013.



Praesidium's "Minors on Campus"  
Risk Management Proposal  
Deliverables and Budget  
for The California State University  
**December 4, 2013**



# PRAESIDIUM'S MINORS ON CAMPUS RISK MANAGEMENT PROPOSAL

## DELIVERABLES

Praesidium will conduct and make available the following to The California State University (CSU) campus and auxiliary programs:

1. **Online Self Assessment.** Praesidium will develop a customized online self assessment tool that will allow each campus to identify potential exposures and solutions in their various programs that serve minors. Once a program completes the online self assessment tool, they will receive a customized action plan that lists strengths and exposures. In addition, the program will receive sample resources to fix the identified exposures. For example, if the program lacks a policy for managing electronic communication between staff and minors they will be provided with a sample policy on electronic communication. Sample policies and instruments could include but not be limited to policies that define boundaries between adults and minors, procedures for managing high-risk activities (e.g. field trips, overnight activities, bathroom activities, etc.), and sample applicant interview questions that are designed to assess abuse risk. Praesidium will develop these customized resources to meet the specific needs of California State University programs. If desired the program will be able to download the resources in Microsoft Word so they can customize the policies or instruments to meet their specific needs.
2. **Armatus® Online Training.** Adults directly involved in providing services to minors, those who supervise others directly involved with minors, and those who manage or oversee programs serving minors must know how offenders operate, how to recognize warning signs, when and how to intervene to interrupt interactions that may foretell of abuse, mandated reporting requirements, and how to manage high risk situations in their own programs. This training can best be provided online where participants must demonstrate mastery and completion can be documented.

Armatus provides your employees and volunteers with the training they need to prevent someone in your care from abuse. They can also complete courses in mandated reporting and sexual harassment which meet or exceed all California state training requirements; bullying; employee screening and selection; blood borne pathogens; and incident investigation protocols -- even earning continuing education credits along the way. Armatus® comes with a robust data base that allows you to confirm in real time who has completed training as well as other useful user information such as criminal background check confirmations.

Praesidium also has the internal capability to design, program and produce on-line courses to meet the specific needs of CSU and maintains a national network of content experts in a wide array of subjects. **See Appendix 1 for a detailed description of Armatus and list of available courses.**

## BUDGET

Deliverable	Details	Cost
<b>1. Online Self-Assessment</b>	Each program will have access to the self-assessment and resources	
Development and set up		
Access to all campus and auxiliary association programs		
<b>2. Armatus Online Training</b>	Each program will have access to three courses. Total number of user will not exceed 20,000 users	
	<b>One year contract</b>	<b>\$2,000 per program not to exceed \$50,000</b>

## Appendix 1. Armatus™ Internet-Based Training

# **ARMATUS™ Fact Sheet**

## **Background and Development**

Developed by Praesidium, Inc., the national leader in abuse risk management

Based on two decades of research and experience in preventing abuse in organizations

Combines science and technology to deliver the most up-to-date and useful information

Representing almost two-million dollars in development costs

## **Description of Modules**

Scientifically based, field tested, educationally sound, self-paced, and demonstrated effective

Engage participants with video-clips, graphics, audio, and extensive interactivity

Ensure demonstration of content mastery by completion of quiz

Core modules introduce content essential to meet national due diligence safety standards

Modules for youth equip them with age-appropriate self-protection skills

Advanced modules introduce specialized content for administrators and support personnel

## **How Armatus Works**

Easy to use and convenient

Internet accessible anytime, from anywhere

Simply log on and follow the prompts

User completes a module, receives proof of completion

Administrators *automatically* receive notification of who has completed training

Administrators can access individual, location, and system-wide data

## **Cost**

A *fraction* of the cost of traditional workshops or seminars

May reduce insurance premiums and claims liability

## **ARMATUS™ Support Services (Included)**

**Initial Program Set-Up and User Enrollment.** Praesidium will establish site-specific access at the beginning of the contract and download employee and volunteer identification information to permit easy log-on to Armatus™.

**Armatus™ Technical Support.** Praesidium’s technical staff are available to answer any technical support questions and to help individual users or program administrators if problems arise.

## **ARMATUS™ Modules**

Armatus® courses are specifically designed to appeal to learners of all types and skill levels. Since the Armatus® curriculum is written by a dedicated team of psychologists, social workers, anthropologists, and attorneys, when your employees and volunteers complete their assigned courses, you can be sure that they are getting accurate, effective, up-to-date information.

<b>Meet Sam</b>	<b>It Happened to Me</b>
<p>Sam molests children. Hear him tell how he gets away with it. You will learn:</p> <ul style="list-style-type: none"> <li>• The three types of molesters</li> <li>• The three things molesters need in order to offend</li> <li>• The types of boundaries offenders often violate</li> </ul>	<p>Anger. Failing grades. Depression. These are some effects of sexual abuse. You will learn:</p> <ul style="list-style-type: none"> <li>• The long-term effects of abuse</li> <li>• Which children are vulnerable to abuse</li> <li>• Why children don't tell about abuse</li> <li>• What to do if a child tells you about abuse</li> </ul>
<b>“CANRA” Mandated Reporting</b>	<b>A Day at Day Camp</b>
<p>The California Child Abuse and Neglect Reporting Act ("CANRA") describes both your legal responsibilities and additional recommended steps regarding the identification and reporting of child abuse and neglect. You will learn:</p> <ul style="list-style-type: none"> <li>• Why reporting suspected abuse and neglect is critical.</li> <li>• Who is a mandated reporter of suspected abuse and neglect.</li> <li>• What types of conduct must be reported.</li> <li>• What you must do if you are a mandated reporter.</li> <li>• How to respond if a child discloses abuse or neglect to you.</li> </ul>	<p>“A Day at Day Camp” takes you through a typical day at camp. You will learn:</p> <ul style="list-style-type: none"> <li>• How to keep campers safe from sexual abuse</li> <li>• How to protect yourself from false allegations of abuse</li> <li>• How to identify and manage high risk situations at camp</li> <li>• What to do if you see something suspicious or inappropriate</li> </ul>

Information contained in this proposal is confidential and proprietary to Praesidium, Inc. and should not be disclosed to anyone not a designated reviewer.  
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<p><b>Keeping Your Overnight Camp Safe</b></p> <p>Camping can be a wonderful experience for kids – but not if they are abused by a counselor or a peer. You will learn:</p> <ul style="list-style-type: none"> <li>• The abuse risks at a residential camp</li> <li>• Six locations where abuse is most likely to happen at a residential camp</li> <li>• How all employees and volunteers can make a difference</li> </ul>	<p><b>Abuse Risk Management for Volunteers</b></p> <p>Volunteers give their precious time to your organization to serve others. Teach them how to protect those you serve from abuse and themselves from false allegations. You will learn:</p> <ul style="list-style-type: none"> <li>• The facts about sexual abuse</li> <li>• Three steps volunteers can take to keep kids safe</li> <li>• How volunteers can protect themselves</li> </ul>
<p><b>Keeping Your School Safe (Student Teachers)</b></p> <p>When children come to school they expect to have fun, meet challenges, make friends, practice skills, and grow. They expect to be safe. You will learn:</p> <ul style="list-style-type: none"> <li>• When, where and by whom child abuse is most likely to occur at school</li> <li>• Specific steps to take to keep children safe at school</li> <li>• How to prevent false allegations of abuse</li> </ul>	<p><b>California State University Policies (customized policies course)</b></p> <p>Policies allow your organization to define what’s acceptable – and what isn’t.</p> <p>To complete this course, users read your policies and indicate online that they understand and agree to comply with the policies</p>
<p><b>Preventing Sexual Activity between Young Children</b></p> <p>Recent statistics show that incidents of sexual acting out between children have increased 300% in the past three years. You will learn:</p> <ul style="list-style-type: none"> <li>• How – and where – sexual activity between children typically occurs</li> <li>• Steps to prevent sexual activity between children</li> <li>• How to respond if sexual activity between children occurs</li> </ul>	<p><b>Advanced Abuse Prevention Refresher</b></p> <p>“Once your employees and volunteers know the basics about preventing abuse in your organization, it’s time for real life application.” You will learn:</p> <ul style="list-style-type: none"> <li>• Why it is so important to act on warning signs, and how to do so</li> <li>• How to keep yourself and co-workers safe from false allegations</li> <li>• How to apply your knowledge to real-life scenarios</li> </ul>
<p><b>Navigating the Murky Waters of Sexual Harassment</b></p> <p>“Nobody wants to work in a polluted environment! Learn how to navigate the murky waters of sexual harassment.” You will learn:</p> <ul style="list-style-type: none"> <li>• How to recognize different types of harassment</li> <li>• How to determine if a situation is or is not sexual harassment</li> <li>• How to prevent sexual harassment</li> <li>• How to respond to sexual harassment</li> </ul>	<p><b>Now You’re a Supervisor: Preventing Discrimination, Harassment, and Retaliation</b></p> <p>“Being a supervisor comes with lots of benefits – and lots of responsibilities. It’s up to you to make sure discrimination, harassment, or retaliation does not happen on your watch!” You will learn:</p> <ul style="list-style-type: none"> <li>• Laws and statues pertaining to discrimination, harassment, and retaliation</li> <li>• How to prevent, stop, and respond to discrimination, harassment, and retaliation</li> <li>• What to do if someone reports an incident of discrimination, harassment, or retaliation.</li> </ul>

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**EXECUTIVE COMMITTEE NOMINATIONS**

**ISSUE:** Members of the Executive Committee serve two year terms, with half the seats up for election in odd-numbered years, and half in even-numbered years. Four seats are up for election at the May 9, 2014 Board of Directors meeting.

**RECOMMENDATION:** The Executive Committee is asked to take action to nominate Executive Committee candidates for FY 2014/2015.

**FISCAL IMPACT:** None; not applicable.

**BACKGROUND:** CSURMA's Executive Committee comprises nine members. One member is appointed by the EVC/CFO as Seat #1, who also is appointed CSURMA Treasurer. Six seats are elected from among Campus members; two seats are held by AORMA and represented by its Chair and Vice Chair.

**ATTACHMENT(S):** CSURMA Executive Committee Terms of Office 2013/2014.

## CSURMA

### EXECUTIVE COMMITTEE TERMS OF OFFICE FY 2013/2014 - As Nominated

Position (election year)	July 1, 2007 to June 30, 2008	July 1, 2009 to June 30, 2010	July 1, 2010 to June 30, 2011	July 1, 2011 to June 30, 2012	July 1, 2012 to June 30, 2013	July 1, 2013 to June 30, 2014	July 1, 2014 to June 30, 2015
Chair - (even year)	Morishita	Morishita	Matson	Matson	Matson	Matson	<b><i>TBD</i></b>
Vice-Chair - (even year)	Graham	Matson	Rodriguez	Rodriguez	Rodriguez	<b>Rodriguez/ Hawk</b>	<b><i>TBD</i></b>
CSU Seat #1 - (odd year)	Matson	Rodriguez	Morishita	Hawk	Hawk	<b>Hawk/Chavez</b>	Chavez
CSU Seat #2 - (odd year)	Risser/Thorpe	Thorpe	Thorpe	Thorpe	Thorpe	Thorpe	Thorpe
CSU Seat #3 - (even year)	D. West	Wight	Wight	Wright	Gentles	Gentles	<b><i>TBD</i></b>
CSU Seat #4 - (even year)	Garcia	Garcia	McCarron	McCarron	McCarron	<b>Lee</b>	<b><i>TBD</i></b>
AORMA Seat #5 - Chair	Prenovost	Mimnaugh	Brown	Worley	Borsting	Brumett	DeWit
AORMA Seat #6 - V Chair	Jackson	Brown	Worley	Borsting	Brumett	DeWit	<b><i>TBD</i></b>
CSU Seat #1/Treasurer - Appointed by EVC/CFO	Hordyk/ Nickles	Ashkar	Ashkar	Ashkar	Ashkar	Ashkar	Ashkar
Secretary/Auditor - Appointed	Minnick	Minnick	Minnick	Minnick	Minnick/ Rodriguez	Rodriguez/Eaton	Eaton

Note:  
 The Treasurer is appointed by the CSU Executive Vice Chancellor/CFO and holds a seat on the CSURMA Executive Committee.  
 The Secretary-Auditor is appointed by the CSURMA Executive Committee and does not hold a voting seat on the Executive Committee.  
***TBD in BOLD & ITALICS*** indicates seat up for election at May 2014 Board of Directors meeting.

## **SERVICE PROVIDER PERFORMANCE SURVEY**

**ISSUE:** Periodic comments from CSURMA membership concerning the management of CSURMA and the quality of services provided by its staff and Service Providers presents opportunities for program enhancements beneficial to all members. An on-line Service Provider Performance Questionnaire was developed for distribution and completion by campuses and auxiliary organizations. The Committee will receive a report at today's meeting regarding the on-line Service Provider Performance Survey.

**RECOMMENDATION:** No action is requested on this item at today's meeting.

**FISCAL IMPACT:** None.

**BACKGROUND:** The Service Provider Performance Survey assists CSURMA with information to support strategic planning. The evaluation will be tailored to meet the interests of the Campuses and Auxiliary Organizations and maintain respondent confidentiality in order to elicit candid comments.

**PUBLICATION:** None.

**ATTACHMENT:** None.

**STUDENT HEALTH INSURANCE PROGRAM**  
**Development Progress Report**

**ISSUE:** The CSURMA Board of Directors has approved the development of a Student Health Insurance Program (SHIP). CSURMA staff attempted to gather the underwriting information necessary to evaluate options but was stymied by efforts of the incumbent broker. The Chancellor has requested that the Executive Vice Chancellor Business and Finance/CFO evaluate the student health program called MHECare offered by the Western Interstate Compact for Higher Education (WICHE) in association with the Midwest Higher Education Compact (MHEC). Staff will be present at today's meeting to describe the status of efforts.

**RECOMMENDATION:** The Executive Committee may take action or provide direction as necessary as respects development of a student health program.

**FISCAL IMPACT:** No direct fiscal impact is expected from action taken on this item at today's meeting.

**BACKGROUND:** CSU's students are offered healthcare coverage through a variety of plans and providers. Each campus makes its own arrangements and the administration of the plan may be handled by the campus or an auxiliary organization. There is no systemwide insurance brokerage agreement or appointment. Over a decade ago, the Systemwide Office of Risk Management assisted many campuses in obtaining coverage through a firm now owned by Wells Fargo Insurance Services.

With the implementation of the Affordable Care Act, the domestic CSU students have mostly left the program since they could extend coverage under their parent's plans until age 26. Effective January 1, 2014, many students will benefit from subsidized coverage offered under the California Health Benefits Exchange, called "Covered California." Incoming foreign national students will not be eligible for subsidized coverage through Covered California. For academic year 2012-13 there were approximately 1,000 domestic students and 10,000 international students covered under campus/auxiliary organization offered plans.

There are expected benefits to a systemwide approach to marketing student health coverage. Currently, most campus plans are placed with Anthem. MHECare is placed with United Healthcare. Another competitive provider would likely be Aetna.

**ATTACHMENT(S):** None.

### **Update on Concussive Injuries Initiatives**

**ISSUE:** CSU's approach to preventing and managing concussive injuries was a significant topic during the Liability Insurance Program renewal negotiations with underwriters. While operating plans are in place and reviewed as a part of compliance with the NCAA, CSU has been considering proactive and innovative approaches to preventing and assessing injuries. Recently the CSU Council of Presidents received a presentation on such an approach.

The CSU Executive Vice Chancellor and Chief Financial Officer has reviewed a proposal from Humboldt State University to establish a systemwide resource for preventing and responding to concussive injuries and has agreed to fund 50% at a systemwide level with participating campuses paying the remaining 50%. In meetings on campus the Program Director discussed with the HSU representatives the possibility of developing in addition to the systemwide resources, an on-line training program for coaches and athletic participants, possibly with the support of CSURMA

**RECOMMENDATION:** It is recommended that the Executive Committee discuss the materials presented and CSURMA's potential involvement, taking action or providing direction as appropriate.

**FISCAL IMPACT:** No fiscal impact is anticipated from this item at today's meeting.

**BACKGROUND:** None.

**ATTACHMENT(S):** 1) Memorandum from SVC/CFO dated December 18, 2013  
2) CSU Concussion Program Proposal and Budget Narrative



**The California State University**  
OFFICE OF THE CHANCELLOR

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SAN DIEGO  
SAN FRANCISCO  
SAN JOSÉ  
SAN LUIS OBISPO  
SAN MARCOS  
SONOMA  
STANISLAUS

December 18, 2013

**Benjamin F. Quillian, Ph.D.**  
*Executive Vice Chancellor and  
Chief Financial Officer*

*Tel 562-951-4600  
Fax 562-951-4971  
bquillian@calstate.edu*

Dr. Rollin Richmond, President  
Humboldt State University  
1 Harpst Street  
Arcata, CA 95521

Dear Rollin:

In support of your effort to create a systemwide CSU Concussion Program that offers a comprehensive approach for assessing and managing concussions, a one-time supplemental funding in the amount of \$300,000 has been approved to fund one-half of the start-up cost for systemwide implementation. With the understanding that you will seek the remainder of the start-up funds required for CSU campuses, Humboldt is well-positioned to build on the success of the campus' North Coast Concussion Program to the benefit of CSU. Chancellor White and I wish you much success in this endeavor.

A Systemwide Allocation Transfer (SWAT) will be initiated before the end of the fourth quarter of the fiscal year and your financial management staff will receive notification of the \$300,000 supplement when submitted for processing. If you have questions regarding this allocation, please contact Rodney Rideau, Acting Deputy Assistant Vice Chancellor for Budget, at (562) 951-4559.

Sincerely,

**Benjamin F. Quillian**  
Executive Vice Chancellor and  
Chief Financial Officer

BFQ/rr

c: Timothy P. White, Chancellor  
Sally Roush, Interim Vice Chancellor, Business and Finance  
Joyce Lopes, Vice President, Administrative Affairs/CFO  
Zachary Gifford, Associate Director, Systemwide Risk Management  
Ryan Storm, Interim Assistant Vice Chancellor, Budget  
Rodney Rideau, Acting Deputy Assistant Vice Chancellor for Budget

## CSU Concussion Program Proposal

### Background Information on Concussions in the CSU

Each year, over 5,000 CSU athletes participate in an intercollegiate contact sport. The literature suggests that up to twenty percent of such athletes sustain a concussion each season and that nearly 50% of concussions go unreported. This means that an estimated 1,000-2,000 concussions occur among CSU NCAA contact sport athletes each year. Also, it is worth noting that most CSU campuses have twice as many club and four times as many recreational sport athletes as they do intercollegiate athletes. This dramatically increases the incidence of sport-related concussions at each CSU.

The NFL recently settled its high profile concussion suit with 4,500-plus plaintiffs for \$765 million. The number of plaintiffs and lawsuits filed against the NCAA is steadily growing, alleging, in part, that the NCAA failed both to protect athletes with proper protocol and to provide long-term education about the effects of brain trauma. Athletic associations nationwide have effectively been put on notice. Not having a comprehensive concussion management plan is no longer an option.

### North Coast Concussion Program at Humboldt State University

The North Coast Concussion Program at Humboldt State University is poised to help the CSU and over the last five years has developed solid operating procedures and protocols. The program has effectively provided concussion education and management services not only for our HSU community but also for the local community college, 11 high schools within a 100-mile radius, local youth sport teams and the greater community. We have received overwhelming support from area medical professionals, all willing to speak to the value of our services and provide references on our behalf.

### A Proposed CSU Concussion Program

It is clear, given the number of internal NCAA documents revealed during the legal discovery process, that a lack in oversight regarding concussions will leave the NCAA vulnerable to deleterious lawsuits. Funding the CSU Concussion Program (CSUCP) and adopting a system-wide policy will ensure that each campus is on par with international standards for concussion management and will provide the necessary oversight, while allowing each campus to support itself at a minimal cost.

Countless evidence suggests that repetitive and/or mismanaged concussive and sub-concussive blows are likely to lead to debilitating short- and long-term physical, psychological and cognitive deficits. The CSU Concussion Program (CSUCP) offers a comprehensive approach for assessing and managing concussions based on the latest scientific research findings, as well as the current NCAA and California state regulations.

By funding the CSUCP and bringing it to scale, our concussion experts can be disseminated to each CSU campus, and the specific knowledge and skills they have acquired over years will enable each campus to put a comprehensive concussion plan in place. We will help each campus develop effective concussion management protocols, return-to-play and return-to-learn guidelines. We will provide concussion education and training for athletic staff, coaches and athletes, and for their designated concussion management team. We will also facilitate the development of individualized concussion management plans for each campus and help each campus communicate this information to related health care providers in order to provide the best overall care for CSU students.

For approximately \$58 per NCAA intercollegiate athlete, the CSUCP will help protect the CSU from millions of dollars in potential liability claims. In comparison, the baseline cost for MRI scans for each student athlete is around \$1,000. Moreover, neuroimaging has not been supported in research as a valid and reliable way to assess and manage concussions. At no additional cost, CSU students participating in club sports and those who are not athletes will also benefit from the system-wide protocol, educational outreach and post-injury management services.

#### CSU Concussion Program Operations

Once funded, the CSUCP can prepare materials and begin on-site training at each individual CSU campus within six months. Two representatives from the CSUCP will spend three days at each individual campus. All campuses will be visited by the end of the Fall 2014 semester and, as a result, all campuses will be in compliance with international concussion guidelines before the end of 2014.

In addition to current education, practical knowledge and technical trainings, each campus will also receive: a one-year license to use ImPACT™ (Immediate Post-Concussion Assessment and Cognitive Testing); access to the CSUCP Help Line, to respond to any questions or concerns; attendance for two at a private CSU training put on by the makers of ImPACT™ and additional experts from the field (date TBA).

#### Added Benefit of Providing Public Health Leadership

Best practices for concussion testing and management are not static but are dependent on continued research and innovation. Intertwined with the need for concussion services is the overwhelming call for scientific research and data sharing on concussions. The CSUCP recognizes the importance of making information about these injuries easily accessible to health care providers, researchers, and other stakeholders. In addition to education and management services, funding the CSUCP will enable the launch of the Concussion Repository (CSUCR), an online resource providing valuable information (voluntarily submitted) about the nature, scope and treatment of these injuries.

The goal of the CSUCR is to protect the CSU students, advance public health and support collaborative research related to concussion, while continuing to ensure that CSU concussion policies are up-to-date and in full compliance with changing standards. The

CSUCR will have several key functions, among which are: encouraging transparency among concussion test providers by publicly sharing information about the scientific basis and utility of their tests; providing a public resource to locate laboratories offering testing services; facilitating concussion related data-sharing for research and new scientific discoveries utilizing a population sample from one of the largest public university systems in the world. The potential for research collaborations that can effect change on a global level is unmatched. Sustainability of the CSUCP is paramount to our efforts. Funding the CSUCP will enable researchers to tap into the millions of dollars in currently available grants, not only generating the possibility for the CSUCR to fund the CSUCP, but also bolstering the ability of individual campuses to generate substantial revenue and resources.

### Conclusion

The CSU, as one of the largest public university systems in world, is in a unique position to become a leader in the concussion education movement. Funding the CSUCP will enable the swiftest, most thorough and cost-effective renovation of the current CSU concussion policies, setting the CSU system up as a beacon for both concussion management and research initiatives. Doing nothing is no longer an option. The North Coast Concussion Program team is available for questions and further demonstrations as required.

## Budget Narrative

The budget for the twenty-two campus concussion management plan is divided into three parts. The first part is the request for year 1 kick-start funds to take the existing HSU concussion program and expand its service, training and mentoring capabilities. The second is the implementation of the training and concussion management program at each of the campuses. The third is to provide ongoing help desk support and continuing research and education of most current concussion management practices.

One time kick-start funds in the amount of \$568 thousand are being requested by HSU from the Chancellor's office. \$523 thousand of these funds will be used to staff 9 positions that will be used to package, deliver, and provide ongoing support to each of the 22 campuses. Support will include both online web support as well as a help desk phone line. Training will be given in person to each campus by a training specialist team. \$35 thousand will be used to purchase specialty training equipment, computers, and print training materials. \$10 thousand dollars will be for travel to help secure future grant funding.

The implementation at all of the campuses will total \$313 thousand dollars and is to be paid for by collecting a fee of \$14 thousand dollars from each campus. This fee will cover HSU travel to the campus, the licensing of the required ImPACT software, and travel to a private CSU training put on by the makers of ImPACT™ and additional experts from the field.

Ongoing 22 campus support will total \$292 thousand dollars and will be paid by a recurring fee to each campus of \$13 thousand. This fee will fund 5 staff at HSU at a cost of \$266 thousand to provide ongoing program management, incremental training as needed and continuous access to online and helpdesk support. \$23 thousand will be for software licensing fees. To put this recurring fee in perspective: given 5,000 (at low end of estimate) current CSU wide intercollegiate athletes participating in "at risk of concussion" sports, this fee amounts to a cost of \$58 per athlete per year.

	Kick-start Funds requested					
	HSU Expense Year 1			Campus Expense Year 1		Year 2
	one time costs	Per year costs	Total HSU Expense	Per Campus Rollout	Multiply by 22 campuses	Ongoing support to be recovered from an annual campus fee
<b>Headcount</b>						
Researchers	4		4			0
Delivery and support		5	5			5
subtotal headcount	4	5	9	0	0	5
<b>Salary/Benefits</b>						
Researchers	\$257,033		\$257,033			0
Delivery and support		\$266,800	\$266,800			\$266,800
subtotal salary/benefits	\$257,033	\$266,800	\$523,833	\$0	\$0	\$266,800
<b>Travel</b>	\$10,000		\$10,000	\$13,500	\$297,000	\$0
<b>Equipment/software</b>						
communications		\$2,100	\$2,100			\$2,100
Biodex Balance System	\$21,912		\$21,912			0
Impact License/training			\$0	\$750	\$16,500	\$16,500
Vicon Motion License						\$4,000
Computers/storage	\$7,500		\$7,500			
subtotal equipment	\$29,412	\$2,100	\$31,512	\$750	\$16,500	\$22,600
<b>Training Materials</b>	\$600	\$2,850	\$3,450	\$0	0	\$2,850
<b>Grand Total</b>	<b>\$297,045</b>	<b>\$271,750</b>	<b>\$568,795</b>	<b>\$14,250</b>	<b>\$313,500</b>	<b>\$292,250</b>
Ongoing support fee/campus						\$13,284
Effective amount/ at-risk Student Athlete						\$58

## **FY 2013/14 LONG RANGE PLANNING GOALS**

**ISSUE:** The Executive Committee conducts a Long Range Action Planning meeting each year in March and establishes a long range action plan for the year. Periodically during the year, the Committee receives a report to gauge progress and to re-evaluate where efforts should be focused.

**RECOMMENDATION:** The Executive Committee will hear a report from Staff on the status of the long range action plan items and provide further direction as necessary or desired.

**FISCAL IMPACT:** None.

**BACKGROUND:** The Executive Committee adopted the FY 2013/14 Long Range Action Plan and goals to be accomplished. The Committee will receive a report from Staff on the assigned responsibilities and deadlines of the FY 2013/2014 Long Range Planning goals.

**ATTACHMENT(S):** FY 2013/14 CSURMA Long Range Action Plan

# FY 2013/14 CSURMA LONG RANGE ACTION PLAN

**DRAFT**

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
<b>LRP-1</b>	<b>ALTERNATIVE MEDICINES ON CAMPUS</b>			
<b>Draft Systemwide Policy regarding use of Alternative Medicines on Campus.</b>	1. Research existing Systemwide policy regarding permissible usage of alternative medicines on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding permissible usage of alternative medicines on campus.	2. PA, SRM	2. August 2013	In Review.
	3. Identify other types of alternative medicines that are used on campus and determine whether or not such usage shall be permitted on campus.	3. PA, SRM, OGC, Student Health Centers, Human Resources	3. September 2013	In Review.
	4. Identify stake holders and enlist support.	4. PA, SRM, OGC, Student Health Centers, Human Resources	4. October 2013	In Review.
	5. Draft Policy & Procedure regarding permissible usage of alternative medicines on campus.	5. PA, SRM, OGC, Student Health Centers, Human Resources	5. November 2013	Pending
	6. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	6. CO		
	7. Finalize draft Policy & Procedure.	7. PA, SRM		
	8. Obtain appropriate sign off.	8. CO		
	9. Roll out to campuses.	9. CO		
<b>LRP-2</b>	<b>CSURMA WEBSITE ENHANCEMENTS</b>			
<b>Improve CSURMA website.</b>	1. Draft goals for website enhancements: identify what is working well, how utilized, areas to improve.	1. PA	1. January 2013	Completed.
	2. Work with website administrator to program needed/desired changes/enhancements.	2. PA, Website Administrator	2. Feb-Mar 2013	Completed.
	3. Beta testing.	3. PA, Website Administrator	3. Apr-May 2013	Completed.
	4. Populate website.	4. PA, Website Administrator	4. June-July 2013	Completed.
	5. Develop demo presentation.	5. PA	5. August 2013	Completed.
	6. Present enhanced website to SRM, EC, BOD.	6. PA	6. September 2013	Completed.
	7. Roll out to CSURMA members.	7. PA	7. October 2013	Completed.
<b>LRP-3</b>	<b>INTRAMURAL/RECREATIONAL SPORTS COVERAGE</b>			
<b>Develop coverage program for Intramural &amp; Recreational Sports.</b>	1. Develop coverage specification and proposed rating structure.	1. PA	1. May 2013	Completed.
	2. Market plan to underwriters.	2. PA	2. May 2013	Completed.
	3. Obtain and evaluate carrier quotes.	3. PA	3. May 2013	Completed.
	4. Draft coverage plan summary and rates.	4. PA	4. June 2013	Completed.
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM	5. July 2013	Completed.
	6. Roll out to CSURMA Members.	6. PA	6. August 2013	Completed.
<b>LRP-4</b>	<b>STUDENT PERSONAL PROPERTY &amp; LIABILITY INSURANCE</b>			
<b>Develop coverage program for</b>	1. Develop coverage specification and proposed rating structure.	1. PA	1. May 2013	Deferred
	2. Market plan to underwriters.	2. PA		In progress.

# FY 2013/14 CSURMA LONG RANGE ACTION PLAN

**DRAFT**

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
<b>Student Personal Property &amp; Liability Insurance.</b>	3. Obtain and evaluate carrier quotes.	3. PA		In progress.
	4. Draft coverage plan summary and rates.	4. PA		In progress.
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM		
	6. Roll out to CSURMA Members.	6. PA		
<b>LRP-5 EARTHQUAKE COVERAGE PROGRAM</b>				
<b>Develop coverage program for Earthquake Insurance.</b>	1. Develop coverage specification and proposed rating structure.	1. PA	1. January 2014	
	2. Market plan to underwriters.	2. PA	2. Feb-Mar 2014	
	3. Obtain and evaluate carrier quotes.	3. PA	3. Apr-May 2014	
	4. Draft coverage plan summary and rates.	4. PA	4. Apr-May 2014	
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM	5. May 2014	
	6. Roll out to CSURMA Members.	6. PA	6. July 2014	
<b>LRP-6 SERVICE ANIMALS ON CAMPUS</b>				
<b>Draft Systemwide Policy regarding use of Service Animals on Campus.</b>	1. Research existing Systemwide policy regarding permissible usage of service animals on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding permissible usage of service animals on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Draft Policy & Procedure regarding permissible usage of service animals on campus.	3. PA, SRM, OGC, Human Resources	3. September 2013	In Progress.
	4. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	4. CO	4. October 2013	In Progress.
	5. Finalize draft Policy & Procedure.	5. PA, SRM	5. November 2013	In Progress.
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2014	
<b>LRP-7 BICYCLES / SKATEBOARDS ON CAMPUS</b>				
<b>Draft Systemwide Policy regarding Bicycle &amp; Skateboard Safety on Campus.</b>	1. Research existing Systemwide policy regarding safety protocols for bicycles, skateboards, etc. on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding safety protocols for bicycles, skateboards, etc. on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Draft Policy & Procedure regarding safety protocols for bicycles, skateboards, etc. on campus.	3. PA, SRM, OGC	3. September 2013	In Progress.
	4. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	4. CO	4. October 2013	In Progress.
	5. Finalize draft Policy & Procedure.	5. PA, SRM	5. November 2013	In Progress.
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2014	

# FY 2013/14 CSURMA LONG RANGE ACTION PLAN

**DRAFT**

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
<b>LRP-8 PERIODIC REVIEW OF CSURMA POLICIES &amp; PROCEDURES</b>				
<b>Establish Plan for Regular Periodic Review of CSURMA Policies &amp; Procedures.</b>	1. Outline a timetable to review each CSURMA Policy & Procedure (P&P), at least one per month.	1. PA	1. July 2013	Completed.
	2. Outline a format to document P&P items to be reviewed.	2. PA	2. August 2013	Completed.
	3. Draft report of findings and recommendation for review and discussion with Systemwide Risk Management & Public Safety.	3. PA, SRM	3. September 2013	Completed.
	4. Present findings and recommendation as agreed with SRM to EC.	4. PA, SRM, EC	4. EC meetings	Completed.
	5. Execute plan of action as directed by SRM and EC. This step may also require BOD approval if Memorandum of Coverage is to be amended.	5. PA, SRM, EC, BOD	5. After EC meetings	On going.
	6. Obtain appropriate sign off, and BOD approval if necessary.	6. PA, SRM, EC, BOD	6. BOD meetings	Completed.
<b>LRP-9 NEW MEMBER ORIENTATION FOR EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS</b>				
<b>Establish Plan for Regular Periodic Orientation to CSURMA for New Members</b>	1. Establish regular time and site for CSURMA Orientation, usually the day before EC's September meeting.	1. PA	1. July 2013	Completed.
	2. Maintain log of EC and BOD members who have attended orientation, date, etc., and members who still need orientation.	2. PA	2. August 2013	Completed.
	3. Schedule teleconference or webinars for members who are unable to attend orientation in person.	3. PA, Members	3. September 2013	Completed.
	4. Report orientation attendance to SRM and EC.	4. PA, SRM, EC	4. October 2013	Completed.
<b>LRP-10 THEATER RISK MANAGEMENT &amp; SAFETY</b>				
<b>Develop Systemwide Policy and Training regarding Theater Safety on Campus.</b>	1. Research existing Systemwide policy regarding public safety of theaters on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding public safety of theaters on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Research training programs and costs offered by UC.	3. PA, SRM, OGC	3. September 2013	On going.
	4. Develop schedule to provide on-campus training on Theater Safety.	4. CO	4. October 2013	In progress.
	5. Engage service provider.	5. PA, SRM	5. November 2013	In progress.
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2013	
<b>LRP-11 MINORS ON CAMPUS</b>				
<b>Develop Systemwide Policy and Training regarding Safety of Minors on Campus.</b>	1. Research existing Systemwide policy on safety of minors on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy on safety of minors on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Research training programs and costs offered by Praesidium, Inc.	3. PA, SRM, OGC	3. September 2013	Completed.
	4. Develop schedule to provide on-campus training on Safety of Minors.	4. CO	4. October 2013	In progress.
	5. Engage service provider.	5. PA, SRM	5. November 2013	In progress.
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2013	

## FY 2013/14 CSURMA LONG RANGE ACTION PLAN

***DRAFT***

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
<b>LRP-12</b>	<b>ENTERPRISE RISK MANAGEMENT</b>			
<b>Develop plan to promote Synergy among campuses in regards to Risk Management functions.</b>	1. Establish baseline for minimum essential risk management operations on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Identify SRM and Campus resources, especially subject matter experts.	2. SRM	2. Aug-Sep 2013	In Review.
	3. Identify opportunities to synergize risk management among campuses, possibly creating regional spheres of influence.	3. SRM, Campus RMs	3. Oct-Nov 2013	In Review.
	4. Create network among campuses for risk management resources.	4. SRM	4. December 2013	
	5. Roll out to campuses.	5. SRM	5. January 2014	
<b>LRP-13</b>	<b>SPONSORED TRAINING FOR EMPLOYEES</b>			
<b>Develop plan to provide Sponsored Training opportunities for Members.</b>	1. Identify training opportunities that may be beneficial to members. These may include conferences, seminars, webinars, and programs leading to professional credentials (e.g., CPCU, ARM, CSP, AIC, AIS, CRM, etc.), and may include regional sessions on campus to economize learning opportunities.	1. PA, SRM	1. July 2013	In Review.
	2. Identify needed training subjects and prioritize.	2. PA, SRM, Campus RMs	2. August 2013	In Review.
	3. Establish funding for sponsored training.	3. PA, SRM, EC	3. September 2013	
	4. Establish criteria for sponsored training and application.	4. PA, SRM	4. October 2013	
	5. Draft schedule for training.	5. PA, SRM	5. November 2013	
	6. Roll out to campuses.	6. PA, SRM	6. December 2013	

Key:

**BOD:** CSURMA Board of Directors

**CABO:** CSU Chief Administrators and Business Officers

**CO:** Chancellor's Office

**EC:** CSURMA Executive Committee

**OGC:** CSU Office of General Counsel

**PA:** CSURMA Program Administrator

**SRM:** CSU Systemwide Risk Management & Public Safety

**2014 LONG RANGE PLANNING MEETING DATE,  
LOCATION, AND AGENDA**

**ISSUE:** The CSURMA Executive Committee has scheduled a Long Range Planning meeting on March 20-21, 2014, location to be determined. Staff recommends a meeting in two sessions:

- An Executive Committee regular business meeting from 2:30 p.m. to 5:00 p.m. on Thursday, March 20, 2014 and
- A Long Range Planning meeting from 8:00 a.m. to 2:00 p.m. on Friday, March 21, 2014.

**RECOMMENDATION:** It is recommended that the Committee review the draft agenda, and proposed meeting arrangements and direct Staff as appropriate.

**FISCAL IMPACT:** The Long Range Planning meeting will be held in conjunction with the Executive Committee's regular meeting to avoid additional travel expenses.

**BACKGROUND:** The CSURMA Executive Committee has found it beneficial to hold an annual Long Range Planning meeting. Items addressed during the Long Range Planning meeting are of such a nature that full consideration of the topics are not easily addressed at regular business meetings.

**PUBLICATION:** None.

**ATTACHMENT:** 1) Draft Long Range Planning Meeting Agenda



**CSURMA EXECUTIVE COMMITTEE LONG RANGE PLANNING**

**“This is an Open Public Meeting”**

*In accordance with the requirements of the Bagley-Keene Open Meeting Act, notice of this meeting must be posted in publicly accessible places, including the Internet, at least ten (10) days in advance of the meeting.*

Meeting Date: March 21, 2014  
Time: 8:00 a.m.

Primary Location: To Be Determined

Legend: **A** = Action  
**I** = Information  
**V** = Verbal  
**S** = Separate

- 8:00 a.m.** Breakfast
- 8:30 a.m.**
  - 1. Review of CSURMA 2013/2014 Long Range Action Plan **A** p.
  - 2. Campus Pooled Program Funding Status **A** p.
  - 3. SPLIP and SAFECLIP Programs Funding **A** p.
  - 4. Rating Plans Task Groups
  - 5. Review of Policies and Procedures (Even numbered) **A** p.
  - 6. Annual Review of:
    - Data security policies
    - Applicable ICSUAM policies
  - 7. Development of New Programs and Services **A** p.
    - Student Health Insurance Program
    - Others?
- 10:00 a.m.** Break
- 8. Service Provider Performance Evaluation of CSURMA Vendors **A** p.
- 12:00 p.m.** Lunch
- 9. 2015 Fitting the Pieces Conference **A** p.
- 10. Development of CSURMA Goals for next 1 to 3 years **A** p.
- 2:00 p.m.** Adjournment

## **AORMA PROGRAMS UPDATE**

**ISSUE:** The AORMA Committee met on December 5, 2013, via teleconference and took the following action:

1. Policy and Procedure L-7 – Employment Practices Liability (EPL) Deductible Options was revised to (1) limit the annual EPL deductible to one level increase per year and (2) reiterate that the EPL deductible calculated per Policy and Procedure L-7 is a minimum deductible. If the formula for determining the minimum EPL deductible results in a deductible level higher than the EPL deductible level elected by the Member, the Member’s EPL deductible will increase to the deductible level determined by the formula.
2. The Liability Program Memorandum of Coverage was amended to include as a “Covered Party” the following:

“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.

The Board of Trustees of the employee pension benefits or employee welfare benefits trust are covered parties, when acting solely within the scope of their duties, office, or employment for the trust.

Coverage provided by this Memorandum with respect to covered trusts will not extend to any third party service provider to the covered trust.”

This change was made because several auxiliary organizations within AORMA are part of the Auxiliaries Multiple Employer VEBA Trust or have formed their own health and welfare VEBA Trust. Prior to the change, the AORMA Liability MOC did not extend coverage to the Trust.

3. Praesidium Contract – Managing the Risk of Minors on Campus

**RECOMMENDATION:** This item is for information only; no action by the Executive Committee is required.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**ATTACHMENT(S):** AORMA Committee TOC from its meeting on December 5, 2013.



*The Committee may assess and evaluate pending claims and related issues and take action or provide direction to Staff regarding the litigation described below.*

Laura Orozco v. Cal Poly Pomona Foundation, Inc.  
Michael Jones v. CSU Fullerton Auxiliary Services Corporation  
Juan Rodriguez v. The University Corporation, CSU Northridge  
Mario Nickenig v. Cal State L.A. University Auxiliary Services, Inc.

**E. STANDING COMMITTEE REPORTS**

- |    |  |          |             |
|----|--|----------|-------------|
| 1. | <b>Programs Committee Report</b>                                   | <b>I</b> | <i>p.17</i> |
| 2. | <b>Member Services, Loss Control and Training Committee Report</b> | <b>I</b> | <i>p.18</i> |
| 3. | <b>CSURMA Executive Committee Report</b>                           | <b>I</b> | <i>p.21</i> |
| 4. | <b>AOA Executive Committee Report</b>                              | <b>I</b> | <i>p.25</i> |

**F. GENERAL ADMINISTRATION**

- |    |   |          |             |
|----|---|----------|-------------|
| 1. | <b>Policy &amp; Procedure L-7 - Employment Practices Liability (EPL) Deductible Options</b><br><i>The Committee will be asked to approve the revisions to Policy &amp; Procedure L-7</i>                        | <b>A</b> | <i>p.26</i> |
| 2. | <b>AORMA Liability Program Memorandum of Coverage</b><br><i>The Committee will be asked to approve revisions to the AORMA Liability Program Memorandum of Coverage</i>  | <b>A</b> | <i>p.31</i> |
| 3. | <b>Praesidium Contract – Managing the Risk of Minors on Campus</b><br><i>The Committee will be asked to review the proposal provided by Praesidium and recommend approval to the CSURMA Executive Committee</i> | <b>A</b> | <i>p.76</i> |

**D. INFORMATION ITEMS**

- |    |  |          |              |
|----|--|----------|--------------|
| 1. | CSURMA AORMA 2014 Meeting Calendar                 | <b>I</b> | <i>p.78</i>  |
| 2. | CSURMA AORMA Service Calendar                      | <b>I</b> | <i>p.81</i>  |
| 3. | CSURMA AORMA Program Administrator’s Contact Lists | <b>I</b> | <i>p.91</i>  |
| 4. | AORMA’s Travel Reimbursement Policy                | <b>I</b> | <i>p.94</i>  |
| 5. | AORMA Committee Members - Effective 7/01/13        | <b>I</b> | <i>p.97</i>  |
| 6. | FY 13/14 AORMA Long Range Action Plan              | <b>I</b> | <i>p.101</i> |

**E. ADJOURNMENT**

*The next meeting is scheduled for March 20, 2014 in Newport Beach, CA.*



## PARMA 2014 CONFERENCE REGISTRATION IS NOW OPEN

### New at PARMA

#### PARMA SCHOLARSHIPS FOR THE ANNUAL CONFERENCE

If you would like to attend the PARMA Conference, February 9-12, 2014 in San Jose, CA, but your entity does not have the funding to allow it, consider applying for a PARMA Scholarship. Information on how to apply can be found in the PARMA Community. Just log in with your email address and passcode, go to the Resource Pages and download an application. Don't miss out on a fabulous educational opportunity - let us help you get there!

To find the Resource pages simply look on the left side of the PARMA Community pages for Resources. Click on that link and then scroll down to find the PARMA Conference Scholarship Application. Click on that link and then download the application by clicking on the green Download Resource Button on the right side of the page. Open the document, print it out and fill in the application. Instructions on where to send it are on the form.

#### REGISTER FOR THE PARMA GOLF TOURNAMENT

You can register for the annual PARMA Golf Tournament to be held at the Coyote Creek Golf Course in Morgan Hill, CA on Sunday, February 9, 2014. Just go to [www.parma.com](http://www.parma.com) and click on Events. Then close the 2014 PARMA Golf Tournament, log in and follow the prompts. No need to be a good golfer - you just need to want to have fun!

If you want to sponsor a tee box you can click on the PARMA Store and choose the event you would like to sponsor by clicking on it and adding it to your shopping cart. A receipt will be sent to you once you have paid for it.

#### NEW FOR THE 2014 CONFERENCE

PARMA is offering **Continuing Education Certificates** and **MCLE Credits** for Attorneys and Paralegals for attending selected sessions. These sessions are noted with a comment in the title field, so be sure to look for these when you register. This is part of PARMA's Strategic Plan to address requests from and meet the needs of its members. To download a copy of the 2014 Information and Session Brochure please click [HERE](#)

#### EVENTS WORTH NOTING

Attendees at the 2014 PARMA Conference are in for a real treat this year. They will be hosted for a networking opportunity at the San Jose Tech Museum on Monday evening from 6-10 pm thanks to the sponsorship from **Alliant Insurance Services** and **Carl Warren & Company**. For those without plans for later in the evening the IMAX Theater at the Museum will have an 8 pm showing of the movie "Everest". All attendees are welcome to attend this event.

A 40th Anniversary deserves a special celebration and PARMA's banquet intends to be just that. This is that event where you can dress up - bring along the cocktail dress and guys, wear a jacket. Of course you can come in business attire if you prefer but be a part of this Ruby Celebration. With a menu of Surf & Turf, dancing with your favorite band from last year and prizes generously sponsored by **Mullen & Filippi**, you can be guaranteed an evening to remember.

### PARMA EXHIBIT BOOTH INFORMATION

Exhibit booths are available for sale for the PARMA Conference. The exposition will be at the San Jose Convention Center with set up on Sunday, February 9 from 1-6pm. The show is Monday, February 10 from 7:30 - 4:00 pm and Tuesday, February 11 from 7:30 - 1:30pm. Tear down can begin at 1:45 following lunch which will be served both days in the exhibit hall. For a booth contract please click [HERE](#). For a diagram of the expo hall, please click [HERE](#). Please note that there are a large number of booths already sold for this show. For an updated list of booth availability please email [exhibit@parma.com](mailto:exhibit@parma.com) and request a listing so you do not choose booths that are already sold.

### PARMA COMMUNITY

The Community is a place to find not only chapter information for PARMA, updates about the conference and resources to make your life easier, but also a place to allow other PARMA members to post their meetings and white papers. Speakers can promote the sessions they will be presenting at both Chapter Meetings and the Annual Conference, AND it will be easier than before to actually reach out and make connections with other PARMA members. It also provides a forum for group discussions, news feeds and messaging.

**PARMA Members** have full access to everything in the Community. You can post meetings, make contacts, participate in group discussions, send/receive messages, take surveys and access/download/post resources. **Non Members** can view posted meetings, group discussions, resources and surveys. Non Members can view posted meetings, group discussions, resources and surveys.

### What to do First?

Click on the Community link, log in and create a profile for yourself. Then explore. Look up other members with the search box and invite them to link to you. Set your permissions so that you have set up when you want to get notifications. **This is the NEW LOOK of PARMA!**

**Membership:** PARMA's membership runs from January 1 - December 31 each year. For public agency employees the cost is \$100 for an entity and for associates/non-public agency employees the cost is \$275. Your employer/agency becomes the member and covers as many people from your location as would like to be a PARMA member. (If you have additional branches each must become their own member but will also have the ability to have multiple employees under the umbrella of the membership.)

## Our Platinum Sponsors



## PARMA 2014 Annual Conference

February 9-12, 2014  
San Jose, CA Convention Center



## PARMA Chapters

Bay Area

Sacramento  
Southern California  
Central Valley  
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**WORKERS' COMPENSATION CLAIMS ADMINSTRATOR**  
**SERVICE PERFORMANCE AUDIT**

**ISSUE:** CSURMA engages Sedwick Claims Management Services (Sedgwick CMS) to serve as third-party administrator (TPA) for Campus and AORMA Workers' Compensation Risk Pool claims. A regular performance audit is performed by Alliant to review services delivered by Sedgwick, particularly in regards to the standards of performance for the industry and the specific requirements outlined in the Service Agreement between CSURMA and Sedgwick CMS. A service performance audit for 2013 was completed by Jacki Graf of Alliant and CSURMA's Senior WC Claims Consultant in August and September 2013. The draft report and Sedgwick CMS' response are attached for the Executive Committee's review and discussion. Staff will provide a verbal summary and be available to respond to questions.

**RECOMMENDATION:** No action requested. This item is to provide a report on the performance audit of Sedgwick CMS conducted by Alliant.

**FISCAL IMPACT:** None.

**BACKGROUND:** CSU is permissibly uninsured for Workers' Compensation. An agreement between CSURMA and Sedgwick CMS for Workers' Compensation claims administration was entered on July 1, 2003. The agreement contains performance standards required by CSURMA and associated compliance measurement for each party. The agreement extends through June 30, 2022. This report represents the fifth annual audit conducted of Sedgwick CMS since the inception of the agreement.

**ATTACHMENT(S):** CSU Workers' Compensation Claims TPA Audit - 2013 Report  
Sedgwick CMS Response to the 2013 Claims TPA Audit

**Confidential**  
**Comment DRAFT**

**CSU** **The California State University**  
WORKING FOR CALIFORNIA



**CSU WORKERS' COMPENSATION  
CLAIMS TPA  
AUDIT  
2013 REPORT**



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# Introduction

## 1. INTRODUCTION

The California State University (CSU) is permissibly uninsured for purposes of Workers' Compensation as authorized by the State of California. A Service Agreement between California State University Risk Management Authority (CSURMA) and Sedgwick CMS to provide workers' compensation claims administration was entered into on July 1, 2003. Client Service Instructions were developed jointly with CSU and Sedgwick CMS to set forth claim procedures for expected claims handling. The agreement contains performance standards required by CSURMA and the associated compliance measurement for each. This agreement now extends through June 30, 2022.

This report represents the fifth audit conducted of Sedgwick CMS since the inception of the Workers' Compensation Third Party Administrator's Contract in 2003. Four full audits and one "mini" audit have been conducted. A "mini" audit of the WC Campus Claims program was conducted in 2008. The enclosed is a full audit conducted in August and September of 2013 following the contract renewal in July 2013.

This report contains the 2013 audit results.

Alliant appreciates the opportunity to provide Workers' Compensation auditing services to the CSU.

**ALLIANT INSURANCE SERVICES**

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**Jacki Graf**

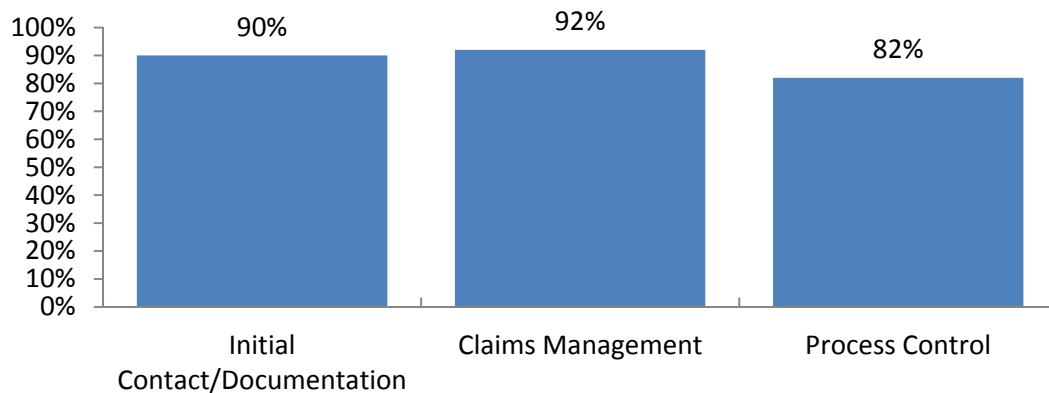
## 2. EXECUTIVE SUMMARY

### 2.1. OVERVIEW

An audit of 158 workers' compensation files representing 10% of the open indemnity and future medical file population was conducted on files handled by the Sedgwick Claims Management offices located in Rancho Cordova and Oakland. Sedgwick CMS achieved a total audit score of 87% in this review. The average compliance standard required by the Service Agreement with Sedgwick is 90%. The Oakland office achieved 81% and the Rancho office achieved 91%. Detailed findings and results have been provided to CSU Systemwide Office Risk Management.

The audited areas were subsets of the three major audit categories: Initial Contact and Documentation, Claims Management and Process Control. The table below summarizes the findings in the three major categories:

Table 1: 2013 Audit Performance Results



Two of the three major categories exceeded the 90% standard with a high performance at 92% in Claim Management and 90% in Initial Contact/Documentation. The area of Process Control fell below the standard with at 82% result.

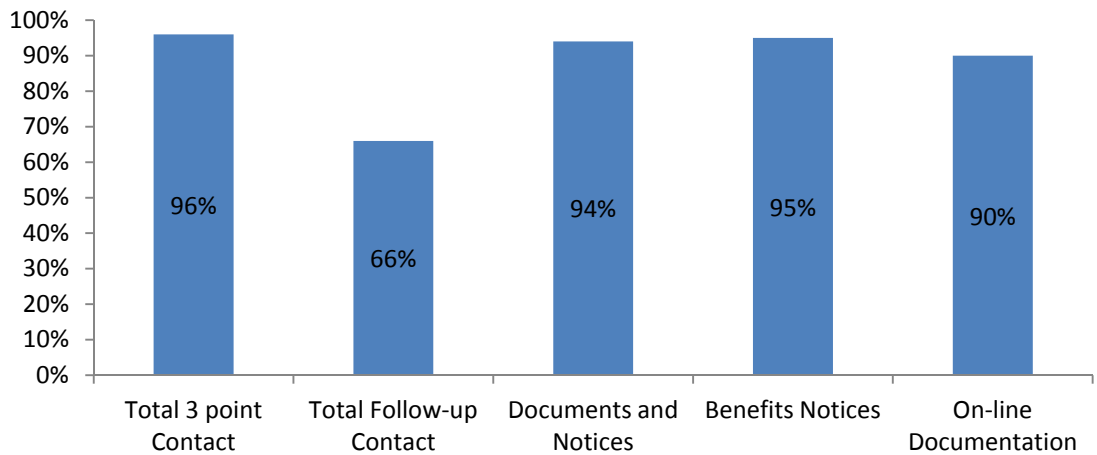
### 2.2. FINDINGS

#### 2.2.1. Findings – Initial Contact and Documentation

The 2013 audit resulted in a 2% decline from the 2010 audit in the category of Initial Contact and Documentation. This area remains one of strong performance for the CSU team with a solid result of 90%.

The following chart illustrates the findings in the subsets within the Initial Contact and Documentation category below:

**Table 2: 2013 In Performance Results Initial Contact and Documentation Result**



As in prior audits, all scores in the sub categories comprising the Initial Contact and Documentation category, with the exception of Follow-Up Contact, demonstrating an excellent result.

The Three Point Contact category remains strong at 96%, an increase of 2% from the 2010 result.

The Follow-Up Contact category evaluates whether ongoing contact is maintained with injured workers throughout the life of the file per the standards outlined in the CSU Client Service Instructions. This sub category again lost ground from the last audit where the result achieved was 76%.

I did note that there were several examiners who maintained excellent ongoing contact with the injured workers throughout the life of the file. This standard needs compliance by all the examining staff. CSU values communication with the injured worker. Maintaining an ongoing dialogue through file resolution will reduce litigation and bring files to closure quicker.

The Documents and Notices category also remains strong with a 94% result, a slight drop from 2010's result of 98%. The area that fell below stand is that of DWC-1 at 84%. This is a loss of 12% over the 2010 audit findings.

This sub-category evaluates the documentation of the Claim Form information in the on-line claim system notepad. The initial description of the injury by the injured work on the Claim Form is important and the parameters of the claim are established by the Claim Form. It is therefore critical that the examiner document the details of same to assist in claim management control as the claim ages. It should also be reflected in the Notepad should the Claim Form not be returned by the injured worker. The return of the Claim Form allows the injured worker increased benefits while a claim is on delay or should an indemnity payment be late in delivery.

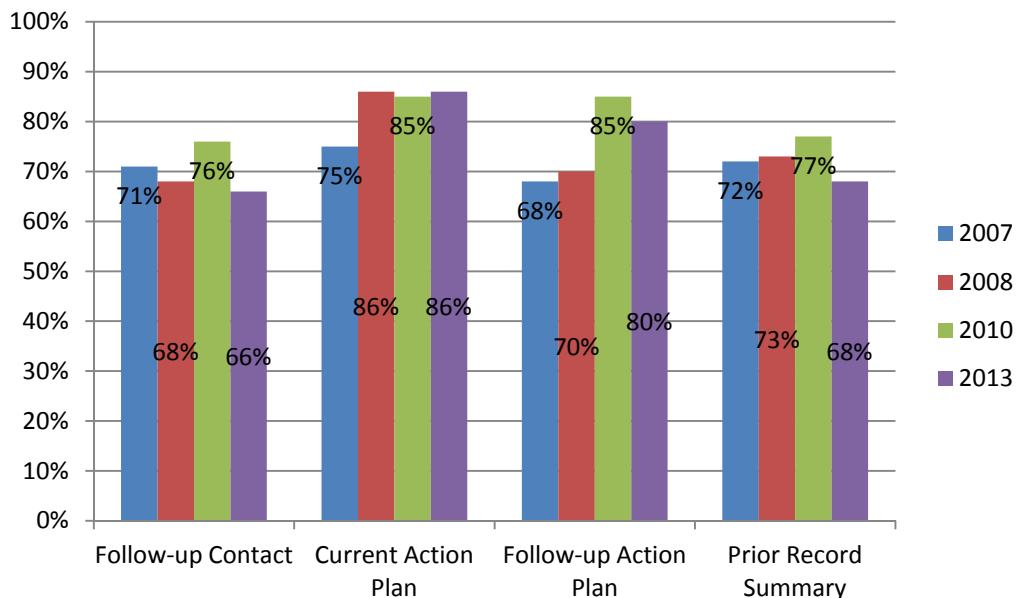
The Benefit Notices category result remains high at 95%, a 2% reduction from 2010.

The On-Line Documentation category remains unchanged from 2010 with a 90% result in 2013. This is a strong result. This area evaluates the documentation of the file road map through concise summary of pertinent issues and the plan, steps or strategy to resolve same.

This category evaluates the documentation of the History of the Injury 100%, the Investigation 97%, the Current Plan of Action 86%, the Follow up on the Plan of Action 80% and the Prior Record Summary 68%. This category gained ground in History (+ 1%), Investigation (+ 3%), and Current Plan of Action (+1%). There were declines in the performance result in the areas of Follow Up on POA (-5%) and Prior Record Summary (-9%).

The chart below chronicles those very few areas where performance has not always met standard in the Initial Contact and Documentation by year.

Table 3: Initial Contact and Documentation by Year



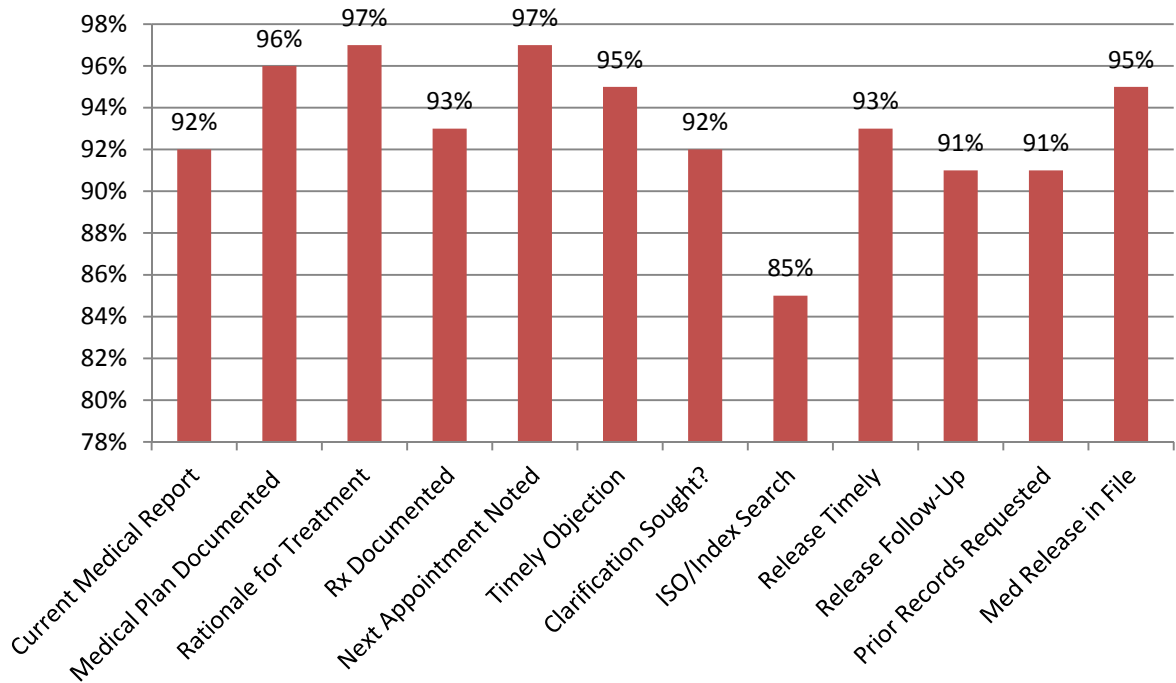
**2.2.2. Findings – Claims Management**

Sedgwick CMS achieved a score of 92% in the Claims Management category in this audit. This is an excellent result and a 1% increase over the 2010 result. The Claims Management category is composed of two sub categories: Medical Direction/Control and Litigation Management. The results in the sub-categories are 93% in Medical Direction/Control and 91% in Litigation Management.

The chart below illustrates the results for the sub-categories that comprise the Medical Direction/Control category. All sub category results surpass the standard.

# Executive Summary

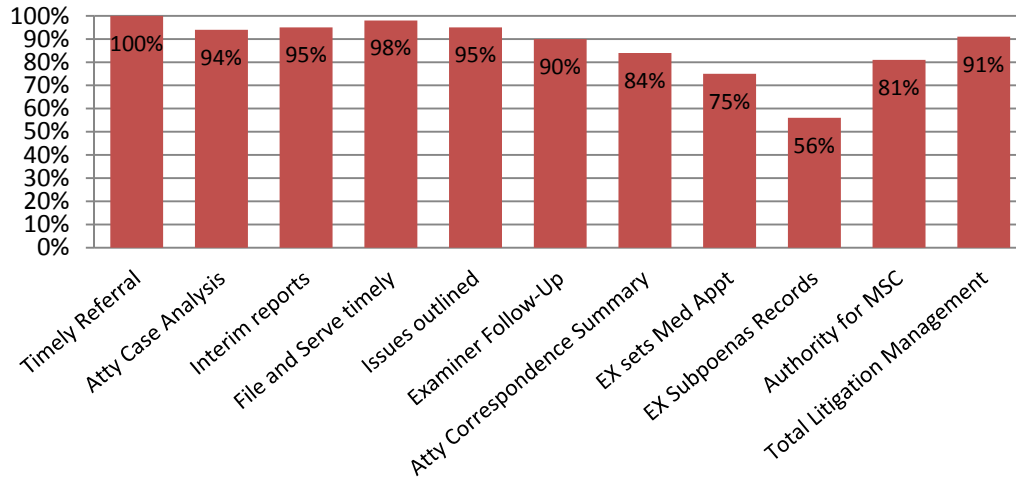
Table 4: 2013 Medical Direction/Control Results



Medical Direction and Control of the claim file continues to remain an area of strength for the CSU claims team with all areas except for ISO/Index Search above standard. This is an excellent result. Medical Direction of the claim file is critical to a claim result Workers' Compensation benefit delivery is based upon medical evidence.

The second component in the overall Claims Management Category is Litigation Management. The score achieved in Litigation Management in the 2013 audit is 91%. While this is an excellent result, it is a slight decrease from the 2010 result of 94%. The following chart illustrates the findings in the subcategories that comprise the Litigation Management category.

**Table 5: 2013 Litigation Management Results**

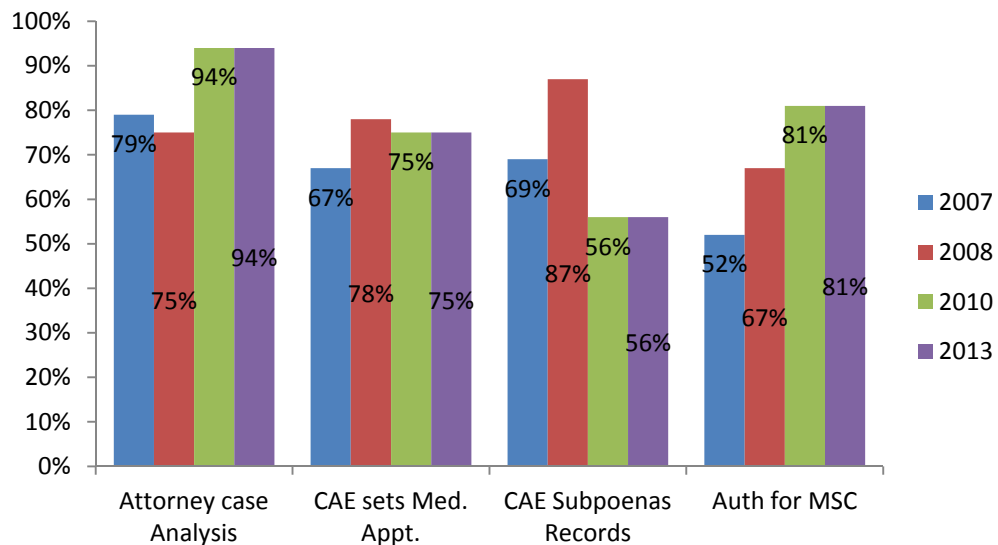


All categories are above standard except for Summary of Attorney correspondence 84%, CAE sets medical appointment (small sample) 75%, and CAE subpoenas medical reports at 56% and Authority for MSC 81%.

The claims examiners are allowing the defense attorney to order records. This is not an efficient use of the attorneys' time or expertise. It is more cost efficient for the CSU to have the claims examiner order the records.

The following chart compares the results found in the last three audits.

**Table 6: Litigation Management by Year**



The 2013 audit demonstrates improvement in the areas of Attorney Case Analysis, and Authority for MSC. There was a decline in the CAE Subpoenas Records category.

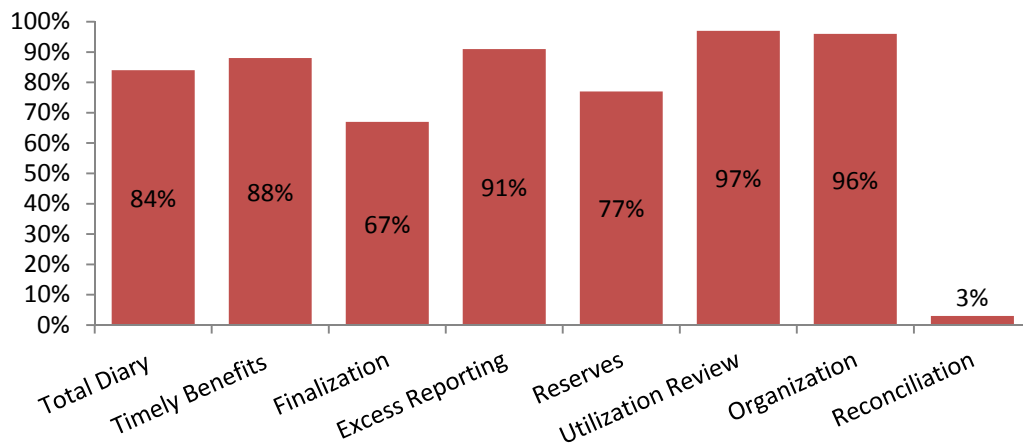
The Attorney Case Analysis category demonstrates that the examiners are documenting the defense attorneys' initial case review consistently. The CAE sets Med Appt category was a small sample set of 3 files. The strong improvement in authority for MSC category is a reflection of the settlement that Sedgwick has undertaken since 2010.

### 2.2.3. Findings – Process Control

The overall score in the Process Control category for the 2013 audit is 82%. This is a decline from the 2010 was 87%.

The chart below displays the findings in the individual sub-categories in Process Control.

Table 7: Process Control Results 2013

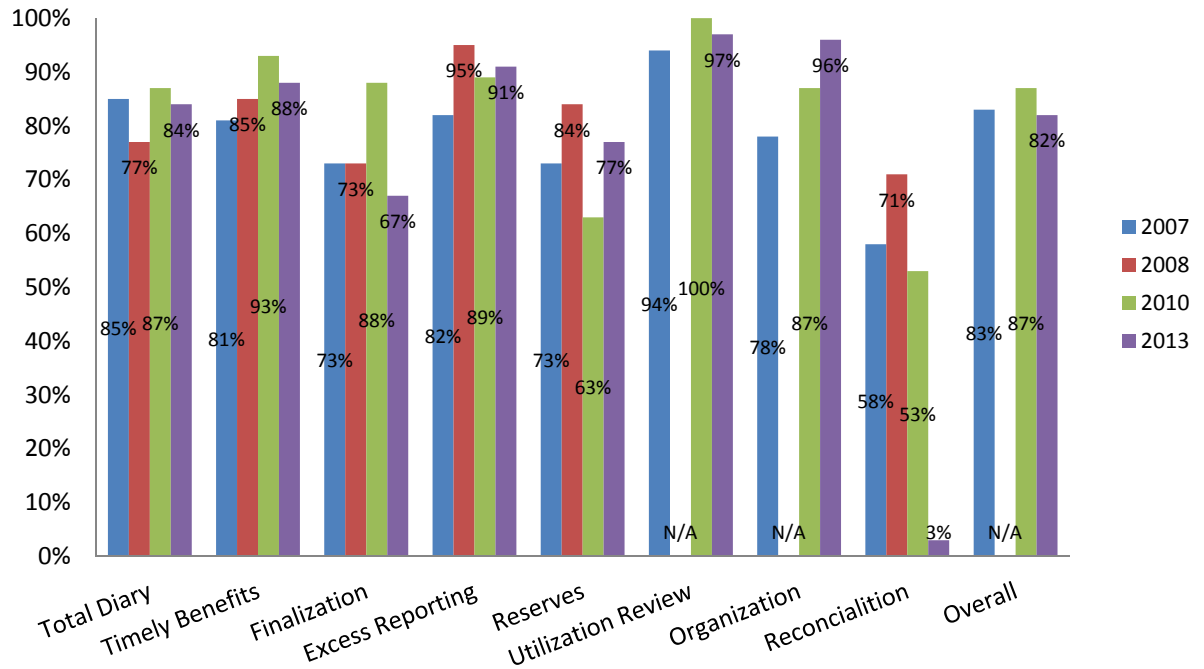


The following categories met or exceeded standard: Excess Reporting 91%, Utilization Review: 97%, and Organization 96%.

The following areas did not meet standard: Timely Benefits 88%, Diary 84%, Finalization 67%, Reserves 77%, and Reconciliation 2%.

The following chart provides a comparison in prior audit findings in specific Process Control sub-categories. If the "mini" audit did not review a specific category, there are only three years of results displayed.

Table 8: Process Control by Year



**Comments:**

**Diary** – Below Standard; 3 % decrease from 2010.

**Timely Benefit administration** – Below standard; 5% reduction from 2010.

**Finalization Result** – Below standard

Ratings are obtained timely with a 93% result. The SAR's (Settlement Authorization Requests) are not being completed through the supervisor/manager approval process in 30 days. This category fell from 66% in 2010 to 30% in 2013.

The Award was accurately paid in 83% of the claims vs. a 100% result in 2010. The audit identified 2 files in which the applicant's attorneys' fees were paid either late or incorrectly.

**Excess Reporting – 91%: Above Standard –**

All initial reports that crossed excess reporting thresholds in the past year were reported timely in the audit sample. Updated reports were late or absent in 23% of the files in the audit sample that require ongoing excess reporting.

Excess initial reporting improved from the prior audit score of 91%. The ongoing reporting timeliness (Report Current) dropped from 86% to 77%; reports were either not completed on time or awaiting supervisory approval.

**Overall Reserve Awareness - Below standard 77%**

Although reserve awareness improved from the prior result of 63%, this category remains below standard. The reserve adequacy improved significantly from a prior score of 71% to a score of 84%. The timeliness of the reserve change does not meet goal at 77%, but has improved significantly from the prior audit score of 54%.

**Reconciliation**, the task of balancing the indemnity payments on the claim file continues to lose ground. In this audit review, a claims balance worksheet was completed in only 3% of the files. The audit uncovered that the automatic diary prompt for performing the annual reconciliation of Indemnity payments did not issue.

It is unknown why the business rule for this diary was discontinued.

#### **2.2.4. Findings – Staff Commentary**

The Sedgwick staffing model has changed over the review period with an addition to staff to handle the high exposure files. There has been some turn over in the Oakland office with 2 examiners leaving the program. These events resulted in a change in claims handler on a number of campus inventories.

Seven campus location scores were below the 90% standard. All but two of these campus locations had examiner changes during the fiscal year. 9 campus inventories achieved overall audit scores greater than 90%. There was no turnover or reassignment in this group of inventories.

### **2.3. RECOMMENDATION**

Listed below are recommendations by category:

#### **2.3.1. CSI Compliance Review**

I continue to recommend annual refresher training on the Client Service Instructions for all staff. This training can also be used to demonstrate the areas of strong performance per the audit finding as well as identifying the areas of improvement needed from the audit report.

#### **2.3.2. CSI update**

The CSI document will be reviewed and updates proposed in response to observations from claim and audit review. These changes are intended to clarify expectations for the claims staff and raise the bar where appropriate.

#### **2.3.3. Program Audits**

Periodic audits will continue to remain an integral component of the WC program oversight. WC claims audits will be conducted every 2 years in the odd numbered year.

## 2.3.4. Training and Development

### Process Improvement Specific Area of Concentration

- **Follow Up Contact** - the importance of ongoing contact with unrepresented injured workers cannot be over stressed. Some examiners are committed to ongoing communication efforts and the documentation of same. In other cases, this appears nearly absent. It is suggested that those examiners with high performance in this area provide guidance to the claims staff to improve performance overall in this category.
- **Diary** - Supervisory diary performance is inconsistent. This area needs improvement. The Operations Manager has recently reorganized the examiner/supervisor assignments to address this issue.
- **SAR Identification and Timeline** –The audit recommendation from the last audit on the SAR process remains in effect.

The last audit recommended a process review for the handling of a Permanent and Stationary report in preparation for the completion of a Settlement Authorization Request (SAR). This recommendation is reiterated at this time. The prior recommendation was that claims procedures be established for the key dates that initiate the SAR evaluation process. The receipt of a permanent and stationary report should initiate the settlement evaluation process. A diary trigger needs to be set to allow sufficient time for the SAR preparation and supervisory review to occur within 30 days from the date of the medical report declaring the employee's status permanent and stationary.

- **Reserve Awareness** – It was noted in this audit that files with inadequate reserves often had occurrences in the review period where payments exceeded incurred values. This is an automatic diary flag in the iVOS system. Reserve adequacy review should be an integral part of all claim diary reviews particularly at the 90 day Action plan review and Supervisor review. Reserves awareness needs to be a concurrent focus with files during benefit administration active medical management or litigation.
- **Reconciliation** – The business rule for the Claims Balance Worksheet needs to be reinstated into the diary function in the iVOS claims system.

### Refresher Training

- **Excess Insurance Standard** – It was previously recommended that Sedgwick's performance standard for compliance to Excess Reporting policies be raised to 95%, with Sedgwick responsible for full compliance with excess carrier reporting policies to ensure full

# Executive Summary

reimbursement opportunities on behalf of the CSU. In the file sample reviewed, this score improved from 90% to 91%. Due to the financial impact these large files have on the CSU's WC program, an annual review of the excess reporting procedures should be conducted by Sedgwick for their claim staff. The reference card with reporting requirements for excess and home office reporting should be updated as excess information changes.

Most of the excess reportable files are currently assigned to one examiner which has demonstrated improved claim handling of this inventory.

- **Excess Insurance Reporting Training** – Again, due to the exposure that excess files pose for the CSU WC program, refresher training on timeliness of reporting for new and ongoing reports should be reviewed annually.

**Conclusion:**

This audit documents that Sedgwick is performing at a high level but can improve in target areas identified above. The claims staff excel in the areas of Three Point Contact, Documents and Notices, Benefit Notices, On-line Documentation, Medical Direction and Litigation Management. Campus client feedback indicates an overall high level of Client Satisfaction.

### 3. THE AUDIT

Criteria for the audit encompassed the following three major categories:

- **INITIAL CONTACT AND DOCUMENTATION**
- **CLAIMS MANAGEMENT**
- **PROCESS CONTROL**

Each criterion was assessed primarily on a quantitative assessment of whether appropriate documentation was present. In some instances, a degree of qualitative assessment was necessary to decide if documentation was adequate. Documentation was viewed online as Sedgwick has been in a paperless environment for several years. A total of 5515 points was possible. Percentage scores were calculated for each criterion as well as for each category.

Results in each category are compared to the standards set forth in the Service Agreement and Client Service Instructions.

#### **4. AUDIT FORMAT**

Detailed findings for each major category, as well as each criterion, are presented in the following pages of this section. The presentation follows the format below:

##### **MAJOR CATEGORY**

**CRITERION:** (1 through X)

**OVERVIEW:** A brief statement describing the importance of this criterion.

**ASSESSMENT:** Statement of performance requirement for this criterion as called for in the Service Agreement. Description of approach used to assess compliance.

**SCORE:** Numerical findings.

**SUMMARY AND RECOMMENDATIONS:** Suggestions for improved performance in this major category.

## 5. AUDIT RESULTS

### 5.1. INITIAL CONTACT AND DOCUMENTATION

The Initial Contact and Documentation categories are made up of sub-groups consisting of: Three Point Contact, Follow-Up Contact, Documents and Notices, Benefit Notices and On-line Documentation.

#### 5.1.1. Initial Contact and Documentation, Three Point Contact

**OVERVIEW:** To make a determination of compensability on each claim, an examiner must investigate all the facts of the injury. This requires communication with the injured worker, the employer and the physician. The injured worker relates the facts of the injury, the employer verifies these facts and the physician gives an opinion as to whether the injury is consistent with the facts as related by the injured worker.

CSU believes that the first contact with the injured worker is the most significant step in initializing a claim. Speaking directly to the injured worker is the best way to get the most information about the facts of the claim. The investigation process is critical to making informed compensability decision. Direct contact also provides the opportunity to give the most accurate information to the employee regarding the process. Most injured workers have a very limited understanding of the workers' compensation process. Personal contact by the examiner can relieve anxiety and can give the employee confidence that their claim will be handled professionally and in a timely manner.

Contacting the employer at the time a new report of injury is received enables the adjuster to verify all pertinent information. It allows the employer to share any concerns about the facts of the injury and to give the adjuster any additional information not addressed in the Form 5020.

Contact with the supervisor provides an opportunity to validate the injured workers history of events, gather information about the physical requirements of the job and possible mod duty options and give a broader picture of the injured worker as an employee.

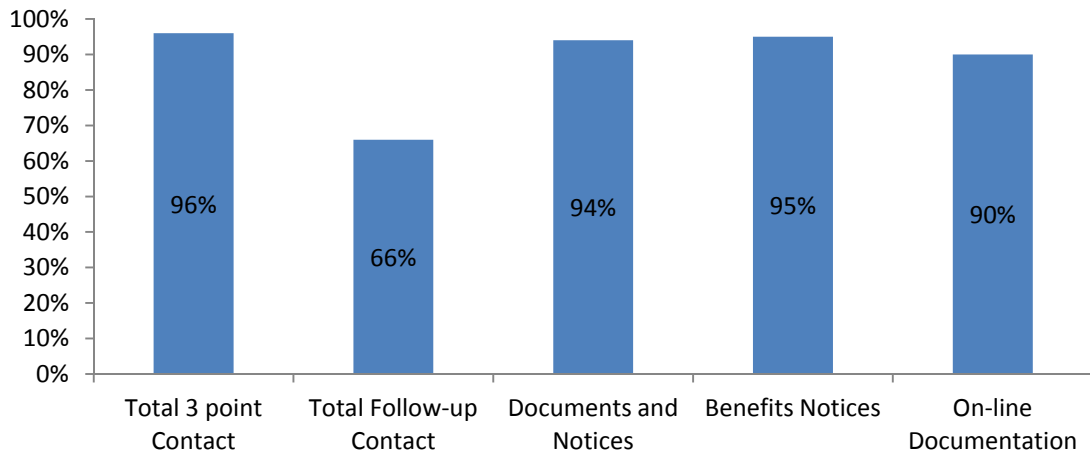
The Client Service Instructions do not require physician contact within one day of notice of claim. This is optional, if the medical information is available by medical report. If the Doctor's First Report of Injury (Form 5021) is not available, a discussion with the physician or medical office will provide necessary information on diagnosis, work status and treatment.

**ASSESSMENT:** The Service Agreement and the CSI require that Sedgwick contact the key individuals: Employee (EE), Workers' Compensation Coordinator (WCC), and Supervisor, within one working day of Sedgwick CMS's knowledge of the injury. If the Claims Examiner is unable to make contact on the first day, subsequent calls should be made until each of the individuals is contacted. A compliance of 90% is required.

**SCORE: 96%** - The initial investigation of a claims file continues to be an area of strength for the Sedgwick claims staff. The CSI's require that the injured worker, supervisor and coordinator be contacted within one work day once an injury is reported. Contact with the medical facility is optional within the one day time frame. The scores in these items ranged from 85% to 100% demonstrating a strong commitment to this protocol. Early contact ensures that both employee's and employer's concerns are addressed and that an investigation is undertaken to determine that benefits are appropriate.

There are 5 campus inventories with scores below 90% in this category. I recommend that the supervisors work directly with those staff members where the standard has not been met to improve performance in this area.

Table 9: Three Point Contact Result 2013



**5.1.2. Initial Contact and Documentation – Follow-up Contact**

**OVERVIEW:** The Customer Service Instructions require that unrepresented employees be contacted every fourteen days when losing time from work. For all other employees, contact shall be maintained at sixty day intervals.

**ASSESSMENT:** The online notes were reviewed to determine if phone contact was made at the sixty day interval on unrepresented employees during the last 180 days or at 14 day intervals as defined in the CSI.

**SCORE: 66% - did not meet standard**

**SUMMARY AND RECOMMENDATIONS:** While timely initial contacts remain one of the claims department's strengths, sustaining an ongoing dialogue with the injured worker remains a struggle. This category has lost ground from the last audit review. Claims where the contact remains active throughout the life of the file will have less litigation and more opportunity to manage the claims process proactively. It is noted that six campus locations attained 100% in this area. I reiterate my recommendations from the last audit:

- Follow-up contact be a standard review category for supervisory diary and internal audits focus on this category
- Examiners establish ongoing employee contact diaries
- The CSI requirement be reviewed with examiners failing to meet the standard of performance in this area
- Peer training be utilized to improve staff wide success in this category.

### 5.1.3. Benefit Notices

**OVERVIEW:** State mandated Benefit notices are required whenever there is a decision point in the benefit delivery for Workers' Compensation. Benefit notices are sent when claims or benefits start, stop, or change; and are delayed or denied. Benefit notices are sent regarding the entitlement to indemnity benefits: Temporary Disability, Industrial Disability Leave, Permanent Disability, and Supplemental Job Displacement benefits.

**ASSESSMENT:** In the confines of this audit review, files were examined to see that the correct notice was sent timely.

**SCORE: 95%**

### 5.1.4. On-line Documentation

**OVERVIEW:** Sedgwick uses the iVOS System as their claims management system. Detailed information regarding each claim is entered by the Claims Examiner, Supervisor and Coordinator. All financial transactions are recorded as well. Access to this information is provided to CSU via the iVOS based claim system.

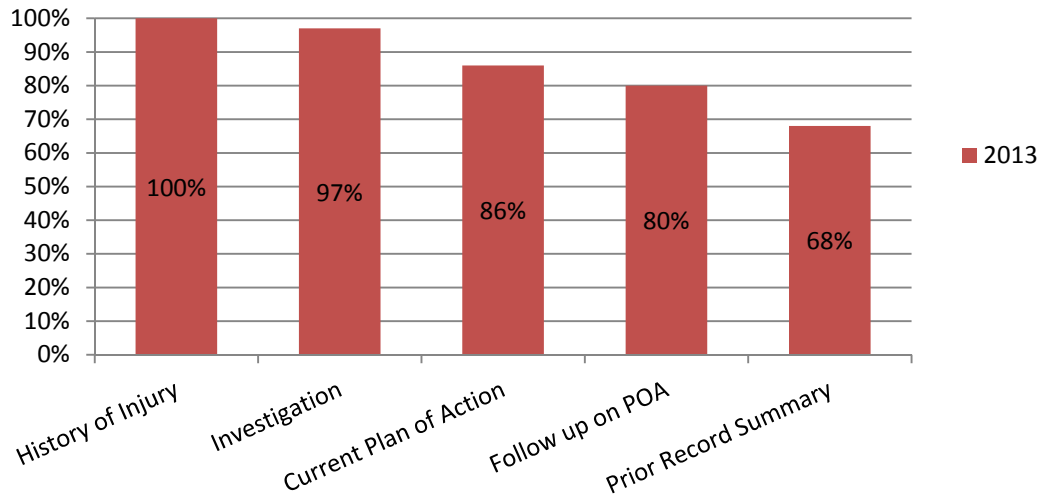
As this access to claim information is CSU's primary tool for monitoring claims, it is critical that details be documented clearly and accurately. The CSI states that all entries will contain appropriate detail, identify the issues of the claim and describe the plan of action being undertaken to resolve these issues. An Action Plan will be documented in the notepad every ninety days on indemnity files and at 180 day intervals on Future Medical files.

Medical records received via medical release or subpoena will be summarized on Notepad.

**ASSESSMENT:** The file documentation in the notepad was reviewed in the following areas: History of Injury, Investigation, Plans of Action (POA); Current POA, Follow-Up POA and Prior Record Summary. The file documentation was reviewed to determine if there was a clear picture of claim events. The file was also reviewed for documentation summarizing subpoenaed medical records and how these records impact the claim exposure. The Service Agreement requires 90% compliance.

**SCORE: 90%**

**Table 10: 2013 On-Line Documentation Result**



The summary result in the On-line Documentation category remains unchanged from the prior audit. The individual sub category results have in three areas: History of Injury, Investigation and Current Plan of Action and declined in the Follow up on Plan of Action and Prior record Summary. The decline in the Follow up on Action Plan was the result of a handful of files dropping off regular diary.

**Prior record summary documentation** lost ground from 77% to 68%. This area needs to be emphasized with staff to ensure full efforts are made to mitigate injury exposure and achieve apportionment wherever possible. When records are obtained it is essential that they are reviewed and any pertinent history documented in the notepad. Nine of the campus locations scored at 100% in this category.

Plans of actions (POA) should be a succinct capsule view of the pertinent history of the claim at the point in time that the POA is developed. As file status changes, so should the POA history. Merely cutting and pasting a prior POA is not meaningful, nor accurate as file events change. I would like to see the Action Plans be the blueprint for the file strategy and issue identification. The content on some of the examiners Action Plans can be improved.

## 5.2. CLAIMS MANAGEMENT

**Overall CLAIMS MANAGEMENT:** The Claims Management category directs and controls the path of the claim to resolution. Directing the medical process determines injury compensability and subsequent benefit eligibility benefits, as well as, the nature and scope of medical care. The goal of claim management is to resolve treatment issues, bring the medical condition to a stable status, return the employee to work, and finalize PD benefits. This is done through a process of

diary management and issue resolution. Claim management requires effective communication with employee, the physician, the employer and attorney. Effective claims management requires competency in WC laws, strong analytical skills, effective time management and good communication.

Claims Management is divided into two overall categories: Medical Direction/Control and Litigation Management. The Service Agreement sets the standard of compliance at an average of 90%.

#### **5.2.1. Medical Direction/Control**

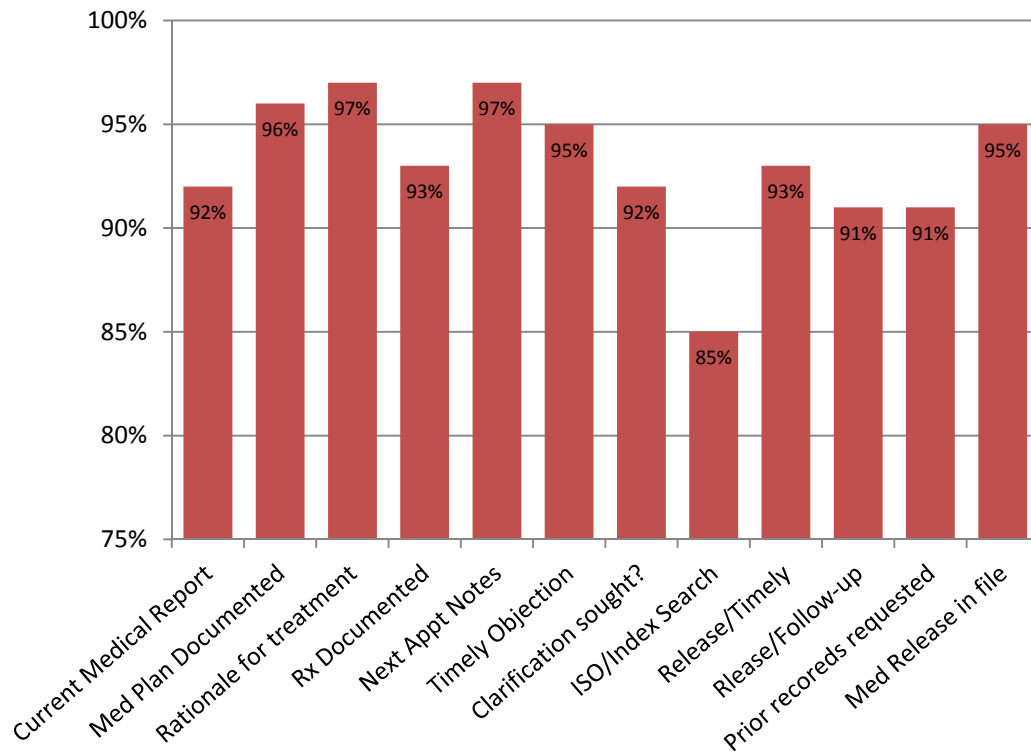
**OVERVIEW:** While effective and efficient management of all aspects of the case is the key to lowering the cost of the claim; medical management is the most critical. This is because the merits of the claim are primarily based upon the medical evidence. In addition, if treatment is not authorized promptly, the recovery period for the injured employee is prolonged. If there is not a current medical report in the file, the case cannot move to finalization.

All physicians must have a complete medical picture. If an employee has had prior injuries to the same body part, the physician should have those records to evaluate the disability of the current injury. In addition, Reform legislation provides for apportionment for pre-existing conditions and prior awards. This can mitigate the financial exposure of the claim. The Examiner must provide the physician a clear and complete presentation of the medical issues affecting case exposure.

**ASSESSMENT:** This audit determined if the categories scored below met the standards set in the CSI agreement. Both an online and physical file review was conducted.

**SCORE: 93%** - This represents a 3% improvement in the prior score of 90%. Excellent result.

Table 11: 2013 Medical Direction/Control Results



#### RECOMMENDATIONS:

There are no recommendations to make in the Medical Direction/Control areas. All categories are above standard. This is an excellent result.

#### 5.2.2. Litigation Management

**OVERVIEW:** Once an applicant's (employee's) attorney becomes involved in a claim, the average cost of the claim rises, due both to the cost of defending the case and the higher average settlement values obtained. When an attorney does become involved, legal costs can be minimized by involving the adjuster in performing as many tasks as possible that lead to the defense of the claim and final resolution. Complex issues can benefit by defense attorney involvement to direct the case appropriately. Proactive management on the claim examiner's part is essential in controlling legal costs.

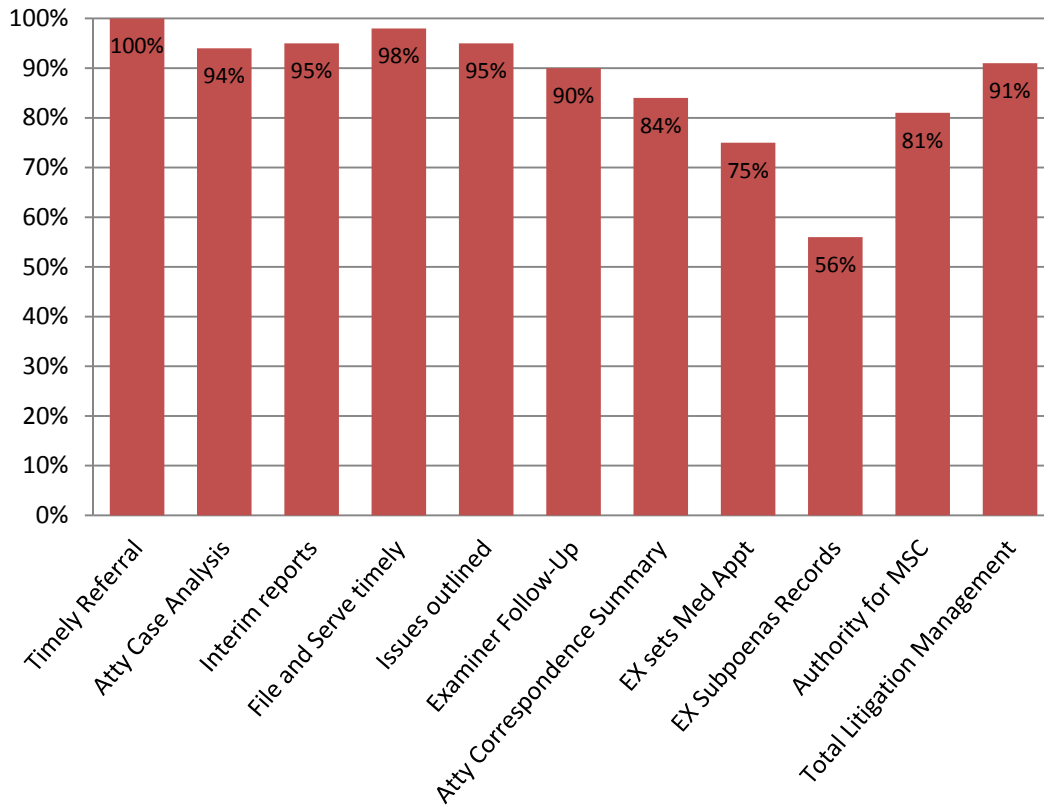
#### ASSESSMENT:

- **Timely Referral:** The audit evaluated whether an attorney was assigned at the appropriate time in the file events.
- **Attorney Case Analysis:** The CSI's and the Service Agreement requires defense counsel to submit a case analysis within thirty days of assignment. The file was reviewed for the documentation of this initial case analysis.

- Interim Reports: The assessment was two-fold in this area: whether the defense attorney provided interim reports timely based upon case events and whether the examiner posted a pertinent summary of the reports to the notepad timely.
- File and Serve timely: The audit assessed whether the claims examiner served medical reports and other information as required on the parties to the litigation or the WCAB as necessary.
- Issues Outlined: The file was reviewed to determine if the pertinent issues were documented in the notepad.
- Claims examiner follow up/direction: The notepad was reviewed to determine if the examiner performed the tasks recommended by the defense attorney.
- Summary of attorney correspondence: The file was reviewed for same. It is now common practice by most of the examiners to paste a complete copy of the attorney's correspondence in the notepad.
- Examiner sets med appt: As addressed in the CSI, the claims examiner will continue to manage the file, including performing administrative tasks, such as setting medical appointments, appointment letters and medical record requests. These tasks are to be completed by Sedgwick staff with few exceptions.
- Examiner subpoenas records: See above
- Authority for MSC: Settlement authority must be obtained well before the Mandatory Settlement Conference date. The WCAB procedures require that a Declaration for Readiness to Proceed (DOR) be filed to seek a hearing date before the board. The timing of the SAR, therefore is tied to the timing of the DOR. The CSI prohibit settlement negotiations without a Settlement Authority Request authorized by the campus and/or the Chancellor's office as necessary. The SAR must be presented to CSU 30 days prior to the defense attorney filing of a Declarations or Readiness. If the DOR is filed by the applicant, the SAR must be submitted within 5 days of receipt of notification.

**SCORE: 91%**

Table 12: 2013 Litigation Management



**SUMMARY AND RECOMMENDATIONS:**

**LITIGATION MANAGEMENT** – There are three areas that do not meet standard in the components of Litigation Management: Summary of Attorney Correspondence- 84%, Examiner sets medical appointment – 75%, and Examiner subpoenas records- 56%.

The supervisory staff should work with those examiners that are not meeting standard in these areas. The attorney correspondence in SIR should correlate with the notations in notepad. In some inventories this is inconsistent.

**5.3. PROCESS CONTROL**

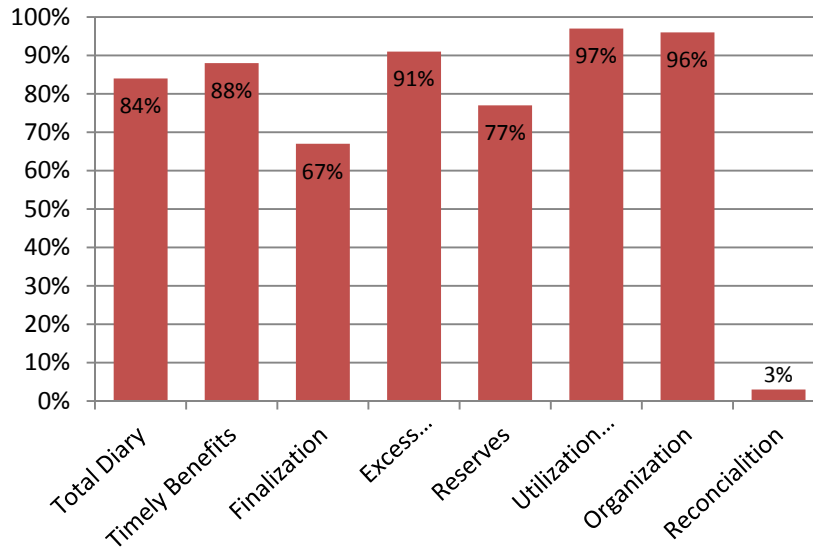
**OVERVIEW:** The process control section evaluates that diary oversight is performed by the examiner and supervisor at CSU prescribed intervals, that benefits are timely delivered to injured workers, that appropriate steps are taken to bring files to resolution upon receipt of a Permanent and Stationary (P & S) report, that excess reporting requirements are met, that reserves are adequate and timely adjusted, that Utilization Review process is timely, files are organized and that a balance reconciliation is conducted at intervals specified in the CSI.

- **Diary** - Examiners are to maintain a 30 day oversight diary on open files. For files where disability is being paid, the file must document that there is medical verification for disability at 14 day intervals consistent with payments. The supervisor is responsible for reviewing new files at 5 days, delayed files throughout the delay process up to and including any denial decisions. Supervisor oversight diary is to be conducted every 90 days on indemnity files. Future medical files require daily oversight at 180 day intervals.
- **Timely Benefits** - The files were reviewed to determine if payments were made on time and/or penalties were paid for late payments.
- **Finalization** - Upon receipt of a P & S report, files were reviewed to determine if the examiner rated the report with 30 days of receipt of the report, drew up a Settlement Authorization Request (SAR) within 30 days of the rating and paid the award correctly/timely once approved.
- **Excess Reporting** - Files meeting excess reportable criteria were reviewed for notification to the excess carrier, that the notice was timely and that the reports were current. Should the excess carrier close their file, Chancellor Office reporting should be maintained until file closure.
- **Reserves** – Reserves should reflect the most probable outcome of the claim based on information readily available at any point in time. As that information changes, reserves should be adjusted accordingly. All reserve calculations should be clearly reflected in the file. The Service Agreement requires that reserves be evaluated and adjusted on a regular basis, but at a minimum any time the medical prognosis changes. The online reserve screen was reviewed for adequacy, and timeliness. A reserve change is considered timely if it is posted thirty days from the event causing the change in the financial outlook of the claim. The rationale should also be documented on the reserve screen, PD ratings should be adjusted for age in occupation to support the PD estimate.

Diary notifications of insufficient reserves were also reviewed to determine if reserve adjustments were timely.

**SCORE: 82%** - Overall Process Control

**Table 13: 2013 Process Control Results**

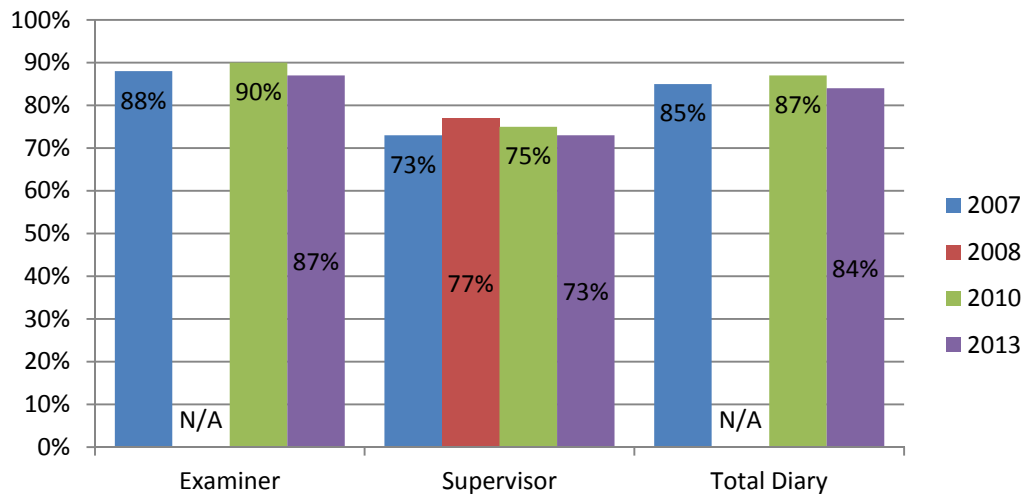


**5.3.1. Diary**

**SCORE: 84%**

The Claims Examiner diary dropped 3 percentage points from 90% at last audit to the current score of 87%. The supervisor diary dropped 2 points from 75% to the current score of 73%. This resulted in an overall decline of 3 percentage points from 87% in 2010 to the current score of 84%. The supervisory diary does not meet standard at this time.

**Table 14: Diary Results by Year**



- **Examiner** - 3% below standard
- **Supervisory Diary** fails to meet standard at this time. While eight (8) campus locations continue to score 100% in the category, there is inconsistency in the ongoing supervisory diary for all campus locations. The turnover in examiner staff impacted the Supervisor result, as the supervisor had to take on examining tasks to cover open inventories intermittently.

**5.3.2. Timely Benefits**

**SCORE: 88%; Below Standard**

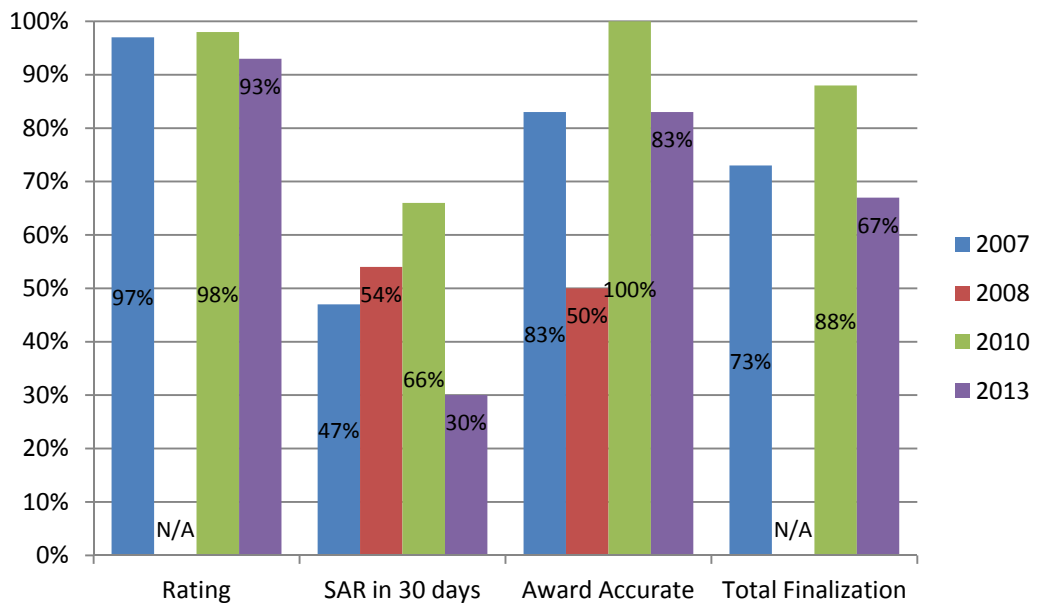
This is good result, but has lost ground from the 93% score previously.

**5.3.3. Finalization**

**SCORE: 67%; below standard**

The components considered in this category result are displayed in the chart below:

Table 15: Finalization by Year



The Finalization category has fallen from the successful strides achieved in the 2010 audit where the result was 88%. Timely ratings improved in this audit to 98% from a prior score of 93%. SAR's in 30 days lost considerable ground from the prior score of 66% to the current score of 30%. Clearly, the timely completion of Settlement Authority Requests needs to be revisited. It appears from the audit that the issue with timely SAR's is twofold. The first is having the examiner complete the SAR when the ratings are obtained. The audit confirms that the ratings are being obtained timely. The SAR completion needs to be tied to the rating process. The other delay in getting

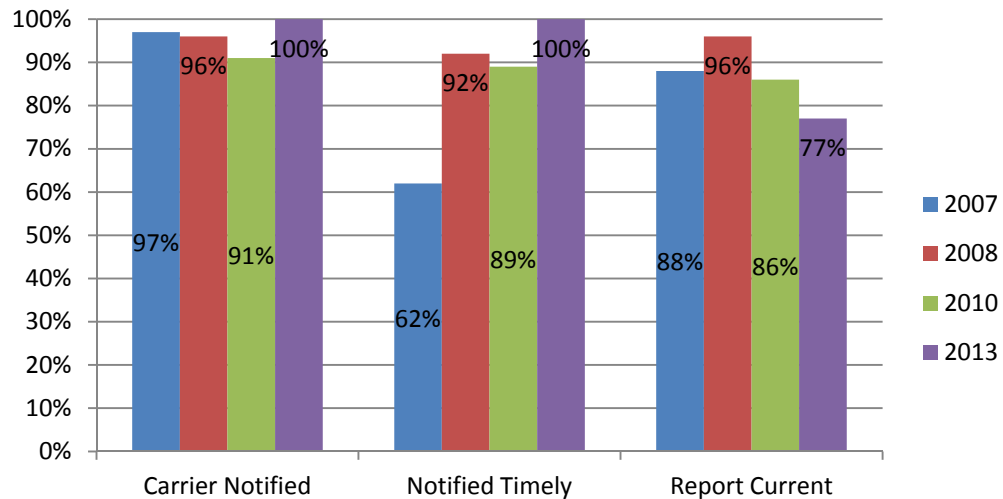
a SAR to the campus for approval appears to be the internal supervisory approval process at Sedgwick. The turnaround time from the drafting of the SAR by the examiner to the sending of the SAR to the campus is delayed by the Supervisor approval of same. This process was noted to take more than 30 days in many cases.

There were two awards identified with errors or delays in the payment of the applicant attorney's fees. This caused the Award Accurate score to drop from the prior finding of 100% to the current result of 83%.

**5.3.4. Excess Reporting**

**SCORE: 91%; above standard**

Table 16: Excess Reporting by Year



Excess reporting improved on the Initial Carrier Notified and Notified Timely result with both categories at 100%. The Report Current category suffered a setback falling from 86% to a below standard result of 77%. Files either had overdue reports or updated reports were sent beyond the established frequency requirement. Timely supervisory review and approval of updated reports will improve the result in this category.

**5.3.5. Reserves**

**SCORE: 77% - below standard – but improved**

Reserves were found to be adequate in 84% of the files reviewed in the sample. This is a marked improvement in the prior result of 71%.

The reserve changes were timely in 71% of the files reviewed. Many of these untimely changes were occasioned by a “payment exceeds incurred diary prompt”. This demonstrates a need to raise the awareness of the file exposure on a timely prospective basis, rather than a reactionary basis.

**5.3.6. Utilization Review**

**SCORE – 97%**

Files were found to have proper and timely UR documentation in all files where UR was appropriate.

**5.3.7. Organization**

**SCORE: 96%**

The audit demonstrated better organization in the scanned file materials in SIR with much fewer duplicates. This makes the files much more readable and it makes it easier to locate documents.

**5.3.8. Reconciliation**

**SCORE: 3%**

The diary prompt for reconciliation no longer existed in iVOS. Therefore, the staff did not complete Claims Balance Worksheets.

**5.3.9. Summary and Recommendations**

Process control has fallen by 5% since the 2010 audit and is now below standard. The categories to target for improvement are reserves, reconciliation, supervisory diary and excess ongoing timely reporting (Report Current) and SAR in 30 days

**PROCESS CONTROL SUMMARY AND RECOMMENDATION**

**DIARY** – Consistent supervisory oversight is needed for all inventories. Supervisor reviews provide opportunity for training and development, create awareness of medical trends and current legal strategies and act as a claim management safety net. Supervisory direction should provide meaningful instruction/advice to the examiner and not be a rote comment that is no longer pertinent to file status. A recent reorganization of claim examiner assignments to Supervisors has been effected to improve timely oversight.

**TIMELY BENEFITS – NO RECOMMENDATIONS**

**FINALIZATION** – Settlement Authorization completion in 30 days has lost ground and below standard. It is recommended that Sedgwick develop process and control oversight to ensure that SARs are timely and appropriately completed upon receipt of a Permanent and Stationary report. The SAR completion needs to be the timely next step to the rating process. If there is some reason that a SAR cannot move forward following the rating, the file should be documented to reflect the reasons for same.

**EXCESS REPORTING** – Initial timely reporting of excess files was 100% in this audit sample.

CSU moved the excess coverage for WC files from SELF effective 7/1/2004 SIR reporting level also increased to 1.25M. Therefore the population of files that falls into the SELF 365 reporting category is limited.

Most of the high value files are now assigned to a single examiner in the claims unit. This will allow for better consistency and control of the excess files. The examiner assigned to this desk, is thorough and conscientious.

**RESERVES** – There is a need to realistically estimate the probable ultimate cost of the claim file timely. Adjustments should be made timely (within 30 days) of an event that changes the financial exposure of a claim. Such events can be indications for surgery, loss time from work, litigation, pattern of medical treatment use etc.

Overall adequacy improved in this audit sample. The areas to focus on for improvement is that of the timing of the reserve change. In no circumstance, should a reserve category be exhausted before the reserves are increased for the file exposure.

**UTILIZATION REVIEW** – No recommendations

**ORGANIZATION** – No recommendations

**RECONCILIATION** – The Service Agreement requires balancing of each file annually and at time of closing. This task has literally disappeared from the claim management. The diary business rule shall be reinstated and training provided in this area. Supervisors need to monitor file reconciliation for completion.

## 6. STAFFING

### OVERVIEW

The Staffing model was revised effective July 1, 2013. Two more claims assistants were added to the program. A claims examiner position was added July 1, 2012. The assignment of examiners to Supervisors was recently realigned.

Sedgwick services the 24 CSU campus locations from two offices. The campuses are currently assigned as follows:

1. **Oakland Supervisor:** Campus locations served: Long Beach, San Marcos, San Jose State, San Francisco State, Cal Poly Pomona, Humboldt, Sonoma, CA Maritime, East Bay, Dominguez Hills, Fullerton, Los Angeles, Stanislaus, and Monterey Bay. This office is staffed with one Supervisor with 7 examiners reporting to the supervisor.
2. **Rancho Cordova Supervisor:** Campus locations: the Fresno, Chico, Sacramento, Channel Islands, Chancellor's Office, Cal Poly San Luis Obispo, San Diego, Bakersfield, San Bernardino, and Northridge campuses. The office is staffed with, one Supervisor and 5 Examiners for the campus program and one examiner for the AORMA program. The Program Manager oversees the examiner handling the high value claims.
3. The attached spreadsheet indicates the campus assignments, and inventory count of each Claims Examiner. It also provides the years of experience in workers compensation, years of experience with Sedgwick, Self Insurance Plans Certificate and any other designation.

The Service Agreement requires that all adjusters have an equivalent of five years experience handling workers' compensation claims. All must attain a Self-Insured Plans Certificate within six months of hire date. Supervisors at Sedgwick CMS must have a minimum of ten years experience handling/supervising claims.

### ASSESSMENT:

The average caseload assignment was 122 files at the time of audit. This is a reasonable caseload given the claims assistant support.

A program analyst and 3 claims assistants also provide support to the campus WC program.

### SUMMARY AND RECOMMENDATIONS:

In addition to the specific category recommendations identified in this audit report, it is important when caseloads are reassigned or new examiners join the team that they are fully integrated into the CSU program. This audit review identified a handful of files that had notable handling gaps. These files were in inventories where there had been an examiner change. It is critical that an inventory action plan be in place when there is a change in handler.

# STAFFING

Adherence to diary management by examiners and supervisors will ensure that all files are moving toward resolution. Caseload management should be reviewed no less than quarterly by Sedgwick. Program Management oversight is essential to ensure overall consistency and observance of the Client Service Instructions.

There are some strong performing examiners assigned to the CSU program as evidenced by 10 campus inventories scoring at 90% or higher in this audit review.



**Sedgwick CMS**

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**Response to the CSU  
Workers' Compensation Claims TPA Audit  
2013 Report**

Prepared by  
Trish Daniels  
Operations Manager

Sedgwick CMS  
P.O. Box 3170  
Rancho Cordova, CA 95741



**Sedgwick CMS**

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P.O. Box 3170, • Rancho Cordova, CA 95741  
PHONE: (916) 771-2981 • FAX: (916) 771-2990

December 12, 2013

Jacki Graf  
Assistant Vice President  
Alliant Insurance Services, Inc  
100 Pine Street, 11th Floor  
San Francisco CA 94111

Dear Jacki:

It is our pleasure to provide you with a response to your report memorializing the results of the 2013 CSU audit.

The overall score is reported as 87% of the established performance standards. Following the last audit, the performance standard was raised from 85% to 90%. Although there has been marked improvement in individual categories in response to the 2010 audit findings, we regret that Sedgwick's overall score fell below the threshold of a passing score in 2013. Of note, we received a passing score in two of the three major categories of the audit. We will build from this to improve our overall score and achieve a passing score in the next audit.

Sedgwick is committed to its partnership with the CSU and Alliant. We strive to not only meet and exceed expectations, but to maintain strong working relationships and produce quality outcomes. The following report addresses the opportunities for improvement identified during the audit and provides Sedgwick's action plan to bring these areas into compliance. We appreciate the thorough and thoughtful review provided in your analysis and will use your feedback to assist in evaluating processes and instituting process changes in order to strengthen the results of the CSU's Workers' Compensation program.

Should you have any questions, please don't hesitate to contact me.

Sincerely,

Trish Daniels  
Operations Manager  
Sedgwick CMS

Cc: Zachary Gifford, Associate Director Systemwide Risk Management & Public Safety,  
California State University



## Response to Findings/Recommendations:

### 5.1.2 Initial Contact and Documentation-Follow-up Contact

#### **Auditor's Recommendation:**

- Follow up contact be a standard review category for supervisory diary and internal audits focus on this category
- Examiners establish ongoing employee contact diaries
- The CSI requirement be reviewed with examiners failing to meet the standard of performance in this area
- Peer training to be utilized to improve staff wide success in this category

#### **Sedgwick's Action Plan for Compliance:**

- A separate line item will be included in supervisor reviews and action plan templates, addressing follow up contact with unrepresented injured workers
- Supervisors will ensure examiners have scheduled appropriate diary follow ups to ensure compliance with CSIs
- A separate focus audit has been requested by Sedgwick's internal audit department for completion in June 2014 to evaluate progress in this area. Additional audits will be conducted in order to ensure continued compliance.

### 5.2.2 Litigation Management

- **Summary of Attorney Correspondence, Examiner Sets Medical Appointments and Examiner Subpoenas Medical Records**

**Auditor's Recommendations:** There are three areas that do not meet standard in the components of Litigation Management: Summary of Attorney Correspondence- 84%, Examiner sets medical appointment – 75%, and Examiner subpoenas records- 56%.

The supervisory staff should work with those examiners that are not meeting standard in these areas. The attorney correspondence in SIR should correlate with the notations in notepad. In some inventories this is inconsistent.

**Sedgwick's Action Plan for Compliance:** As the defense attorney panel is revised in 2014, we will bring awareness to all litigation service standards for the CSU, including the role and responsibilities of the examiner. Additionally, supervisors will incorporate the review of litigation management in their ongoing file reviews to ensure compliance in these areas.



### 5.3.1 Diary

**Auditor's Comments:** Consistent supervisory oversight is needed for all inventories. Supervisor reviews provide opportunity for training and development, create awareness of medical trends and current legal strategies and act as a claim management safety net. Supervisory direction should provide meaningful instruction/advice to the examiner and not be a rote comment that is no longer pertinent to file status. A recent reorganization of claim examiner assignments to Supervisors has been effected to improve timely oversight.

**Sedgwick's Action Plan for Compliance:** As indicated, there was a recent reorganization of claims examiner assignments to supervisors. This change should generate an improvement in timely supervisory reviews. Additionally, there was some turnover during the audit review period, requiring one supervisor to take on claims handling tasks in order to ensure timely completion of essential tasks. The team has since stabilized and the supervisor has been able to return focus to claim oversight.

### 5.3.3 Finalization

- **Timely SAR Completion**

**Auditor's Recommendations:** Settlement Authorization completion in 30 days has lost ground and below standard. It is recommended that Sedgwick develop process and control oversight to ensure that SARs are timely and appropriately completed upon receipt of a Permanent and Stationary report. The SAR completion needs to be the timely next step to the rating process. If there is some reason that a SAR cannot move forward following the rating, the file should be documented to reflect the reasons for same.

**Sedgwick's Action Plan for Compliance:** Tracking of the finalization process through iVOS is currently in development. A follow up diary will be set for SAR preparation 12 days and another reminder at 25 days after receipt of a Permanent and Stationary report. A supervisor follow up diary will also be set on the 25<sup>th</sup> day to ensure that SAR completion is on track or rationale is posted as to why the claim is not yet in a position for settlement. Reports will be established in order to monitor compliance with timeframes. Timeliness will be assessed during supervisor reviews and will be addressed when reviewing overall examiner performance. Review of this turnaround time will also be included in the focus audit in June 2014.



### 5.3.5 Reserves

**Auditor's Recommendations:** There is a need to realistically estimate the probable ultimate cost of the claim file timely. Adjustments should be made timely (within 30 days) of an event that changes the financial exposure of a claim. Such events can be indications for surgery, loss time from work, litigation, pattern of medical treatment use etc.

Overall adequacy improved in this audit sample. The areas to focus on for improvement is that of the timing of the reserve change. In no circumstance, should a reserve category be exhausted before the reserves are increased for the file exposure.

**Sedgwick's Action Plan for Compliance:** The importance of timely and accurate reserving is continually reinforced with the examiners. Supervisors will address reserve timeliness and accuracy at each review. Reports are generated monthly to identify under-reserved payments to identify training opportunities for individual examiners evidencing a trend in this practice. This requirement will also be reviewed during the follow up focus audit to be completed by Sedgwick in June 2014.

### 5.3.8 Reconciliation

**Auditor's Recommendations:** The Service Agreement requires balancing of each file annually and at time of closing. This task has literally disappeared from the claim management. The diary business rule shall be reinstated and training provided in this area. Supervisors need to monitor file reconciliation for completion.

**Sedgwick's Action Plan for Compliance:** The business rule will be reinstated immediately. Training will be provided in regard to preparing a Claim Balance Worksheet and examiners will be reminded of the need to complete the form on an annual basis as well as at the time of closing.

**CSURMA Administrative Service Calendar**

**ISSUE:** This item is provided as an information item to advise the Executive 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 Executive Committee and Board of Directors. It is to be provided for information with each agenda packet.

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

**FISCAL IMPACT:** No direct fiscal impact is expected from action at today's meeting.

**BACKGROUND:** None.

**ATTACHMENT(S):** CSURMA Administrative Services Calendar

# CSURMA SERVICE CALENDAR

AS = Alliant Insurance Services Staff  
 BOD = Board of Directors  
 AC = Accounting

EC = Executive Committee  
 RM = System wide Risk Management

Date	Activity	Completed by
<b>JANUARY</b>		
01/06/14	Statement of Facts – Roster of Public Agencies - file with State & County	AS
01/06/14	AORMA Renewal Premium Estimates to members	AS
01/10/14	Form 700 - mail to BOD and Committee members – return deadline 03/21/14	AS
01/15/14	Quarterly DE-6 (as of 12/31) - request to members	AS
01/31/14	WC/Liability – estimated WC payroll	AS
<b>FEBRUARY</b>		
02/17/14	Reminder – Form 700s to Board and Alternate Members	AS/JPA Admin
02/20/14	Send email to EC/AORMA reminding of 3/20/14 meeting - Quorum	AS
02/24/14	EC/EC LRP/AORMA Agenda Prep meeting – Agenda out 03/10/14	AS/JPA Admin
<b>MARCH</b>		
03/03/14	Actuarial Study - receive draft and forward to RM	AS
03/03/14	EC/EC LRP/AORMA Agenda Prep Meeting – Agenda out 03/10/14	AS/JPA Admin
03/10/14	EC/EC LRP/AORMA Committee – mail agendas for 03/20/14 meetings	AS/JPA Admin
<b>03/20/14</b>	<b>AORMA Committee Meeting</b>	<b>AORMA</b>
<b>03/20/14</b>	<b>Executive Committee Meeting</b>	<b>EC</b>
<b>03/21/14</b>	<b>Executive Committee LRP</b>	<b>EC</b>
(meeting)	Claims Auditor - evaluate and consider RFP (Liability odd years/WC even years)	EC
(meeting)	Service Provider Performance Evaluations - submit responses for review	EC
(meeting)	Quarterly Investment Reports - submit for approval	EC
(meeting)	Quarterly Financials (as of 12/31) - submit for approval	EC
(meeting)	FY 2014/15 Budget - submit for review	EC
(meeting)	Liability WC Banking & Shared Risk Layers-deposit calculations for review (excess WC & Liability & Admin costs pending)	EC
(meeting)	Appoint Campus Risk Pool Rating Plans Task group every 3 years (2014, 2017, 2020)	EC
(meeting)	Annual review of data security polices	EC
(meeting)	Annual review of policies and procedures (Even & Odd Years)	EC
(meeting)	Appoint Nominating committee	EC
(meeting)	Annual review of applicable ICSUAM policies	EC
(meeting)	Status of form 700's to EC	AS
<b>03/21/14</b>	<b>Form 700s - receive from Board Members and Alternates</b>	<b>AS/JPA Admin</b>

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Date	Activity	Completed by
<b>APRIL</b>		
04/01/14	Form 700s - file with FPPC	AS/JPA Admin
04/08/14	Send email to AORMA reminding of 05/09/14 meeting - Quorum	AS/JPA Admin
04/09/14	Send email to BOD reminding of 05/09/14 meeting - Quorum	AS/JPA Admin
04/14/14	EC & BOD Agenda Prep Meeting	AS/JPA Admin
04/15/14	Alliant begins contact with various contractors regarding renewal terms	AS
04/15/14	Quarterly DE-6 (as of 03/31) - request to members	AS
04/15/14	Send annual renewal certificate spreadsheets to members – due 1 month	AS
04/15/14	Quarterly Losses - receive from Sedgwick (as of 03/31)	RM
04/21/14	EC & BOD Agenda Prep Meeting	AS/JPA Admin
04/29/14	EC & BOD Agendas - mail agendas for 05/09/14 meetings	AS/JPA Admin
<b>MAY</b>		
05/01/14	Send Inland Marine Permanent Collection to members for review	AS
<b>05/08/14</b>	<b>AORMA Committee Meeting</b>	<b>AORMA</b>
<b>05/09/14</b>	<b>Executive Committee Meeting</b>	<b>EC</b>
(meeting)	Quarterly Financials (as of 03/31) - submit for approval	EC
(meeting)	Quarterly Investment Reports (as of 03/31) - submit for approval	EC
(meeting)	Liability and WC Program Deposits - review 2014 revisions	EC
(meeting)	Program Administration Contract – submit for approval (as needed)	EC
(meeting)	Systemwide Risk Services Agreement	EC
(meeting)	WC Claims Administration Contract - submit for approval <i>(as needed)</i>	EC
(meeting)	Accounting Services MOU - submit for approval <i>(as needed)</i>	EC
(meeting)	Legal Services MOU - submit for approval <i>(as needed)</i>	EC
(meeting)	Conflict of Interest Code-submit for approval <i>(every even-numbered year)</i>	EC
(meeting)	Insurance renewal delegation of authority	EC
(meeting)	Liability Memorandum of Coverage FY 2014/15 – submit for approval	EC
(meeting)	WC Memorandum of Coverage FY 2014/15 – submit for approval	EC
(meeting)	Annual Budget - submit for review	EC
(meeting)	2014 Nominating Committee - select & nominate	EC
<b>05/09/14</b>	<b>Board of Directors Meeting</b>	<b>BOD</b>
(meeting)	Annual Budget - submit for adoption	BOD
(meeting)	Liability and WC FY Banking & Shared Risk Layer Program	BOD
(meeting)	Elections to Board of Directors	BOD
05/15/14	Send Member Vehicle Schedule/ APD Proposal for review	AS

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Date	Activity	Completed by
<b>JUNE</b>		
06/01/14	Club Sports Program – Request census information for renewal	AS
06/15/14	Begin preparation of CAJPA Standards review (2014 and every 3 years thereafter)	AS
06/15/14	Finalize Member Vehicle Schedules/ Bind APD Renewal	AS
06/25/14	Send certificates to Certificate Holders and Members	AS
<b>JULY</b>		
07/01/14	Send renewal binders invoices & summaries to Members	AS
07/01/14	Financial audit prep with KPMG	AC/RM/AS
07/01/14	Send Auto ID Cards to AORMA members	AS
07/10/14	Submit FY ascend claim data to actives	AS
07/15/14	Final FY Payroll - request from chancellor's office	AS
07/21/14	Upon receipt of loss data begin semi annual loss charts for RM meeting in October and to be sent to Members	AS
07/29/14	Send quarterly DE-6 (as of 06/30) to CJPRMA	AS
<b>AUGUST</b>		
08/01/14	Request WC final audit information from AORMA	AS
08/11/14	EC – Email reminding of 09/12/14 meeting - quorum	AS/JPA Admin
08/11/14	EC – Agenda Prep meeting – Agenda out 09/02/14	AS/JPA Admin
08/18/14	EC – Agenda Prep meeting – Agenda out 09/02/14	AS/JPA Admin
<b>SEPTEMBER</b>		
09/01/14	Annual Report of Financial Transactions – Start Process	AC
09/01/14	Public Self Insurer's Annual Report for JPA & Members – Start Process	AS/SEDGWICK
09/01/14	Stewardship Report	AS
09/02/14	EC Agenda - mail for 09/12/14 meetings	AS/JPA Admin
<b>09/10/14</b>	<b>AORMA Committee LRP</b>	<b>AORMA</b>
<b>09/11/14</b>	<b>AORMA Committee Meeting</b>	<b>AORMA</b>
<b>09/11/14</b>	<b>Executive Committee Orientation</b>	<b>EC</b>
<b>09/12/14</b>	<b>Executive Committee Meeting</b>	<b>EC</b>
(meeting)	Quarterly Investment Reports (as of 06/30) - submit for approval	EC
(meeting)	Quarterly Financials (as of 06/30) - submit for approval	EC
(meeting)	Review financial audit or DRAFT	AC
(meeting)	Review and approve actuarial studies	EC
(meeting)	Campus Risk Pool Rates	EC
(meeting)	Investment policy	EC

# CSURMA SERVICE CALENDAR

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Date	Activity	Completed by
09/11-13/14	CAJPA Fall Conference and Training Seminar	
09/24/14	EC & BOD – email reminding of meeting - quorum	AS/JPA Admin
09/30/14	EC & BOD – Agenda Prep meeting – Agenda out 10/13/14	AS/JPA Admin
<b>OCTOBER</b>		
10/01/14	Annual Report of Financial Transactions - File	AC
10/01/14	Public Self Insurer's Annual Report for JPA & Members - File	AS/SEDGWICK
10/07/14	EC & BOD – Agenda Prep meeting – Agenda out 10/13/14	AS/JPA Admin
10/12/14	AORMA Agenda - mail for 10/23/14 meeting	AS/JPA Admin
10/13/14	EC Agenda - mail for 10//14 meeting 11/6	AS/JPA Admin
10/13/14	Board of Directors Agenda - mail for 10/24/14 meeting 11/6	AS/JPA Admin
<b>10/23/14</b>	<b>AORMA Meeting</b>	<b>AORMA</b>
<b>10/24/14</b>	<b>EC Meeting</b>	<b>EC</b>
<b>10/24/14</b>	<b>Board of Directors Meeting</b>	<b>BOD</b>
(meeting)	Financial Audit – review draft submission	EC
(meeting)	2015 Meeting Calendar - submit for approval	EC
(meeting)	2015 Service Calendar - submit for approval	EC
(meeting)	Quarterly Investment Reports (as of 09/30) - submit for approval	BOD
(meeting)	Quarterly Financials (as of 09/30) - submit for approval	BOD
(meeting)	2015 Meeting Calendar - submit for approval	BOD
(meeting)	2015 Service Calendar - submit for approval	BOD
(meeting)	Investment Policy - submit for approval	BOD
(meeting)	CAJPA review report (2014 and every 3 years thereafter)	BOD
(meeting)	Marketing Plan & Renewal Timeline - submit for approval	BOD
(meeting)	Claims Administration Audit ( <i>GL odd years, WC even years</i> ) - submit for approval	EC/AIME/AORMA
(meeting)	Quarterly Investment Reports - submit for approval	BOD
(meeting)	Quarterly Financials (as of 6/30) - submit for approval	BOD
(meeting)	Target Equity Presentation – September AORMA	AS
(meeting)	FY 2013/14 Financial Audit - submit for approval	BOD
(meeting)	Financial Audit – review and update	AC
(meeting)	Loss Analysis charts (as of 06/30) SEPTEMBER	AORMA
(meeting)	Student Travel Accident Insurance Renewal	EC
10/30/14	Request AORMA Renewal Information	AS
<b>NOVEMBER</b>		
11/04/14	EC– Agenda Prep meeting – Agenda out 11/24/14	AS/JPA Admin
11/15/14	Property (location schedules) - request member review	AS

# CSURMA SERVICE CALENDAR

AS = Alliant Insurance Services Staff  
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 RM = System wide Risk Management

Date	Activity	Completed by
11/11/14	EC– Agenda Prep meeting – Agenda out 11/24/14	AS/JPA Admin
11/23/14	AORMA Agenda - mail for 12/04/14 meeting	AORMA
11/24/14	Executive Committee Agenda - mail for 12/05/14 meeting	EC
11/28/14	Email program manual to members	AS
11/28/14	Confirm BOD Member & Alternate on file	AS
11/28/14	Campus risk pool deductible – Confirm (Every 3 years - 2014, 2017, 2020)	AS
11/28/14	Confirm holders of Campus Claims Settlement Authorities	AS
11/28/14	Send campus risk pool renewal budget	AS
<b>DECEMBER</b>		
12/1	Send out member survey	RM
<b>12/04/14</b>	<b>AORMA Committee Meeting</b>	<b>AORMA</b>
<b>12/05/14</b>	<b>Executive Committee Meeting</b>	<b>EC</b>
(meeting)	Quarterly Financials (as of 09/30) - submit for approval	EC
(meeting)	Annual review of Conflict of Interest Code	EC
(meeting)	Claims Audit ( <i>GL odd years, WC even years</i> ) - review and provide recommendations to BOD	EC
(meeting)	Upcoming FY Marketing Plan & Renewal Timeline - submit for approval	EC
12/15/14	Property Schedules to Members for review – deadline 30 days	AS
12/30/14	Financial Audit - mail to State and Counties of members	AC

**CSURMA EXECUTIVE COMMITTEE AND STAFF TELEPHONE,  
POSTAL ADDRESS AND E-MAIL LIST**

**ISSUE:** Attached is a list of telephone numbers, postal addresses and e-mail addresses for members of the Executive Committee and Staff.

**RECOMMENDATION:** It is recommended that members review the list at each meeting for accuracy and make any changes or additions. If there are any changes contact Myron Leavell at 415-403-1404 or via email at [mleavell@alliant.com](mailto:mleavell@alliant.com).

**FISCAL IMPACT:** None.

**BACKGROUND:** An accurate and current list facilitates better communication among Committee Members and Staff.

**ATTACHMENT(S):** CSURMA Executive Committee and Staff Telephone, Postal Address and E-mail List.

**CSURMA EXECUTIVE COMMITTEE MEMBER  
AS OF OCTOBER 2013**

<u>Location</u>	<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/E-mail</u>
Chancellor's Office	California State University, Office of the Chancellor	George V.	Ashkar	Assistant Vice Chancellor, Financial Services	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4671 Fax: 562-951-4865 Email: gashkar@calstate.edu
Chancellor's Office	California State University, Office of the Chancellor	Dr. Benjamin F.	Quillian	Executive Vice Chancellor/CFO	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4600 Fax: 562-951-4970 Email: bquillian@calstate.edu
Chico	California State University Chico	Michael	Thorpe	Risk Manager	400 West First Street First And Normal Chico, CA 95929	Tel: 530-898-6588 Fax: 530-898-4513 Email: methorpe@csuchico.edu
Fresno	California State University Fresno	Cynthia	Teniente-Matson	Vice President for Administration	5241 North Barton Avenue, M/S ML 52 Fresno, CA 93740-0052	Tel: 559-278-2083 Fax: 559-278-2928 Email: cmatson@csufresno.edu
Fullerton	California State University Fullerton	Lori	Gentles	Vice President, Human Resources	800 N. State College Blvd. Fullerton, CA 92831-3599	Tel: 657-278-2560 Fax: 657-278-8788 Email: lgentles@fullerton.edu
Long Beach	Forty-Niner Shops, Inc. California State University Long Beach	Robert	de Wit	Chief Financial Officer	1250 Bellflower Blvd. Long Beach, CA 90840	Tel: 562-985-5549 Fax: Email: Robert.Dewit@csulb.edu
Los Angeles	California State University Los Angeles	Lisa	Chavez	Vice-President, Administration and Chief Financial Officer	5151 State University Drive, ADM 604 Los Angeles, CA 90032	Tel: 323-343-3500 Fax: Email: lisa.chavez@calstatela.edu
Sacramento	California State University Sacramento	Ming Tung (Mike)	Lee	Vice President, Administration and Chief Financial Officer	6000 J Street, MS 6038 Sacramento, CA 95819	Tel: 916-278-5933 Fax: 916-278-5783 Email: mikelee@csus.edu
San Luis Obispo	Associated Students, California Polytechnic State University	Dwayne	Brummett	Director of Business Services	University Union Bldg 65, Rm 212 San Luis Obispo, CA 93407	Tel: 805-756-5768 Fax: 805-756-5420 Email: dbrummet@calpoly.edu
San Marcos	California State University San Marcos	Linda	Hawk	Vice President, Finance & Administrative Services	333 So Twin Oaks Valley Rd San Marcos, CA 92096-0001	Tel: 760-750-4950 Fax: 760-750-4949 Email: lhawk@csusm.edu

**CSURMA EXECUTIVE COMMITTEE STAFF  
AS OF AUGUST 2013**

<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/Email</u>
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Alliant Insurance Services	Jacki	Graf	Senior Workers' Compensation Claims Consultant	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1438 Fax: 415-874-4810 Email: jgraf@alliant.com

**CSURMA EXECUTIVE COMMITTEE STAFF  
AS OF AUGUST 2013**

<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/Email</u>
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