



## CSURMA AORMA 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 a publicly accessible place, including the internet, at least ten days in advance of the meeting. This meeting agenda shall also be posted at the address of the teleconference location with access for the public via phone/speaker phone.*

*Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant at (415) 403-1400 twenty-four hours in advance of the meeting. Entrance to the meeting location may require routine provision of identification to building security. However, CSURMA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.*

1. Teleconference Location - CSU Chancellor’s Office, 401 Golden Shore, Long Beach, CA

<b>Meeting Date:</b>	September 7, 2016	<b>Location:</b>	Alliant Insurance Services 2180 Harvard Street, Suite 460 Sacramento, CA 95815
<b>Time:</b>	10:00 AM		

**Legend:**

A =	Action
I =	Information
V =	Verbal

**A. CALL TO ORDER**

**B. PUBLIC COMMENTS**

**C. GENERAL ADMINISTRATION**

1. **Review of FY 15/16 AORMA Long Range Action Plan** A pg. 3  
*The Committee will be asked to review the FY 15/16 AORMA Long Range Action Plan and may provide direction to Staff*
2. **AORMA Officers’ Retreat Recap** I pg. 7  
*The Committee will receive a verbal report on the recent AORMA Officers’ Retreat*
3. **2017 AOA Conference Risk Management Sessions** I pg. 18  
*The Committee will hear an update regarding the approved risk management AOA conference sessions*
4. **CSU Auxiliary Organization – Revised Campus Visit Presentation** A pg. 20  
*The Committee will review the campus visit presentation as well as the draft visit schedule and may provide direction to Staff*

- |            |  |          |        |
|------------|--|----------|--------|
| <b>5.</b>  | <b>Review of FY 17/18 AORMA Liability and Workers' Compensation Program Actuarial Reports</b><br><i>The Committee will review the liability and workers' compensation actuarial reports</i>                                    | <b>I</b> | pg. 21 |
| <b>6.</b>  | <b>Estimated Pool Layer Funding Exhibit</b><br><i>The Committee will review the estimated fund balance at June 30, 2016 for both the liability and workers' compensation programs</i>  | <b>I</b> | pg. 38 |
| <b>7.</b>  | <b>Target Surplus Funding Report and Dividend Calculation</b><br><i>The Committee will review the Target Surplus Funding and Dividend Calculations based on June 30, 2016 financials</i>                                       | <b>I</b> | pg. 46 |
| <b>8.</b>  | <b>AORMA Historical Premium Payments, Dividends and Loss Ratios Report</b><br><i>The Committee will review the AORMA Historical Premium Payments, Dividends and Loss Ratios exhibit and may provide direction to Staff</i>     | <b>I</b> | pg. 55 |
| <b>9.</b>  | <b>Employment Practices Liability Member Deductibles for FY 17/18</b><br><i>The Committee will review the mandatory minimum EPL deductibles for FY 17/18 per Policy &amp; Procedure L-7 and may provide direction to Staff</i> | <b>I</b> | pg. 61 |
| <b>10.</b> | <b>On-Line Training Platform Update</b><br><i>The Committee will discuss the status of the integration of auxiliary staff on to the SkillSoft platform</i>   | <b>I</b> | pg. 73 |
| <b>11.</b> | <b>Discussion of AORMA's Continuity Plan</b><br><i>The Committee will discuss the plan for filling all of the Committee seats for the FY 17/18 term</i>  | <b>A</b> | pg. 78 |
| <b>12.</b> | <b>Development of the Long Range Action Plan Items for FY 16/17</b><br><i>The Committee will discuss the items to be included on AORMA's long range plan for FY 16/17</i>  | <b>A</b> | pg. 30 |

**D. ADJOURNMENT**

*The next meeting is scheduled for September 8, 2016 at 9:00 a.m. in Sacramento, CA. Please contact Mimi Long [mlong@alliant.com](mailto:mlong@alliant.com) or Tevea Him [thim@alliant.com](mailto:thim@alliant.com) with questions.*

**REVIEW OF FY 15/16 AORMA LONG RANGE ACTION PLAN**

**ISSUE:** The AORMA Committee will be asked to review the items on the FY 15/16 Long Range Action Plan and move any open items to the FY 16/17 Long Range Action Plan.

**RECOMMENDATION:** It is recommended that the Committee members review the FY 15/16 Long Range Action Plan, taking action as appropriate.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. FY 15/16 AORMA Long Range Action Plan

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

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

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

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

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

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

**AORMA OFFICERS' RETREAT RECAP**

**ISSUE:** The AORMA Committee Chair will provide a brief overview of the items discussed during the AORMA Officers' Retreat.

**RECOMMENDATION:** This item is for information only; no action is being requested at this time.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. Agenda Table of Contents from the AORMA Officers' Retreat
- b. Minutes from the AORMA Officers' Retreat



**CSURMA AORMA OFFICERS RETREAT**  
**“This is an Open Public Meeting”**

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**Tuesday, July 19, 2016**  
 11:00 AM – 4:00 PM (Est.)

**Wednesday, July 20, 2016**  
 8:00 AM – 12:00 PM (Est.)

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

<b>A. TOPICS FOR DISCUSSION</b>	<b>Page</b>
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6. On-Line Training - Termination of TargetSolutions Contract effective June 30, 2017	I pg. 26
7. Master Enabling Agreement for Transportation with GoGround	I pg. 29
8. Praesidium Contract for Prevention of Abuse of Minors – Contract Changes effective July 1, 2016	I pg. 41
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11.	CSURMA AORMA Communication	I	<i>pg. 100</i>
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b.	Campus Visits		
c.	CSURMA Informational Presentation		
d.	AOA AORMA Breakfast Presentation		
e.	AORMA Bulletins (CSURMA Newsletter)		
f.	Quarterly AORMA AOA Executive Committee Update		
12.	Succession Planning	I	<i>pg. 101</i>
a.	AORMA Committee and Standing Committee Roster and Org Chart @ July 1, 2016		<i>pg. 102</i>
b.	Policy & Procedure A-1 – AORMA Committee Composition, Elections and Term Limits		<i>pg. 103</i>
c.	Policy & Procedure A-2 – AORMA Committee and Standing Committee Roles and Responsibilities		<i>pg. 106</i>
13.	CSURMA AORMA Program Staff	I	<i>pg. 112</i>
14.	AOA Conference – Session Topics	I	<i>pg. 117</i>
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d.	CSURMA AORMA 101		
15.	Ideas for Creation or Modification of CSURMA AORMA Programs and/or Services	I	<i>pg. 118</i>
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**B. APPENDICES**

1.	Liability Program	I	
a.	List of member EPL deductibles		<i>pg. 120</i>
b.	Estimated fund balance @ March 31, 2016		<i>pg. 123</i>
c.	Total funding report for FY 16/17		<i>pg. 124</i>
d.	Liability loss ratios		<i>pg. 125</i>
e.	Loss exhibit		<i>pg. 128</i>
f.	Policy & Procedure L-1 – Claims Reporting		<i>pg. 132</i>
g.	Policy & Procedure L-2 – Liability Claims Administration and Litigation Management		<i>pg. 136</i>
h.	Policy & Procedure L-3 – Legal Counsel Selection		<i>pg. 145</i>
i.	Policy & Procedure L-4 – Employee Driving Standards		<i>pg. 151</i>
j.	Policy & Procedure L-5 – Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations		<i>pg. 156</i>
k.	Policy & Procedure L-6 – Requirement to Purchase PAI for all Activities Involving Minors		<i>pg. 158</i>

1.	Policy & Procedure L-7 – Employment Practices Deductible		<i>pg. 160</i>
2.	Workers' Compensation Program	I	
	a. Estimated fund balance @ March 31, 2016		<i>pg. 163</i>
	b. Total funding report for FY 16/17		<i>pg. 164</i>
	c. Workers' compensation loss ratios		<i>pg. 165</i>
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	e. W-1 - Workers' Compensation Member Allocation Formula		<i>pg. 169</i>
	f. W-2 - Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less		<i>pg. 174</i>
	g. W-3 - Claims Handling Procedures and Guidelines		<i>pg. 177</i>
	h. W-4 - Workers' Compensation Coverage Claims Settlement Authority		<i>pg. 189</i>
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3.	Property Program	I	
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4.	Crime Program	I	
	a. Total funding report for FY 16/17		<i>pg. 200</i>
	b. Loss exhibit		<i>pg. 201</i>
	c. C-1 – Crime Program Member Allocation Formula		<i>pg. 205</i>
5.	Unemployment Insurance Program	I	
	a. UI-1 - Formula for Determining Unemployment Insurance Program Annual Contributions		<i>pg. 209</i>
6.	Target Surplus Funding Policy / Dividends	I	
	a. Policy & Procedure A-3 – Target Surplus Funding Policy		<i>pg. 212</i>
	b. Target surplus funding report		<i>pg. 217</i>
	c. History of dividends declared		<i>pg. 219</i>
	d. Policy & Procedure A-4 – Dividends and Assessments		<i>pg. 221</i>
7.	AORMA Policies and Procedures	I	
	a. Schedule for review of AORMA's policies and procedures		<i>pg. 224</i>
8.	CSURMA Financial Statement @ March 31, 2016	I	<i>pg. 225</i>
9.	CSURMA Financial Audit @ June 30, 2015	I	<i>pg. 236</i>
10.	CSURMA AORMA Policies and Procedures (remaining)		
	a. Policy & Procedure A-5 – Annual Calendar of Reports, Audits and Filings		<i>pg. 274</i>
	b. Policy & Procedure A-6 – Risk Reduction Matching Grant Program		<i>pg. 277</i>
	c. Policy & Procedure A-7 – Travel Reimbursement Policy		<i>pg. 279</i>
	d. Policy & Procedure A-8 – CSURMA AORMA Closed Session Policy		<i>pg. 281</i>
11.	CSURMA Joint Powers Authority Agreement	I	<i>pg. 282</i>
12.	CSURMA Bylaws	I	<i>pg. 300</i>



13. AORMA Participation Agreement

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*Please contact Mimi Long [mlong@alliant.com](mailto:mlong@alliant.com) or Tevea Him [thim@alliant.com](mailto:thim@alliant.com) with questions.*

**MINUTES OF THE CSURMA AORMA  
OFFICERS RETREAT**

**JULY 19 – 20, 2016**

**ALLIANT INSURANCE SERVICES  
100 Pine Street  
San Francisco, CA 94111**

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**MEMBERS PRESENT**

Guy Dalpe, Associated Students, Inc., San Francisco State University  
Gigi Kiama, The University Corporation at Monterey Bay  
Frank Mumford, CSU Fullerton Auxiliary Services Corporation

**STAFF, GUESTS AND CONSULTANTS**

Zachary Gifford, CSU Office of the Chancellor  
Daniel Howell, Alliant Insurance Services, Inc.  
Mimi Long, Alliant Insurance Services, Inc.  
Tevea Him, Alliant Insurance Services, Inc.  
Amy Souissi, Alliant Insurance Services, Inc.

The AORMA Officers meet on July 19 and 20, 2016, to discuss the long term goals of AORMA.

The meeting of the AORMA Officers Committee was called to order on July 19, 2016 at 11:04 AM by the Chair Frank Mumford.

**A1. Long Range Action Plans**

The Officers reviewed the AORMA Committee and CSURMA Executive Committee Long Range Action Plans.

The Officers directed Staff to send to all watercraft owners, AORMA coverage information in order to avoid duplicate coverage. Staff was also directed to work with Witt O'Brien's on the current scope of work within the CSURMA contract to include some emergency operations work for the auxiliary organizations.

**A2. Estimated Fund Balance Exhibits**

The Officers reviewed the estimated fund balance exhibits for both the Liability and Workers' Compensation Programs. These reports show a comparison of the program assets, outstanding liabilities and estimated fund balances at March 31, 2016, as well as historical estimated fund balances and dividend information. It was noted that the surplus balance within the workers'

compensation program has increased due to the purchase of “first dollar” coverage via CSAC EIA. The outstanding liabilities from January 1, 2015 to June 30, 2016 have been transferred to CSAC EIA.

### **A3. Prevailing Wages for Auxiliary Projects**

The Officers discussed and consider coverage (or risk financing) to pay prevailing wages should the DIR determine that prevailing wages should have been paid on an auxiliary project. The Officers concluded that a fund could be developed if there was enough interest from other auxiliary organizations.

### **A4. FY 16/17 Liability Program – Reinsurance and Excess Insurance**

Due to loss activity, Genesis did not provide a renewal quote for the \$4,650,000 excess of \$350,000 reinsurance layer. After an intensive marketing effort, CSURMA AORMA was able to secure replacement coverage through Evanston Insurance Company and Great American Insurance Company. As a condition of coverage, the AORMA Liability Program pooled layer had to be increased from \$350,000 to \$500,000. This requirement does not come as a surprise as AORMA has been anticipating this change for a few years and has funded the program accordingly. The two replacement insurers will share the layer 50% / 50%.

The total premium for the reinsurance layer (\$4,500,000 xs of \$500,000) increased from \$888,930 to \$1,108,442. This is a 25% increase. The total premium for the entire AORMA Liability Program (\$200,000,000 limit) increased from \$1,211,382 for FY 15/16 to \$1,431,826 for FY 16/17. This is an 18% increase.

Staff was directed to provide background information to the members summarizing the changes as well as reiterating the goal of AORMA is to protect the members by providing broad coverage and quality risk management services that stabilize the insurance costs in a reliable, economical and beneficial manner. Staff will iterate that coverage for those two members with the multi-million dollars claims may not be available, or the cost would be substantially higher, in the commercial insurance market.

### **A5. Fine Arts, Archives and Artifacts Program – Effective July 1, 2016**

Staff provided an overview of the coverages available effective July 1, 2016, through the Fine Arts, Archives, and Artifacts Program (FAAAP). The program includes;

- “All risk” including earthquake and flood coverage;
- No deductible; except 10% for earthquake (per item damaged);
- Worldwide coverage;
- Appraisals are not required;
- “Wall to wall”, “nail to nail” coverage – while on your property, in transit, out on loan and during return transit.

- \$25MM limit; \$2.5MM sub-limit for each unscheduled item; \$5MM sub-limit for transit (per conveyance);
- No reporting required for incoming and outgoing exhibits.

A summary of this new program was sent to the members.

#### **A6. On-Line Training - Termination of TargetSolutions Contract effective June 30, 2017**

The Officers reviewed the progress of the integration of the auxiliary organization onto the PeopleSoft platform.

Fourteen campuses have completed the integration process; however, only four campuses out of the fourteen are actively using the skillssoft platform. SPD continues to work with the remaining campuses and provided the following update:

1. **Monterey Bay** – IT is having some technical challenges connecting to SPD’s database, Campus IT and SPD have been working to resolve the issue.
2. **East Bay** – A tentative implementation date of July 21, 2016 has been scheduled.
3. **Bakersfield** – Campus IT initially had the implementation scheduled, but lost support staffing. SPD has not received any updates from Campus IT in a few months.
4. **Maritime Academy** – The Campus was initially interested in completing the implementation, however, SPD has not received any updated from Campus IT on an implementation date. Campus IT is short on resources.
5. **San Francisco** – The Campus is working on the solution now and hopes to have an implementation date once Campus IT puts their process in place.
6. **Dominguez Hills** – The Campus was initially interested in completing the implementation, however, SPD has not received any updates from Campus IT on an implementation date.
7. **Sonoma** – Campus IT is actively working on an implementation solution and hopes to finalize the implementation date very soon.
8. **Long Beach** – SPD is working on a specialized solution for this Campus. Once it is in place, Campus IT will begin working on the implementation.
9. **San Diego** – Campus IT just recently hit a milestone implementing a new Identity Management System. They are eager to start working on this project once their IDM is up and running.

SPD also notes that on the smaller campuses like Bakersfield, Maritime and Dominguez Hills, where resources might be the issue, the auxiliary organizations might be able to offer support to Campus IT in order to move the project forward.

Staff noted that updates will be sent out to the members on a quarterly basis.

#### **A7. Master Enabling Agreement for Transportation with GoGround**

The Officers discussed the master enabling agreement (MEA) with GoGround. The MEA will be available to all CSU Campuses as well as CSU Auxiliary Organizations. All GoGround transportation carriers are TSX safety certified and carry insurance limits of between \$5MM and \$20MM. GoGround carries \$11MM in excess insurance. Because of the standardization of services, GoGround is able to provide cost savings. The contract is currently being reviewed by CSURMA legal counsel.

Staff was directed to work with GoGround to set up a billing code for each auxiliary organization as well as GoGround website log on information. Staff will send out a communication to all members detailing the benefits, services available and how the billings will work.

**A8. Praesidium Contract for Prevention of Abuse of Minors – Contract Changes effective July 1, 2016**

The Officers discussed the revised contract services with Praesidium for prevention of abuse of minors for the term July 1, 2016 to June 30, 2017. The Praesidium products and services are now offered on an “ala carte” basis. Each campus will receive a \$2,000 stipend to be used on any product or service. All Praesidium billings will run through Systemwide Risk Management (SRM) for initial payment. SRM will then seek reimbursement from the Campus or Auxiliary Organization as appropriate.

In addition to the \$2,000 per campus stipend, Praesidium will perform four regional workshops within FY 16/17.

Staff was directed to set up a call with each campus to explain the Praesidium services. In attendance should be the Title Nine Coordinator, AORMA Primary Contracts and Campus Risk Manager.

**A9. AORMA Risk Reduction Innovation Matching Grant Incentive Program**

The Officers discussed the matching grant program.

**A10. Review of Member Allocation Formulas**

The Officers review the member allocation formulas as well as the Policies and Procedures for the AORMA coverage programs, with a pooled layer.

Attached are the Policies and Procedures which explain in detail the allocation formula for each program. In compliance with Policy and Procedure A-5, the member allocation formulas will be reviewed by the Programs Committee at least every three years in order to verify that they are still fair and equitable. The Programs Committee will schedule a review in 2017.

**A11. CSURMA AORMA Communication**

The Officers discussed the communication strategies that have been implemented by CSURMA AORMA. The first newsletter is expected to be sent out within the month.

1. CSURMA website
2. Campus visits
3. CSURMA informational presentations (via webinar at least twice per year)
4. AORMA 101 presentation (during the AOA annual conference)
5. AORMA update for the AOA Executive Committee meetings (which is distributed to all AOA members by Richard Jackson)
6. AORMA Bulletins (CSURMA newsletter – still under construction)

#### **A12. Succession Planning**

On June 30, 2017, two at-large members will term out of the AORMA Committee – Robert de Wit and Brian Nowlin. Leslie Davis is expected to term out on June 30, 2018, however, she anticipates retiring before that date. Therefore, two and possibly three seats will be up for election in April, 2017. The Officers discussed candidates for the AORMA Committee.

#### **A13. CSURMA AORMA Program Staff**

The Officers discussed the changes in CSURMA Staff.

#### **A14. AOA Conference – Session Topics**

The Officers reviewed the proposed sessions for the 2017 AOA Conference. Staff is awaiting confirmation of session slots.

1. Insurance Requirements in Contracts
2. Foreign Travel Good Practices
3. Cyber Liability
4. CSURMA AORMA 101

#### **A15. Ideas for Creation or Modification of CSURMA AORMA Programs and/or Services**

The Officers discussed ideas for new AORMA coverage programs and/or services to be offered to the Members in FY 16/17 and beyond.

#### **A16. Recap of Projects to be Included on the FY 16/17 AORMA Long Range Action Plan**

The Officers discussed projects to be added to the Long Range Action Plan for FY 16/17. The following projects will be recommended to the AORMA Committee for approval:

1. Benchmarking beyond workers' compensation
2. Watercraft – follow-up on data collected and design next steps

3. Evaluation of participation in possible CSU captive vehicle
4. Fine Arts, Artifacts and Artifacts rollout and schedule of development
5. GoGround communication and rollout plan
6. Drive traffic to the CSURMA website (i.e., links, newsletters, etc.)
7. AORMA participation in captive's third party programs

## **2017 AOA CONFERENCE RISK MANAGEMENT SESSIONS**

**ISSUE:** CSURMA AORMA has been asked to co-present on two topics during the 2017 AOA Conference:

1. Insurance Requirements in Contracts
2. Cyber Liability

**RECOMMENDATION:** This item is for information only; however, the Committee may provide direction to Staff as appropriate.

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

**BACKGROUND:** The AOA Conference planning team decided in February, 2016 that it would be beneficial to incorporate a session into each AOA track area that addresses risk management issues specific to that area. There are nine track areas;

1. AS/SU
2. Commercial Shops
3. Financial Services
4. HR
5. IT
6. Marketing and Communications
7. Philanthropic
8. Property Development
9. Research

CSURMA AORMA had proposed the following four sessions:

1. Insurance Requirements in Contracts
2. Cyber Liability
3. Foreign Travel Good Practices
4. CSURMA AORMA 101

CSURMA AORMA has been asked to co-present on two sessions.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**CSU AUXILIARY ORGANIZATION – REVISED CAMPUS VISIT  
PRESENTATION**

**ISSUE:** Every year Staff will update the Campus Visit – Member Presentation to include new and updated information. The Committee will view the revised presentation during this meeting.

**RECOMMENDATION:** Staff recommends the Committee view the presentation and provide feedback.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** The basic member presentation will be added to the CSURMA website.

**ATTACHMENT(S):**

- a. AORMA Campus Visit – Member Presentation *(This will be viewed during the meeting)*

## **REVIEW OF FY 17/18 AORMA LIABILITY AND WORKERS' COMPENSATION PROGRAM ACTUARIAL REPORTS**

**ISSUE:** CSURMA's retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The complete draft reports for the AORMA Liability and Workers' Compensation Programs are included separately with the agenda packet. Staff has highlighted here and in attachments to this item key findings and exhibits. The information provided by the actuary is used to establish fiscal year-end financial reports, and as the starting point in consideration of rates and funding for FY 17/18 as well as evaluating potential dividends.

The Actuary's findings and recommendations include:

### AORMA Liability

1. The estimated outstanding losses at June 30, 2016 decreased by \$29,341 (a 1% decrease) compared to the prior estimated as of June 30, 2015.
2. The projected funding (discounted) for FY 17/18 at a 70% confidence level increased by \$70,071 (a 4% increase) compared to the projected funding for FY 16/17.
3. The projected funding (discounted) for FY 17/18 at an 80% confidence level increased by \$85,709 (a 4% increase) compared to the projected funding for FY 16/17.

### AORMA Workers' Compensation

1. The estimated outstanding losses at June 30, 2016 decreased by \$2,865,643 (a 34% decrease) compared to the prior estimated as of June 30, 2015.
2. The projected funding (discounted) for FY 17/18 at a 70% confidence level decreased by \$74,000 (a 2% decrease) compared to the projected funding for FY 16/17.
3. The projected funding (discounted) for FY 17/18 at an 80% confidence level decreased by \$190,000 (a 5% decrease) compared to the projected funding for FY 16/17.

**RECOMMENDATION:** The Committee will be asked to accept the Actuarial Reports at tomorrow's meeting. This item is for information only.

**FISCAL IMPACT:** The action recommended will have the direct effect of establishing liabilities reported in CSURMA's financial statements. Indirectly, information from the accepted actuarial studies will be used in rate setting and funding forecasts.

**BACKGROUND:** The complete actuarial study includes a discussion on the methodology used by the actuary to establish the financial projections for each coverage program. Staff will be present at today's meeting to review and comment on the findings in the reports.

**PUBLICATION:** None

**ATTACHMENT(S):**

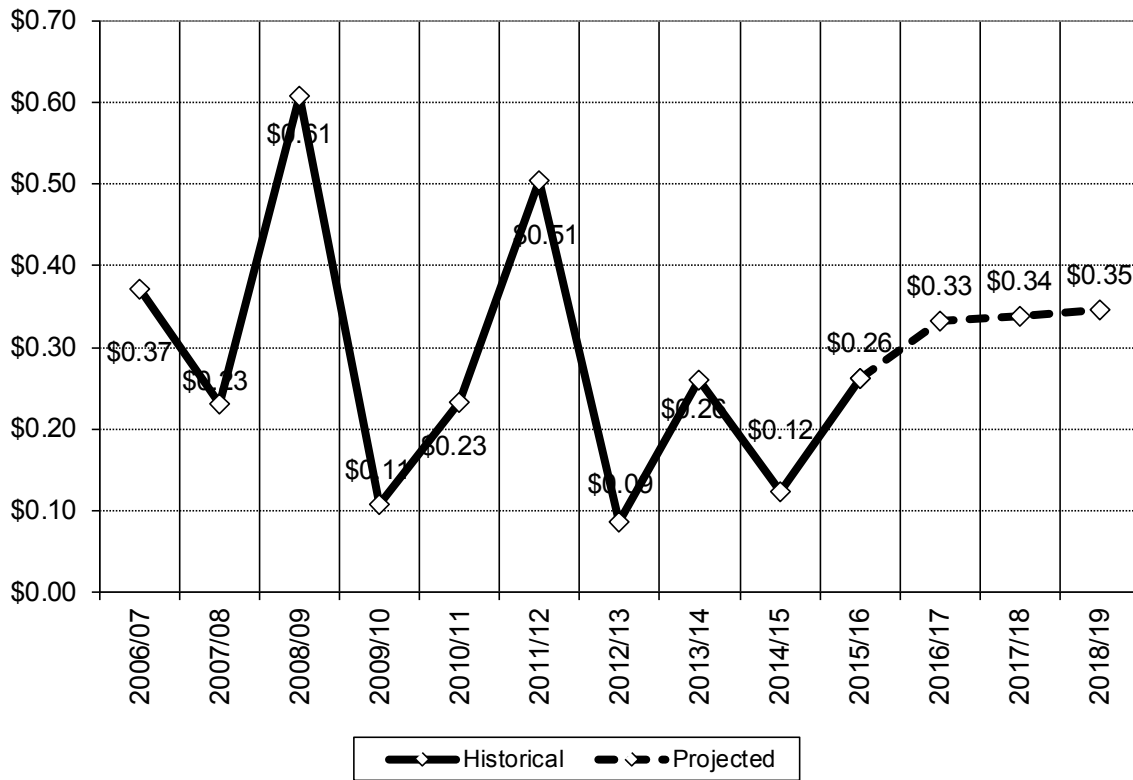
- a. Charts and exhibits from the Liability and Workers' Compensation draft actuarial reports valued at June 30, 2016.
- b. Complete copies of the draft studies dated August 5, 2016 are included separately with the agenda packet.

## AORMA LI

### Loss Experience Trends

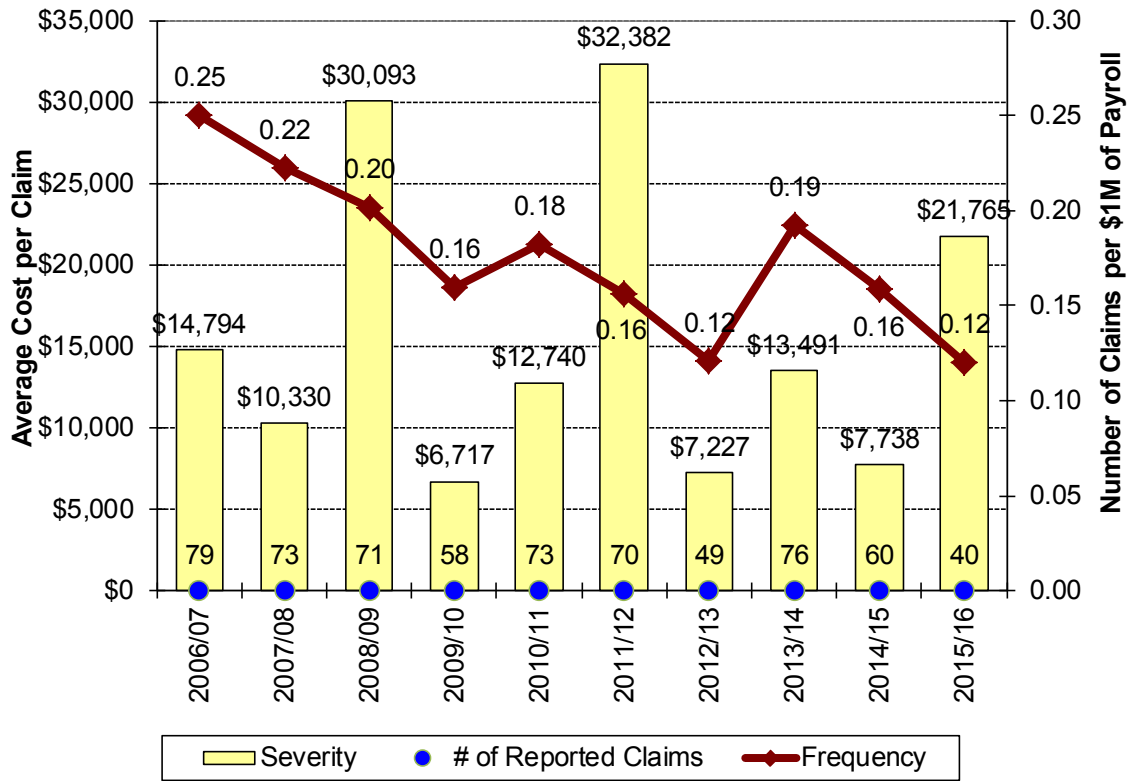
Graphs III-1 and III-2 show loss experience trends for liability as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

**Graph III-1**  
**Loss Rate per \$100 of Payroll**



Note: Loss rates are from Exhibit LI-14, columns (4) and (7).

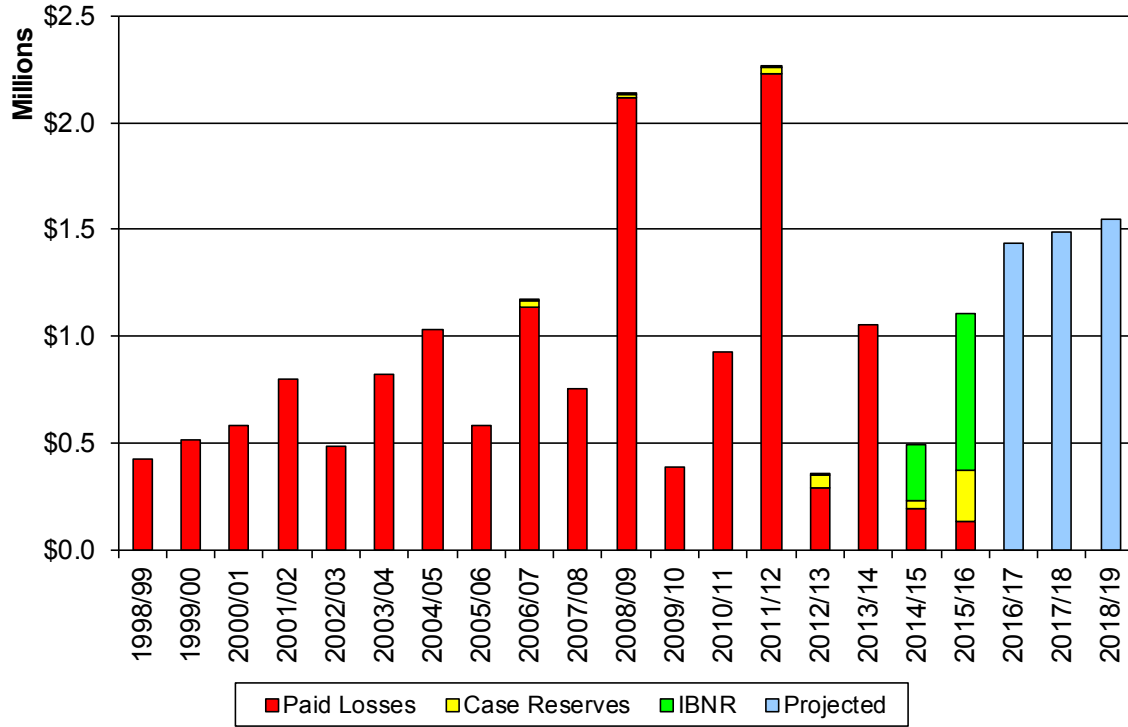
**Graph III-2  
Frequency and Severity**



Note: Frequency amounts are from Exhibit LI-8, Section I, column (7).  
Severity amounts are based on the projected claim counts in Exhibit LI-8 and the projected ultimate losses in Exhibit LI-13.

Graph III-3 shows the composition of the projected ultimate limited losses for liability.

**Graph III-3  
Composition of Projected Ultimate Limited Losses**

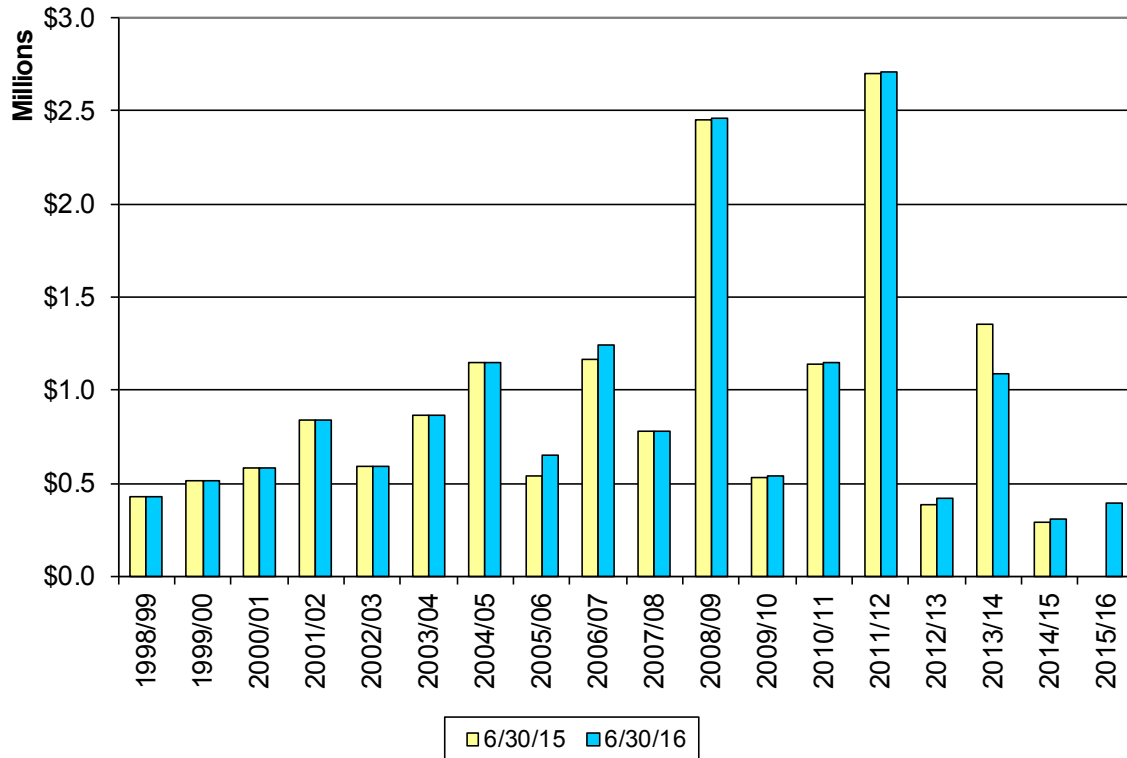


Note: Amounts through 2015/16 are from Exhibit LI-15.  
Amounts for 2016/17 through 2018/19 are from Exhibit LI-14.

## Comparison to Previous Actuarial Study

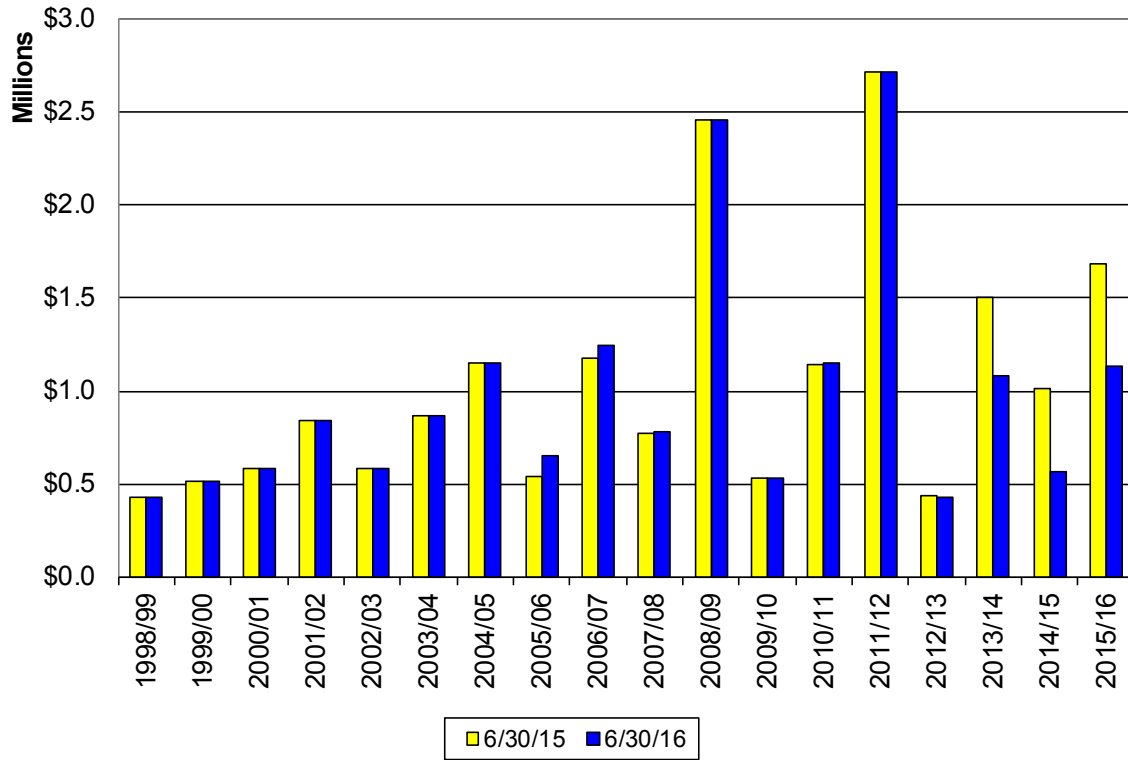
Graphs III-4 and III-5 are graphical comparisons of the limited reported incurred losses and projected ultimate limited losses, respectively, by fiscal year from the previous study (report dated September 15, 2014) to the current study.

**Graph III-4**  
**Comparison of Limited Reported Incurred Losses**  
**as of June 30, 2015 and June 30, 2016**



Note: Amounts as of June 30, 2015 are from the previous actuarial study.  
 Amounts as of June 30, 2016 are from Exhibit LI-12.

**Graph III-5  
Comparison of Projected Ultimate Limited Losses  
as of June 30, 2015 and June 30, 2016**

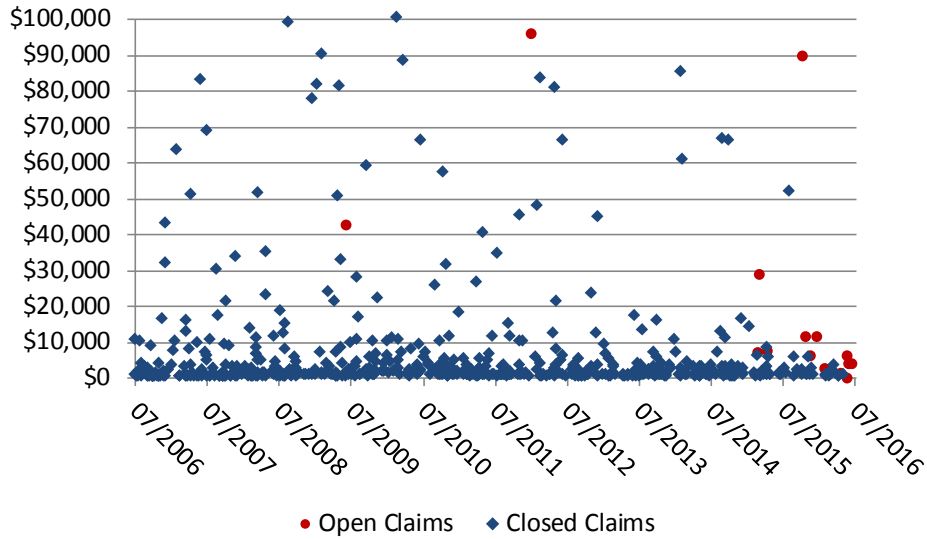


Note: Amounts as of June 30, 2015 are from the previous actuarial study.  
Amounts as of June 30, 2016 are from Exhibit LI-13.

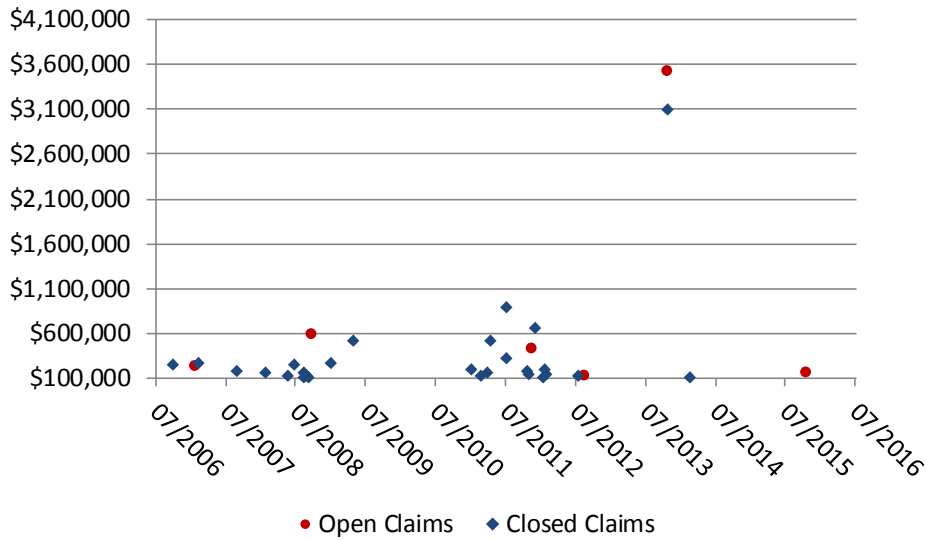
For all claims through 2014/15, the change in the projected ultimate limited losses from June 30, 2015 to June 30, 2016 was -3.9%.

Graphs I-6A and I-6B are claim size distributions for CSU AORMA liability program by claim status.

**Graph III-6A**  
**Claim Size Distribution**  
**Claims with Incurred Amount below \$100,000**

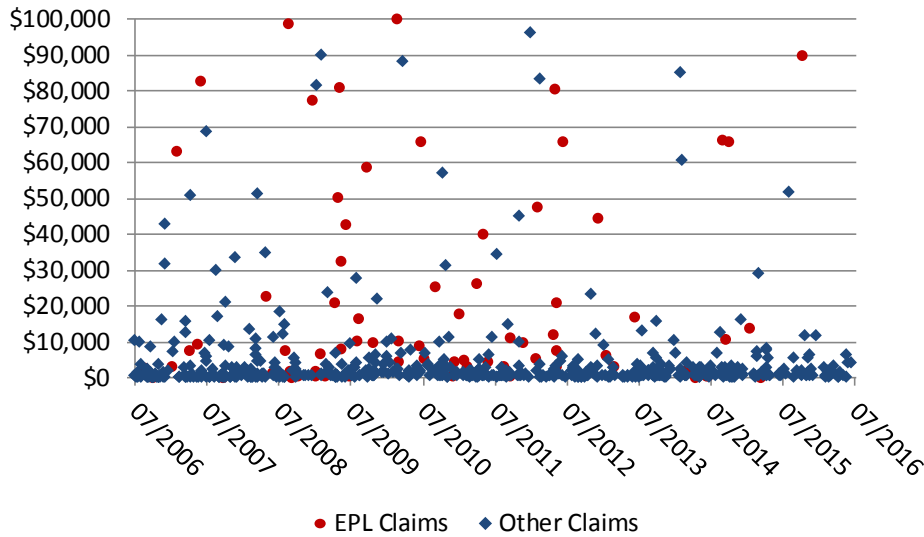


**Graph III-6B**  
**Claim Size Distribution**  
**Claims with Incurred Amount below \$100,000**

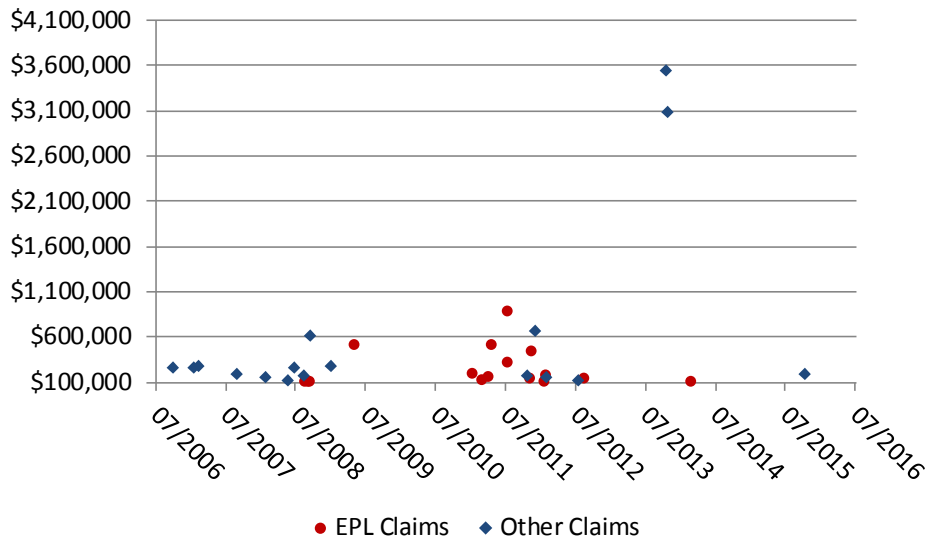


Graphs I-6C and I-6D are claim size distributions for CSU AORMA liability program by claim type.

**Graph III-6C**  
**Claim Size Distribution**  
**Claims with Incurred Amount below \$100,000**



**Graph III-6D**  
**Claim Size Distribution**  
**Claims with Incurred Amount below \$100,000**

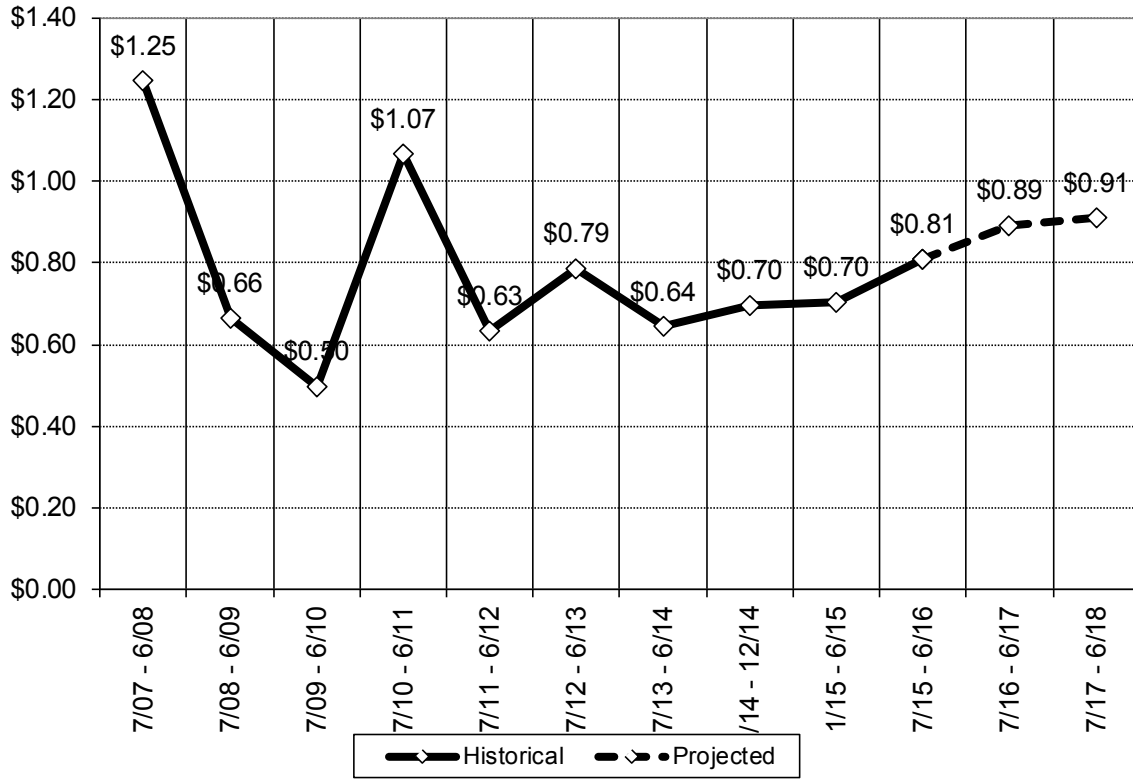


# AORMA WC

## Loss Experience Trends

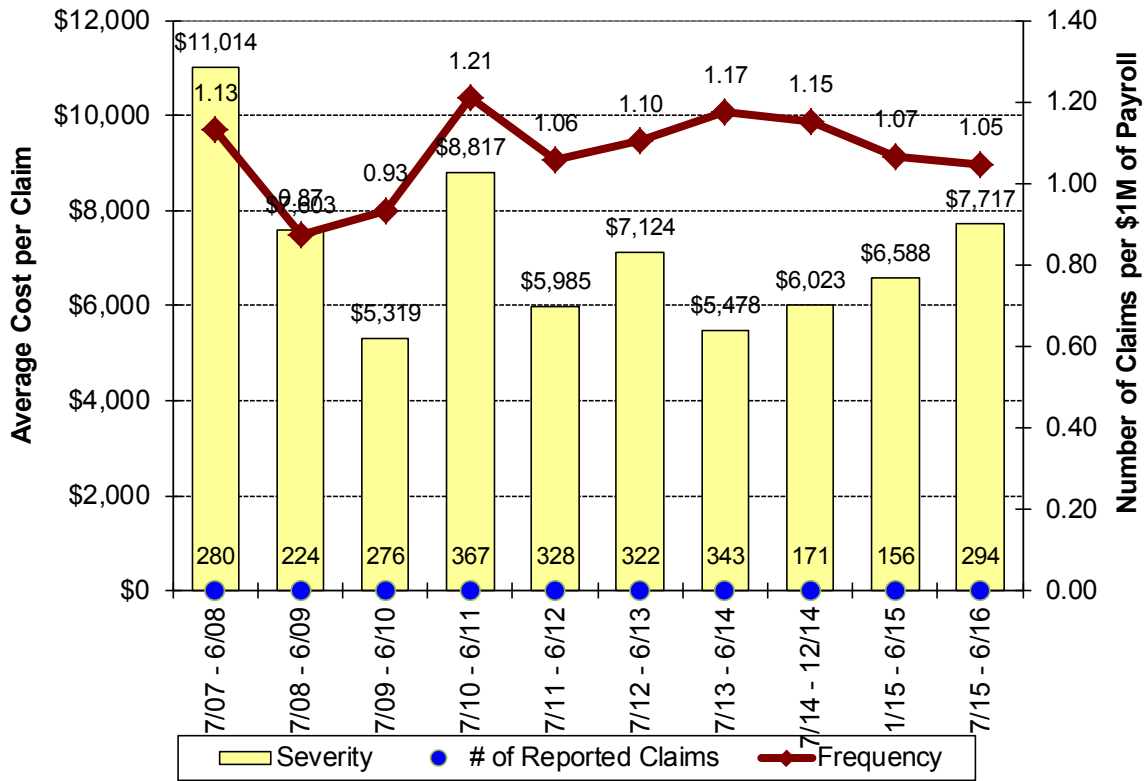
Graphs III-1 and III-2 show loss experience trends for workers compensation as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

**Graph III-1  
Loss Rate per \$100 of Payroll**



Note: Loss rates are from Exhibit WC-10, columns (4) and (7).

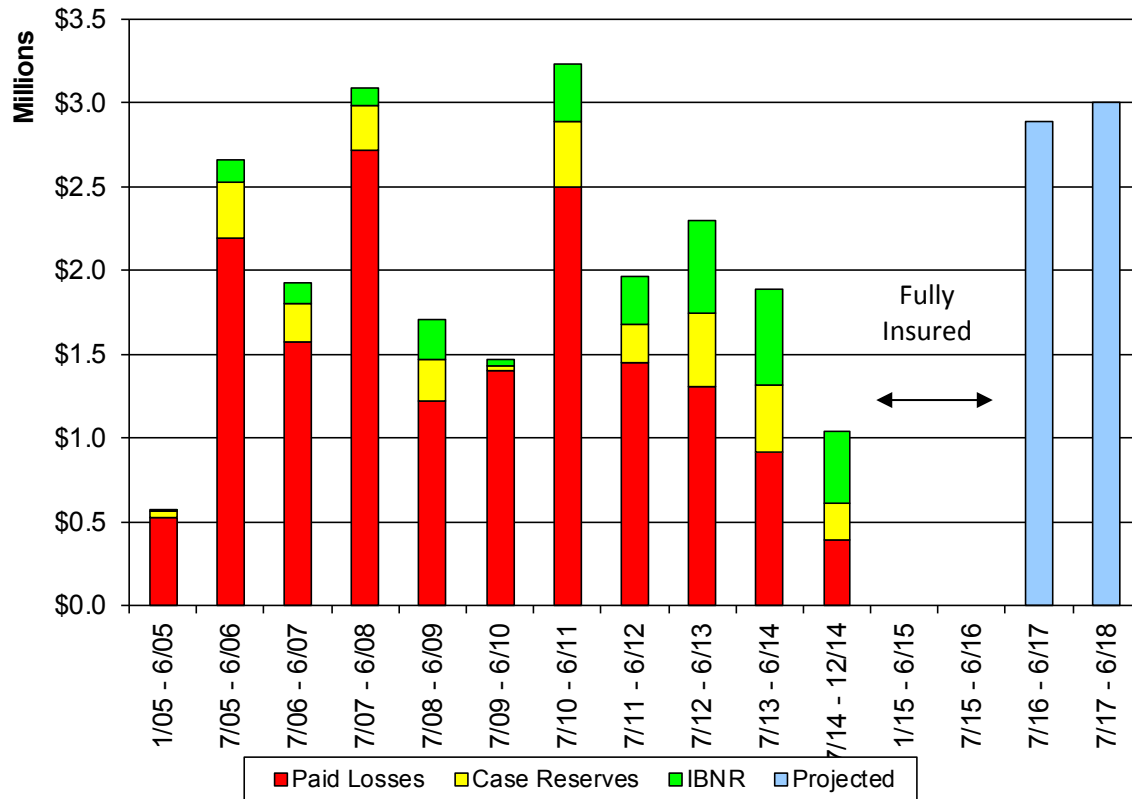
**Graph III-2  
Frequency and Severity**



Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).  
Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate losses in Exhibit WC-9.

Graph III-3 shows the composition of the projected ultimate limited losses for workers compensation.

**Graph III-3  
Composition of Projected Ultimate Limited Losses**

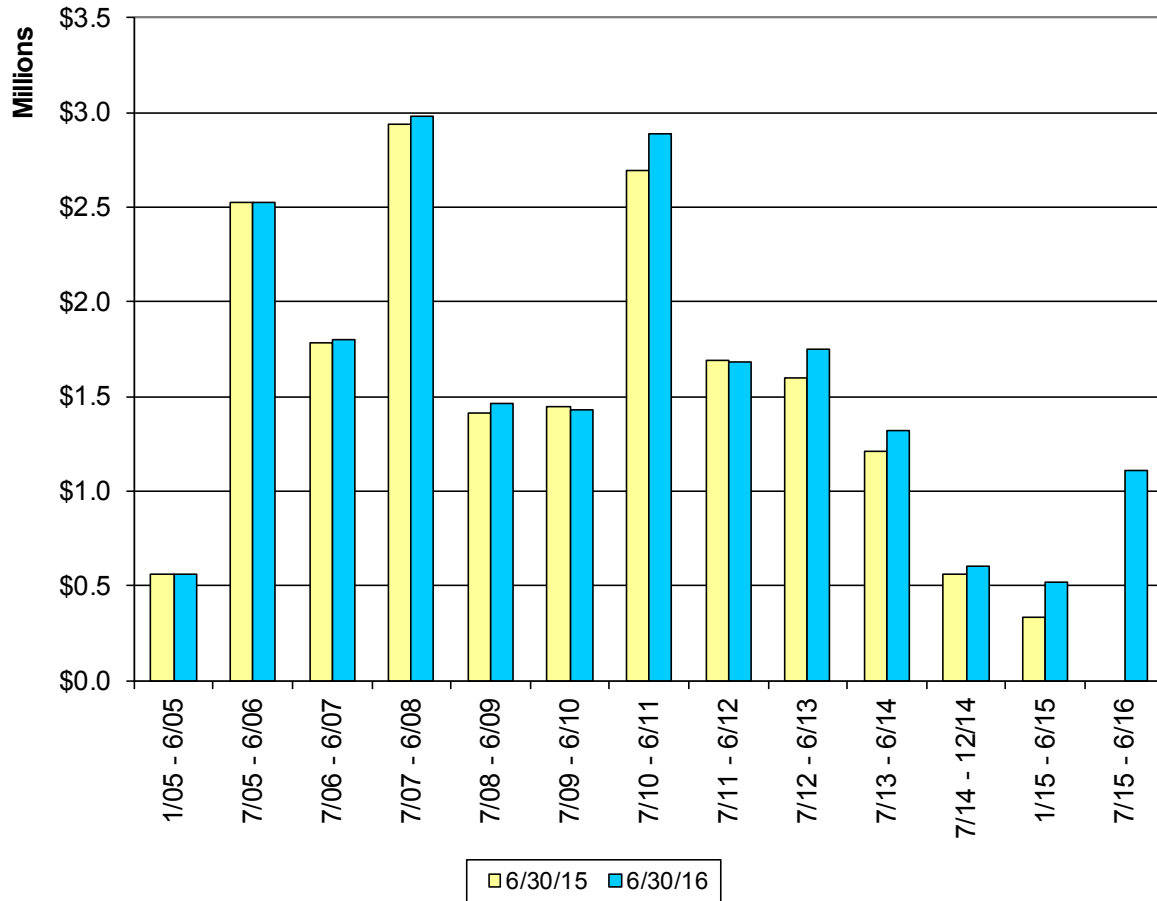


Note: Amounts through 7/15 - 6/16 are from Exhibit WC-11.  
Amounts for 7/16 - 6/17 and 7/17 - 6/18 are from Exhibit WC-10.

## Comparison to Previous Actuarial Study

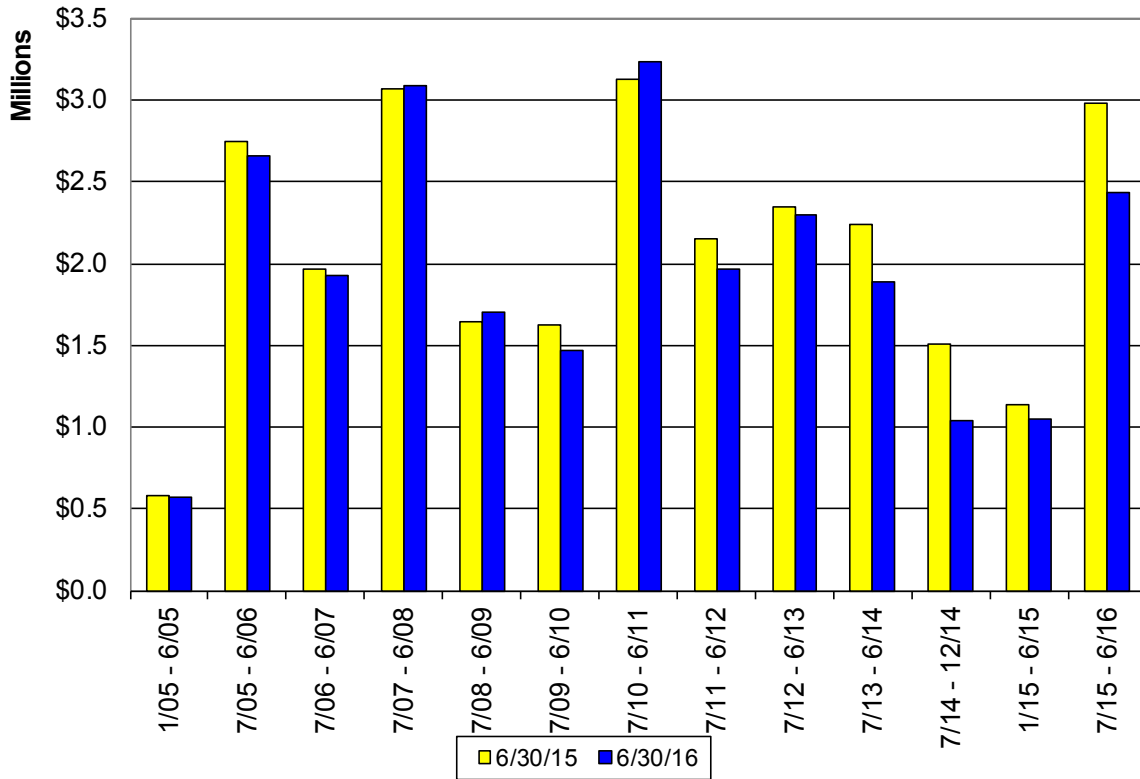
Graphs III-4 and III-5 are graphical comparisons of the limited reported incurred losses and projected ultimate limited losses, respectively, by fiscal year of occurrence of the workers compensation program from the previous study (report dated September 15, 2014) to the current study.

**Graph III-4**  
**Comparison of Limited Reported Incurred Losses**  
**as of June 30, 2015 and June 30, 2016**



Note: Amounts as of June 30, 2015 are from the previous actuarial study.  
 Amounts as of June 30, 2016 are from Exhibit WC-1.

**Graph III-5  
Comparison of Projected Ultimate Limited Losses  
as of June 30, 2015 and June 30, 2016**



Note: Amounts as of June 30, 2015 are from the previous actuarial study.  
Amounts as of June 30, 2016 are from Exhibit WC-9.

For all claims through 7/14 - 12/14, the change in the projected ultimate limited losses from June 30, 2015 to June 30, 2016 was -5.0%.

We compare the case reserves by year as of June 30, 2015 and June 30, 2016 in Table I-3A.

**Table III-3E**  
**Case Reserve Comparison**  
**as of June 30, 2015 and June 30, 2016**

Claim Period (1)	Limited Case Reserves as of 6/30/15 (2)	Limited Case Reserves as of 6/30/16 (3)	Change (3) - (2) (4)
5/04 - 12/04	\$0	\$0	\$0
1/05 - 6/05	38,053	33,707	(4,346)
7/05 - 6/06	361,099	327,565	(33,534)
7/06 - 6/07	260,895	230,509	(30,386)
7/07 - 6/08	393,779	262,706	(131,073)
7/08 - 6/09	253,755	247,390	(6,365)
7/09 - 6/10	172,154	29,148	(143,006)
7/10 - 6/11	646,133	383,295	(262,837)
7/11 - 6/12	347,356	230,530	(116,826)
7/12 - 6/13	620,168	442,316	(177,851)
7/13 - 6/14	512,316	400,053	(112,263)
7/14 - 12/14	324,772	219,093	(105,680)
<b>SubTotal</b>	<b>3,930,480</b>	<b>2,806,313</b>	<b>(1,124,167)</b>
1/15 - 6/15	238,888	254,525	15,637
7/15 - 6/16	0	835,979	835,979
<b>Total</b>	<b>\$4,169,368</b>	<b>\$3,896,818</b>	<b>(\$272,551)</b>

Note: (2) is from the prior actuarial study.  
(3) is from Exhibit WC-1.

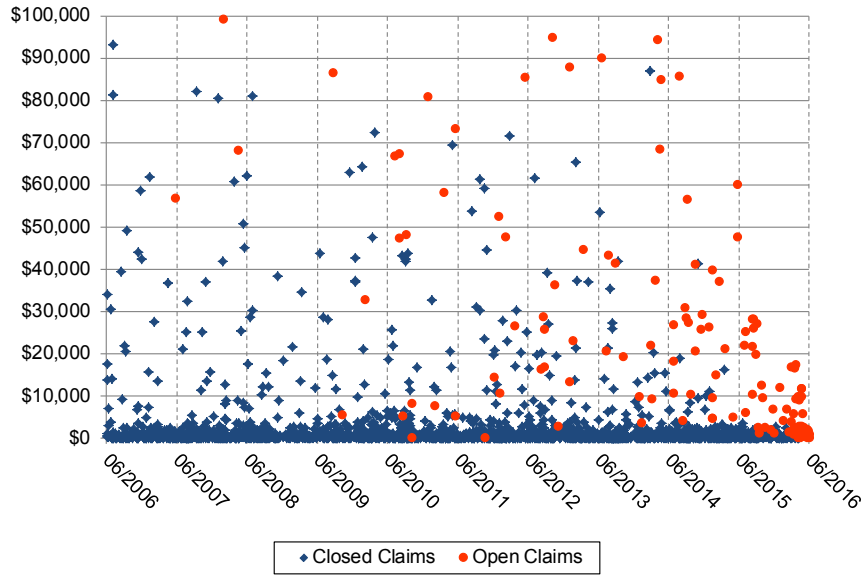
**Table III-3F**  
**Comparison of Projected Ultimate Limited Losses**  
**as of June 30, 2015 and June 30, 2016**

Claim Period (1)	Projected Ultimate Limited Losses as of 6/30/15 (2)	Projected Ultimate Limited Losses as of 6/30/16 (3)	Change (3) - (2) (4)	Percentage Change (4) / (2) (5)
5/04 - 12/04	\$673,376	\$673,376	\$0	0.0%
1/05 - 6/05	582,000	572,000	(10,000)	-1.7%
7/05 - 6/06	2,750,000	2,663,000	(87,000)	-3.2%
7/06 - 6/07	1,962,000	1,925,000	(37,000)	-1.9%
7/07 - 6/08	3,072,000	3,084,000	12,000	0.4%
7/08 - 6/09	1,649,000	1,703,000	54,000	3.3%
7/09 - 6/10	1,622,000	1,468,000	(154,000)	-9.5%
7/10 - 6/11	3,129,000	3,236,000	107,000	3.4%
7/11 - 6/12	2,156,000	1,963,000	(193,000)	-9.0%
7/12 - 6/13	2,352,000	2,301,000	(51,000)	-2.2%
7/13 - 6/14	2,238,000	1,890,000	(348,000)	-15.5%
7/14 - 12/14	1,510,000	1,042,000	(468,000)	-31.0%
<b>SubTotal</b>	<b>23,695,376</b>	<b>22,520,376</b>	<b>(1,175,000)</b>	<b>-5.0%</b>
1/15 - 6/15	1,135,000	1,054,000	(81,000)	-7.1%
7/15 - 6/16	2,982,000	2,431,000	(551,000)	-18.5%
<b>Total</b>	<b>\$27,812,376</b>	<b>\$26,005,376</b>	<b>(\$1,807,000)</b>	<b>-6.5%</b>

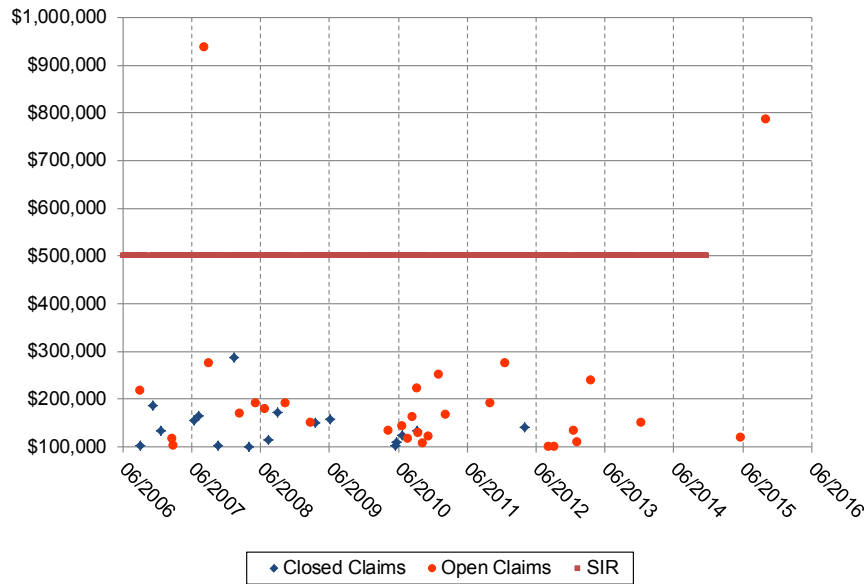
Note: (2) is from the prior actuarial study.  
(3) is from Exhibit WC-9.

Graphs III-6A and III-6B are claim size distributions for CSURMA AORMA-COMP.

**Graph III-6A**  
**Claim Size Distribution**  
**Claims with Incurred Amount below \$100,000**



**Graph III-6B**  
**Claim Size Distribution**  
**Claims with Incurred Amount above \$100,000**



## **ESTIMATED POOL LAYER FUNDING EXHIBIT**

**ISSUE:** The Committee will review the estimated fund balance exhibits for both the Liability and Workers' Compensation Programs. These reports show a comparison of the program assets, outstanding liabilities and estimated fund balances at 6/30/16, as well as historical estimated fund balance and dividend information.

**RECOMMENDATION:** None; this item is for information only.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** These reports may be included as attachments to the September Update Letter that will be sent to all of the auxiliary organization executive directors.

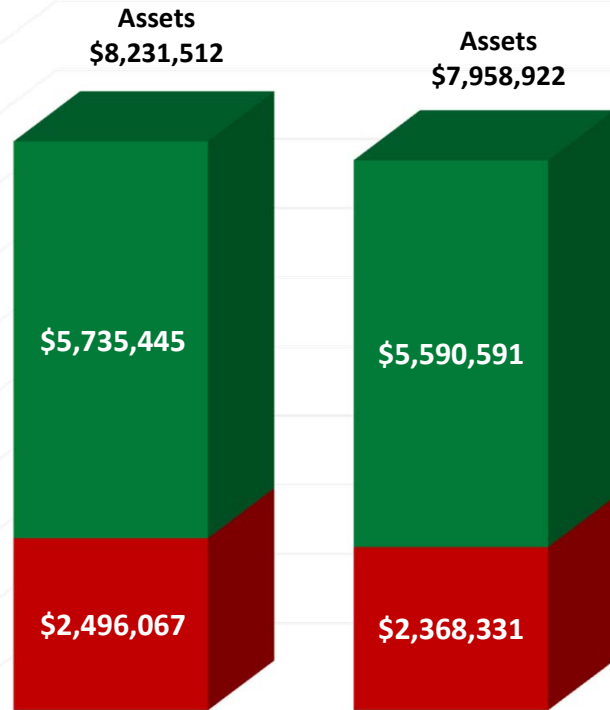
**ATTACHMENT(S):**

- a. Estimated Fund Balance @ June 30, 2016 (Liability and Workers' Compensation Programs)
- b. Historical Estimated Fund Balance @ June 30
- c. Historical Maximum Dividend Available vs. Dividend Declared

# AORMA Risk Pools

Estimated Funding Projected @ June 30, 2016 (undiscounted)

## AORMA Liability



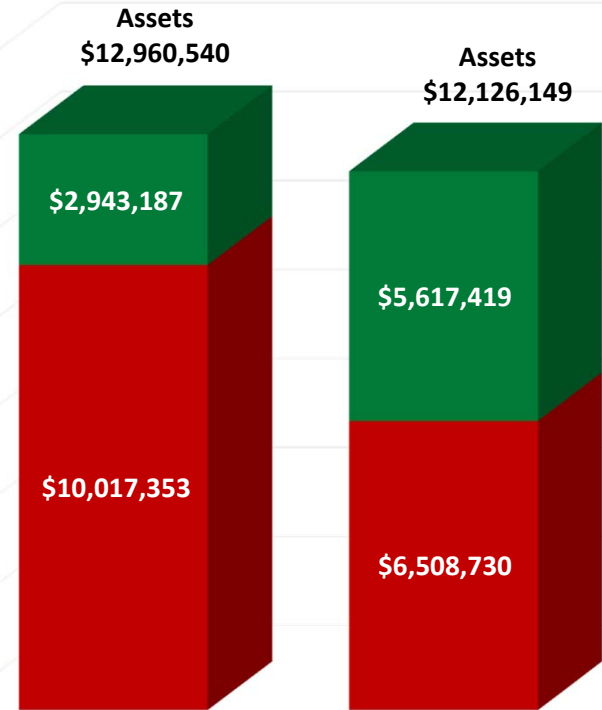
@ September 30, 2015

@ June 30, 2016

■ Unencumbered Funds

■ The Estimated Outstanding Liabilities are shown at a 70% Confidence Level, undiscounted and include the Unallocated Loss Adjustment Expense

## AORMA Workers' Compensation



@ June 30, 2015

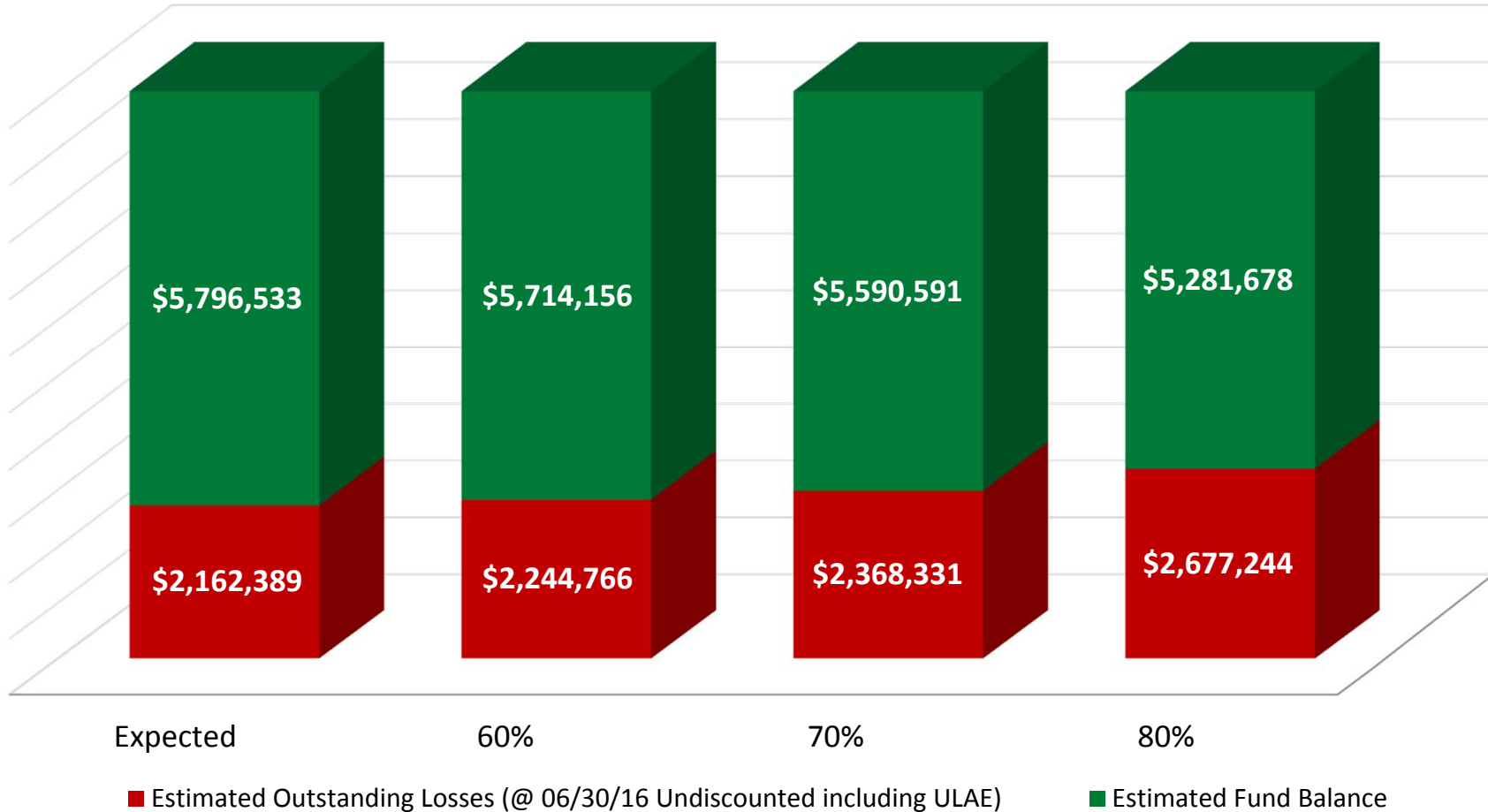
@ June 30, 2016

■ Unencumbered Funds

■ The Estimated Outstanding Liabilities are shown at a 70% Confidence Level, undiscounted and include the Unallocated Loss Adjustment Expense

# Liability Estimated Fund Balance @ 06/30/16

Program Assets @ 06/30/16 - \$7,958,922

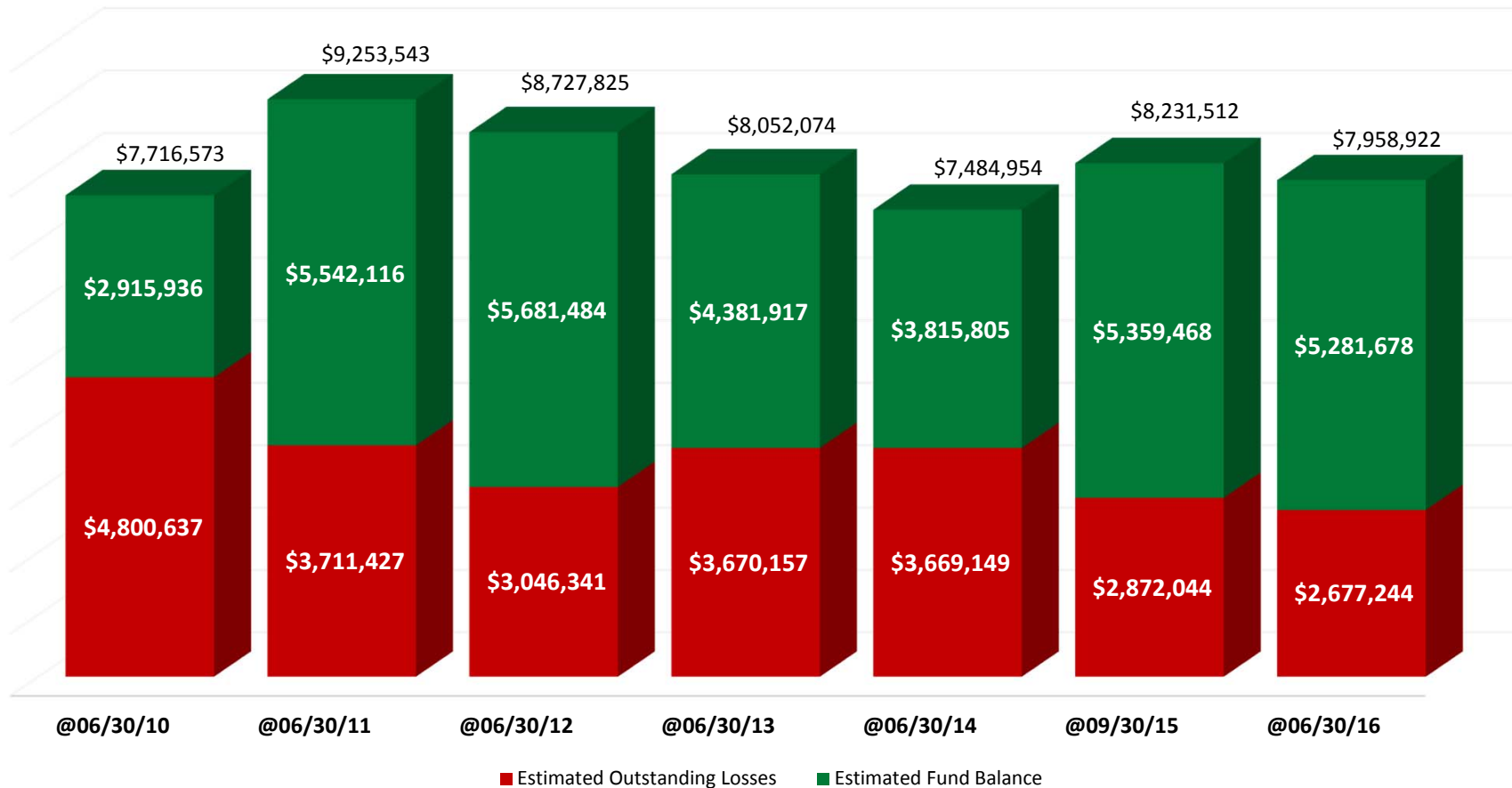


The Program Assets have been reduced by the dividend of \$871,524 payable in July 2016, and accounts payable of \$57,224.

# Liability Historical Estimated Fund Balance @ June 30



80% Confidence Level



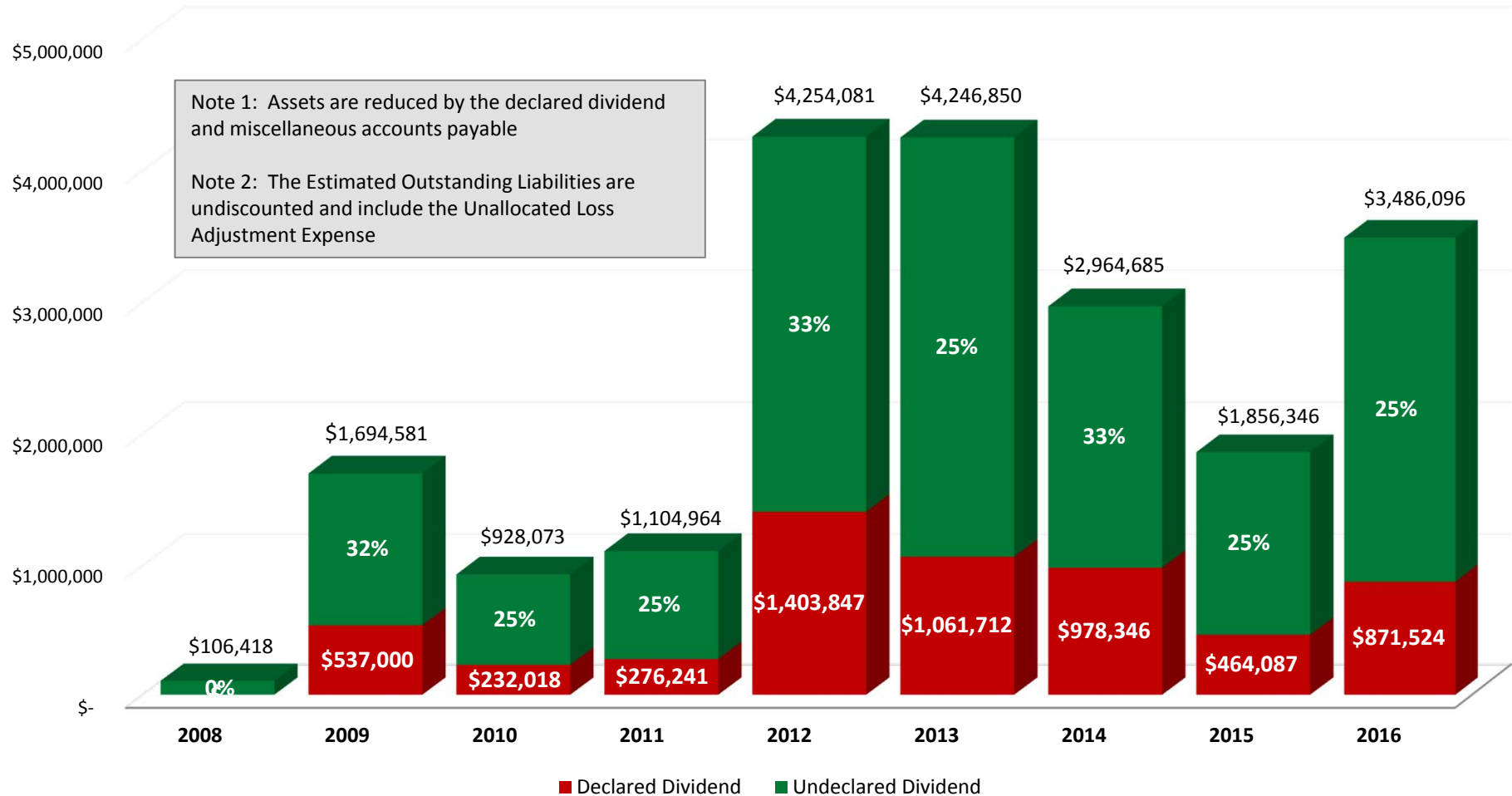
Note 1: Assets are reduced by the declared dividend and miscellaneous accounts payable

Note 2: The Estimated Outstanding Liabilities are undiscounted and include the Unallocated Loss Adjustment Expense

# Liability Historical Dividends Paid in July

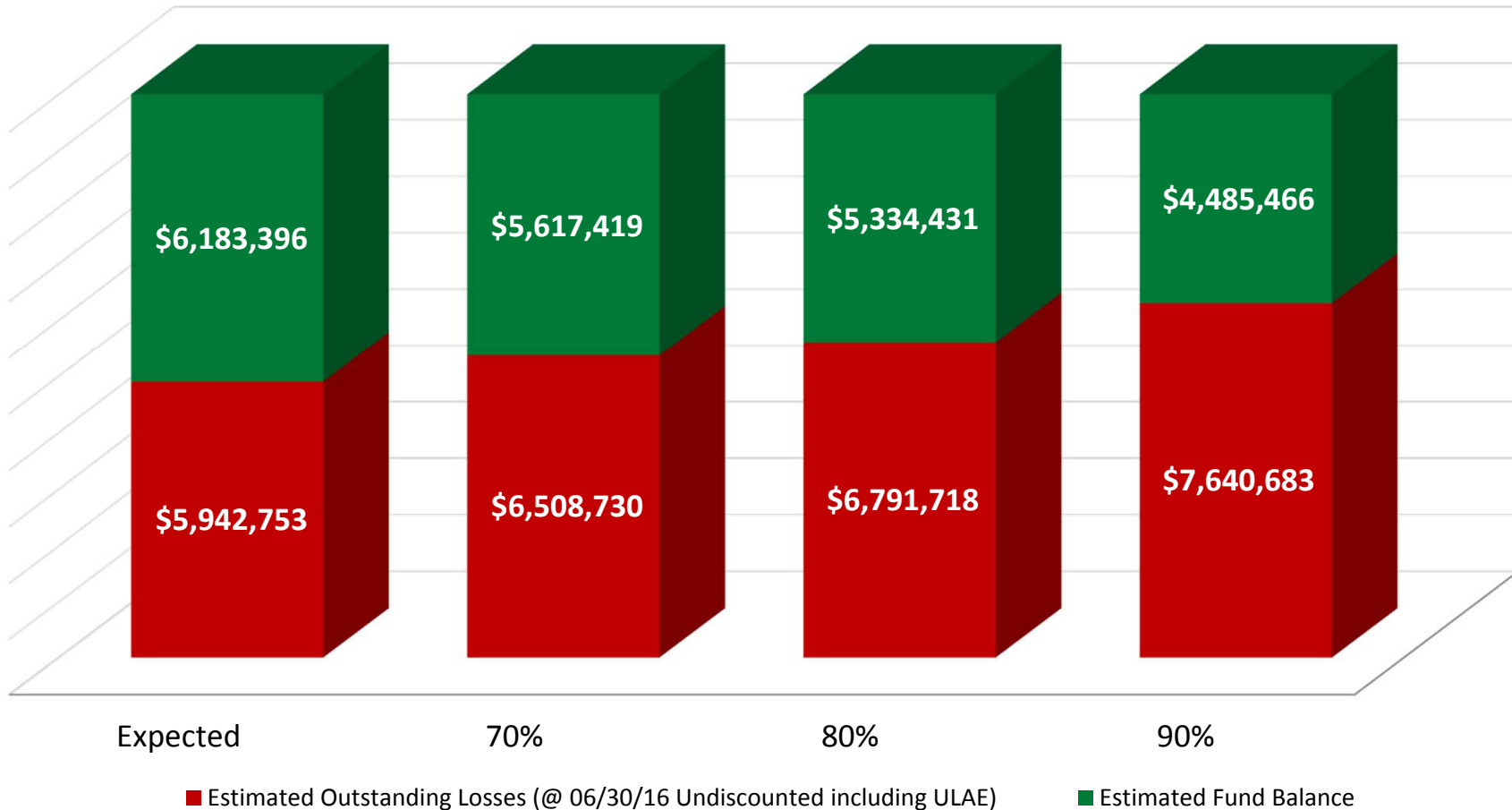


## Maximum Dividend Available vs. Dividend Declared



# Workers' Compensation Estimated Fund Balance @ 06/30/16

Program Assets @ 06/30/16 - \$12,126,149

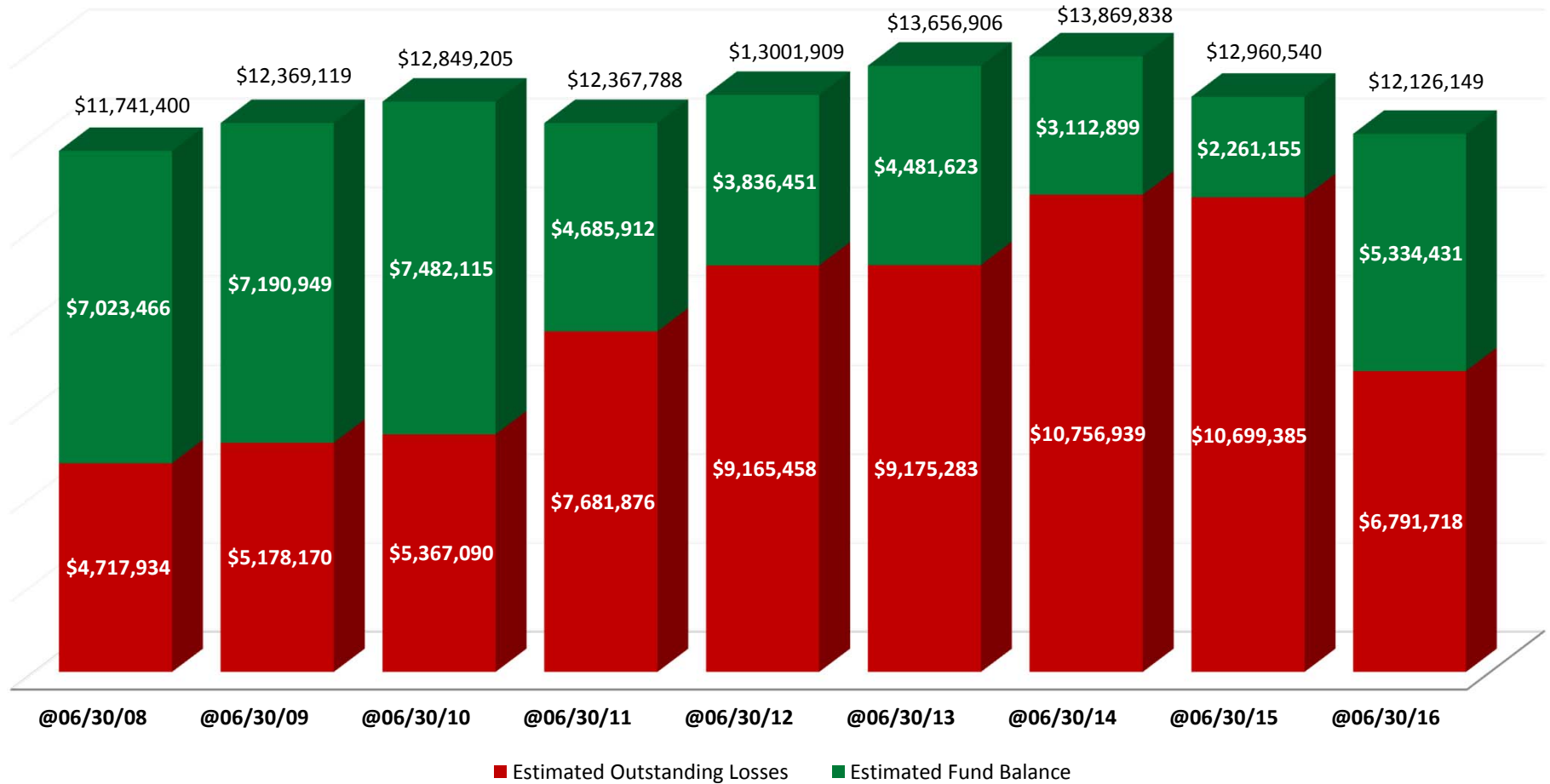


The Program Assets have been reduced by the dividend of \$300,000 payable in July 2016, and accounts payable of \$258,140.

# Workers' Compensation Historical Estimated Fund Balance @ June 30



## 80% Confidence Level



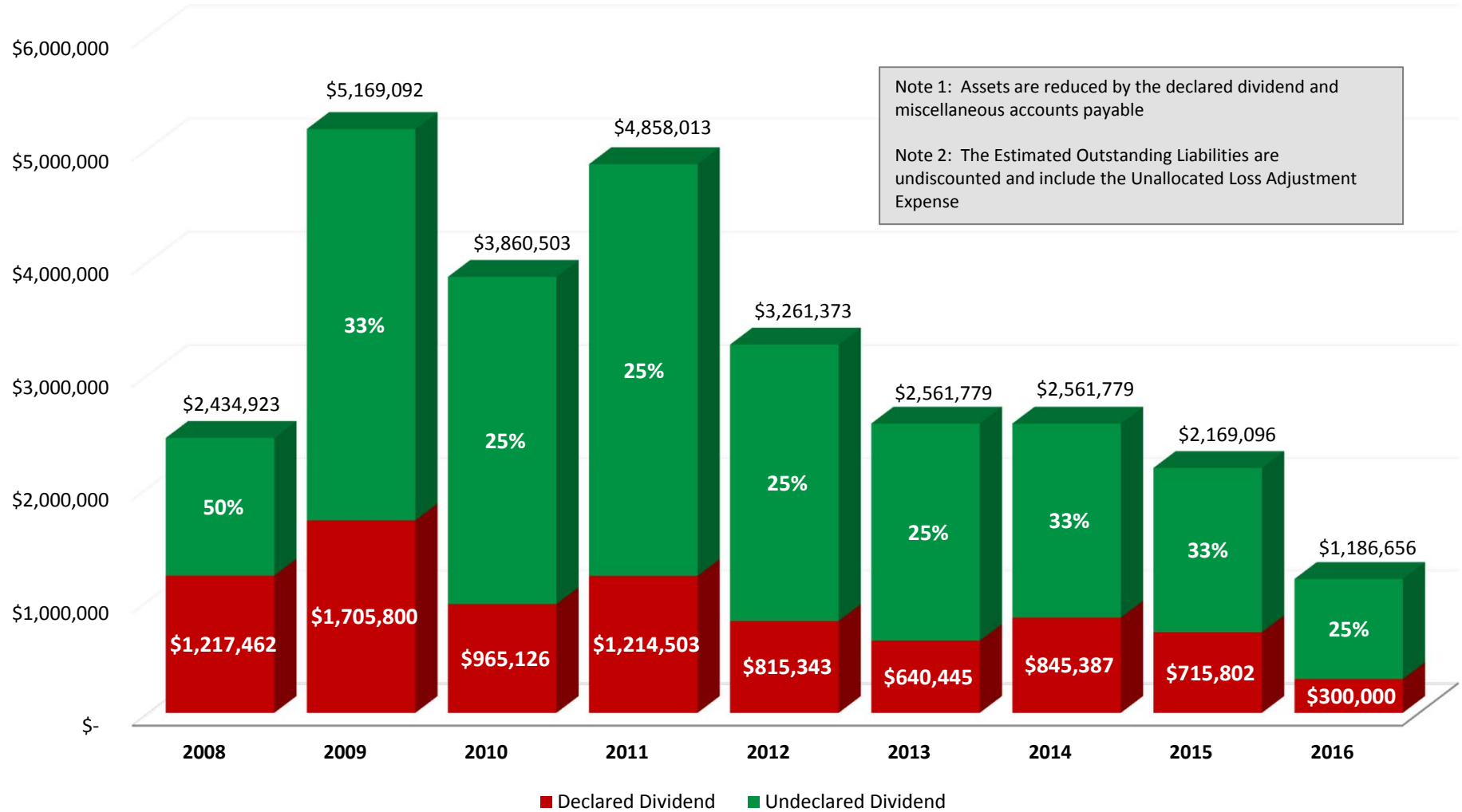
Note 1: Assets are reduced by the declared dividend and miscellaneous accounts payable

Note 2: The Estimated Outstanding Liabilities are undiscounted and include the Unallocated Loss Adjustment Expense

# Workers' Compensation Historical Dividends Paid in July



## Maximum Dividend Available vs. Dividend Declared



## **TARGET SURPLUS FUNDING REPORT AND DIVIDEND CALCULATION**

**ISSUE:** Staff will present an analysis of the financial position of the Liability and Workers' Compensation programs based on the surplus funding and dividend calculation formula set forth in Policy & Procedure A-3 Target Surplus Funding Policy. The analysis will show the current surplus fund amounts (at 6/30/16) as well as the estimated amounts available for dividend distribution.

**RECOMMENDATION:** No action is requested during this meeting. The Committee will be asked to take action at tomorrow's meeting.

**FISCAL IMPACT:** The Committee will be asked to review the Target Surplus Funding Report and recommend a dividend within both the Liability and Workers' Compensation programs to be declared at tomorrow's meeting.

**BACKGROUND:** CAJPA, an informational and educational network for California JPA's, has established several surplus ratio standards that have been adopted by CSURMA AORMA in order to establish the target surplus amount for the Liability and Workers' Compensation Programs.

- Gross Premium to Surplus Ratio – at least 1.5 to 1: (Surplus should be at least 67% of the reserve amounts for all open claims.) Should there be any inaccuracies in the pricing, it is desirable to have adequate surplus to borrow against.
- Surplus to Pool Retention Ratio > 5-10 to 1: Should AORMA have multiple significant losses in the same year, it is desirable to have between five and ten times the retention.
- Outstanding Reserves to Surplus Ratio - at least 1.5 to 1: (Surplus should be at least 67% of the reserve amounts for all open claims.) Should there be any inaccuracies in the reserve amounts for open claims, it is desirable to have adequate surplus to borrow against.

**PUBLICATION:** All AORMA members will receive an update in September, 2016 which summarizes the decisions made at this meeting regarding surplus funds at June 30, 2016 and approved dividends to be released in July, 2017.

**ATTACHMENT(S):**

- a. Surplus Funding and Dividend Calculation
- b. Policy & Procedure A-3 – Target Surplus Funding Policy

**AORMA Liability Fund Program**  
**Target Surplus Funding Analysis - Pooled Layer Funding @ \$500,000**  
**@ June 30, 2016**

Analysis Factors	Current Analysis	Change	Prior Analysis
Gross Premium for FY 17/18 (at 80% CL) #1	3,270,893	Up From	3,068,777
Assets at 6/30/16 #2	7,958,922	Down From	8,231,512
Maximum Retention Per Occurrence	500,000	No Change	500,000
Outstanding Reserves at 6/30/16 #3	427,773	Down From	1,546,200
Surplus (Expected Confidence Level) #4	5,796,533	Down From	5,986,096
Surplus (above a 70% Confidence Level) #5	5,656,558	Down From	5,801,409
Surplus (above an 80% Confidence Level) #5	5,356,250	Down From	5,435,368

#1 - Includes Actuary's Recommended Estimated Pooled Layer Funding at a 70% confidence level, claims administration and reinsurance costs.

#2 - Assets are reduced by accounts payable and dividend.

#3 - Reserves on open claims - two claims were capped at \$350,000 (the pooled layer for that coverage period).

#4 - Unencumbered Funds means the Plan Assets minus the Outstanding Losses. Outstanding Losses **are undiscounted** for investment income and include unallocated loss adjustment expense.

#5 - Unencumbered Funds means the Plan Assets minus the Outstanding Losses. Outstanding Losses **are discounted** for investment income and include unallocated loss adjustment expense.

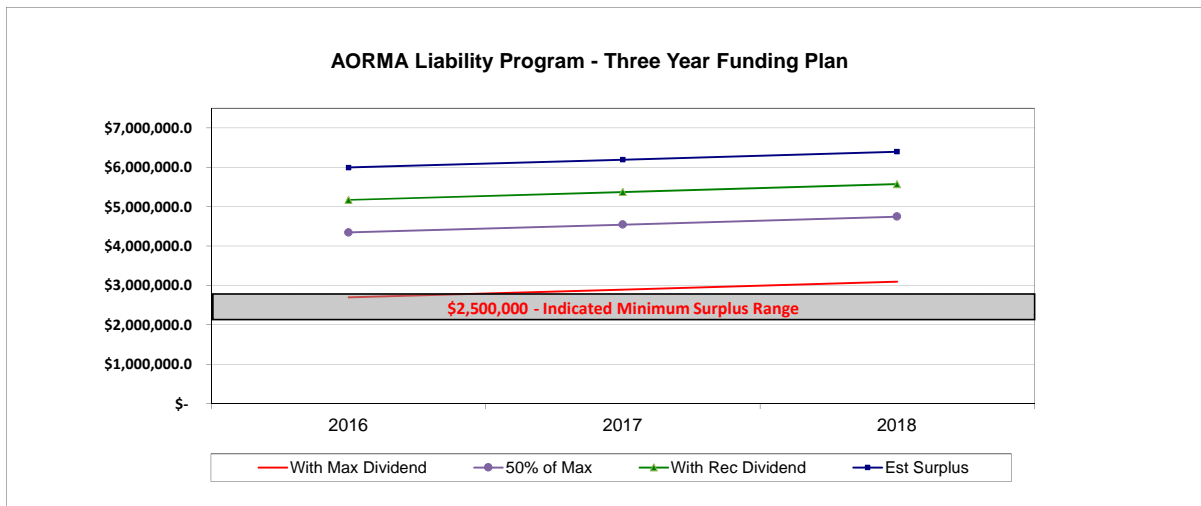
Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium : Surplus	<1.5:1	2,180,595	0.56
Surplus : Retention	>5:1	<b>2,500,000</b>	<b>11.59</b>
Outstanding Reserves : Surplus	≤1.5:1	285,182	0.07

Dividend	
Target Surplus Goal (70% Confidence Level / Discounted)	5,656,558
Indicated Minimum Surplus (largest ratio amount)	2,500,000
Maximum Dividend Available	3,296,533
Dividend 50%	1,648,267
Dividend 33%	1,087,856
<b>Dividend 25%</b>	<b>824,133</b>

Confidence levels	Risk Factor	Pooled Layer Funding #5	Surplus
Expected	1.000	2,002,055	-
60%	1.041	2,085,137	83,082
70%	1.100	2,202,261	200,206
80%	1.250	2,502,569	500,514

#5 The Pooled Layer Funding is discounted for investment income and **does not** include the unallocated loss adjustment expense.

Three Year Funding Plan				
Fiscal Year	Added to Surplus	Estimated Surplus	Estimated Surplus w/ Maximum Dividend	Estimated Surplus w/ Recommended Dividend
Estimated Balance at 7/1/16	N/A	5,796,533	N/A	N/A
2017/18- Collection @ 70% Confidence Level	200,206	5,996,739	2,700,206	5,172,606
2018/19 - Collection @ 70% Confidence Level	200,206	6,196,945	2,900,412	5,372,812
2019/20 - Collection @ 70% Confidence Level	200,206	6,397,151	3,100,618	5,573,018



**AORMA Workers' Compensation Fund Program**  
**Target Surplus Funding Analysis - Pooled Layer Funding @ \$500,000**  
**@ June 30, 2016**

Analysis Factors	Current Analysis	Change	Prior Analysis
Gross Premium for FY 17/18 (at 80% CL) #1	3,943,362	Up From	3,926,000
Assets at 6/30/16 #2	12,126,149	Down From	12,960,540
Maximum Retention Per Occurrence	500,000	No Change	500,000
Outstanding Reserves at 6/30/16 #3	2,806,314	Down From	4,169,368
Surplus (Expected Confidence Level) #4	6,183,396	Up From	3,966,235
Surplus (above a 70% Confidence Level) #5	6,078,554	Up From	3,633,140
Surplus (above an 80% Confidence Level) #5	5,815,615	Up From	2,998,083

#1 - Includes Actuary's Recommended Estimated Pooled Layer Funding at a 70% confidence level, claims administration and reinsurance costs.

#2 - Assets are reduced by accounts payable and dividend.

#3 - Reserves on open claims - one claim is capped at \$500,000. Reserves on claims between 1/01/15 and 6/30/16 have been removed as the program was fully insured through CSAC EIA.

#4 - Unencumbered Funds means the Plan Assets minus the Outstanding Losses. Outstanding Losses are undiscounted for investment income and include unallocated loss adjustment expense.

#5 - Unencumbered Funds means the Plan Assets minus the Outstanding Losses. Outstanding Losses are discounted for investment income and include unallocated loss adjustment expense.

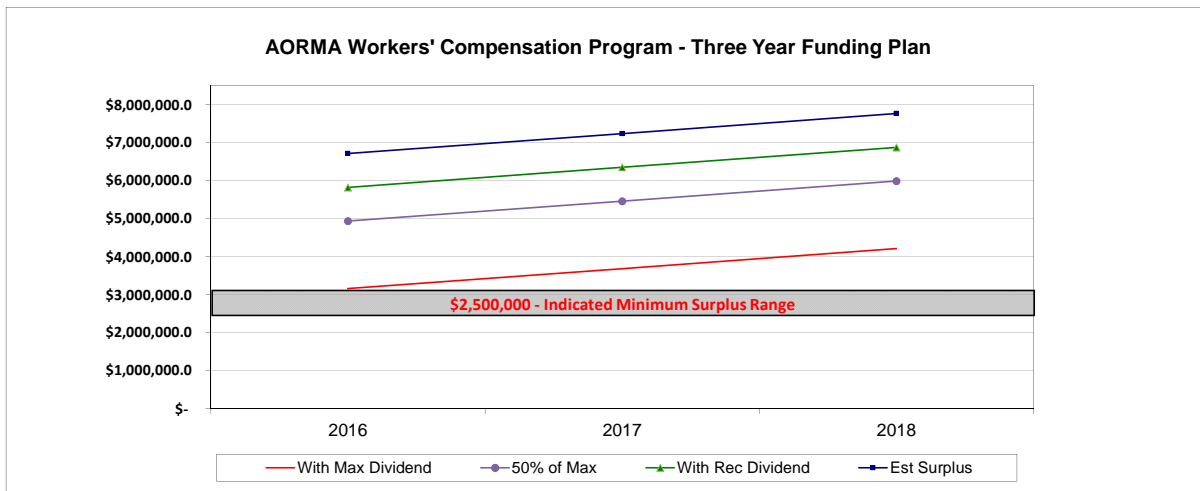
Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium : Surplus	<1.5:1	2,628,908	0.64
Surplus : Retention	>5:1	2,500,000	12.37
Outstanding Reserves : Surplus	≤1.5:1	1,870,876	0.45

Dividend	
Target Surplus Goal (70% Confidence Level / Discounted)	6,078,554
Indicated Minimum Surplus (largest ratio amount)	2,628,908
Maximum Dividend Available	3,554,488
Dividend 50%	1,777,244
Dividend 33%	1,172,981
<b>Dividend 25%</b>	<b>888,622</b>

Confidence levels	Risk Factor	Pooled Layer Funding #5	Surplus
Expected	1.000	5,258,778	-
70%	1.100	5,784,656	525,878
80%	1.150	6,047,595	788,817
90%	1.300	6,836,411	1,577,633

#5 The Pooled Layer Funding is discounted for investment income and does not include the unallocated loss adjustment expense.

Three Year Funding Plan				
Fiscal Year	Added to Surplus	Estimated Surplus	Estimated Surplus w/ Maximum Dividend	Estimated Surplus w/ Recommended Dividend
Estimated Balance at 7/1/16	N/A	6,183,396	N/A	N/A
2017/18 - Collection @ 70% Confidence Level	525,878	6,709,274	3,154,786	5,820,652
2018/19 - Collection @ 70% Confidence Level	525,878	7,235,152	3,680,664	6,346,530
2019/20 - Collection @ 70% Confidence Level	525,878	7,761,030	4,206,542	6,872,408





**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-3  
(FORMERLY 7-AORMA)**

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**SUBJECT:** TARGET SURPLUS FUNDING POLICY

**ADOPTED:** JANUARY 10, 2007

**EFFECTIVE:** JANUARY 1, 2007

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

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

**POLICY:**

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

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

The AORMA COMMITTEE may take action to set a higher or lower CONFIDENCE LEVEL based on AORMA’s goal to retain more or less risk.

**PROCEDURE:**

- 1. Annual Actuarial Study** - Each year the Program Director will engage CSURMA’s accredited independent actuary to perform an actuarial analysis of the Workers’ Compensation and Liability Programs. This analysis shall include ESTIMATED OUTSTANDING LOSSES (including IBNR) at various CONFIDENCE LEVELs as well as PROJECTED ULTIMATE LOSSES for the upcoming year(s). The analysis shall also compare the current program funding against the OUTSTANDING LOSSES and determine the CONFIDENCE LEVEL to which the program is currently funded. Because the Property

and Crime Programs have an annual aggregate retention, an actuarial analysis is not performed.

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

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

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

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

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

**Outstanding Reserves to Surplus Ratio: Target  $\leq$  1.5:1**

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

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

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

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

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



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-3  
(FORMERLY 7-AORMA)**

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**MEMBER APPEAL PROCESS:**

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

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

**DEFINITIONS:**

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

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

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

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

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

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

**IBNR** – Incurred but Not Reported losses.

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

**MEMORANDUM OF COVERAGE** – The AORMA Liability Program MEMORANDUM OF COVERAGE is a governing document which outlines the AORMA Liability Program's definitions, coverages, exclusions and provisions. The AORMA Liability Program MEMORANDUM OF COVERAGE does not provide insurance, but instead provides for pooled-insurance. The MEMORANDUM OF COVERAGE is a negotiated agreement among the MEMBERS of CSURMA AORMA.

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

**PARTICIPATION AGREEMENT** – A governing document of CSURMA AORMA which outlines the roles and responsibilities of AORMA and its MEMBERS.



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. A-3  
(FORMERLY 7-AORMA)**

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

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

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

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

**AORMA HISTORICAL PREMIUM PAYMENTS, DIVIDENDS  
AND LOSS RATIOS**

**ISSUE:** The attached report documents each member's historical program premiums, dividends and loss ratios.

**RECOMMENDATION:** This report is for information only. No action is requested at this time; however, the Committee may provide direction to Staff.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None is anticipated at this time.

**ATTACHMENT(S):**

- a. Historical Premium Payments, Dividends Received and Loss Ratios report.

**CSURMA AORMA**

**Liability Insurance Program**

**Member Loss Ratios / Capped at Pooled Layer**

**Loss Valuation Date - June 30, 2016**

Campus	Auxiliary Organization	FY 11/12 - FY 15/16				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 32,514	\$ 6,892			0%
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 16,752	\$ 2,241			0%
Bakersfield	California State University, Bakersfield Foundation	\$ 101,025	\$ 15,007			0%
Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 16,128	\$ 9,736			0%
Chancellor's Office	California State University Foundation	\$ 8,118	\$ 1,584			0%
Chancellor's Office	California State University Institute	\$ 11,072	\$ 2,163			0%
Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 8,773	\$ 1,697			0%
Channel Islands	California State University Channel Islands Foundation	\$ 11,063	\$ 2,291			0%
Channel Islands	University Glen Corporation	\$ 116,891	\$ 23,937	1	\$ 2,971	3%
Chico	Associated Students of California State University, Chico	\$ 657,115	\$ 139,246	4	\$ 13,425	2%
Chico	Auxiliary Organization Associations	\$ 8,071	\$ 1,584			0%
Chico	The CSU, Chico Research Foundation	\$ 560,184	\$ 114,443	22	\$ 1,444,107	258%
Chico	The University Foundation, California State University, Chico	\$ 48,173	\$ 9,232			0%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 29,460	\$ 6,188			0%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 140,667	\$ 29,595	3	\$ 16,952	12%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 87,355	\$ 18,162	2	\$ 3,051	3%
East Bay	Associated Students, California State University, East Bay	\$ 130,723	\$ 30,571	1	\$ 1,218	1%
East Bay	Cal State East Bay Educational Foundation	\$ 43,912	\$ 60			0%
East Bay	California State University, East Bay Foundation, Inc.	\$ 151,618	\$ 59,630	1	\$ -	0%
Fresno	Associated Students, Inc. of California State University, Fresno	\$ 21,144	\$ 4,181			0%
Fresno	California State University, Fresno Association, Inc.	\$ 843,437	\$ 197,919	6	\$ 18,807	2%
Fresno	California State University, Fresno Foundation	\$ 234,352	\$ 43,709	2	\$ 143,656	61%
Fresno	Fresno State Programs for Children, Inc.	\$ 43,802	\$ 9,371			0%
Fresno	The Agricultural Foundation of California State University, Fresno	\$ 107,089	\$ 22,896			0%
Fresno	The California State University, Fresno Athletic Corporation	\$ 987,039	\$ 195,858	12	\$ 38,132	4%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 179,336	\$ 35,129	3	\$ 4,219	2%
Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 36,634	\$ 7,227			0%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 295,259	\$ 52,582	5	\$ 155,786	53%
Fullerton	CSU Fullerton Housing Authority	\$ 79,480	\$ 21,759			0%
Humboldt	Associated Students, Humboldt State University	\$ 31,917	\$ 6,701			0%
Humboldt	Humboldt State University Advancement Foundation	\$ 8,417	\$ 1,691			0%
Humboldt	Humboldt State University Center Board of Directors	\$ 273,736	\$ 63,117	2	\$ 4,156	2%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 153,920	\$ 30,207	3	\$ 5,344	3%
Long Beach	Associated Students, California State University, Long Beach	\$ 391,456	\$ 79,888	4	\$ 382,078	98%
Long Beach	California State University, Long Beach Research Foundation	\$ 772,317	\$ 152,646	3	\$ 357,576	46%
Long Beach	CSULB 49er Foundation	\$ 13,677	\$ 1,148	3	\$ 1,104	8%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 223,427	\$ 42,845	9	\$ 26,100	12%
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 33,655	\$ 6,745			0%
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 162,865	\$ 29,987			0%

**CSURMA AORMA**

**Liability Insurance Program**

**Member Loss Ratios / Capped at Pooled Layer**

**Loss Valuation Date - June 30, 2016**

Campus	Auxiliary Organization	FY 11/12 - FY 15/16				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
Los Angeles	California State University, Los Angeles Foundation	\$ 18,830	\$ 4,029			0%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 137,300	\$ 28,235			0%
Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 17,658	\$ 3,721			0%
Maritime Academy	The Associated Students of the California Maritime Academy	\$ 16,882	\$ 3,535			0%
Monterey Bay	Foundation of California State University, Monterey Bay	\$ 19,163	\$ 2,732			0%
Monterey Bay	The University Corporation at Monterey Bay	\$ 324,201	\$ 68,350	2	\$ 93,175	29%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 84,106	\$ 14,980	9	\$ 33,619	40%
Northridge	California State University, Northridge Foundation	\$ 56,469	\$ 11,748			0%
Northridge	North Campus University Park Development Corporation	\$ 26,867	\$ 5,640			0%
Northridge	The University Corporation, CSU Northridge	\$ 425,600	\$ 75,781	7	\$ 27,876	7%
Northridge	University Student Union of California State University, Northridge	\$ 426,982	\$ 82,096	5	\$ 301,128	71%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 364,482	\$ 74,729	2	\$ 75,270	21%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 753,691	\$ 155,518	20	\$ 414,014	55%
Sacramento	Associated Students of California State University, Sacramento	\$ 493,536	\$ 103,002	12	\$ 31,633	6%
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 42,032	\$ 7,623	1	\$ 12,153	29%
Sacramento	The University Foundation at Sacramento State	\$ 28,063	\$ 6,004			0%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 780,155	\$ 153,704	6	\$ 166,575	21%
Sacramento	University Union Operation of CSUS, Inc.	\$ 133,172	\$ 24,885	2	\$ 11,266	8%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 48,549	\$ 10,380			0%
San Bernardino	CSUSB Philanthropic Foundation	\$ 14,163	\$ 1,148			0%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 76,366	\$ 14,529	2	\$ 190,151	249%
San Bernardino	University Enterprises Corporation at CSUSB	\$ 266,101	\$ 55,187			0%
San Diego	Associated Students, San Diego State University	\$ 872,365	\$ 170,981	9	\$ 156,343	18%
San Diego	Aztec Shops, Ltd., San Diego State University	\$ 650,116	\$ 132,884	12	\$ 66,781	10%
San Diego	San Diego State University Research Foundation	\$ 907,235	\$ 184,282	30	\$ 996,199	110%
San Diego	The Campanile Foundation	\$ -	\$ -			0%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 84,536	\$ 14,196	1	\$ 643	1%
San Francisco	San Francisco State University Foundation	\$ 17,809	\$ 3,253			0%
San Francisco	The University Corporation, San Francisco State	\$ 146,330	\$ 42,252	6	\$ 16,547	11%
San Jose	Associated Student, San Jose State University	\$ 59,603	\$ 11,557	2	\$ 15,664	26%
San Jose	San Jose State University Research Foundation	\$ 158,205	\$ 29,999	3	\$ 47,532	30%
San Jose	Spartan Shops, Inc., San Jose State University	\$ 420,914	\$ 87,592	5	\$ 23,251	6%
San Jose	The Student Union of San Jose State University	\$ 608,143	\$ 127,106	3	\$ 176,856	29%
San Jose	The Tower Foundation, San Jose State University	\$ 12,263	\$ 2,327			0%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 461,822	\$ 92,317	1	\$ 587	0%
San Luis Obispo	Cal Poly Corporation	\$ 675,909	\$ 181,856	8	\$ 42,438	6%
San Luis Obispo	California Polytechnic State University Foundation	\$ 8,081	\$ 1,535	1	\$ 1,600	20%
San Marcos	California State University San Marcos Foundation	\$ 26,683	\$ 5,256			0%
San Marcos	San Marcos University Corporation	\$ 98,083	\$ 36,248	1	\$ 9,003	9%

**CSURMA AORMA**

**Liability Insurance Program**

**Member Loss Ratios / Capped at Pooled Layer**

**Loss Valuation Date - June 30, 2016**

Campus	Auxiliary Organization	FY 11/12 - FY 15/16				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
San Marcos	The Associated Students of California State University, San Marcos	\$ 48,286	\$ 8,738			0%
San Marcos	University Auxillary and Research Services Corporation	\$ 154,884	\$ 15,752	1	\$ 66,462	43%
Sonoma	Associated Students of Sonoma State University	\$ 78,117	\$ 16,711			0%
Sonoma	Sonoma State Enterprises, Inc.	\$ 176,945	\$ 37,033	2	\$ 2,912	2%
Sonoma	Sonoma State University Academic Foundation, Inc.	\$ 74,359	\$ 15,706			0%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 32,461	\$ 6,814			0%
Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 78,786	\$ 16,854			0%
Stanislaus	California State University, Stanislaus Foundation	\$ 118,001	\$ 25,211			0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 18,231	\$ 3,890			0%
<b>Total:</b>		<b>\$ 17,615,106</b>	<b>\$ 3,657,774</b>	<b>239</b>	<b>\$ 5,598,359</b>	<b>32%</b>

CSURMA AORMA

Workers' Compensation Insurance Program

Member Loss Ratios

Loss Valuation Date - June 30, 2016

Campus	Auxiliary Organization	FY 11/12 - FY 15/16				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 79,210	\$ 1,884	1	\$ 1,656	2%
Bakersfield	California State University, Bakersfield Foundation	\$ 80,571	\$ 33,223	4	\$ 60,123	75%
Channel Islands	University Glen Corporation	\$ 223,467	\$ 24,089	16	\$ 61,144	27%
Chico	Associated Students of California State University, Chico	\$ 797,401	\$ 211,879	237	\$ 173,769	22%
Chico	The CSU, Chico Research Foundation	\$ 675,785	\$ 131,030	31	\$ 147,736	22%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 12,842	\$ 3,137	3	\$ 712	6%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 346,489	\$ 82,338	17	\$ 23,209	7%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 43,866	\$ 6,657	3	\$ 5,176	12%
East Bay	Associated Students, California State University, East Bay ( <i>University Union</i> )	\$ 47,817	\$ 36,311	13	\$ 25,629	54%
East Bay	California State University, East Bay Foundation, Inc.	\$ 113,272	\$ 34,480	2	\$ 1,223	1%
Fresno	California State University, Fresno Association, Inc.	\$ 537,304	\$ 152,938	47	\$ 25,555	5%
Fresno	The California State University, Fresno Athletic Corporation	\$ 411,795	\$ 74,931	12	\$ 33,615	8%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 421,323	\$ 73,917	28	\$ 71,944	17%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 822,697	\$ 210,636	48	\$ 912,287	111%
Humboldt	Associated Students, Humboldt State University	\$ 8,554	\$ 148	1	\$ -	0%
Humboldt	Humboldt State University Center Board of Directors	\$ 405,864	\$ 88,667	85	\$ 86,232	21%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 671,718	\$ 89,874	27	\$ 52,533	8%
Long Beach	Associated Students, California State University, Long Beach	\$ 476,357	\$ 97,724	53	\$ 135,917	29%
Long Beach	California State University, Long Beach Research Foundation	\$ 515,925	\$ 138,060	30	\$ 219,815	43%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 792,037	\$ 140,579	136	\$ 553,094	70%
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 665,032	\$ 138,172	34	\$ 150,259	23%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 200,505	\$ 29,514	5	\$ 68,891	34%
Monterey Bay	The University Corporation at Monterey Bay	\$ 518,189	\$ 93,608	19	\$ 88,413	17%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 245,657	\$ 49,841	15	\$ 73,151	30%
Northridge	The University Corporation, CSU Northridge	\$ 1,427,126	\$ 285,334	108	\$ 454,281	32%
Northridge	University Student Union of California State University, Northridge	\$ 446,236	\$ 72,225	47	\$ 102,160	23%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 299,860	\$ 55,410	43	\$ 36,252	12%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 1,295,806	\$ 253,221	173	\$ 743,431	57%
Sacramento	Associated Students of California State University, Sacramento	\$ 343,543	\$ 73,188	25	\$ 143,443	42%
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 9,749	\$ -	1	\$ 1,900	19%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 1,181,693	\$ 118,144	139	\$ 140,870	12%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 10,676	\$ 2,399	1	\$ -	0%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 171,689	\$ 24,378	19	\$ 70,772	41%
San Bernardino	University Enterprises Corporation at CSUSB / ( <i>Foundation</i> )	\$ 380,145	\$ 78,431	125	\$ 105,749	28%
San Diego	Associated Students, San Diego State University	\$ 850,034	\$ 163,067	95	\$ 376,281	44%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 200,094	\$ 18,896	25	\$ 14,366	7%
San Francisco	The University Corporation, San Francisco State	\$ 146,322	\$ 26,167	4	\$ 6,663	5%
San Jose	Associated Student, San Jose State University	\$ 221,631	\$ 43,518	24	\$ 35,526	16%
San Jose	San Jose State University Research Foundation	\$ 1,207,030	\$ 234,202	33	\$ 152,791	13%

**CSURMA AORMA**  
**Workers' Compensation Insurance Program**  
**Member Loss Ratios**  
**Loss Valuation Date - June 30, 2016**

Campus	Auxiliary Organization	FY 11/12 - FY 15/16				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
San Jose	Spartan Shops, Inc., San Jose State University	\$ 717,773	\$ 139,200	200	\$ 209,702	29%
San Jose	The Student Union of San Jose State University	\$ 164,070	\$ 26,838	6	\$ 7,115	4%
San Jose	The Tower Foundation, San Jose State University	\$ 123,402	\$ 13,713	1	\$ -	0%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 447,642	\$ 86,442	44	\$ 289,442	65%
San Luis Obispo	Cal Poly Corporation	\$ 1,879,172	\$ 476,793	226	\$ 1,079,430	57%
San Marcos	University Auxiliary and Research Services Corporation	\$ 264,730	\$ 60,350	18	\$ 37,864	14%
Sonoma	Associated Students of Sonoma State University	\$ 44,535	\$ 3,658	1	\$ 30,393	68%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 17,861	\$ 2,858	0	\$ -	0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 25,933	\$ 2,273	8	\$ 1,861	7%
<b>Total:</b>		<b>\$ 20,990,433</b>	<b>\$ 4,204,343</b>	<b>2,233</b>	<b>\$ 7,012,373</b>	<b>33%</b>

**EMPLOYMENT PRACTICES LIABILITY MEMBER DEDUCTIBLES  
FOR FY 17/18**

**ISSUE:** Staff completed the minimum EPL deductible calculation for FY 17/18. Seven auxiliary organizations are subject to an EPL deductible higher than the minimum of \$25,000. According to Policy & Procedure L-7, the Programs Committee is responsible for approving the EPL deductible calculation; therefore, this calculation is being presented for the Committee’s review only.

**RECOMMENDATION:** Staff recommends that the Committee review the EPL deductible schedule, calculation and Policy & Procedure L-7 and then provide direction, if any, to Staff.

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

**BACKGROUND:** Noted below are the proposed FY 17/18 EPL deductibles.

Auxiliary Organization	FY 16/17
CSU, Fresno Foundation	\$75,000
CSU, Long Beach Research Foundation	\$75,000
The Cal Poly Pomona Foundation, Inc.	\$100,000
University Enterprises, Inc., CSU Sacramento	\$75,000
Associated Students, SDSU	\$50,000
SDSU Research Foundation	\$100,000
San Jose State University Research Foundation	\$100,000

Employment Practices Liability losses continue to be AORMA’s number one loss leader (within the pooled layer). As a way to reduce EPL loss costs, the AORMA Committee approved changes to Policy & Procedure L-7 effective July 1, 2013, which mandates higher EPL deductibles for those auxiliary organizations with a frequency of EPL claims.

In December 2013, Policy & Procedure L-7 was retroactively amended to the July 1, 2013 effective date so that the EPL deductible increases would be limited to one EPL deductible level increase per year, regardless of the minimum EPL deductible calculated based on the schedule within the Policy & Procedure.

**PUBLICATION:** After the calculation is approved by the Programs Committee, the members will be notified of their EPL deductible for FY 17/18.

**ATTACHMENT(S):**

- a. EPL Deductible Schedule
- b. EPL Member Deductible Calculation
- c. Policy & Procedure L-7 – Employment Practices Liability Deductible

**AORMA Liability Program - EPL Deductible Schedule**

#	Campus	Auxiliary Organization	FY 17/18	FY 16/17	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
1	Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
2	Bakersfield	and Administration	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
3	Bakersfield	California State University, Bakersfield Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
4	Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
5	Chancellor's Office	California State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
6	Chancellor's Office	California State University Institute	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
7	Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
8	Channel Islands	California State University Channel Islands Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
9	Channel Islands	University Glen Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
10	Chico	Associated Students of California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
11	Chico	Auxiliary Organization Associations	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
12	Chico	The CSU, Chico Research Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
13	Chico	The University Foundation, California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14	Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
15	Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
16	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000					
17	East Bay	Associated Students, California State University, East Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
18	East Bay	Cal State East Bay Educational Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
19	East Bay	California State University, East Bay Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
20	Fresno	Associated Students, Inc. of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
21	Fresno	California State University, Fresno Association, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
22	Fresno	California State University, Fresno Foundation	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
23	Fresno	Fresno State Programs for Children, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
24	Fresno	The Agricultural Foundation of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
25	Fresno	The California State University, Fresno Athletic Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
26	Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
27	Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
28	Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
29	Humboldt	Associated Students, Humboldt State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
30	Humboldt	Humboldt State University Advancement Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
31	Humboldt	Humboldt State University Center Board of Directors	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
32	Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
33	Long Beach	Associated Students, California State University, Long Beach	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
34	Long Beach	California State University, Long Beach Research Foundation	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
35	Long Beach	CSULB 49er Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
36	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
37	Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
38	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
39	Los Angeles	California State University, Los Angeles Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
40	Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

**AORMA Liability Program - EPL Deductible Schedule**

#	Campus	Auxiliary Organization	FY 17/18	FY 16/17	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
41	Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
42	Maritime Academy	The Associated Students of the California Maritime Academy	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
43	Monterey Bay	Foundation of California State University, Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
44	Monterey Bay	The University Corporation at Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
45	Northridge	Associated Students, California State University, Northridge, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
46	Northridge	California State University, Northridge Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
47	Northridge	North Campus University Park Development Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
48	Northridge	The University Corporation, CSU Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
49	Northridge	University Student Union of California State University, Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
50	Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
51	Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 25,000
52	Sacramento	Associated Students of California State University, Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
53	Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
54	Sacramento	The University Foundation at Sacramento State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
55	Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
56	Sacramento	University Union Operation of CSUS, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
57	San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
58	San Bernardino	CSUSB Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
59	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
60	San Bernardino	University Enterprises Corporation at CSUSB	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
61	San Diego	Associated Students, San Diego State University	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
62	San Diego	Aztec Shops, Ltd., San Diego State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
63	San Diego	San Diego State University Research Foundation	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
64	San Diego	The Campanile Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
65	San Francisco	Associated Students, Inc., San Francisco State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
66	San Francisco	San Francisco State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
67	San Francisco	The University Corporation, San Francisco State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
68	San Jose	Associated Student, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
69	San Jose	San Jose State University Research Foundation	\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
70	San Jose	Spartan Shops, Inc., San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
71	San Jose	The Student Union of San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
72	San Jose	The Tower Foundation, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
73	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
74	San Luis Obispo	Cal Poly Corporation	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
75	San Luis Obispo	California Polytechnic State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
76	San Marcos	California State University San Marcos Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
77	San Marcos	San Marcos University Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
78	San Marcos	The Associated Students of California State University, San Marcos	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
79	San Marcos	University Auxiliary and Research Services Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
80	Sonoma	Associated Students of Sonoma State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

**AORMA Liability Program - EPL Deductible Schedule**

#	Campus	Auxiliary Organization	FY 17/18	FY 16/17	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
81	Sonoma	Sonoma State Enterprises, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
82	Sonoma	Sonoma State University Academic Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
83	Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
84	Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
85	Stanislaus	California State University, Stanislaus Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
86	Stanislaus	University Student Union of California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

**Black Bold** - represents that the EPL deductible is now back down to the minimum of \$25,000

**Blue** - represents the mandated minimum EPL deductible per Policy & Procedure L-7

**Red** - represents the year the member chose to increase its EPL deductible above the minimum. The member must maintain the higher deductible for three years.

**AORMA Liability Program - Employment Practices Liability Loss Information**  
**Employment Practices Liability Loss Information**  
**Paid Losses between July 1, 2011 and June 30, 2016**

Campus	Auxiliaries	Claim #	Total Incurred	Claims Over \$25,000
Channel Islands	CSU CHANNEL ISLANDS UNIVERSITY GLEN CORP	1597956	155,755	155,755
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
Chico	CHICO RESEARCH FOUNDATION	1881293	110,889	110,889
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
Dominguez Hills	CSU DOMINGUEZ HILLS FOUNDATION	1755087	3,083	-
	Dominguez Hills CSU DOMINGUEZ HILLS FOUNDATION	1846619	6,181	-
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Dominguez Hills	CSU DOMINGUEZ HILLS LOKER STUDENT UNION, INC.	1593281	4,547	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
East Bay	CSU EAST BAY FOUNDATION	1548055	1,008	-
	East Bay CSU EAST BAY FOUNDATION	1507297	70	-
	East Bay CSU EAST BAY FOUNDATION	1505817	16,147	-
	East Bay CSU EAST BAY FOUNDATION	1492625	1,772	-
	<b>Number of Claims</b>	<b>4</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Fresno	CSU FRESNO ASSOCIATION (This loss is excluded from the calculation while it is being reviewed)	1603788	40,164	40,164
	Fresno CSU FRESNO ASSOCIATION	1888278	2,108	-
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
Fresno	CSU FRESNO FOUNDATION	1854811	3,192	-
Fresno	CSU FRESNO FOUNDATION	1632425	140,464	140,464
Fresno	CSU FRESNO FOUNDATION	1743848	99,840	99,840
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>		
<b>Total for claims in excess of \$25,000:</b>				<b>240,304</b>
<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>				<b>75,000</b>
<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>				<b>75,000</b>
<b>Minimum EPL deductible for FY 16/17:</b>				<b>75,000</b>
Fullerton	CSU FULLERTON AUXILIARY SERVICES CORPORATION	1532101	<del>150</del>	Incident Only
	CSU FULLERTON AUXILIARY SERVICES CORPORATION	1882328	88,452	88,452
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
Humboldt	CSU HUMBOLDT SPONSORED PROGRAMS FOUNDATION	1565127	23,945	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Long Beach	CSU LONG BEACH ASSOCIATED STUDENTS, INC.	1758388	<del>463</del>	Incident Only
	CSU LONG BEACH ASSOCIATED STUDENTS, INC.	1758506	422,793	422,793
	CSU LONG BEACH ASSOCIATED STUDENTS, INC.	1889986	<del>542</del>	Incident Only
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		

**AORMA Liability Program - Employment Practices Liability Loss Information**  
**Employment Practices Liability Loss Information**  
**Paid Losses between July 1, 2011 and June 30, 2016**

<b>Campus</b>	<b>Auxiliaries</b>	<b>Claim #</b>	<b>Total Incurred</b>	<b>Claims Over \$25,000</b>
Long Beach	LONG BEACH RESEARCH FOUNDATION	1581787	123,679	123,679
Long Beach	LONG BEACH RESEARCH FOUNDATION	1856078	5,550	-
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
	<b>Total for claims in excess of \$25,000:</b>			<b>123,679</b>
	<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>			<b>50,000</b>
	<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>			<b>50,000</b>
	<b>Minimum EPL deductible for FY 16/17:</b>			<b>75,000</b>
Los Angeles	CSU LOS ANGELES UNIVERSITY AUXILIARY SERVICES	1499878	226	-
Los Angeles	CSU LOS ANGELES UNIVERSITY AUXILIARY SERVICES	1582137	16,548	-
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Monterey Bay	UNIVERSITY CORP AT MONTEREY BAY	1926306	3,751	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Northridge	CSU NORTHRIDGE ASSOCIATED STUDENTS, INC.	1547624	312	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Northridge	CSU NORTHRIDGE UNIVERSITY CORP.	1593276	17,924	-
Northridge	CSU NORTHRIDGE UNIVERSITY CORP.	1600567	4,826	-
Northridge	CSU NORTHRIDGE UNIVERSITY CORP.	1862493	16,914	-
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Pomona	CPSU POMONA FOUNDATION	1734312	104,877	104,877
Pomona	CPSU POMONA FOUNDATION	1735120	187,962	187,962
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>		
	<b>Total for claims in excess of \$25,000:</b>			<b>292,839</b>
	<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>			<b>100,000</b>
	<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>			<b>100,000</b>
	<b>Minimum EPL deductible for FY 16/17:</b>			<b>100,000</b>
Sacramento	CSU SACRAMENTO CAPITOL PUBLIC RADIO, INC.	1734620	12,153	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC. (This loss is split 50/50 with the Union)	1634228	47,673	23,837
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC	1755960	80,262	80,262
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC. (This loss will be paid 100% by the Campus)	1904741	<del>13,760</del>	Campus Claim
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC	1613613	81,069	81,069
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC	1879642	<del>788</del>	Incident Report Only
Sacramento	CSU SACRAMENTO UNIVERSITY ENTERPRISES, INC	1907365	155	Incident Report Only
	<b>Number of Claims</b>	<b>6</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>3</b>		
	<b>Total for claims in excess of \$25,000:</b>			<b>185,168</b>
	<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>			<b>75,000</b>
	<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>			<b>75,000</b>

**AORMA Liability Program - Employment Practices Liability Loss Information**  
**Employment Practices Liability Loss Information**  
**Paid Losses between July 1, 2011 and June 30, 2016**

Campus	Auxiliaries	Claim #	Total Incurred	Claims Over \$25,000
<b>Minimum EPL deductible for FY 16/17:</b>				<b>50,000</b>
Sacramento	UNIVERSITY UNION OPERATION OF CSUS, INC. (This loss is split 50/50 with UEI)	1634228	23,837	-
San Bernardino	CSU SAN BERNARDINO STUDENT UNION	1925523	151	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Diego	CSU SAN DIEGO ASSOCIATED STUDENTS	1895248	10,816	-
San Diego	CSU SAN DIEGO ASSOCIATED STUDENTS	1915115	65,588	65,588
San Diego	CSU SAN DIEGO ASSOCIATED STUDENTS	1812963	65,987	65,987
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>		
<b>Total for claims in excess of \$25,000:</b>				<b>131,575</b>
<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>				<b>50,000</b>
<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>				<b>50,000</b>
<b>Minimum EPL deductible for FY 16/17:</b>				<b>25,000</b>
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1600832	313,777	313,777
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1733219	892,455	892,455
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1549214	189,407	189,407
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1524874	445,990	445,990
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1542001	60,367	60,367
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1763201	7,722	-
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1598936	26,388	26,388
San Diego	CSU SAN DIEGO RESEARCH FOUNDATION	1768697	21,095	-
	<b>Number of Claims</b>	<b>8</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>6</b>		
<b>Total for claims in excess of \$25,000:</b>				<b>1,928,383</b>
<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>				<b>100,000</b>
<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>				<b>100,000</b>
<b>Minimum EPL deductible for FY 16/17:</b>				<b>100,000</b>
San Francisco	CSU SAN FRANCISCO CESAR CHAVEZ STUDENT CENTER	1506997	68	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Francisco	CSU SAN FRANCISCO THE UNIVERSITY CORPORATION	1522876	83	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Jose	CSU SAN JOSE RESEARCH FOUNDATION	1506767	15,383	-
San Jose	CSU SAN JOSE RESEARCH FOUNDATION	1879863	44,510	44,510
San Jose	CSU SAN JOSE RESEARCH FOUNDATION	1614600	511,357	511,357
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>		
<b>Total for claims in excess of \$25,000:</b>				<b>555,867</b>
<b>Minimum EPL deductible for FY 17/18 (w/o one level limitation):</b>				<b>100,000</b>
<b>Minimum EPL deductible for FY 17/18 (w/ one level limitation):</b>				<b>100,000</b>
<b>Minimum EPL deductible for FY 16/17:</b>				<b>100,000</b>
San Jose	CSU SAN JOSE SPARTAN SHOPS, INC.	1521031	95	-

**AORMA Liability Program - Employment Practices Liability Loss Information**  
**Employment Practices Liability Loss Information**  
**Paid Losses between July 1, 2011 and June 30, 2016**

<b>Campus</b>	<b>Auxiliaries</b>	<b>Claim #</b>	<b>Total Incurred</b>	<b>Claims Over \$25,000</b>
San Jose	CSU SAN JOSE SPARTAN SHOPS, INC.	1596850	2,981	-
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Jose	CSU SAN JOSE STUDENT UNION, INC.	1565299	2,601	-
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Luis Obispo	CPSU SAN LUIS OBISPO CAL POLY CORP.	1597354	11,163	-
San Luis Obispo	CPSU SAN LUIS OBISPO CAL POLY CORP.	1502492	2,037	-
San Luis Obispo	CPSU SAN LUIS OBISPO CAL POLY CORP.	1622290	10,018	-
San Luis Obispo	CPSU SAN LUIS OBISPO CAL POLY CORP.	1537083	834	-
	<b>Number of Claims</b>	<b>4</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Marcos	CSU SAN MARCOS RESEARCH SERVICES CORP.	1892678	66,462	66,462
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		



**CSURMA AORMA**

**POLICY AND PROCEDURE NO. L-7**

**SUBJECT: EMPLOYMENT PRACTICES LIABILITY  
DEDUCTIBLE (EPL) OPTIONS**

**ADOPTED: MAY 12, 2011**

**AMENDED: JULY 1, 2011  
DECEMBER 6, 2012  
DECEMBER 5, 2013  
MARCH 19, 2015**

**EFFECTIVE: JULY 1, 2011**

**POLICY:**

1. It is the policy of CSURMA AORMA that annually a minimum EPL deductible will be determined for each Member. The formula for determining the minimum EPL deductible is based on number and cost of EPL claims paid, at June 30, for the last five fiscal years. If a Member has more than one EPL claim payment within the last five fiscal years, then the total amount paid within those five years for all claims exceeding \$25,000 will be applied to the following schedule:

Level 1	Paid losses of \$75,000 or less .....	\$25,000 deductible
Level 2	Paid losses of \$75,001 to \$175,000 .....	\$50,000 deductible
Level 3	Paid losses of \$175,001 to \$275,000 .....	\$75,000 deductible
Level 4	Paid losses in excess of \$275,001 .....	\$100,000 deductible

EPL EXPENSE PAYMENTS made in a fiscal year subsequent to the fiscal year in which the final EPL LOSS PAYMENT was made will be considered to have been made in the same fiscal year as the final EPL LOSS PAYMENT.

Annually, based on the formula above, the JPA Program Administrator will determine the minimum EPL deductible for each Member.

To assist Members in budget forecasting, the minimum EPL deductible will be limited to one EPL deductible level increase per year, regardless of the minimum EPL deductible calculated based on the schedule above.

The Programs Committee will review and determine each Member’s minimum EPL deductible for the upcoming fiscal year.

2. Each Member will have the option of electing an EPL deductible in excess of the minimum deductible.



## **CSURMA AORMA**

## **POLICY AND PROCEDURE NO. L-7**

3. Should a Member elect an EPL deductible in excess of the minimum EPL deductible, then that Member will be required to maintain the same EPL deductible for three full program years (July 1<sup>st</sup> to June 30<sup>th</sup>) before selecting a new EPL deductible. EPL deductibles can only be changed at the beginning of the coverage term – July 1<sup>st</sup> of each year. If, however, 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. Because the election of higher EPL deductibles can only be changed once per every three full program years, CSURMA AORMA strongly recommends a review of prior years' claims and consultation with the JPA Program Administrator before making any decisions regarding these higher EPL deductibles.
4. As outlined in Policy and Procedure L-1, Claims Reporting, it is the policy of CSURMA AORMA that written notice of any claim within the AORMA Liability Coverage Program be given to the Third Party Claims Administrator as soon as practicable. Failure to report a claim is cause for a reduction in or denial of coverage by AORMA.

### **PROCEDURE:**

1. Annually, based on the formula above, the JPA Program Administrator will determine the minimum EPL deductible for each Member.
2. The Programs Committee will approve each Member's minimum EPL deductible.
3. The JPA Program Administrator will provide the Members with the costs for each of the different EPL deductibles options.
4. If the Member chooses an EPL deductible higher than the minimum EPL deductible as approved by the Programs Committee for that Member, then the Member will be required to sign the attached Consent to Change Employment Practices Liability Deductible letter.
5. A Member may appeal its minimum EPL deductible to the AORMA Committee in writing prior to the commencement of the coverage year, and the AORMA Committee will make a final decision.

### **DEFINITIONS:**

**EPL EXPENSE PAYMENT:** Allocated loss adjustment expenses that are assignable to the claim. This may include but is not limited to fees to attorneys, experts, investigators, court reporters as well as third-party claims administrators incurred in defense of an EPL claim.

**EPL LOSS PAYMENT:** Compensatory damages which the Member is legally obligated to pay as a result of a claim.

**EPL:** Employment Practices Liability.

## Consent to Change Employment Practices Liability Deductible

I am authorizing CSURMA AORMA to increase the Employment Practices Liability deductible within the CSURMA AORMA Liability Coverage Program for this Auxiliary Organization effective \_\_\_\_\_.

I understand that I must maintain this same deductible for three full program years (July 1<sup>st</sup> to June 30<sup>th</sup>) before selecting a new deductible. I am also aware that the following coverage provisions apply to all Employment Practices Liability claims regardless of the probable size of the claim. The Auxiliary Organization's or the Covered Party's failure to comply with any of these provisions will cause a reduction in, or denial of, coverage by CSURMA AORMA.

### CLAIMS REPORTING PROVISIONS

If a Auxiliary Organization or Covered Party becomes aware of an event, occurrence or offense, which **may** result in a claim, suit or proceeding, the event must be reported to the Third Party Claims Administrator (TPA) as soon as practicable. If the event is not reported to the TPA within the timeframe set below; the following late reporting penalties shall apply;

### LATE REPORTING PENALTIES

1. If an **occurrence**, offense, claim or suit is reported 1-6 months late as determined by the TPA, a 25% reduction of coverage will apply;
2. If an **occurrence**, offense, claim or suit is reported 7-12 months late as determined by the TPA, a 50% reduction of coverage will apply; or
3. If an **occurrence**, offense, claim or suit is reported more than 12 months late as determined by the TPA, no recovery will be available to the **Member** or other involved **Covered Party**.

### DEFENSE COVERAGE PROVISIONS

If an Auxiliary Organization or Covered Party becomes aware of an event, occurrence or offense, which **may** result in a claim, suit or proceeding, CSURMA AORMA will reimburse any costs incurred by the Auxiliary Organization or Covered Party to defend the covered claim **but only if** the event is reported to the TPA within thirty (30) days of becoming aware of the event. CSURMA AORMA will not, however, reimburse any costs incurred more than thirty (30) days prior to notification to the TPA.

### CLAIMS SETTLEMENT PROVISIONS

An Auxiliary Organization or Covered Party will not be reimbursed by CSURMA AORMA if the Auxiliary Organization or Covered Party settles a claim without prior written authorization of the Liability Claims Administrator.

I have read the above coverage provisions and I have a thorough understanding of my claims reporting obligations within the CSURMA AORMA Liability Program and consent to a change in my Employment Practices Liability deductible to:

\$50,000 /  \$75,000 /  \$100,000

\_\_\_\_\_  
Auxiliary Organization

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## **ON-LINE TRAINING PLATFORM UPDATE**

**ISSUE:** At its May 5, 2016 meeting, the AORMA Committee approved a one-year extension of the TargetSolutions contract and directed Staff to inform the membership (quarterly) that the TargetSolutions contract will not be renewed after June 30, 2017.

**RECOMMENDATION:** No action is recommended; however, the Committee may provide direction to Staff as appropriate.

**FISCAL IMPACT:** This item is for information only and therefore has no fiscal impact. The AORMA Committee already approved the one-year Target Solutions extension with an annual cost of \$80,750 for FY 16/17 and a separate agreement with the Chancellor's Office, Systemwide Professional Development (SPD). The pricing for the services received through SPD is;

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

**BACKGROUND:** Fourteen campuses have completed the integration process. SPD continues to work with the remaining campuses shown below:

1. Monterey Bay
2. Easy Bay
3. Bakersfield
4. Maritime Academy
5. San Francisco
6. Dominguez Hills
7. Sonoma
8. Long Beach
9. San Diego

SPD encourages the auxiliary organizations at these remaining campuses to contact their IT department to get the project started. If the Campus IT team has questions, SPD can schedule a call to jump start the transition process.

Staff will continue to send out quarterly updates to the AORMA members reminding them that the Target Solutions contract will not be renewed after June 30, 2017.

**PUBLICATION:** The Announcement of the Termination of the TargetSolutions Contract will be sent to the AORMA members on a quarterly basis.

**ATTACHMENT(S):**

- a. Auxiliary Solution update from SPD
- b. Announcement of the Termination of the Target Solutions Contract (June, 2016)

Campus	Last Name	First Name	E-mail	Auxiliary Solution	Schedule Date/Status	Implementation Date (Tentative)	1 on 1 Call
CSU-Monterey Bay	Mauro	Mary	mmauro@csumb.edu	API/Might switch to Database	Scoped Out POI/Auxiliary Employees. Will need to add State employees before starting conversion		8/12/2015
	Mann	Steven	smann@csumb.edu				
	<b>Olano-Defensor</b>	<b>Antoinette</b>	<b>aolano-defensor@csumb.edu</b>				
	Simpson	Henry	hsimpson@csumb.edu				
	McFarlane	Susan	smcfarlane@csumb.edu				
CSU-East Bay	Greeff	Peter	Peter.Greeff@csueastbay.edu	API	Campus ready, but conversion on hold due to an Oracle connectivity issue. Looking at other options to get campus converted.	8/25/2016 (Tentative)	1/14/2015
	Bartholomew	Dave	Dave.Bartholomew@csueastbay.edu				
	Chen	Roger	roger.chen@csueastbay.edu				
	<b>Lippman</b>	<b>George</b>	<b>george.lippman@csueastbay.edu</b>				
	<b>Gin</b>	<b>Corey</b>	<b>corey.gin@csueastbay.edu</b>				
CSU-Bakersfield	Dinz	Christopher	cdiniz@csub.edu	API	Implementing new ID Management system, looking like 2017 until they can implement.		1/29/2015
	Garcia	Kellie	kgarcia@csub.edu				
	Rivera	Sue	<a href="mailto:svivera@csub.edu">svivera@csub.edu</a>				
	Chen	Brian	bchen@csub.edu				
CSU-Maritime	Miller	Demetra	dmiller@csum.edu		No movement. Last followed up 8/9/16		
	<b>Busquaert</b>	<b>Emily</b>	<b>ebusquaert@csum.edu</b>				
	Williams	Ingrid	iwilliams@csum.edu				
	<b>Edwards</b>	<b>Kristofer</b>	<b>kedwards@csum.edu</b>				
	Axson	Margo	maxson@csum.edu				
	Brown	William	wbrown@csum.edu				
CSU-San Francisco	Nagore	Basha	<a href="mailto:nagore@sfsu.edu">nagore@sfsu.edu</a>	Database	Working on solution and scoping data for project. In progress		7/23/2015
	<b>Anh Do</b>	<b>Tuan</b>	<b><a href="mailto:doey@sfsu.edu">doey@sfsu.edu</a></b>				
	Brown	Bernie	<a href="mailto:bbrownsf@sfsu.edu">bbrownsf@sfsu.edu</a>				
	Vayntrub	Dmitry	<a href="mailto:dmitry@sfsu.edu">dmitry@sfsu.edu</a>				
CSU-Dominguez Hills	<b>Statham</b>	<b>Russel</b>	<b>rdstatham@csudh.edu</b>		Interest, but no movement. Last followed up 8/9/16		1/21/2015
	Manriquez	Chris	cmanriquez@csudh.edu				
	<b>Chang</b>	<b>Bill</b>	<b>bchang@csudh.edu</b>				
	Vagts	Sarah	svagts@csudh.edu				
CSU-Sonoma	<b>Peter</b>	<b>Flores</b>	<b><a href="mailto:floresp@sonoma.edu">floresp@sonoma.edu</a></b>		Working on solution and scoping data for project. In progress		5/6/2016
	Rock	Erin	<a href="mailto:erin.rock@sonoma.edu">erin.rock@sonoma.edu</a>				
	Xiaodong	Zhu	<a href="mailto:zhux@sonoma.edu">zhux@sonoma.edu</a>				
	Montalto	Meryl	<a href="mailto:montaltm@sonoma.edu">montaltm@sonoma.edu</a>				
CSU-Long Beach	Litman	Adam	Adam.Litman@csulb.edu		Wants each auxiliary to automatically imported to specific auxiliary folder, working on this internally at CO. Once in place, will reach out to start conversion steps		1/29/2015
	<b>Spruill</b>	<b>Aysu</b>	<b>aysu.spruill@csulb.edu</b>				
	<b>Wohlgezogen</b>	<b>Gene</b>	<b>gene.wohlgezogen@csulb.edu</b>				
	Alfaro	George	George.Alfaro@csulb.edu				
	Apel	Scott	sapel@csulb.edu				
*CSU-San Diego	<b>Vlahos</b>	<b>Felecia</b>	<b><a href="mailto:fvlahos@mail.sdsu.edu">fvlahos@mail.sdsu.edu</a></b>		Working on new IDM. Production could be as late as Fall 2016.		1/16/2015
	McKelvey	Kent	kent@sdsu.edu				
	<b>Jeffers</b>	<b>Marcus</b>	<b>mjeffers@mail.sdsu.edu</b>				
	Clements	Christopher	cclement@mail.sdsu.edu				
	LeDuc	Gene	gleduc@mail.sdsu.edu				
CSU - Chancellor's Office	Trullinger	Mike	mtrullinger@calstate.edu	API	DONE		Done
	Pham	Eli	epham@calstate.edu				
	Kervella	David	dkervella@calstate.edu				
CSU-Fullerton	Luzzi	Joe	jluzzi@exchange.fullerton.edu	Database	DONE		3/24/2015
	Boyer	Kerry	kboyer@exchange.fullerton.edu				
	Dominguez	Melissa	mdominguez@fullerton.edu				
	Badal	Welson	wbadal@fullerton.edu				
CSU-Humboldt	Mullery	Colleen	cbm1@humboldt.edu	Database	Done		Done
	Callahan	Josh	jc115@humboldt.edu				
	Williams	Jeff	Jeffrey.Williams@humboldt.edu				
	Johnson	Peter	Peter.Johnson@humboldt.edu				
CSU-Northridge	Krzewinski	Kevin	kevin.krzewinski@csun.edu	Database	Done		4/8/2015
	De la Vega	Kristina	kristina.delavega@csun.edu				
	Choi	Sean	sean.choi@csun.edu				

Campus	Last Name	First Name	E-mail	Auxiliary Solution	Schedule Date/Status	Implementation Date (Tentative)	1 on 1 Call
CSU-San Jose	Pugliese	Beth	beth.pugliese@sjsu.edu	Database	DONE		DONE
	Huynh	Hien	hien.huynh@sjsu.edu				
	Meka	Prasad	prasad.meka@sjsu.edu				
	Cook	Mike	mike.cook@sjsu.edu				
CSU-San Luis Obispo	Malone	Dan	dmalone@calpoly.edu	Database	Done		Done
	Ross	Dave	ddross@calpoly.edu				
	Gallagher	Beth	begallag@calpoly.edu				
	Weller	Karen	kweller@calpoly.edu				
	Schiffman	Deborah	schiffma@calpoly.edu				
	Bullaro	David	dbullaro@calpoly.edu				
	Schultz	Craig	cschultz@calpoly.edu				
CSU-Stanislaus	Dunham-Filson	April	AFilson@csustan.edu	API	DONE		
	Boucher	Craig	cboucher@csustan.edu				
	Cardoza	Corey	ccardoza@csustan.edu				
	Marlow	Julie	jcmarlow@csustan.edu				
CSU-Sacramento	Bishop	Skip	william.bishop@csus.edu	Database	Done		1/15/2015
	Pech	Seima	pechs@csus.edu				
	Pike	Brennan	pikejb@csus.edu				
	Fox	Marc	foxm@skymail.csus.edu				
CSU-Chico	Gentry	Bev	bgentry@csuchico.edu	API	Done		1/22/2015
	Wilson	Doug	EDWilson@csuchico.edu				
	Coates	Greg	GCoates@csuchico.edu				
	Abernatha	Sharyn	sabernatha@csuchico.edu				
	Kissinger	Beth	bkissinger@csuchico.edu				
	Bealer	Yvonne	ybealer@csuchico.edu				
	Bentley	Wendy					
CSU-Fresno	Morilla	David	dmorilla@csufresno.edu	Database	Done	July 16th/23rd	1/14/2015
	Wagenleitner	John	johnwa@csufresno.edu				
	Parten	Janice	jparten@csufresno.edu				
CSU-San Bernardino	Portillo	Cesar	cportillo@csusb.edu	API	Done	11/19/2015	1/30/2015
	O'Linger	Jim	jolinger@csusb.edu				
	Torner	Javier	itorner@csusb.edu				
	Rogers	Lenora	lenora@csusb.edu				
	Casis-Woidyla	Rowena	rwoidyla@csusb.edu				
	Lin	Sunny	slin@csusb.edu				
CSU-San Marcos	Rauch	Pete	prauch@csusm.edu	Database	Done	1/14/2016	1/23/2015
CSU-Pomona	Arboleda	Albert	aarboleda@csupomona.edu	API	Initial call on 9/1. AI to allocate resources and give us implementation timeline. March 17th implementation	17-Mar	9/1/2015
	Patterson	Dave	dpatterson@csupomona.edu				
	Hang	Ly	lahang1@csupomona.edu				
	Roth	Loretta	lroth@csupomona.edu				
	Branconier	Leanne	lpage@csupomona.edu				
	Beltran	Patricio	pbeltran@csupomona.edu				
	Swart-Reiter	Sharon	slreiter@csupomona.edu				
CSU-Channel Islands	Spencer	Joyce	joyce.spencer@csuci.edu	Database	Working with Mike T. Waiting on Network change before testing. Peter to start working on it Late January. Looking	4/7/2016	1/23/2015
	Scamardo	Peter	peter.scamardo@csuci.edu				
CSU-Los Angeles	Okuno	Sheryl	seng@calstatela.edu	Database	Sent information to campus. Initial call scheduled for 7/27. Meet with Mike Lee, excited about solution. Working with	6/9/2016	7/27/2015
	Lee	Mike	mlee40@cslanet.calstatela.edu				
	Carnahan	Jill	jcarnah@cslanet.calstatela.edu				



June 29, 2016

**To:** CSURMA AORMA Members  
**From:** Frank Mumford, AORMA Committee Chair  
**Re:** **Online Training Platform  
Transition from TargetSolution to SkillSoft / LawRoom**

At its last meeting in May, the AORMA Committee approved a one-year extension of the TargetSolutions contract (July 1, 2016 to June 30, 2017). At this meeting, the Committee also approved a four-year service agreement with Systemwide Professional Development (SPD). This agreement requires AORMA to pay for the services provided through SPD for access to the LawRoom compliance training and SkillSoft content, as well as the services provided by SPD to support the auxiliary organizations. The pricing for these services through SPD is \$50,000 for FY 16/17, \$60,000 for FY 17/18, \$70,000 for FY 18/19 and \$75,000 for FY 19/20.

**After June 30, 2017, AORMA will not renew the contract with TargetSolutions.** Members may decide to contract directly with TargetSolutions or another online training content provider, or to utilize the online training available through the SkillSoft / LawRoom Platform.

SPD informs us that the following Campuses have completed the necessary IT upgrades in order to allow the auxiliary organization to begin using the SkillSoft platform: Chancellor's Office, Fullerton, Humboldt, Northridge, San Jose, San Luis Obispo, Sonoma, Stanislaus, Sacramento, Chico, Fresno, San Bernardino, San Marcos. SPD and Campus IT at the remaining Campuses are working together on a solution for completion of the implementation process.

Transition strategies from TargetSolution to SkillSoft / LawRoom may differ for each Campus and SPD is committed to working with Campus IT and the AORMA members on the best conversion solution available. Your contacts at SPD are David Kervella and Chris Fondacaro. Please do not hesitate to contact them with questions or assistance with the transition.

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Systemwide Professional Development  
California State University  
Office of the Chancellor  
401 Golden Shore, 4th Floor  
Long Beach, CA 90802-4210

## **DISCUSSION OF AORMA'S CONTINUITY PLAN**

**ISSUE:** The Committee will discuss the procedures by which members are nominated and elected to serve on the AORMA Committee and the Standing Committees.

**RECOMMENDATION:** Staff recommends that the AORMA Chair appoint a Nominations Committee to poll the eligible AORMA Committee members, including the Chair, First Vice Chair and Second Vice Chair to identify which of the incumbents whose terms expire the following June 30 are interested in seeking re-election.

Staff also recommends that the Committee review the attached roster and discuss the seats that may need to be filled for the July 1, 2017 to June 30, 2019 term.

**FISCAL IMPACT:** None.

**BACKGROUND:** Noted below is the timeline for nominations onto the AORMA Committee:

1. **September/October** – The Chair shall appoint a Nomination Committee.
2. **September/October** – The Nominations Committee shall poll the AORMA Committee members, including the Chair, First Vice Chair and Second Vice Chair to identify which of the incumbents whose terms expire the following June 30 are interested in seeking re-election.
3. **October** – At the October AORMA Committee meeting, the Nominations Committee will announce their nominations for Chair, First Vice Chair and Second Vice Chair. The Chair, First Vice Chair and Second Vice Chair shall be elected by the AORMA Committee from its members. All ballots will be tallied by the CSURMA Secretary.
4. **January** – During the AOA Conference, the Nominations Committee will announce to the membership changes to the Chair, First Vice Chair and Second Vice Chair as well as the opening of the nominations period for open committee positions (for July 1 appointments). The Nominations Committee will indicate which types of auxiliary representations are needed on the AORMA Committee (to ensure broad representation). Nominations will

remain open through the end of February, and self-nominations will be accepted as well as nominations by others.

5. **February** - The Nominations Committee will continue to solicit nominations, especially if specific types of auxiliary organizations are not being represented.
6. **March** - A nominations slate will be forwarded to the AOA Executive Committee for review and comment. The slate, with comments, will be returned to the AORMA Committee no later than March 31.
7. **April** – All CSURMA member auxiliary organizations will be sent a ballot with the names of the nominated individuals. Each member auxiliary can vote for the representatives. Completed ballots will be due to the CSURMA by April 30.
8. **May** – Announcement at the CSURMA Board of Directors meeting of the outcome of the election process to be effective July 1.

**PUBLICATION:** None at this time.

**ATTACHMENT(S):**

- a. FY 16/17 AORMA Committee Roster
- b. Policy and Procedure A-1
- c. Policy and Procedure A-2

## AORMA Committee

**Ten voting members - two alternates - twelve members total**

**Effective at July 1, 2016**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	Location	Size of Campus	Type of Campus	Term	1st, 2nd or Final Term
AORMA	Chair	Frank Mumford	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	South	Large	Urban	7/1/16 - 6/30/18	First
AORMA	First Vice Chair	Guy Dalpe	Managing Director	San Francisco	Associated Students, Inc., San Francisco State University	North	Large	Urban	7/1/15 - 6/30/17	First
AORMA	Second Vice Chair	Gigi Kiama	Human Resources Director	Monterey Bay	The University Corporation at Monterey Bay	North	Small	Rural	7/1/16 - 6/30/18	First
AORMA	Past Chair	Robert de Wit	Chief Financial Officer	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	South	Large	Urban	7/1/15 - 6/30/17	Third
AORMA	At Large	Brian Nowlin	Chief Operating Officer	Long Beach	California State University, Long Beach Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	Third
AORMA	At Large	Cheree Aguilar	Senior Director, Human Resources	San Jose	San Jose State University Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	First
AORMA	At Large	Dave Nakamura	Executive Director	Humboldt	Humboldt State University Center	North	Large	Rural	7/1/16 - 6/30/18	First
AORMA	At Large	Dave Nirenberg	Senior Director	Channel Islands	University Glen Corporation	South	Small	Rural	7/1/15 - 6/30/17	First
AORMA	At Large	Jim Reinhart	Executive Director	Sacramento	University Enterprises, Inc. (UEI)	South	Large	Urban	7/1/15 - 6/30/17	First
AORMA	At Large	Leslie Davis	Executive Director	Sacramento	University Union Operation of CSUS, Inc.	North	Large	Urban	7/1/16 - 6/30/18	Third

## Programs Committee

**Minimum of five members - at least two of whom are AORMA Committee members**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	Location	Size of Campus	Type of Campus	Term	1st, 2nd or Final Term
PC	Chair	Gigi Kiama	Human Resources Director	Monterey Bay	University Corporation, CSU Monterey Bay	North	Small	Rural	7/1/13 - 6/30/15	Fourth
PC	At Large	Bill Olmsted	Associate Executive Director	Sacramento	University Union Operation of CSUS, Inc.	North	Large	Urban	7/1/15 - 6/30/17	First
PC	At Large	Guy Dalpe	Managing Director	San Francisco	Associated Students, Inc., San Francisco State University	North	Large	Urban	7/1/14 - 6/30/16	Third
PC	At Large	Jason Porth	Executive Director	San Francisco	The University Corporation, San Francisco State	North	Large	Urban	7/1/15 - 6/30/17	First
PC	At Large	Jun Reina	Chief Operating Officer/ Chief Financial Officer	Sacramento	Capital Public Radio, Inc., CSU Sacramento	North	Large	Urban	7/1/15 - 6/30/17	First
PC	At Large	Raven Tyson	Human Resources & Risk Manager	San Diego	Associated Students of San Diego State University	South	Large	Urban	7/1/13 - 6/30/15	First

*AORMA Committee Chair serves for a period of four years - Vice Chair, to Chair, to Past President, to Ex-Officio.*

*Standing Committee Chair serves a one-year term, is appointed by the AORMA Committee Chair, and must be an AORMA Committee member.*

*AORMA Committee and Standing Committee members may serve a maximum of three consecutive two-year terms (total six years).*

**SUBJECT:** AORMA COMMITTEE COMPOSITION,  
ELECTIONS & TERM LIMITS

**ADOPTED:** APRIL 18, 2003

**EFFECTIVE:** JULY 1, 2003

**AMENDED:** JANUARY 15, 2005  
OCTOBER 27, 2005  
JANUARY 16, 2008  
OCTOBER 29, 2009  
JANUARY 11, 2010  
SEPTEMBER 16, 2010  
DECEMBER 8, 2011  
SEPTEMBER 13, 2012  
MARCH 20, 2014  
DECEMBER 10, 2015

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**PURPOSE:**

This policy and procedure outlines the process by which members of the Auxiliary Organizations Risk Management Alliance (AORMA) Committee are nominated and elected to serve. This policy and procedure addresses the desire of the CSURMA to ensure broad organizational representation among AORMA Committee members, acknowledging the AORMA Committee's need for stability of leadership while encouraging participation from qualified candidates.

**POLICY:**

It is the policy of the CSURMA that, in accordance with the Bylaws, the AORMA Committee shall adopt the procedure outlined in this document for purposes of generating continuity of leadership, encouraging opportunity for diverse committee representation and participation and continuing effective administration of established insurance programs and services.

**PROCEDURE:**

The following steps will be taken to affect the policy:

1. The AORMA Committee will be elected from representatives of the auxiliary organization members of the CSURMA, effective July 1 of every year. No auxiliary organization will have multiple representatives serving simultaneously on either the AORMA Committee or on the same Standing Committee. At-large members may serve a maximum of three consecutive complete two-year terms. Upon reaching the end of the third complete two-year term, At-large members will either be "termed out" (they may be again nominated after one year off the Committee) or advance to the role of Chair, First Vice Chair or

- Second Vice Chair. Terms are staggered to create a rotation of the at-large Committee members each year.
2. The AORMA Committee will be comprised of seven at-large members and three Officers (Chair, First Vice Chair and Second Vice Chair.) Each Officer may serve two two-year terms per position.
  3. The AORMA Committee will review its membership annually to strive for diversity on the Committee based on the following criteria:
    - Type of Auxiliary Organization (Foundation, ASI/Student Union or Commercial)
    - Mix of personnel (Executive Director, CFO, HR, etc.)
    - Campus size (small – less than 10,000 FTE, medium – between 10,000 and 20,000 FTE, or large – more than 20,000 FTE)

The First Vice Chair and Chair shall serve as AORMA Committee representatives to the CSURMA Executive Committee.

***AORMA Committee Chair/Vice Chair Qualifications***

- Served on AORMA Committee for at least two years
  - Demonstrated leadership abilities in group settings
  - Ability to serve as primary advocate and spokesperson for AORMA Committee
  - Ability to lead the AORMA Committee
4. Annually, the Chair shall appoint a Nominations Committee, consisting of at least two AORMA Committee members to seek nominations for available positions on the AORMA Committee. The AORMA Committee Nominating Committee shall consider the following as minimum qualification criteria for individuals seeking nomination to the AORMA Committee:

***AORMA Committee Representative***

- Participating professional member of CSURMA AORMA for at least two years
- Served in a CSURMA auxiliary organization management position for at least two years
- Demonstrated leadership abilities
- Ability to attend meetings regularly and contribute to the AORMA Committee's work agenda, as described in Policy & Procedure A-2.

Previous service on one of AORMA's Standing Committees is preferred, but not required.

5. Timeline for nominations:

***October/November***

The Nominations Committee shall poll the AORMA Committee members, including the Chair, First Vice Chair and Second Vice Chair to identify which of the incumbents whose terms expire the following June 30 are interested in seeking re-election.

At the October AORMA Committee meeting, the Nominations Committee will announce their nominations for Chair, First Vice Chair and Second Vice Chair. The Chair, First Vice Chair and Second Vice Chair shall be elected by the AORMA Committee from its members. All ballots will be tallied by the CSURMA Secretary.

***January***

The Nominations Committee will announce to the membership changes to the Chair, First Vice Chair and Second Vice Chair as well as the opening of the nominations period for open committee positions (for July 1 appointments). The Nominations Committee will indicate which types of auxiliary representations are needed on the AORMA Committee (to ensure broad representation). Nominations will remain open through the end of February, and self-nominations will be accepted as well as nominations by others.

***February***

The Nominations Committee will continue to solicit nominations, especially if specific types of auxiliary organizations are not being represented.

***March***

A nominations slate will be forwarded to the AOA Executive Committee for review and comment. The slate, with comments, will be returned to the AORMA Committee no later than March 31.

***April***

All CSURMA member auxiliary organizations will be sent a ballot with the names of the nominated individuals. Each member auxiliary can vote for the representatives. Completed ballots will be due to the CSURMA by April 30.

***May***

Announcement at the CSURMA Board of Directors meeting of the outcomes of the election process to be effective July 1.

The AORMA Committee shall establish a statement of roles and responsibilities that provide guidance on operations of the Committee and may be amended from time to time by the AORMA Committee.



## CSURMA AORMA

## POLICY AND PROCEDURE NO. A-2

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<b>SUBJECT:</b>	<b>AORMA COMMITTEE AND STANDING COMMITTEE ROLES AND RESPONSIBILITIES</b>
<b>ADOPTED:</b>	<b>AUGUST 19, 2003</b>
<b>EFFECTIVE:</b>	<b>JULY 1, 2003</b>
<b>AMENDED:</b>	<b>DECEMBER 7, 2005 MAY 14, 2009 OCTOBER 29, 2009 JANUARY 11, 2010 SEPTEMBER 16, 2010 SEPTEMBER 13, 2012 MAY 8, 2014 DECEMBER 10, 2015</b>

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

### **PURPOSE:**

The purpose of this policy is to describe the roles and responsibilities of participants in the CSURMA AORMA COMMITTEE and its STANDING COMMITTEE.

### **POLICY:**

It is the policy of the CSURMA to encourage AORMA members' participation in the AORMA COMMITTEE and STANDING COMMITTEE that oversee operation of AORMA insurance programs. To that end, CSURMA AORMA has adopted Policy and Procedure A-1 that describes the process of AORMA COMMITTEE elections and representation. This policy further describes the roles and responsibilities of Committee members and officers. It is expected that AORMA COMMITTEE members will commit to meeting attendance and participation needed to conduct CSURMA business.

### **PROCEDURE:**

The AORMA COMMITTEE will conduct elections and appointments in accordance with the CSURMA Joint Powers Agreement, Bylaws and AORMA Policy and Procedure A-1. A copy of Policy and Procedure A-1 describing roles and responsibilities of Committee members will be provided to Committee nominees and participants.

**AORMA COMMITTEE Participation in General** - The AORMA COMMITTEE holds regularly scheduled meetings in person approximately four times per year with additional teleconference meetings as necessary. Following are considerations as respects AORMA COMMITTEE participation:

1. In person attendance at regularly scheduled AORMA COMMITTEE meetings is preferred. While teleconference attendance can be arranged, the Committee business is best conducted at in-person meetings. Any Committee member or Officer who is not present, either in person or via teleconference, at two or more AORMA COMMITTEE meetings in any one fiscal year, may be removed from the AORMA COMMITTEE upon a majority vote of the AORMA Officers unless that AORMA Officer is the subject of the vote and then that AORMA Officer will be recused.
2. AORMA COMMITTEE at-large member terms are for two years, with a maximum of three terms served before a member is either elected as the Chair, First Vice Chair or Second Vice Chair or termed out and must wait one year before again serving on the Committee. It is expected that members be prepared to serve for at least one complete term because the learning curve on CSURMA's coverage programs is steep.
3. Reasonable travel expenses associated with participation on the AORMA COMMITTEE are reimbursable as provided under CSU's travel reimbursement policy.
4. Representatives elected to the AORMA COMMITTEE are individually elected, not as direct representatives of their respective auxiliary organizations. It is expected that AORMA COMMITTEE members will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization's benefit.
5. AORMA COMMITTEE members are expected to attend two (2) CSURMA Board of Directors meetings annually (one in the fall; one in the spring). State law requires timely completion of appropriate paperwork, such as Fair Political Practices Commission Form 700.
6. Develop recommendations for the AORMA COMMITTEE and take action within delegated authority.

**AORMA Committee Chair** - In addition to the roles and responsibilities of AORMA COMMITTEE participation, in general, the AORMA Committee Chair has the following roles and responsibilities:

1. Representative of the AORMA Committee to the AOA Executive Committee and attendance at AOA Executive Committee meetings.
2. Attendance and participation in CSURMA Executive Committee meetings (approximately four times per year).
3. Availability for regular communication with, and direction of CSURMA Program Administrator staff.

4. Availability to respond to CSURMA Auxiliary Organizations member questions and concerns.
5. A commitment toward professional development in the area of risk management and representation of CSURMA at conferences and meetings, such as the AOA Annual Conference, the CSURMA Fitting the Pieces Together Conference and other conferences as appropriate.
6. Authority to appoint an at-large AORMA Committee member or the First Vice Chair or Second Vice Chair if that seat on the AORMA Committee is vacated mid-term.
7. Authority to establish task groups as necessary.
8. Authority to appoint the Standing Committee Chair, members of the AORMA Standing Committee and task groups (in consultation with the AORMA Standing Committee Chair).
9. Service on Standing Committee, task groups and ad hoc committees as appropriate.
10. Attend and present at CSURMA Board of Directors meetings.

**AORMA Committee First Vice Chair** - In addition to items 1 thru 5 and item 9 of the roles and responsibilities of the AORMA Committee Chair, it is expected that the AORMA Committee First Vice Chair will also;

1. Be prepared to serve in the Chair position should the Chair vacate its seat mid-term.
2. Attend and participate in the CSURMA Executive Committee meetings.

**AORMA Committee Second Vice Chair** - In addition to items 1 thru 5 and item 9 of the roles and responsibilities of the AORMA Committee Chair, it is expected that the AORMA Committee Second Vice Chair will also;

1. Be prepared to serve in the First Vice Chair position should the First Vice Chair vacate its seat mid-term.

**AORMA Standing Committees**

1. The AORMA Committee reserves the right to create and dissolve any or all Standing Committees at any time. The AORMA Committee shall appoint Standing Committees to provide support to the AORMA Committee. These Standing Committees are as follows:
  - a. Programs Committee
  - b. Executive Officers
2. Standing Committee membership will be as follows:
  - a. Programs Committee – A minimum of five members, at least two of whom shall be AORMA Committee members.

- b. Executive Officers – The AORMA Committee Chair, First Vice Chair and Second Vice Chair.
3. Every spring, the membership of each Standing Committee will recommend to the AORMA Committee Chair a nominee from the AORMA Committee for the Chair position of their respective Standing Committee.
4. The AORMA Committee Chair shall appoint Standing Chairs annually for a one-year term effective on July 1. The Chair of any Standing Committee must simultaneously be a member of the AORMA Committee.
5. AORMA Standing Committee appointments are at the discretion of the AORMA Committee Chair. It is expected that appointed members be prepared to serve for at least one complete two-year term. Standing Committee members may serve a maximum of three consecutive two-year terms, with an effective date of July 1 of the year in which they are appointed. Upon being termed out of a Standing Committee, a person may serve again on the same Standing Committee after sitting out a period of one year.
6. No auxiliary organization will have multiple representatives serving simultaneously on any AORMA Standing Committee.
7. Reasonable travel expenses associated with participation on AORMA Standing Committees are reimbursable as provided in CSURMA’s travel reimbursement policy.
8. Representatives are individually appointed, not direct representatives of their respective auxiliary organizations. It is expected that representatives will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization’s benefit.
9. Standing Committees shall develop recommendations for the AORMA Committee and take action within delegated authority.
10. Standing Committees shall be responsible for overseeing the completion of special projects as determined by the AORMA Committee. Standing Committees will be asked to present recommendations for discussion and approval by the full AORMA Committee.

## **ADDENDUM**

### **AORMA STANDING COMMITTEE DESCRIPTIONS**

This addendum to CSURMA AORMA Policy and Procedure A-2 will summarize the primary roles and responsibilities of the Committees appointed by the AORMA Committee Chair. The Committees will from time to time provide reports on their activities to the AORMA Committee, making recommendations on their areas of expertise.

This addendum may be updated from time to time as the need for changes to the Committee structure are desired by the AORMA Committee.

#### **Executive Officers Committee**

The AORMA Executive Officers Committee will provide executive management oversight of AORMA operations and AORMA staff. Comprised of the AORMA Chair, First Vice Chair and Second Vice Chair, the Executive Officers Committee will develop relationships between the CSURMA AORMA and the AOA, manage Committee appointments, leadership and succession planning, and work with staff to develop and update miscellaneous financial, legal, governing and coverage documents. The Executive Committee shall also have claims settlement authority as outlined in AORMA Policies and Procedures L-2 and W-5.

#### **Programs Committee**

The Programs Committee will oversee the management of all programs not otherwise assigned to another committee, including, but not limited to, the Liability, Workers' Compensation, Property, Crime, Unemployment Insurance, Participant Accident Insurance and Foreign Travel Liability Programs, as well as new program development. The Committee will assist in the review of annual actuarial reports and the development of rating plans for allocation of annual costs, policies and coverage documents. Training, service provider RFP development and selection will also be handled by this Committee. The Programs Committee will act as a liaison to the AOA Human Resources Committee. The Committee will assist in the development of relationships between the AORMA and the AOA, as well as continue to strengthen the relationships between the CSURMA and its Auxiliary Organization membership. The Committee will utilize newsletters, member surveys, annual reports and other methods of communicating the benefits of AORMA membership to the members. The Committee will direct staff in the development of "value-added" services such as the Certificate Tracking Program, OAYSYS-Net Property database, claims reports, service provider evaluations and the professional development through risk management training of the AORMA membership.

The Committee will assist in the development, implementation and evaluation of various training programs aimed at developing safety and loss control awareness among the AORMA membership. The Committee will also lead professional development of the AORMA membership in the field of risk management and be responsible for the allocation of the risk management budget among the various safety and risk control service providers.



**CSURMA AORMA**

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

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**DEVELOPMENT OF THE LONG RANGE ACTION PLAN  
ITEMS FOR FY 16/17**

**ISSUE:** During today's meeting, the AORMA Committee Members will discuss the long range goals for AORMA. Based on today's decisions, Staff will prepare the FY 16/17 long range action plan document which will be presented for approval at the October AORMA Committee meeting.

**RECOMMENDATION:** Staff recommends that the AORMA Committee Members discuss the long range goals for AORMA and direct Staff to complete the long range action plan document for approval.

**FISCAL IMPACT:** None.

**BACKGROUND:** During their meeting on July 19, 2016, the AORMA Committee Officers discussed projects to be added to the Long Range Action Plan for FY 16/17 and have suggested the following:

1. Benchmarking beyond workers' compensation
2. Watercraft – follow-up on data collected and design next steps
3. Evaluation of participation in possible CSU captive vehicle
4. Fine Arts, Artifacts and Artifacts rollout and schedule of development
5. GoGround communication and rollout plan
6. Drive traffic to the CSURMA website (i.e., links, newsletters, etc.)
7. AORMA participation in captive's third party programs

**PUBLICATION:** None at this time.

**ATTACHMENT(S):** None.