



CSURMA EXECUTIVE COMMITTEE MEETING AGENDA

“This is an Open Public Meeting”

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

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 requires 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

Meeting Date: September 12, 2014
Time: 8:30 AM

Primary Location: Alliant Insurance Services
1301 Dove Street, 2nd Floor
Newport Beach, CA 92660

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

A. CALL TO ORDER

- 1. Approval of the Agenda **A** p. 5

B. PUBLIC COMMENTS

C. CONSENT CALENDAR

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will be asked to take action on the consent calendar items as a group; however, a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

- 1. Approval of Minutes – May 9, 2014 **A** p. 6

The Committee will be asked to approve the minutes from its last meeting.

- 2. Financial Report

- a. Receipt and Review of the Draft Financial Statements at June 30, 2014 **A** p. 19
- b. Treasurer’s Report – June 30, 2014 **A** p. 32

- 3. Brokerage Service Agreement – Addendum A-1 **A** p. 33

The Committee will be asked to approve Addendum A-1 to the Brokerage Service Agreement which outlines the compensation rates for the miscellaneous Campus and AORMA programs

D. GENERAL ADMINISTRATION

- 1. Insurance Renewal Report **I** p. 36

The Committee will receive a report on the completion of insurance renewal negotiations and may take action or provide direction as necessary.

- | | | |
|--|-----------------|---------------------|
| <p>2. Discussion of CAJPA Comparative Review in FY 15/16
 <i>The Committee will be asked to discuss the CSURMA comparative review process to be completed during FY 15/16</i></p> | <p>A</p> | <p><i>p. 38</i></p> |
| <p>3. Workers’ Compensation Program Claims Closure Initiative Update
 <i>The Committee will hear an update regarding the Workers’ Compensation Program claims closure initiative</i></p> | <p>I</p> | <p><i>p. 44</i></p> |
| <p>4. Risk Management Innovative Grant Program</p> <p style="padding-left: 20px;">a. Approval of Risk Management Innovation Grant Program Applications Received from Members
 <i>The Committee will be asked to review the grant applications and provide approval as appropriate</i></p> <p style="padding-left: 20px;">b. Approval to Unencumber Non-Used Risk Innovation Grant Funds for Systemwide Endeavors
 <i>The Committee will be asked to approve the use of any remaining grant funds by the Campus Risk Managers and/or Environmental, Health and Safety Staff for Systemwide safety programs</i></p> | <p>A</p> | <p><i>p. 46</i></p> |
| <p>5. Prevention of Sexual Misconduct and Abuse of Minors
 <i>The Committee will receive an status report of the Praesidium contract for prevention of abuse of minors on campus</i></p> | <p>I</p> | <p><i>p. 50</i></p> |
| <p>6. AIME Claims Service Agreement
 <i>The Committee will be asked to approve the A-G Administrators Claims Administration Extension of Services letter</i></p> | <p>A</p> | <p><i>p. 54</i></p> |
| <p>7. Evaluation of CSURMA Equipment per Policy & Procedure No. 16 – Use of CSURMA Equipment
 <i>The Committee will review the list of CSURMA equipment in accordance with Policy & Procedure No. 16.</i></p> | <p>A</p> | <p><i>p. 70</i></p> |
| <p>8. Adoption of CSURMA Executive Committee and Board of Directors 2014 Meeting Calendar
 <i>The Committee will be asked to take action to set the Committee’s meeting calendar for 2015</i></p> | <p>A</p> | <p><i>p. 74</i></p> |
| <p>9. Foreign Travel Approval and Tracking Process
 <i>The Committee will be asked to discuss the pending travel approval and proposed travel tracking process and take action as necessary</i></p> | <p>A</p> | <p><i>p. 76</i></p> |

10. **Fiscal Year 2015/2016 Campus Risk Pool Program Funding**
 - a. **Review and acceptance of the Campus Programs Actuarial Reports for Liability, Workers' Compensation and Athletic Injury Medical Expense (AIME) Programs** A p. 80
Staff will review the actuary's findings and projections with the Committee
 - b. **Campus Risk Pools Funding Status at June 30, 2014** A p. 90
The Committee will receive a report on the pooled program funding status at June 30, 2014
 - c. **Recommendation for Campus Pool Programs FY 2015/2016 Rates and Gross Funding** A p. 92
The Committee will be asked to recommend to the Board of Directors the campus program rates for the upcoming fiscal year
11. **Evaluation of Potential Campus Risk Pool Dividends and Assessments** A p. 101
The Committee will consider whether to declare a dividend or assessment from the Campus Risk Pool.
12. **Development of Insured Program Claims Policy and Procedure** A p. 113
The Committee will discuss whether to direct staff to develop a new policy and procedure
13. **CSURMA Website Update** I p. 126
The Committee will review the updates to the CSURMA website
14. **CSURMA Support of Systemwide Efforts Related to Mitigation of Concussive Injuries** I p. 128
The Committee will be updated on Systemwide initiatives in support of campus programs
15. **CSURMA Administration Service Team Assignments and Addition** I p. 129
The Committee will be updated on the changes to the Alliant team assignments with regard to CSURMA
16. **Changes to CSURMA Cyber Coverage Program** A p. 131
The Committee will be updated on the changes to the Cyber Insurance Program and will discuss communication strategies
17. **Delegation of Authority to Negotiate Extension of iVOS Services Agreement** A p. 134
The Committee will be asked to delegate authority to Secretary/Auditor to negotiate and execute an extension agreement with advice of CSURMA counsel.



California State University Risk Management Authority

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

- 1. AORMA Programs Update** **I** *p. 135*
The Committee will receive a verbal report on the AORMA programs.

- F. CLOSED SESSION Pursuant to Cal. Gov. Code Sec. 11126(e)(1) & 11126(f)(1) – Action may be taken per Government Code Section 11126(e)(1) & 11126(f)(1). The matters below may be discussed. The Committee may take action or provide direction to Staff regarding the matters.** **A**

None

G. INFORMATION ITEMS

- 1. Review of FY 2014/2015 Long Range Planning Goals** **I** *p. 136*
2. Listing of CSURMA Policies and Procedures **I** *p. 140*
3. CSURMA Administrative Service Calendar **I** *p. 142*
4. CSURMA Executive Committee & Staff Contact List **I** *p. 150*
5. CAJPA Fall Conference and Training Seminar **I** *p. 154*

H. ADJOURNMENT

The next CSURMA Executive Committee meeting is scheduled for October 24, 2014 in Long Beach, CA

If you have questions regarding the agenda package, please contact

Mimi Long at mlong@alliant.com / (415) 403-1423 or Tevea Him at thim@alliant.com / (415) 403-1416

APPROVAL OF THE AGENDA

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

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

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None

APPROVAL OF MINUTES – MAY 9, 2014

ISSUE: The Committee will be asked to review and approve the draft minutes from its May 9, 2014 meeting.

RECOMMENDATION: It is recommended that the Committee approve the minutes from its May 9, 2014 meeting, including corrections as necessary.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee Meeting Minutes – May 9, 2014

**MINUTES OF THE CSURMA
EXECUTIVE COMMITTEE MEETING
MAY 9, 2014
LONG BEACH, CALIFORNIA
8:30 AM**

MEMBERS PRESENT

George V. Ashkar, CSU Office of the Chancellor, Treasurer
Dwayne Brummett, California Polytechnic State University, AORMA Chair (via teleconference)
Lisa Chavez, CSU Los Angeles (via teleconference)
Robert De Wit, Forty-Niner Shops, Inc., AORMA Vice-Chair
Lori Gentles, San Francisco State University
Linda Hawk, CSU San Marcos, Vice-Chair
Mike Lee, Sacramento State University (via teleconference)
Michael Thorpe, CSU Chico

MEMBERS ABSENT

Cynthia Teniente-Matson, CSU Fresno, Chair

STAFF, GUESTS & CONSULTANTS

Christina Bau, TCW/MetWest
Kelly Cox, CSU Office of the Chancellor
Robert Eaton, CSU Financing and Treasury, Secretary-Auditor
Zachary Gifford, CSU Office of the Chancellor
Jim Hoffman, CSU Office of the Chancellor, CPDC
Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, CSU Office of General Counsel
Andrew Jones, CSU Office of General Counsel
AliceKim, CSU Office of the Chancellor
Myron Leavell, Alliant Insurance Services, Inc.
Robert Leong, Alliant Insurance Services, Inc.
Mimi Long, Alliant Insurance Services, Inc.
Patrick Moore, TCW/MetWest
Rebecca Skidmore, CSU Office of the Chancellor
Kirtland Stout, Sacramento State University
Susan Westover, CSU Office of General Counsel

A. CALL TO ORDER

The meeting was called to order at 8:31 a.m. by Vice-Chair, Linda Hawk.

A1. Approval of the Agenda

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

MOTION: George Ashkar
SECOND: Michael Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

A. PUBLIC COMMENTS - None

B. CONSENT CALENDAR

C1. Approval of Minutes – March 20 & 21, 2014

C2a. Receipt and Review of the Draft Financial Statements at March 31, 2014

C2b. Treasurer’s Report at March 31, 2014

A motion was made to approve the items on the consent calendar as discussed at today’s meeting with the noted correction to the meeting minutes of March 20, 2014.

MOTION: Michael Thorpe
SECOND: Robert De Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

D. GENERAL ADMINISTRATION

D1. Approval of Member Loan

George Ashkar reviewed the item with the Executive Committee. CSU Sacramento has requested a five years Line of Credit for the safety retrofit and renovation project in Sacramento State’s Chemistry Labs.

Pursuant to CSURMA Policy and Procedure No. 10 – Member Loans - allows for the JPA to offer member loans provided certain requirements are met. The CSURMA Treasurer has reviewed the background, and finds that the request meets the requirements of the Policy and Procedure, and recommends approval of the Line of Credit; which will be estimated at \$4,000,000. The LOC will be fully amortized, with payment due quarterly. CSURMA will earn interest based on the rate of return on CSURMA investments.

A motion was made to approve the Line of Credit (LOC) to CSU, Sacramento for five years as described above.

MOTION: George Ashkar

SECOND: Michael Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

D8. Overview of Investment Update

Robert Eaton reviewed the item with the Executive Committee. He then introduced Christina Bau and Patrick Moore of TCW/ Metropolitan West Asset Management, LLC (MetWest); who presented an overview of CSURMA’s Fixed Income Portfolio to the Executive Committee.

A key piece of the update was the review of the benchmark used for management of the portfolio by Metropolitan West Asset Management, LLC (MetWest). The portfolio is currently benchmarked against Barclays U.S. Intermediate Government-Credit (G/C) Index, and is comprised of U.S. Government, Agency and Investment Grade Credit securities. The CSURMA

portfolio guidelines permit these investments as well as Agency Mortgage-Backed securities (MBS), and Asset-Backed securities (ABS). Investments in non-government related assets are limited to a rating of A or better for Corporations and AAA for ABS. The high quality orientation of the CSURMA portfolio precludes an allocation to BBB-rated securities, which comprise 14% of the benchmark but are absent from the CSURMA portfolio.

MetWest recommended that the benchmark be changed to the Barclays U.S. Intermediate Government-Credit (G/C) – A or Better Index, which limits its construction to securities with a minimum rating of A- and would provide a closer alignment to CSURMA’s investment policy which limits the overall investments in the portfolio to securities rated A or better.

As a result, this change in benchmark would allow an opportunity to take on some additional risk and explore longer duration instruments, within policy guidelines.

Robert Eaton briefly reviewed the SWIFT Portfolio with the Executive Committee. Per the Investment Policy, The Executive Committee recognizes that the SWIFT Portfolio and the SWIFT Investment Policy are under the control of the CSU and are not under the Executive Committee’s ability to modify.

Kelly Cox reviewed the Loan Portfolio with the Executive Committee, as the loans are a portion of CSURMA’s investment program. The loan portfolio consisted of three (3) loans

No action was taken at this time.

D2. Underwriters’ Meeting Report

Robert Eaton reviewed this item with the Executive Committee. CSU representatives met with CSURMA’s program underwriters in London on April 2 and April 3, 2014. The CSU team was comprised of Dr. Timothy P. White, Chancellor of the CSU, Robert Eaton, CSURMA Secretary-Auditor, and Dan Howell, Alliant Insurance Services. Each meeting included the Chancellor’s review of the position and mission of the CSU as well as the future outlook. Particular attention was paid to the renewal of leadership at the systemwide and campus levels. CSU’s financial position and capital plans were reviewed as well as the State’s reinvestment in the CSU with the Governor’s four year funding commitment.

Over the two day period there were 11 meetings with 18 London market participants.

The main goals of the meetings were:

- Demonstration of CSU leadership’s commitment to risk management
- Discussion on CSU leadership renewal
- Review of the financial position of CSU and its direction
- Discussion on technical points of insurance placements and renewal expectations

Robert Eaton stepped through his report on the individual meetings with the various markets.

No action was taken at this time.

D3. Student Insurance Programs Rating Plans Task Group

Robert Leong reviewed this item with the Executive Committee. He thanked the Student Insurance Programs RPTG members: Michael Thorpe, Lisa Kao, Kirtland Stout, Zachary Gifford and Stacey Weeks for their efforts.

Rob then stepped through the Task Group's recommendations with the Executive Committee:

CAMPUS INSURANCE PROGRAMS

1. FUNDING POLICY

- FP-1.** The Campus Programs RPTG finds that the goals of the CSURMA Policy and Procedure No. 7 – “Self-Insured Program Funding” have been achieved. Upon review of the policy, no changes to the policy are recommended at this time.
- FP-2.** The Campus Programs RPTG recommends that future program years continue to be funded in accordance with Policy and Procedure No. 7.

2. RATING PLANS

LIABILITY

- L-1.** The Campus Programs RPTG recommends that the Liability Deductible credits should be adjusted per the Actuary's recommendation dated November 1, 2013. The task group affirms that self supporting funds should continue to have a \$35,000 deductible regardless of the campus selected deductible. The effect of the new deductible credit factors would increase FY 2014/15 Liability program funding by \$552,738 – at present campus deductible selections.
- L-2.** As an assignment for the next rating plans review, the Campus Programs RPTG recommends a re-evaluation of the rating tiers used to determine Creditability Factors based on campus size. The assignment is to analyze and identify natural tiers among CSU campuses to define campus size into categories such as Small, Medium, Large which are, or may be, in use by Analytic Studies or others within the Chancellor's Office for systemwide reports.

WORKERS' COMPENSATION

- WC-1.** The Campus Programs RPTG recommends the elimination of funding for claims with industrial injury dates occurring prior to July 1, 1999 since the Workers' Compensation Risk Pool is fully-funded per the actuary's recommendation at the

70% confidence interval (which exceeds expected loss funding defined to be 50-55% confidence). The effect of this recommendation reduces total deposit by \$1,556,520.

IDL/ NDL/ UI

IDL-1. The Campus Programs RPTG recommends maintaining the current rating plan with no modification necessary.

PROPERTY

P-1. The Campus Programs RPTG discussed the addition of an Experience Modification factor to the Property program cost allocation formula, and recommends against implementation at this time. The relative loss rate of campuses should be monitored by the Systemwide Risk Management and acted upon in the future as the Executive Committee may deem appropriate.

P-2. The Campus Programs RPTG recommends maintaining the current rating plan with no modification necessary.

AUTO LIABILITY (VELSIP)

AL-1. The State of California Motor Vehicle Liability Self-Insurance Program cost has been included in CSURMA program costs based on the vehicle count reports tabulated by the state Department of General Services and rates established by the state Office of Risk & Insurance Management (ORIM). The Campus Programs RPTG recommends that this practice be continued and that the Systemwide Office of Risk Management observe the relative loss rates and recommend an experience modification factor if warranted.

AL-2. The Campus Programs RPTG recommends maintaining the current rating plan with no modification necessary.

GENERAL RECOMMENDATION

G-1 The Campus Programs RPTG recommends that a comprehensive review of the rating plans be initiated in the Spring 2016 so that appropriate changes can be considered before adoption of the rates for FY 2017/18.

STUDENT INSURANCE PROGRAMS

CLUB SPORTS INSURANCE PROGRAM (CSIP)

CS-1. The task group recommends the current rating plan be continued until there is sufficient experience to evaluate program cost.

- CS-2.** The task group recommends the Coverage Summary include a definition of the coverage territory, particularly as respects off-campus activities including out-of-state and foreign countries.
- CS-3.** After sufficient history per recommendation CS-1, the task group recommends a review of club/intramural/recreational sports by Hazard Group be initiated to consider development of rates by hazard group.

STUDENT PROFESSIONAL LIABILITY INSURANCE PROGRAM (SPLIP)

- SP-1.** The task group recommends the current rating plan be continued with no change.
- SP-2.** The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects out-of-state internships or in foreign countries.

STUDENT ACADEMIC FIELD EXPERIENCE for CREDIT LIABILITY INSURANCE PROGRAM (SAFECLIP)

- SC-1.** The task group recommends the current rating plan be continued with no change.
- SC-2.** The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects out-of-state internships or in foreign countries.

STUDENT TRAVEL ACCIDENT INSURANCE PROGRAM (STAIP)

- TA-1.** The task group recommends the current rating plan be continued until there is sufficient experience to evaluate program cost.
- TA-2.** The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects school-sponsored activities occurring out-of-state, including foreign countries.
- TA-3.** The task group recommends the Coverage Summary be amended to state the maximum duration of trips that can be covered (currently 14 days).

FOREIGN TRAVEL INSURANCE PROGRAM (FTIP)

- FT-1.** The task group recommends the current rating plan be extended to include travel up to 365 days with rate segments based on duration of travel. A sample rating plan proposed for FY 2014/15 is included in the Appendix.
- FT-2.** The task group recommends that FTIP create an “overlay coverage” to cover gaps in insurance coverage at a rate to be determined to reconcile duplicate cost and redundant coverage concerns arising from CSU approved independent study abroad program vendors who require their participants to purchase insurance provided by their programs. “Overlay coverage” would be limited to CSU-approved independent study abroad programs.

- FT-3.** The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, including coverage limitations as respects travel to “high risk” territories.
- FT-4.** The task group recommends a review of foreign travel by risk factors such as the U.S. Department of State travel warnings.

GENERAL RECOMMENDATIONS

- G-1** The Student Insurance Programs RPTG recommends that a comprehensive review of the rating plans be initiated in Spring 2016 so that appropriate changes can be considered before adoption of the rates for FY 2017/18.

A motion was made to approve the RPTG’s findings by acceptance of the presented draft report and to recommend for adoption to the Board of Directors; and if adopted, the changes become effective for the coverage programs beginning in the next fiscal period, FY 2014/15.

MOTION: George Ashkar
SECOND: Michael Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

D4. Extension of Emergency Services Contract with Witt-O’Briens

Zachary Gifford reviewed the item with the Executive Committee. Witt O’Brien’s provides emergency services consulting for the California State University System under an agreement between CSURMA and Witt Group Holdings, LLC. The current term of the agreement is from July 1, 2012 to July 1, 2014, and renewable for successive two-year periods subject to adjustments of costs and fees to be agreed upon in writing.

The presented scope of work for the upcoming term consisted of the following projects:

Task A: Evaluation of all CSU campus Emergency Operations Plans (EOPs)	\$75,000
Task B: Council of President’s Emergency Management Training Seminar	\$55,000
Task C: Chancellor’s Office System-Wide Coordination Plan	\$35,000

Task D: Chancellor’s Office Emergency Preparedness Plans	\$50,000
Task E: CSU Campus Training and Exercise Opportunities	\$45,000
Tasks F: CSU Campuses Behavioral Threat Assessment Program Review and Evaluation (initial tasks ONLY)	\$15,000
Task G: System-Wide Emergency Management Program Review (initial tasks ONLY)	\$15,000
Task H: Provide strategic advisory, representation, and technical Services (as needed)	\$10,000
Total	\$300,000

A motion was made to approve the renewal of the service agreement with Witt O’Brien’s proposed service agreement for FY 2014/15 and FY 2015/16 and to delegate authority to the Secretary – Auditor to execute the agreement at an amount not to exceed \$300,000.

MOTION: George Ashkar

SECOND: Robert De Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

D5. Minors on Campus Training

Zachary Gifford reviewed the item with the Executive Committee. At the January 2014 meeting, the Executive Committee delegated authority to the Secretary-Auditor to execute the Praesidium, Inc. contract for services after a presentation to CABO for its support. CABO has not reviewed the item as of yet. Lori Gentles also reached out to Human Resource Officers for their support with little response.

As minors are due to arrive on campuses shortly for summer programs, and in an effort to limit CSURMA’s exposure for this risk, the Executive Committee made a recommendation to execute the contract after a full review by the Office of General Counsel.

The cost for the online self-assessment tool and the three online training sessions is \$2,000 per program, up to a maximum of \$50,000 annually. The cost is included in the operating budget.

A motion was made to execute the Praesidium contract after a review by the Office of General Counsel. Authority was previously delegated to the Secretary-Treasurer to execute the agreement.

MOTION: Michael Thorpe

SECOND: Robert De Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

D6. Cyber Risk Insurable Exposure Project

Daniel Howell reviewed this item with the Executive Committee. CSURMA’s insurance program includes \$5 million of coverage for Cyber Risks. Coverage includes protection for loss of personal information, privacy notifications, copyright infringement, data and systems restoration, and claim response services.

At the March meeting, the CSURMA Executive Committee delegated authority to retain Farallon, an independent consultant, to prepare a study report on the exposure of the University and auxiliary organizations from cyber risks. The report will be used to help define the type and amount of coverage needed by the CSURMA.

The draft report was recently received by CSURMA and is currently being reviewed by staff and counsel. Due to the sensitive nature of the report, it is not for distribution in its current form.

The study project’s cost is \$15,000 with up to \$2,500 for travel expenses.

D7. Review of 2014/2015 Long Range Action Plan

Daniel Howell reviewed the 2014/2015 Long Range Action Plan with the Executive Committee, which presented the following items of focus for 2014/2015:

- Development of “An Introduction to CSURMA” PowerPoint presentation for new staff.
- Evaluate CSU’s Unemployment Insurance claim trends and establish methods to improve results.

- Develop and implement plan to reduce Workers’ Compensation claims liability with specific goals to improve claims settlement and closure of very old claims.
- Re-evaluate Primary Workers’ Compensation Reinsurance as a vehicle to mitigate CSU’s cost of WC claims funding.
- Develop process and establish timeline to renew the OCIP covering CSU’s capital construction.
- Develop and implement coverage plan to cover CSU’s liability arising from the ownership and operation of UAV’s (drones) used for research activities.
- Implement more master insurance and indemnity agreements with key hosting partners.

A motion was made to accept the draft Long Range Action Plan as presented.

MOTION: Robert DeWit
SECOND: Michael Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Ming Tung (Mike) Lee	X			
Cynthia Teniente-Matson				X
Michael Thorpe	X			

MOTION CARRIED

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E1. AORMA Programs Update

The AORMA report was tabled as the item appears on the agenda of the Board of Directors meeting being held later today.

F. CLOSED SESSION

There were no items for Closed Session at today’s meeting.

G. INFORMATION ITEMS

G1. Litigation Report from the Office of General Counsel

Andrew Jones, Associate Vice-Chancellor and Deputy General Counsel presented a summary of matters that the Office of General Counsel litigated over the past year.

G2. Fitting the Pieces Together Conference 2015

Zachary Gifford reviewed this item with the Executive Committee. CSURMA sponsors the Fitting the Pieces risk management conference that is developed and delivered by the Chancellor's Office Systemwide Office of Risk Management. The historical schedule has been once every 18 months. The last conference was held in November 6-8, 2013 in Sacramento.

The Chancellor's Office has begun work on the next conference with tentative dates of Monday, April 27 through Wednesday, April 29, 2015 at the San Diego Sheraton Hotel & Marina. Those dates would incorporate CSURMA's regular Board of Directors and Executive Committee meetings to minimize travel expenses and time commitments.

G3. CSURMA Administrative Service Calendar

Daniel Howell reviewed the item with the Executive Committee. The document sets out the scope of administrative work to be performed in a calendar format.

G4. CSURMA 2014 Meeting Calendar

The CSURMA Meeting calendar was included in the agenda for the Executive Committee's review.

G5. CSURMA Executive Committee & Staff Contact List

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

H. ADJOURNMENT

A motion was made to adjourn the meeting.

The meeting adjourned at 10:25 AM.

DRAFT FINANCIAL STATEMENTS AT JUNE 30, 2014

ISSUE: The Chancellor's Office Financial Services Accounting prepares Financial Statements for CSURMA. The Draft Financial Statements at June 30, 2014 are provided as an attachment to this item. The Executive Committee is asked to review the Draft Financial Statements as part of the Consent Calendar. The Chancellor's Office Finance Services Accounting will be on hand to answer questions.

RECOMMENDATION: It is recommended that the Executive Committee review and accept the Draft Financial Statements at June 30, 2014 as part of the Consent Calendar.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. Draft Financial Statements at June 30, 2014.

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 8/20/2014

Client Name	Current	31-60	Over 61	Balance
Associated Students Inc. CSU Stanislaus	\$13,108.00	\$0.00	\$0.00	\$13,108.00
Associated Students Incorporated CSU East Bay	\$28,481.00	\$0.00	\$0.00	\$28,481.00
Associated Students of San Diego State University	\$95,065.00	\$0.00	\$0.00	\$95,065.00
Associated Students, CSU Fullerton	\$81,894.00	\$0.00	\$0.00	\$81,894.00
Associated Students, CSU Los Angeles	\$8,312.00	\$0.00	\$0.00	\$8,312.00
Associated Students, Inc., San Francisco SU	\$40,782.00	\$0.00	\$0.00	\$40,782.00
Associated Students, Inc.of Sonoma State University	\$19,906.00	\$0.00	\$0.00	\$19,906.00
Cal Poly Foundation	\$7,089.00	\$0.00	\$0.00	\$7,089.00
Cal Poly Pomona Foundation, Inc.	\$130,961.00	\$0.00	\$0.00	\$130,961.00
Cal State Los Angeles University Auxiliary Svcs Inc	\$18,639.00	\$0.00	\$0.00	\$18,639.00
California Maritime Academy	\$1,005.00	\$0.00	\$0.00	\$1,005.00
California Maritime Academy Associated Students	\$4,701.00	\$0.00	\$0.00	\$4,701.00
California Maritime Academy Foundation	\$4,095.00	\$0.00	\$0.00	\$4,095.00
Chico University Foundation	\$21,000.00	\$0.00	\$0.00	\$21,000.00
CPSU San Luis Obispo	\$22,946.00	\$0.00	\$0.00	\$22,946.00
CSPU Pomona	\$517.00	\$0.00	\$0.00	\$517.00
CSU Bakersfield Associated Students Inc	\$8,806.00	\$0.00	\$0.00	\$8,806.00
CSU Bakersfield Foundation	\$41,958.00	\$0.00	\$0.00	\$41,958.00
CSU Bakersfield, Auxiliary for Sponsored Programs Administration	\$8,550.00	\$0.00	\$0.00	\$8,550.00
CSU Channel Islands Site Authority	\$96,482.00	\$0.00	\$0.00	\$96,482.00
CSU Chico	\$817.00	\$0.00	\$0.00	\$817.00
CSU Chico Research Foundation	\$161,707.00	\$0.00	\$0.00	\$161,707.00
CSU Dominguez Hills Foundation	\$589.00	\$0.00	\$0.00	\$589.00
CSU East Bay Foundation	\$4,752.00	\$0.00	\$0.00	\$4,752.00
CSU Fresno	\$881.00	\$0.00	\$0.00	\$881.00
CSU Fresno Athletic Corporation	\$252,064.00	\$0.00	\$0.00	\$252,064.00
a CSU Fresno Foundation	(\$1,851.00)	\$0.00	\$0.00	(\$1,851.00)
CSU Fullerton	\$193,462.00	\$0.00	\$0.00	\$193,462.00
CSU LB 49ers Foundation	\$3,347.00	\$0.00	\$0.00	\$3,347.00
CSU Long Beach	\$26,743.00	\$0.00	\$0.00	\$26,743.00
CSU Office of the Chancellor	\$1,091.00	\$0.00	\$0.00	\$1,091.00
CSU Office of the Chancellor-Systemwide	\$2,369,425.00	\$0.00	\$0.00	\$2,369,425.00
CSU Stanislaus Auxiliary & Business Svcs	\$25,803.00	\$0.00	\$0.00	\$25,803.00
CSU Stanislaus Foundation	\$25,561.00	\$0.00	\$0.00	\$25,561.00
CSU Stanislaus Stockton Site Authority	\$31,029.00	\$0.00	\$0.00	\$31,029.00
Forty-Niner Shops Incorporated, CSU Long Beach	\$5,624.00	\$0.00	\$0.00	\$5,624.00
Humboldt State Univ Sponsored Programs Foundation	\$37,769.00	\$0.00	\$0.00	\$37,769.00
San Diego State University Research Foundation	\$9,318.00	\$0.00	\$0.00	\$9,318.00
San Jose State University Research Foundation	\$2,872.00	\$0.00	\$0.00	\$2,872.00
San Marcos University Corporation	\$45,594.00	\$0.00	\$0.00	\$45,594.00
Santos Manuel Student Union, CSU San Bernardino	\$41,804.00	\$0.00	\$0.00	\$41,804.00
Student Union of CSU Bakersfield	\$11,653.00	\$0.00	\$0.00	\$11,653.00
The Agricultural Foundation, CSU Fresno	\$32,478.00	\$0.00	\$0.00	\$32,478.00
The Donald P. and Katherine B. Loker University Student Union, Inc.	\$22,977.00	\$0.00	\$0.00	\$22,977.00
The University Corporation at Monterey Bay	\$308.00	\$0.00	\$0.00	\$308.00
The University Corporation, CSU Northridge	\$12,378.00	\$0.00	\$0.00	\$12,378.00
The University Corporation, San Francisco State	\$53,950.00	\$0.00	\$0.00	\$53,950.00
Univ Enterprises Inc. CSU Sacramento	\$275,816.00	\$0.00	\$0.00	\$275,816.00
University Auxiliary and Research Svcs Corp, CSU San Marcos	\$61,133.00	\$0.00	\$0.00	\$61,133.00
University Center, Humboldt State University	\$72,839.00	\$0.00	\$0.00	\$72,839.00
University Enterprises Corporation at CSUSB	\$11.56	\$0.00	\$0.00	\$11.56
University Student Union, CSU Stanislaus	\$12,092.00	\$0.00	\$0.00	\$12,092.00
Totals:	\$4,448,333.56	\$0.00	\$0.00	\$4,448,333.56

a This is FY 14/15 AORMA liability and property premiums adjustment. The credit will be refunded in August 2014

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 6/30/2014**

Loan Pool: 15% of the overall average cash and investment for the preceding 12 months (Jul 2013 - Jun 2014)

\$ 27,711,163.20

Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 6/30/2014	Outstanding Loan Balance 6/30/2013
Humboldt State University Advancement Foundation	Oct 2017 (Extension)	Aug 2008	\$ 2,535,000.00	\$ 2,000,000.00	\$ 2,000,000.00
CSU Fresno	Sep 2018 (Extension)	Nov 2008	\$ 4,500,000.00	\$ 1,492,420.20	\$ 2,642,036.88
CSU Northridge	Jun 2015	May 2010	\$ 5,000,000.00	\$ 1,514,161.17	\$ 3,500,000.00
Total Loans			\$ 12,035,000.00	\$ 5,006,581.37	\$ 8,142,036.88
Remaining Amount Available for Member Loans:				\$ 22,704,581.83	

***Per CSURMA P&P No. 10:**

A single Member loan and its associated Member's Auxiliary Organizations shall not exceed 5% of the overall average cash and investment for the preceding 12 months (Jul 2013 - Jun 2014)

\$ 9,237,054.40

**California State University Risk Management Authority
Travel Expense Report**

Processed from July 1 to Jun 30, 2014

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expense	Total Amount
3/31 - 4/4/14	Robert Eaton	London	CSURMA Underwriting Meetings	\$ 973.98	\$ 309.33	\$ 2,242.49	\$ 3,525.80
4/1 - 4/4/14	Timothy P. White	London	CSURMA Underwriting Meetings	\$ 1,355.00	\$ 238.27	\$ 1,682.91	\$ 3,276.18
4/6 - 4/11/14	Zachary Gifford	San Francisco	Attending as CSU Presenentatives for the CSU v SELF Arbitration	\$ 761.00	\$ 161.78	\$ 611.02	\$ 1,533.80
4/23/2014	Zachary Gifford	Santa Ana	Attending LeClair vs CSULB & CSULB Foundation Mediation	\$ -	\$ -	\$ 34.38	\$ 34.38
5/18 - 5/22/14	Zachary Gifford	San Francisco	Meeting with Zurich UW, Attending as CSU Representative for the CSU vs SELF Arbitration, and Attendance requested by CSURMA Counsel and Defense Counsel	\$ 606.32	\$ 103.41	\$ 567.89	\$ 1,277.62
5/26 - 5/28/14	Zachary Gifford	San Francisco	Attending as CSU Presenentative for the CSU vs SELF Arbitration, Session III/Conclusion, and Attendance Requested by CSURMA Counsel and Defense Counsel	\$ 282.00	\$ 53.44	\$ 408.04	\$ 743.48
6/2 - 6/4/14	Rebecca Skidmore	San Jose	Attending URMIA Western Regional Conference (Lodging at Relatives' House)	\$ -	\$ -	\$ 197.50	\$ 197.50
6/8 - 6/10/14	Zachary Gifford	Long Beach	Attending PRIMA National Conference	\$ -	\$ -	\$ 48.00	\$ 48.00
6/18/2014	Rebecca Skidmore	Walnut	Attending free PARMA Training/Meeting	\$ -	\$ -	\$ 34.16	\$ 34.16
Total Travel Expenses Paid from 4/1/14 to 6/30/14				\$ 3,978.30	\$ 866.23	\$ 5,826.39	\$ 10,670.92
Previously Reported							
1/10/2014	Zachary Gifford	Los Angeles	Meeting with County of Los Angeles Risk Management	\$ -	\$ -	\$ 29.12	\$ 29.12
1/12 - 1/15/14	Zachary Gifford	Sacramento	CSURMA EC and AOA Annual Conference	\$ 576.60	\$ 68.01	\$ 270.02	\$ 914.63
1/22 - 1/23/14	Zachary Gifford	Santa Rosa	Arndt vs. Humboldt State Univesity Mediation	\$ 102.66	\$ 43.26	\$ 568.26	\$ 714.18
2/5 - 2/7/14	Zachary Gifford	Monterey Bay	Park vs. SJSURF Mediation	\$ 248.78	\$ 83.28	\$ 463.32	\$ 795.38
2/9 - 2/12/14	Rebecca Skidmore	San Jose	PARMA Conference (Lodging at Relative's House)	\$ -	\$ -	\$ 146.72	\$ 146.72
2/10 - 2/12/14	Zachary Gifford	San Jose	Speaking and Moderating at PARMA Conference, Meeting with Ironshore, and PRIMA National/ CalPIRMA Meeting	\$ 438.40	\$ 34.56	\$ 256.38	\$ 729.34
3/4 - 3/5/14	Martha Guiditta	Garden Grove	Combined Claims Conference	\$ -	\$ -	\$ 56.96	\$ 56.96
3/5 - 3/6/14	Rebecca Skidmore	CSU Fullerton	Incident Investigation and Reporting Training Course	\$ -	\$ -	\$ 38.08	\$ 38.08
3/10 - 3/12/14	Zachary Gifford	Costa Mesa	Speaking Engagement at FOA Conference	\$ -	\$ -	\$ 92.24	\$ 92.24
3/18/2014	Zachary Gifford	Los Angeles	Williams vs CSU Northridge Mediation	\$ -	\$ -	\$ 28.00	\$ 28.00
3/19 - 3/21/14	Zachary Gifford	Newport Beach	CSU WC Program Meeting with J. Graf & P. Daniels, AORMA Committee, CSURMA EC and CSURMA LRP Meetings	\$ -	\$ -	\$ 100.80	\$ 100.80
3/25/2014	Zachary Gifford	CSU East Bay	Presentation @ ISAC - Cyber Issues	\$ -	\$ -	\$ 505.21	\$ 505.21
Total Travel Expenses Paid from 1/1/14 to 3/31/14				\$ 1,366.44	\$ 229.11	\$ 2,555.11	\$ 4,150.66

**California State University Risk Management Authority
Travel Expense Report**

Processed from July 1 to Jun 30, 2014

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expense	Total Amount
10/21 - 10/24/13	Charlene Minnick	from Baton Rouge to Sacramento	CSU v. SELF Deposition as a Witness (Lodging at Family's House)	\$ -	\$ -	\$ 1,584.47	\$ 1,584.47
11/6-11/8/13	Robert Eaton	Sacramento	AORMA CSURMA EC, BOD, CABO, and Fitting the Pieces Together Conference (Complimentary Lodging from Double Tree Hotel)	\$ -	\$ 46.62	\$ 329.80	\$ 376.42
11/23-11/27/13	Cynthia Teniente-Matson	London	CSURMA Underwriting Meetings	\$ 861.54	\$ 190.58	\$ 1,238.14	\$ 2,290.26
11/25-11/26/13	Robert Eaton	London	CSURMA Underwriting Meetings	\$ 830.58	\$ 277.11	\$ 1,372.12	\$ 2,479.81
12/5-12/6/13	Zachary Gifford	San Francisco	Meeting at Alliant Office (EC Agenda, Contract, Agreement, AORMA Committee, AOA Presentation Work, and Sedgwick Meeting)	\$ 202.91	\$ 14.40	\$ 277.95	\$ 495.26
12/12/2013	Rebecca Skidmore	Pomona	PARMA Training	\$ -	\$ -	\$ 37.29	\$ 37.29
12/12/2013	Zachary Gifford	Los Angeles	CSU vs. SELF Deposition Preparation	\$ -	\$ -	\$ 33.90	\$ 33.90
12/18-12/19/13	Zachary Gifford	Costa Mesa	CSU vs. SELF Deposition	\$ -	\$ -	\$ 51.98	\$ 51.98
Total Travel Expenses Paid from 12/1/13 to 12/31/13				\$ 1,895.03	\$ 528.71	\$ 4,925.65	\$ 7,349.39
10/1/2013	Zachary Gifford	Santa Ana	LeClair et al vs CSULB & CSULBRF Mediation at Adjudicate West	\$ -	\$ -	\$ 39.71	\$ 39.71
10/2-10/3/13	Rebecca Skidmore	Dana Point	Workers Compensation & Risk Conference	\$ -	\$ -	\$ 106.84	\$ 106.84
10/2-10/3/13	George V. Ashkar	SDSU	CSURMA Liability Underwriter Meeting	\$ -	\$ -	\$ 149.16	\$ 149.16
10/3/2013	Zachary Gifford	SDSU	Domestic Underwriter's Meeting/Presentation	\$ -	\$ -	\$ 122.04	\$ 122.04
10/13-10/16/13	Zachary Gifford	Phoenix	URMIA Conference - Presentation, Meetings with Ironshore, CV Starr, SallieMae, ATI, & WICHE-WHEare	\$ 588.00	\$ 56.18	\$ 337.24	\$ 981.42
11/5-11/12/13	Zachary Gifford	Sacramento	AORMA CSURMA EC & BOD, and Fitting the Pieces Together Conference (Complimentary Lodging from Double Tree Hotel)	\$ -	\$ 79.40	\$ 428.33	\$ 507.73
11/6-11/8/13	George V. Ashkar	Sacramento	CSURMA EC, CABO, and Fitting the Pieces Together Conference	\$ 295.68	\$ 123.94	\$ 396.87	\$ 816.49
11/6-11/8/13	Kelly Cox	Sacramento	CSURMA EC, CABO, and Fitting the Pieces Together Conference	\$ 243.96	\$ 100.71	\$ 332.28	\$ 676.95
11/6-11/8/13	Leona Ching	Sacramento	Fitting the Pieces Together Conference (Complimentary Lodging from Double Tree Hotel)	\$ -	\$ 12.90	\$ 257.24	\$ 270.14
11/6-11/8/13	Martha Guiditta	Sacramento	Fitting the Pieces Together Conference (Complimentary Lodging from Double Tree Hotel)	\$ -	\$ 100.35	\$ 177.80	\$ 278.15
11/6-11/8/13	Rebecca Skidmore	Sacramento	Fitting the Pieces Together Conference	\$ 272.76	\$ 82.37	\$ 263.20	\$ 618.33
11/7-11/8/13	Alice Kim	Sacramento	Fitting the Pieces Together Conference	\$ 136.38	\$ 34.43	\$ 296.01	\$ 466.82
11/7-11/8/13	Rima Tan	Sacramento	Fitting the Pieces Together Conference	\$ 136.37	\$ 36.21	\$ 305.98	\$ 478.56
11/7-11/8/13	Mandy Wong	Sacramento	Fitting the Pieces Together Conference	\$ 136.37	\$ 33.27	\$ 320.06	\$ 489.70
Total Travel Expenses Paid from 10/1/13 to 11/30/13				\$ 1,809.52	\$ 659.76	\$ 3,532.76	\$ 6,002.04

**California State University Risk Management Authority
Travel Expense Report**

Processed from July 1 to Jun 30, 2014

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expense	Total Amount
7/10-7/11/13	Zachary Gifford	Monterey	AORMA Officer's Retreat and Campus Visit/Meeting with Lenore Reed	\$ 164.90	\$ 23.40	\$ 439.03	\$ 627.33
7/16/2013	Cynthia Teniente-Matson	Indianapolis	Meeting with Mary Ann Rodriguez to discuss CSURMA's outstanding items while attending NACUBO Annual Conference	\$ -	\$ 51.87	\$ -	\$ 51.87
7/22/2013	Zachary Gifford	San Diego	Pallulat vs. SDSU ASI Mediation	\$ -	\$ -	\$ 151.17	\$ 151.17
8/26-8/27/13	Zachary Gifford	San Francisco	CSURMA Program Admin team visit, "State of W/C Program" meetings with Sedgwick, Genex and ScripNet	\$ 158.06	\$ 25.07	\$ 282.75	\$ 465.88
9/4-9/5/13	Zachary Gifford	San Jose	SJSU - University Village Mediation Day III & IV	\$ 142.61	\$ 45.62	\$ 413.25	\$ 601.48
9/11-9/12/13	Zachary Gifford	Lake Tahoe	Speaking and moderating at CAJPA Conference	\$ 111.27	\$ 34.91	\$ 430.77	\$ 576.95
9/19/2013	Rebecca Skidmore	Newport Beach	Attending AIRROC 1-day Conference	\$ -	\$ -	\$ 26.08	\$ 26.08
Total Travel Expenses Paid from 7/1/13 to 9/30/13				\$ 576.84	\$ 180.87	\$ 1,743.05	\$ 2,500.76
GRAND TOTAL				\$ 9,626.13	\$ 2,464.68	\$ 18,582.96	\$ 30,673.77

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 6/30/2014

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs as of 6/30/2014
Assets:							
Cash and Investments	9,929,154	20,500,014	939,420	1,610,420	531,526	0	33,510,535
Other long-term investments	33,501,428	69,167,366	3,170,754	5,434,488	1,793,593	0	113,067,630
Accounts receivable	216,896	1,453	67	20,413	38	0	238,867
Loan receivable	0	0	0	0	0	0	0
Reinsurance receivable	0	751,767	0	0	0	0	751,767
Accrued interest receivable	1,871	3,883	179	306	101	0	6,339
Prepaid insurance	12,084	0	0	12,994	0	0	25,078
Prepaid expense	28,418	2,088,142	3,243	2,283	79,008	0	2,201,094
Total assets:	43,689,851	92,512,627	4,113,662	7,080,903	2,404,266	0	149,801,309
Liabilities:							
Accounts payable	249,992	1,023,015	1,822,755	(12,836)	(3,966)	0	3,078,961
Unearned revenue	11,665	0	0	0	0	0	11,665
SELF assessment liability	0	12,268,856	0	0	0	0	12,268,856
Reported claims	10,611,337	40,331,339	0	0	133,384	0	51,076,060
Claims incurred but not reported	8,426,560	24,969,777	0	0	1,778,452	0	35,174,789
Total liabilities:	19,299,554	78,592,987	1,822,755	(12,836)	1,907,870	0	101,610,331
Fund balance	24,390,297	13,919,640	2,290,907	7,093,740	496,395	0	48,190,979
Total liabilities and fund balance	43,689,851	92,512,627	4,113,662	7,080,903	2,404,266	0	149,801,309

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 6/30/2014

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs as of 6/30/2014
Assets:						
Cash and Investments	1,915,558	3,333,064	203,599	53,507	704,237	6,209,965
Other long-term investments	6,463,246	11,232,209	687,362	180,570	2,390,080	20,953,467
Accounts receivable	51,397	236	139	4	50	51,826
Loan receivable	0	0	0	0	0	0
Reinsurance receivable	0	0	0	0	0	0
Accrued interest receivable	363	631	39	10	134	1,177
Prepaid insurance	0	0	0	0	0	0
Prepaid expense	150,888	305,854	849	85	552	458,227
Total assets:	8,581,452	14,871,994	891,988	234,176	3,095,053	27,674,662
Liabilities:						
Accounts payable	1,096,498	1,002,156	(4,986)	(493)	438,772	2,531,947
Unearned revenue	0	0	0	0	0	0
SELF assessment liability	0	0	0	0	0	0
Reported claims	2,064,682	4,256,597	0	0	0	6,321,279
Claims incurred but not reported	1,063,926	4,812,977	0	0	0	5,876,903
Total liabilities:	4,225,106	10,071,730	(4,986)	(493)	438,772	14,730,129
Fund balance	4,356,346	4,800,263	896,974	234,669	2,656,281	12,944,533
Total liabilities and fund balance	8,581,452	14,871,994	891,988	234,176	3,095,053	27,674,662

California State University Risk Management Authority
Balance Sheet - Miscellaneous Programs as of 6/30/2014

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 6/30/2014	Grand Total All Programs as of 6/30/2014
Assets:						
Cash and Investments	12,656	(470,953)	21,514	(1,165,874)	(1,602,658)	38,117,842
Other long-term investments	42,491	(1,582,640)	72,610	(3,840,707)	(5,308,246)	128,712,851
Accounts receivable	2,903	0	2	0	2,905	293,598
Loan receivable	0	0	0	5,006,581	5,006,581	5,006,581
Reinsurance receivable	0	0	0	0	0	751,767
Accrued interest receivable	0	0	4	0	4	7,520
Prepaid insurance	0	1,340,995	14,041	0	1,355,036	1,380,114
Prepaid expense	0	156,415	1,614	0	158,029	2,817,350
Total assets:	58,051	(556,183)	109,783	0	(388,349)	177,087,623
Liabilities:						
Accounts payable	0	(9,944)	(294)	0	(10,238)	5,600,670
Unearned revenue	0	0	21,640	0	21,640	33,305
SELF assessment liability	0	0	0	0	0	12,268,856
Reported claims	0	0	0	0	0	57,397,339
Claims incurred but not reported	0	0	0	0	0	41,051,692
Total liabilities:	0	(9,944)	21,346	0	11,403	116,351,862
Fund balance	58,051	(546,239)	88,437	0	(399,752)	60,735,760
Total liabilities and fund balance	58,051	(556,183)	109,783	0	(388,349)	177,087,623

California State University Risk Management Authority

Income Statement - Campus Programs as of 6/30/2014

(Unaudited)

	Liability	Workers' Compensation	IDL/ND/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	14,233,519	29,448,933	13,500,000	10,305,117	2,932,489	648,727	71,068,785
Reinsurance premiums	(165,000)	0	0	(8,010,335)	0	0	(8,175,335)
Total operating revenues:	14,068,519	29,448,933	13,500,000	2,294,782	2,932,489	648,727	62,893,450
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	10,831,443	19,905,614	12,792,972	1,269,110	3,014,431	0	47,813,570
Deductible recoveries	(3,279,839)	0	0	0	0	0	(3,279,839)
Claims administrators	81,908	3,633,598	62,270	0	135,000	0	3,912,776
Claims management information system	30,980	0	0	0	0	0	30,980
Program administrator	194,332	395,396	166,680	198,145	9,636	0	964,189
Brokerage commissions	323,838	189,218	282	469,412	501	0	983,251
Insurance premiums	3,725,275	2,068,148	0	519,776	23,074	648,727	6,985,000
Taxes, assessments & fees	204,930	0	0	0	0	0	204,930
Actuarial services	5,500	5,250	0	0	2,750	0	13,500
Claims audit	2,250	0	0	0	0	0	2,250
Miscellaneous program services	2,748	4,183	0	0	0	0	6,932
Workshops/training	24,104	34,891	12,452	9,577	1,548	0	82,573
Loss control	167,919	993	0	17,201	0	0	186,113
Reinsurance recovery	(977,118)	(8,497,935)	0	0	0	0	(9,475,053)
Program committee	0	0	0	0	1,124	0	1,124
Dividend distributions	7,097,512	0	0	0	0	0	7,097,512
Change in claims losses and loss adj. exp.	994,724	10,734,072	0	0	(144,276)	0	11,584,520
Total direct program expenses:	19,430,506	28,473,430	13,034,656	2,483,222	3,043,788	648,727	67,114,328
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	7,256	15,631	7,166	5,043	1,557	0	36,653
Executive committee & board expenses	2,413	5,205	2,386	1,679	518	0	12,201
JPA insurance	2,424	5,223	2,392	1,689	519	0	12,247
Memberships, associations & dues	3,350	2,337	1,071	754	232	0	7,745
Chancellor's office accounting services	49,075	105,853	48,522	34,158	10,530	0	248,138
Risk management expenses	149,266	321,922	147,568	103,879	32,022	0	754,657
Miscellaneous indirect services	5,313	11,420	5,106	3,771	1,128	0	26,739
Total general & administrative expenses:	219,096	467,590	214,211	150,973	46,507	0	1,098,378
Total operating expenses:	19,649,602	28,941,020	13,248,867	2,634,195	3,090,295	648,727	68,212,706
NON-OPERATING REVENUES:							
Investment income	928,061	1,894,417	170,966	152,282	60,603	0	3,206,329
Total non-operating revenues:	928,061	1,894,417	170,966	152,282	60,603	0	3,206,329
BEGINNING RETAINED EARNINGS	29,043,319	11,517,309	1,868,809	7,280,870	593,599	0	50,303,906
NET SURPLUS/(DEFICIT)	(4,653,022)	2,402,330	422,099	(187,130)	(97,204)	0	(2,112,927)
ENDING RETAINED EARNINGS	24,390,297	13,919,640	2,290,907	7,093,740	496,395	0	48,190,979

California State University Risk Management Authority

Income Statement - AORMA Programs as of 6/30/2014

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	3,625,975	4,278,782	3,496,412	351,104	2,291,160	14,043,433
Reinsurance premiums	(825,000)	0	(2,625,654)	0	0	(3,450,654)
Total operating revenues:	2,800,975	4,278,782	870,758	351,104	2,291,160	10,592,779
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	1,607,531	3,621,592	210,475	0	1,490,567	6,930,165
Deductible recoveries	(153,024)	0	0	0	0	(153,024)
Claims administrators	12,600	207,089	0	0	32,100	251,789
Claims management information system	0	0	0	0	0	0
Program administrator	567,500	334,692	242,548	23,256	45,000	1,212,996
Brokerage commissions	63,784	40,093	183,823	15,007	48	302,754
Insurance premiums	304,967	400,758	39,658	187,251	0	932,634
Taxes, assessments & fees	0	26,853	0	0	0	26,853
Actuarial services	2,750	7,000	0	0	0	9,750
Claims audit	2,500	0	0	0	0	2,500
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	8,656	10,452	8,203	812	5,298	33,421
Loss control	88,299	117,249	0	0	0	205,548
Reinsurance recovery	0	(1,337,965)	0	0	0	(1,337,965)
Program committee	3,573	4,334	3,450	343	2,235	13,935
Dividend distributions	978,346	845,387	0	0	0	1,823,733
Change in claims losses and loss adj. exp.	265,679	850,050	0	0	0	1,115,729
Total direct program expenses:	3,753,161	5,127,583	688,157	226,669	1,575,248	11,370,818
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,945	2,359	1,879	186	1,217	7,586
Executive committee & board expenses	647	786	625	62	406	2,526
JPA insurance	649	788	626	62	406	2,532
Memberships, associations & dues	0	0	0	0	0	0
Chancellor's office accounting services	13,162	15,990	12,708	1,267	8,255	51,382
Risk management expenses	36,580	44,438	35,316	3,523	22,941	142,797
Miscellaneous indirect services	1,417	1,699	1,338	128	834	5,416
Total general & administrative expenses:	54,400	66,060	52,491	5,229	34,059	212,240
Total operating expenses:	3,807,561	5,193,643	740,648	231,898	1,609,307	11,583,058
NON-OPERATING REVENUES:						
Investment income	177,230	282,655	19,773	4,797	61,476	545,931
Total non-operating revenues:	177,230	282,655	19,773	4,797	61,476	545,931
BEGINNING RETAINED EARNINGS	5,185,702	5,432,470	747,091	110,667	1,912,952	13,388,881
NET SURPLUS/(DEFICIT)	(829,356)	(632,207)	149,883	124,002	743,329	(444,348)
ENDING RETAINED EARNINGS	4,356,346	4,800,263	896,974	234,669	2,656,281	12,944,533

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 6/30/2014

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	312,432	4,518,095	238,494	5,069,020	90,181,238
Reinsurance premiums	0	0	0	0	(11,625,989)
Total operating revenues:	312,432	4,518,095	238,494	5,069,020	78,555,250
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	0	0	54,743,735
Deductible recoveries	0	0	0	0	(3,432,862)
Claims administrators	0	0	10,000	10,000	4,174,565
Claims management information system	0	0	0	0	30,980
Program administrator	0	272,500	0	272,500	2,449,685
Brokerage commissions	50,353	25,054	18,807	94,213	1,380,219
Insurance premiums	294,452	2,571,780	164,802	3,031,034	10,948,667
Taxes, assessments & fees	0	0	0	0	231,783
Actuarial services	0	0	0	0	23,250
Claims audit	0	0	0	0	4,750
Miscellaneous program services	0	0	0	0	6,932
Workshops/training	0	4,861	0	4,861	120,855
Loss control	0	0	0	0	391,662
Reinsurance recovery	0	0	0	0	(10,813,018)
Program committee	0	0	0	0	15,059
Dividend distributions	0	0	0	0	8,921,245
Change in claims losses and loss adj. exp.	0	0	0	0	12,700,249
Total direct program expenses:	344,805	2,874,195	193,609	3,412,608	81,897,754
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	3,651	110	3,761	48,000
Executive committee & board expenses	0	1,216	37	1,253	15,980
JPA insurance	0	1,231	36	1,267	16,045
Memberships, associations & dues	0	0	0	0	7,745
Chancellor's office accounting services	0	24,733	747	25,480	325,000
Risk management expenses	0	68,734	2,078	70,812	968,266
Miscellaneous indirect services	0	2,739	68	2,807	34,961
Total general & administrative expenses:	0	102,304	3,076	105,380	1,415,998
Total operating expenses:	344,805	2,976,498	196,685	3,517,988	83,313,752
NON-OPERATING REVENUES:					
Investment income	0	0	1,071	1,071	3,753,331
Total non-operating revenues:	0	0	1,071	1,071	3,753,331
BEGINNING RETAINED EARNINGS	90,424	(2,087,836)	45,556	(1,951,856)	61,740,932
NET SURPLUS/(DEFICIT)	(32,373)	1,541,597	42,881	1,552,104	(1,005,171)
ENDING RETAINED EARNINGS	58,051	(546,239)	88,437	(399,752)	60,735,760

California State University Risk Management Authority
Income Statement as of 6/30/2014
(Unaudited)

	<u>Budget vs. Actual</u>		<u>Variance</u>	<u>Percent of Budget</u>
	<u>FY 2013/2014 Budget</u>	<u>Year-to-Date Ending 6/30/2014</u>		
OPERATING REVENUES:				
Contributions	89,378,455	90,181,238	(802,783)	100.90 %
Reinsurance premiums	(990,000)	(11,625,989)	10,635,989	1,174.34 %
Total operating revenues:	88,388,455	78,555,250	9,833,205	88.88 %
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	64,738,427	54,743,735	9,994,692	84.56 %
Deductible recoveries	(4,050,000)	(3,432,862)	(617,138)	84.76 %
Claims administrators	4,661,895	4,174,565	487,330	89.55 %
Claims management information system	35,000	30,980	4,020	88.51 %
Program administrator	2,449,686	2,449,685	1	100.00 %
Brokerage commissions	1,258,407	1,380,219	(121,812)	109.68 %
Insurance premiums	19,342,079	10,948,667	8,393,412	56.61 %
Taxes, assessments & fees	235,000	231,783	3,217	98.63 %
Actuarial services	26,000	23,250	2,750	89.42 %
Claims audit	22,000	4,750	17,250	21.59 %
Coverage counsel	16,000	0	16,000	0.00 %
Program legal	2,500	0	2,500	0.00 %
Miscellaneous program services	11,755	6,932	4,823	58.97 %
Workshops/training	88,000	120,855	(32,855)	137.33 %
Loss control	806,875	391,662	415,213	48.54 %
Reinsurance recovery	(8,453,500)	(10,813,018)	2,359,518	127.91 %
Program committee	30,688	15,059	15,629	49.07 %
Dividend distributions	9,316,702	8,921,245	395,457	95.76 %
Change in claims losses and loss adj. exp.	0	12,700,249	(12,700,249)	0.00 %
Total direct program expenses:	90,537,514	81,897,754	8,639,760	90.46 %
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	48,000	48,000	0	100.00 %
Executive committee & board expenses	34,000	15,980	18,020	47.00 %
JPA insurance	27,500	16,045	11,455	58.35 %
Memberships, associations & dues	5,250	7,745	(2,495)	147.52 %
Chancellor's office accounting services	325,000	325,000	0	100.00 %
Risk management expenses	1,266,000	968,266	297,734	76.48 %
JPA legal	5,000	0	5,000	0.00 %
Miscellaneous indirect services	15,000	34,961	(19,961)	233.07 %
Total general & administrative expenses:	1,725,750	1,415,998	309,752	82.05 %
Total operating expenses:	92,263,264	83,313,752	8,949,512	90.30 %
NON-OPERATING REVENUES:				
Investment income	5,000,000	3,753,331	1,246,669	75.07 %
Total non-operating revenues:	5,000,000	3,753,331	1,246,669	75.07 %
NET SURPLUS/(DEFICIT)	1,125,191	(1,005,171)	2,130,362	(89.33)%

FINANCIAL REPORT:
TREASURER'S REPORT AT JUNE 30, 2014

ISSUE: California Government Code Section 53646(b)(1) requires that the CSURMA Treasurer submit a Quarterly Investment Report stating that all investments are in compliance with the current investment policy and that CSURMA has sufficient funds to meet its expenditure requirements for the next six months. The CSURMA Treasurer will be on hand to address questions.

RECOMMENDATION: It is recommended that the Executive Committee review the Treasurer's Report ending June 30, 2014 as part of the Consent Calendar.

FISCAL IMPACT: None.

BACKGROUND: The objective of ensuring that CSURMA has sufficient funds is to assure that policies and procedures are in effect and followed to protect and preserve the JPA's financial assets.

PUBLICATION: None.

ATTACHMENT(S):

- a. Certification of Funds Letter (handout)
- b. CSURMA Investment Report (handout)

BROKERAGE SERVICE AGREEMENT - ADDENDUM A-1

ISSUE: Attachment A of the Brokerage Service Agreement outlines Compensation Rates for brokerage services and allows Broker to place miscellaneous coverage for special events, fine arts exhibits, summer camps, and other exposures. For such miscellaneous placements, Broker shall earn commissions agreed upon with Client and/or Client’s members. In accordance with the Agreement, Broker has disclosed the commission rate and amount applicable with each invoice presented by Broker to Client.

Addendum A-1 was drafted to provide clarity for audit purposes in disclosing commission rates on the miscellaneous coverages placed by Broker for Client and Client’s members. The draft was reviewed by the General Counsel and is presented herein for approval by the Executive Committee.

RECOMMENDATION: The Executive Committee is asked to approve draft Addendum A-1 and direct the Chair and Secretary-Auditor to execute the addendum with Broker.

FISCAL IMPACT: None.

BACKGROUND: CSURMA (“Client”) entered into a Brokerage Service Agreement with Alliant Insurance Services (“Broker”) commencing January 1, 2014. Attachment A of the agreement outlines Compensation Rates for brokerage services and allows Broker to place miscellaneous coverage for special events, fine arts exhibits, summer camps, and other exposures. For such miscellaneous placements, Broker shall earn commissions agreed upon with Client and/or Client’s members. Broker shall disclose all Non-Fee Compensation and other received monies required under the agreement. Broker shall show the commission rate and amount applicable with each invoice presented by Broker to Client.

PUBLICATION: None.

ATTACHMENT(S):

- a. Draft Addendum A-1

ADDENDUM A-1
Scope of Work and Compensation

Attachment A of the Broker/Consultant Services Agreement (“AGREEMENT”) between CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY (“CSURMA” or “CLIENT”) and ALLIANT INSURANCE SERVICES, INC. (“ALLIANT” or “BROKER”) duly executed on January 1, 2014, provides that: “From time to time CLIENT and/or CLIENT’s members may request that BROKER place miscellaneous coverage for special events, fine arts exhibits, summer camps and other exposures not described above. For such miscellaneous placements, BROKER shall earn commissions agreed upon with CLIENT and/or CLIENT’s members.” This Addendum A-1 specifies the commission rates for additional lines of insurance ALLIANT procures on behalf of CSURMA.

Compensation for Brokerage Services

As compensation for services provided by BROKER under the AGREEMENT, CLIENT shall pay commissions or fees for additional lines of insurance that were not previously specified in Attachment A at the rates described in the following tables.

Compensation Rates January 1, 2014 to June 30, 2014		
Program	Compensation Rate	
	Campus Risk Pool	AORMA Programs
Student Travel Accident Insurance (AIME)	10.00%	10.00%
Trustees’ E&O / Fiduciary Liability Insurance	10.00%	10.00%
CSU International Programs	15.00%	15.00%
Physicians’ Medical Malpractice Insurance	10.00%	10.00%
Pollution Liability Insurance	15.00%	15.00%
Club Sports Insurance Program	10.00%	10.00%
Miscellaneous Insurance Placements	See Below	See Below

Compensation Rates July 1, 2014 to June 30, 2015		
Program	Compensation Rate	
	Campus Risk Pool	AORMA Programs
Student Travel Accident Insurance (AIME)	10.00%	10.00%
Trustees’ E&O / Fiduciary Liability Insurance	10.00%	10.00%
CSU International Programs	15.00%	15.00%
Physicians’ Medical Malpractice Insurance	10.00%	10.00%
Pollution Liability Insurance	15.00%	15.00%
Club Sports Insurance Program	10.00%	10.00%
Miscellaneous Insurance Placements	See Below	See Below

Compensation Rates July 1, 2015 to December 31, 2015		
Program	Compensation Rate	
	Campus Risk Pool	AORMA Programs
Student Travel Accident Insurance (AIME)	10.00%	10.00%
Trustees' E&O / Fiduciary Liability Insurance	10.00%	10.00%
CSU International Programs	15.00%	15.00%
Physicians' Medical Malpractice Insurance	10.00%	10.00%
Pollution Liability Insurance	15.00%	15.00%
Club Sports Insurance Program	10.00%	10.00%
Miscellaneous Insurance Placements	See Below	See Below

All other terms of the AGREEMENT remain unchanged.

IN WITNESS WHEREOF, CLIENT and BROKER have hereby executed this Addendum A-1 which is deemed to be effective as of January 1, 2014.

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

By: _____

Title: CSURMA Chair_____

Date: _____

Attest: _____

Title: CSURMA Secretary-Auditor_____

Date: _____

ALLIANT INSURANCE SERVICES, INC.

By: _____

Title: Senior Executive Vice President_____

Date: _____

INSURANCE RENEWAL REPORT

ISSUE: CSURMA's insurance and reinsurance programs mainly renew on July 1. The Program Administrator executed the marketing plan to pursue competitive rates and terms. When possible Alliant Staff involved CSU personnel in underwriting meetings to ensure underwriters were hearing directly about the plans of the University and commitment to risk management. Overall, renewal results were good in a relatively stable insurance market. Major renewal lines are discussed below.

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

FISCAL IMPACT: No direct fiscal impact is expected at today's meeting. The negotiated insurance and reinsurance costs were included in the CSURMA budget.

BACKGROUND: The insurance market for CSU's risks is a global one that passes through soft and hard markets. A firming of the market began in 2012, but has begun to weaken in recent quarters. Following are comments specific to CSURMA's Programs:

- **Liability** – This program stabilized with new underwriters following the CSU's withdrawal from the Schools Excess liability Fund at June 30, 2010. Last year, underwriters in the \$25 million excess \$25 million layer were replaced to avoid coverage restrictions and reduce cost. The program renewed with incumbent underwriters though there was a slight shuffling and increase in the upper layers to maintain the \$100 million coverage for claims involving traumatic brain injury (TBI). Coverage for small UAV (drones) was added to \$20 million. Overall, the excess premium cost increased 3%, with half of that increase due to the cost to add the UAV coverage.
- **Property** – CSURMA has had excellent results in recent years, and were successful in obtaining proposals from competing markets. The decision was made to remain with the incumbent underwriters at a savings of over 30% which will be reflected in FY 15/16 program costs.
- **Cyber** – CSURMA increased Cyber coverage with the addition of comprehensive coverage including the Breach Response services from Beazley underwriters of Lloyds. The program now includes notification coverage for up to 2 million persons affected by a breach. The cost of the increased coverage is included with the Property Program.
- **Workers' Compensation** – the California Workers' Compensation Insurance market is steadily firming. Fortunately, CSURMA bound a two year rate agreement last year for

the Campus Risk Pool that keep the rate increase to 5% on the excess layer. After payroll increases, the cost of the Campus Risk Pool and AORMA programs increased 7.3% and 8.5% respectively. We are looking at options for FY 15/16 as the State Fund is a pending new market entrant for excess workers' compensation. Also, there may be a possibility to reinstate the primary layer reinsurance program via the Excess Insurance Authority program, which is currently under evaluation.

- **SPLIP & SAFECLIP** – We negotiated a streamlined policy form that incorporates the many endorsements added to the current policy. These programs continue to have excellent results and we obtained rate decreases of 5% on each.
- **Fidelity** – The program remains stable with incumbent underwriters who have recently approved amendments to accommodate research foundation grant funding exposures. The Campus Risk Pool program premium decreased 5% and the AORMA program increased 5% on renewal.
- **Foreign Travel** – The systemwide FTIP policy has an increased loss ratio and the premium was adjusted up 12% accordingly. Fortunately, member rates were maintained at a stable cost due to the travel utilization rate increase. Also, the Rating Plans Task Group proposed an overlay program for the rates that allows a reduced rate for students and other travelers who are required to purchase accident and health coverage via another program such as USAC.
- **Athletic Injury Medical Expense** – AIME is self-insured up to the NCAA attachment. NCAA has projected increasing their excess attachment point to \$100,000 up from the current \$90,000, but allowed CSU campuses to stay at \$90,000 for FY 14/15. The program renewal cost to members will increase by 3% for FY 2015/16 based on preliminary projections.

PUBLICATION: Specific rates and costs have been noticed to each member.

ATTACHMENT(S): None.

DISCUSSION OF CAJPA COMPARATIVE REVIEW IN FY 15/16

ISSUE: In 2011, CSURMA engaged an independent consultant to conduct a performance review of CSURMA's program administration and accounting practices along the lines of the California Association of Joint Powers Authority (CAJPA) Accreditation Standards. The review was conducted by James P. Marta & Company, who served as CAJPA's accreditation consultant. Several recommendations were presented by the consultant that served to improve overall management of CSURMA. As it has been three years since the last review, the Executive Committee may want to conduct a similar review during 2015.

RECOMMENDATION: The Executive Committee is asked to consider whether to engage a consultant to perform another CAJPA comparative review in 2015.

FISCAL IMPACT: The consultant's fee for the 2011 review amounted to \$11,825.

BACKGROUND: CSURMA has been accredited by CAJPA in the past, but withdrew from that program because CAJPA's accreditation committee failed to recognize as adequate the CSURMA Funding Policy since that policy relies on the University's commitment to fund deficits over a long time. Also, the Committee wanted CSURMA to adopt for the campus Risk Pool a mandatory 70% confidence level funding rather than the current policy that allows the Committee discretion in setting target funding.

CSURMA has been administered in general compliance with all CAJPA's accreditation standards, and this independent review will verify that compliance, and identify opportunities for improvement. In addition, the consultant will review financial practices towards claims reconciliation that he has identified as a weakness at other JPA's and considers an important control for CSURMA's Executive Committee to consider.

PUBLICATION: None.

ATTACHMENT(S):

- a. Engagement letter dated November 30, 2010



**James Marta & Company
Certified Public Accountants**

Accounting Auditing Tax and Consulting

November 30, 2010

Daniel Howell, Administrator
California State University Risk Management Authority
C/O Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111

Engagement Letter for Certain Agreed Upon Procedures and Related Consulting Work.

Background

California State University Risk Management Authority, (CSURMA) is governmental insurance pool serving the California State University system.

CSURMA has gone through the accreditation process in the past. The prior study was not concluded. The funding model as established by CSURMA and the State of California did not comply with the CAJPA standards. CAJPA standards were not designed for a political subdivision of the State of California so it did not recognize “the full faith and credit” of the state to make the program whole, so just the recorded assets, liabilities and net assets were considered when evaluating funding. CSURMA believes it is substantially complying with the CAJPA accreditation standards but would like to be separately evaluated.

Accounting Difference: CSURMA went fully insured for Workers’ Compensation coverage for the 2009 fiscal year. The CSURMA accounting department recorded the premium payments against the claims liability resulting in an understatement of the claims liability and primary insurance expense by about \$10 million dollars. At year-end, the accounting department and the auditor, KPMG, did not identify the error. CSURMA subsequently released a dividend (return to members) which, in part, was determined based on the large decrease in the program expense.

TPA’s

- Sedgwick Workers’ Compensation; Location Rancho Cordova; Valley Oak Ivos claims system
- Carl Warren Liability for auxiliaries; Carl Warren’s own system.
- University does its own liability claims in-house; Alliant inputs claims in Ivos and provides claims data management.

Objective:

1. Report on the CSURMA operations as compared to the CAJPA Accreditation Standards.
2. Claims Accounting Controls: review the claims and insurance related accounting to ensure processes and controls are in place to prevent significant errors or surprises in the accounting.
 - a. Liability Program – Carl Warren
 - b. Liability Program – In-house claims administration
 - c. Accident Program – Students
 - d. Workers’ Compensation Program - Sedgwick (optional review)
3. Complete the engagement and report and present Friday March 18th in San Francisco.

Limitations:

This engagement is a special agreed upon procedures engagement. It is not an audit, designed to provide an opinion on your financial position or results of operations internal control review. CSURMA is responsible for ultimately determining the scope of this engagement to achieve their purpose.

The Best Practice Review is not being conducted through CAJPA. If CSURMA’s practices are compared to the CAJPA Accreditation Standards as a separate consulting engagement, no certificate will be issued by CAJPA and if CSURMA would later want to be accredited through CAJPA, the fees paid to the separate consultant would not be applicable to the CAJPA study fee.

Procedures

1. Best practices review in accordance with CAJPA Accreditation Standards.
 - a. Prepare a listing of review documents
 - i. Organizing documents
 - ii. Contracts, insurance policies
 - iii. Audit, Actuary and Claim Audit reports
 - iv. Policies and procedures
 - v. Investment reports
 - vi. Governmental filings
 - vii. Program summary
 - viii. Risk Control
 - b. Review items submitted and develop preliminary questions
 - c. Schedule a site visit to review remaining items.

2. Review of control procedures regarding the accounting for claims
 - i. Review with accounting staff their procedures for accounting for claims paid, reserved, IBNR and loss adjustment expenses.
 - ii. Process of reconciling claims liability and expense
 - iii. Process of ensuring that excess collectables are recorded and reconciled to the loss runs.
 - iv. Discuss and document with the claims administrator the processes of accounting and recording:
 1. Paid
 2. Collectables
 3. Voids
 4. Refunds
 5. Excess activity
 6. How cut-off between cash activity and loss run recording is managed
 - v. Obtain from claims administrator summary loss runs as of June 30, 2009 and June 30, 2010 of open and closed claims.
 - vi. Prepare a table of a change in the paid and reserved, along with the actuary ultimate as of those dates.
 - vii. Obtain CSURMA general ledger detail by line of coverage June 30, 2009 through June 30,2010
 - viii. Compare the change to the recorded claims liability and expense.
 - ix. Document differences.
 - x. Review with CSURMA accounting staff the results and recommended procedures on site.
 1. Includes providing a PowerPoint that describes claim accounting controls

Results:

As a result of our work we will issue a report that will:

1. Summarize the CSURMA operational practices in relation to CAJPA Accreditation standards.
2. Summarize our results and recommendations regarding the claims accounting controls.

Compensation

Based on my understanding of the services required my fees will be as follows:

1. Best Practices Review – comparison of the CSURMA practices to the CAJPA Accreditation Standards. Proposed fee \$5,000.
2. Claims Accounting and Controls
 - a. Liability Program – Carl Warren
 - b. Liability Program – In-house claims administration
 - c. Student Accident Program –
Proposed fee \$10,500
 - d. Workers' Compensation Program - Sedgwick (optional review)
\$3,500

The charges for the engagement and will include the time and travel expense to prepare and present the report.

The fees quoted are based upon several assumptions about the degree of assistance to be provided by your personnel, and no changes to the scope of the services to be provided. If, at any time during our engagement, extraordinary matters come to our attention and an extension of services appears to be required, we will consult with you concerning additional work to be done by you or an adjustment to our fees.

Sincerely,



James P. Marta CPA, ARM

If the you are in agreement with the above please indicate by signing below and returning a copy.

Agreed: Charlene Minnick
California State University Risk Management Authority

Date: 2-22-11

If you would like the optional Workers' Compensation review (to be completed at the same time) please indicate below.

Include the optional workers' compensation review:

Agreed: _____
California State University Risk Management Authority

Date: _____

WORKERS' COMPENSATION PROGRAM CLAIMS CLOSURE INITIATIVE UPDATE

ISSUE: At the May, 2014, CSURMA Board of Directors meeting, the Workers' Compensation Claims Closure Initiative was approved. The project will begin on a pilot basis, focusing on Southern California files. For future ease in discussion, this initiative has been name "Double Play."

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

FISCAL IMPACT: \$50,000 was approved in May, 2015 for this project.

BACKGROUND: Since the May, 2015 CSURMA Board of Directors meeting, the following Double Play activities have taken place.

Jacki met with Zachary Gifford and Trish Daniels to identify the first set of claims to be reviewed by Attorney Ingber. As directed by the Chancellor's Office, the initial focus of the project is SELF year files that remain unresolved. A group of ten files was chosen for the first phase of the project.

A meeting with the principals involved in this project was held on June 12, 2014 at the Chancellor's Office in Long Beach. In attendance were Zachary Gifford - Chancellor's Office, Trish Daniels, Operations Manager – Sedgwick, Jacki Graf, CSURMA Workers' Compensation Claims Consultant – Alliant Insurance Services and Corey Ingber - Ingber and Weinberg. Sedgwick's Claims Examiner, Gabrielle Hass, attended the meeting via teleconference. During the meeting, the process and purpose of the claims closure initiative entitled Double Play was discussed.

The initial files identified for the project were sent to Mr. Ingber's offices the week of June 30, 2014. The initial file review from Mr. Ingber was received on July 25, 2014. Reviews of all the files assigned continue to be received. The format and content of the reviews is thorough and focused on case resolution. The reviews and claim review meetings will be useful tools to bring these difficult files to conclusion.

The first "Double Play" claim review will take place on September 4, 2014. The recommendations from the file reviews will be discussed. Attendees at this meeting include

Trish Daniels, Gabrielle Haas, Jacki Graf and Zachary Gifford. The defense attorneys assigned to the specific files under discussion are invited to attend in person or via teleconference as their schedules permit.

The files will be monitored for progress until final resolution. Periodic update reports will be provided to the Executive Committee as desired.

PUBLICATION: None.

ATTACHMENT(S): None.

RISK MANAGEMENT INNOVATION GRANT PROGRAM

ISSUE: The Risk Management Innovation Grant Program makes funds available to Campus members in the Liability and Workers' Compensation programs for safety related items that lead to mitigation of risk exposures.

Six campuses submitted grant requests for approval at today's meeting. The Executive Committee is also asked to consider unencumbering unused grant funds for campus Risk Management and/or Environmental Health & Safety that may be beneficial for systemwide safety.

RECOMMENDATION: The Executive Committee is asked to: (a) approve grant requests and (b) direct staff regarding the disposition of unused funds.

FISCAL IMPACT: \$100,000 (\$50,000 each for Safety & Risk Control and Employee Health & Wellness) was budgeted in FY 2014/15 for the Liability and Workers' Compensation funds respectively; \$0 has been disbursed to date.

BACKGROUND: The Risk Management Innovation Grant Program was established by the Executive Committee on September 13, 2013. The program makes funds available to Campus members in the Liability and Workers' Compensation coverage programs for specialized training, safety equipment, physical improvements, or other safety related items that will lead to mitigation of risk exposures. The purpose of this *matching grant program* is to encourage members to facilitate reduction in claim costs and to enhance existing risk reduction efforts.

PUBLICATION: None.

ATTACHMENT(S):

- a. RM Grant Program Description and Procedures
- b. Summary of Applications
- c. Applications: Chico (2), East Bay (1), Fullerton (2), Los Angeles (2), Monterey Bay (2), San Marcos (1), Pomona (1) (*included separately with the agenda packet*)

RISK MANAGEMENT INNOVATION GRANT PROGRAM

Effective: July 1, 2013

Adopted: September 13, 2013

PURPOSE:

The Risk Management Innovation Grant Program (Program) makes funds available to Campus members (Members) in the Liability and Workers' Compensation programs. It funds specialized training, safety equipment, physical improvements, or other safety related items that will lead to mitigation of risk exposures. The purpose of this *matching grant program* is to encourage Members to facilitate a reduction in claim costs and to enhance existing risk reduction efforts.

POLICY:

1. Annually, the Program Administrator and Systemwide Risk Management will:
 - a. Propose to the Executive Committee a budget for the Program.
 - b. Review the Liability and Workers' Compensation loss information to identify patterns and claims which may be preventable with the (1) purchase, replacement or upgrade of physical property; (2) development of specialized training; or (3) development of risk management programs.
 - c. Identify the focus of the Program for the upcoming fiscal year.
 - d. Draft the Grant Application and recommend a maximum grant amount per Member.
 - e. Send a memo to all Members describing the Program and invite Members to apply for a grant by completing the Grant Application.
2. To access funds under the Program, a Member must complete the Grant Application which is to include:
 - a. A description of the proposed risk reduction project.
 - b. The anticipated timeline for completion of the risk reduction project.
 - c. An estimate of the total cost for the proposed risk reduction project.
 - d. Agreement and approval of Grant Application by the Campus VP of Business & Finance or his/her designee; e.g., Environmental Health & Safety Director, Risk Manager, etc.
3. The Program Administrator will review completed Grant Applications, and if found appropriate and consistent with the purpose of the Program, refer the Grant Application to the Executive Committee for approval.
4. The Member will be expected to complete the proposed risk reduction project within the time period described in the Grant Application. The Executive Committee may rescind the grant if

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

5. Fifty percent (50%) of the Member's risk reduction project costs (up to the maximum grant amount approved for each Member) may be reimbursed by the Program. The Member will submit to the Program Administrator the final paid receipt(s) to be used to calculate the Program reimbursement amount.
6. After the grant funds are utilized, the Member will provide a brief report providing information that will assist the Executive Committee in monitoring this Program's effectiveness and the merits of future Program funds.
7. The Program Administrator and Systemwide Risk Management will work with the Grant Recipients to develop benchmarks to evaluate the success of the Program. The Program Administrator and Systemwide Risk Management will also provide guidance to future Grant Recipients based on these historical benchmarks.

Campus Risk Management Innovation Grant Program

Campus	Grant Type	Date of Application	Description	Estimated Start Date	Estimated Completion	Estimated Cost	Requested Amount	Grant Amount
Chico	Health & Wellness	5/21/14	Ergonomics Services	12/11/13		\$ 800.00	\$ 800.00	\$ 400.00
	Safety & Risk Control	5/21/14	Automated External Defibrillator	10/25/13		\$ 3,644.25	\$ 2,000.00	\$ 1,822.13
East Bay	Safety & Risk Control	7/10/14	Satellite phones	6/24/14		\$ 1,336.17	\$ 1,336.17	\$ 668.09
Fullerton	Safety & Risk Control	6/27/14	Incident Investigation/Report Training	2/3/14		\$ 3,100.00	\$ 1,550.00	\$ 1,550.00
	Health & Wellness	6/27/14	Managing Change Workshops	5/6/14		\$ 3,125.91	\$ 1,562.00	\$ 1,562.96
Los Angeles	Safety & Risk Control	6/26/14	Emergency Supply Storage Lockers	3/26/14		\$ 5,338.65	\$ 2,000.00	\$ 2,000.00
	Health & Wellness	6/26/14	Mental Health First Aid Training	3/1/14		\$ 4,000.00	\$ 2,000.00	\$ 2,000.00
Monterey Bay	Health & Wellness	8/14/13	Self-Defense Protective Suits	6/19/13		\$ 2,208.00		\$ 1,104.00
	Safety & Risk Control	6/14/13	Supplemental First Aid Equipment	8/6/13		\$ 2,168.96		\$ 1,084.48
Pomona	Health & Wellness	8/19/14	Police Protective Utility Vest		Prior to Jan	\$ 5,440.00		\$ 2,000.00
San Marcos	Safety & Risk Control	3/27/14	Automated External Defibrillator	3/27/14		\$ 2,082.24	\$ 2,000.00	\$ 1,041.12
TOTAL						\$ 33,244.18		\$ 15,232.77

Campuses: 7

Requests: 11

28-Aug-14

PREVENTION OF SEXUAL MISCONDUCT AND ABUSE OF MINORS

ISSUE: The contract with Praesidium for prevention of sexual misconduct and abuse of minors while on or off office campus has been signed by both parties and is scheduled to go live on September 30, 2015. This item is intended to update the committee on the timeline for finalization of the online self-assessment tool through Praesidium. Staff may, however, request approval for additional contract costs associated with uploading of content onto CSU's SkillPort platform.

RECOMMENDATION: It is recommended that the Executive Committee review and discuss the program and take action or provide direction as appropriate.

FISCAL IMPACT: Praesidium may propose a supplementary cost for the additional work involved in uploading their training onto CSU's SkillPort platform. These costs are unknown at this time, but should be available for review at the meeting.

BACKGROUND: The online self-assessment resources and standards have been reviewed and approved for use by CSU Systemwide Risk Management. Praesidium is now uploading the resources and standards and customizing their on-line self-assessment tool for use by the CSURMA members. The draft self-assessment tool will be ready for CSURMA's review by September 15th. Staff will work with CSU Systemwide Risk Management and Praesidium to finalize the announcement materials as well as the webinar invitations. Webinars, which explain how the self-assessment tool operates, have been scheduled for;

- ✓ Thursday, October 9th at 10:00 AM
- ✓ Wednesday, October 15th at 1:00 PM
- ✓ Monday, October 20th at 11:00 AM

Praesidium staff will also attend the CSURMA Board of Directors meeting on Friday, October 24th to provide an in-person presentation.

Praesidium will start by loading three different training courses onto CSU's SkillPort platform. Praesidium will suggest the best training options which will be reviewed and approved by CSU Systemwide Risk Management. Auxiliary Organization staff that may not be able to access SkillPort can still view the training via Praesidium's platform.

PUBLICATION: Webinars will be scheduled to walk members through the on-line self-assessment and corresponding training platform. E-mail announcements will also be sent to all CSURMA members outlining the new risk management service available. The website will be updated to include the announcement and any other relevant information.

ATTACHMENT(S):

- a. Draft Announcement of Praesidium's Self-Assessment Tool.



Know Your Score!™ Self Assessment for The California State University

The Self-Assessment Online Tool helps each program at your University that serves minors to identify program-specific strengths and potential gaps in eight operations: Policies, Screening and Selection, Training, Monitoring and Supervision, Consumer Participation, Internal Feedback Systems, Responding, and Administrative Practices. These operations comprise to form Praesidium’s Safety Equation®.

What it is

In-depth questionnaire about existing policies and procedures in a program that serves minors.

What it does

Self-Assessment identifies potential gaps in the abuse risk management practices of programs at your University.

Why you need it

Completed Self-Assessment provides programs with a blue print and sample resources to address identified exposures.



The Praesidium Safety Equation®

Praesidium’s Safety Equation® identifies eight organizational operations that provide opportunities to decrease the risk of abuse by employees, volunteers, or other program participants. Using current research and root-cause analyses of thousands of cases of abuse across a diverse range of organizations, Praesidium has identified best practices in each operation and created products and services that help organizations implement these practices.

Overview of how Self-Assessment works



Risk Manager or Program Director completes Online Self-Assessment.



Assessment results based on a 100 point scale that provides the Risk Manager or Program Director information on where gaps exist. Graphical summary of results that can be viewed by program or by standard to evaluate how policies and practices align with best practices.



The completed Self-Assessment generates a detailed blueprint of steps each program can take to implement best practice standards for the protection of minors and provides a big-picture snapshot to University administration of all programs serving minors.

Sample Self-Assessment Report



Standards with Partial or No Score		Score
Resources (if available) are suggested below each operation		
Policies		Score
P2	Our program's policies prohibit the abuse or mistreatment of one child by another child.	0 / 5
P4	Our program's policies define appropriate and inappropriate verbal interactions with children.	10 / 15
P5	Our program's policies specify how to manage risk when an employee is alone with a child.	5 / 15
Resources		Total Score for Policies 80 / 110 (73%)
<ul style="list-style-type: none"> - II Appropriate and Inappropriate Verbal Interactions With Minor - III Sample Off-Site Interactions Outside of Regularly Scheduled Activities - IV Electronic Communications 		



Click for Sample Policies

Contact us today at 800.743.6354 to see how we can help

Candace Collins, JD
 Account Manager
 CCollins@PraesidiumInc.com

800.743.6354
 PraesidiumInc.com

AIME CLAIMS SERVICE AGREEMENT

ISSUE: A-G Administrators provides claims administration services to AIME. The current service agreement expired on June 30, 2014. A-G presented a proposal to renew the agreement to the AIME Committee on May 19, 2014 for five additional years through the 2018/19. The AIME Committee requested A-G to provide an Extension of Services Letter to enable the Committee to thoroughly review the proposed five year contract and service experience. Staff will be present at today's meeting to discuss the Extension of Services Letter, the proposed five year contract, and the members' service experience.

RECOMMENDATION: The Executive Committee will be asked to discuss and approve A-G's Extension of Services Letter, and take action as necessary.

FISCAL IMPACT: A-G Administrators Extension of Services Letter will continue on a month to month basis at the rate of \$11,250 (same rate as expiring) to continue claims administration services.

BACKGROUND: The current agreement was effective July 1, 2009 to June 30, 2014. The current fee is \$130,000. The AIME Committee received a proposal from A-G that includes a fee increase of \$15,000 for the first year; \$10,000 for year two and three; and \$5,000 for years four and five, for an average increase for a five year period of three percent (3%) per year. The Extension of Services Letter provides A-G with the opportunity to address servicing issues discussed at the May 19, 2014 AIME Committee meeting.

PUBLICATION: None.

ATTACHMENT(S):

- a. A-G Administrator - Extension of Services Letter
- b. A-G Administrator Service Contract thru June 30, 2014



August 29, 2014

Alliant Insurance Services, Inc.
Attn: Mr. Robert Leong, First Vice President
100 Pine Street, 11th Floor
San Francisco, CA 94111

Re: CSURMA-AIME Claims Administration Extension of Services

Dear Rob,

Thank you for all of your work and partnership for the CSURMA-AIME Program.

It is a privilege to be partnered with the CSU System, and we appreciate all of your efforts - and those of Alliant - to facilitate A-G as the AIME claims administrator.

As our contract effective date is July 1, please also let this letter serve as confirmation of our continuation of services until the Committee has had an opportunity to review the proposed contract, presented at the May 19th meeting.

Please let me know of any questions and progress, and we appreciate the opportunity to serve the CSU System.

Thank you, Rob.

Sincerely,

A handwritten signature in black ink that reads 'Dixon F. Gillis'.

Dixon F. Gillis, President
A-G Administrators, Inc.

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
ATHLETIC INJURY MEDICAL EXPENSE PROGRAM
THIRD PARTY ADMINISTRATOR AGREEMENT

This AGREEMENT is entered into as of this 1st day of July, 2006 by and between A-G ADMINISTRATORS, INC. with offices at P.O. Box 979, Valley Forge, PA 19482 (hereinafter referred to as "AG") and the CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY, a joint powers entity duly formed pursuant to California Government Code beginning with Section 6500, (herein referred to as "CSURMA") and its ATHLETIC INJURY MEDICAL EXPENSE PROGRAM with offices at 401 Golden Shore, Long Beach, CA 90802.

WHEREAS, CSURMA has established a self-funded portion of its athletic insurance risk, and desires AG to provide services for that part of the risk, and

WHEREAS, AG is willing and able to provide such services on the terms and conditions stated herein.

I. SERVICES TO BE PERFORMED BY AG

A. With regard to CLAIMS ADMINISTRATION, AG shall:

- (1) Review all injury notifications to verify the reports are related to injuries to any regularly enrolled student who is a participant on the intercollegiate team roster of the participating CSU campus whose injury is sustained during participation in regularly scheduled intercollegiate sports events, or as specified in the *Plan of Benefits*.

- (2) Review and process for eligibility for payment all submitted medical expenses on behalf of CSURMA within 10 business days of receipt of expenses, or as is otherwise timely as possible. Expenses submitted must include an itemized bill and a primary insurance explanation of benefits to be eligible for payment. The claims administrator at each CSU campus shall be responsible for submitting this information for prompt payment eligibility. Submitted expenses not eligible for payment will delay processing until all required materials have been submitted. AG will notify in writing claims coordinator at appropriate CSU campus of information required for payment if submission is incomplete in a timely manner.
- (3) In those instances where primary insurance is not available, or whose primary participation is denying any adjustment or payment, AG will make a good faith effort to reprice such charges through various third party PPO networks to access a price in the best interest of loss control for the University representing the charge and the risk pool as a whole.
- (4) Make payment, from funds set aside by CSURMA, of medical expenses received.
- (5) Perform reasonable and necessary administrative and clerical work in connection with the processing of reported claims or losses, including the preparation of checks or drafts bearing the name of CSURMA, and drawn from the account established pursuant to Section VII, below.
- (6) Maintain a file for each reported claim or loss, which shall be available for review by CSURMA at any reasonable time.
- (7) Furnish computer generated data and reports for the management of CSURMA and its athletic representatives at such participating campuses. These reports shall include, but not be limited to, claims by sport, claims by payee, claims by size and their respective check registers, at such frequency as CSURMA and AG shall mutually determine appropriate.
- (8) Provide claims forms necessary for the operation of the Program.
- (9) Notify insurance carriers in accordance with such carrier's reporting guidelines, provided that AG has been advised of writing of same.

- (10) Maintain a current estimate of the cost of all anticipated losses on each qualified claim or loss.

B. With regard to PROGRAM DEVELOPMENT, AG shall:

- (1) Consult with CSURMA and its representatives in the coordination of best practice procedures and policies not only necessary to meet regulatory requirements, but also for the improvement of efficiencies and practices of the program, with respect to communication between all parties involved.
- (2) Participate in the CSURMA's meetings in Fall and Spring either in person or through teleconference.
- (3) Review the development of the Program periodically with CSURMA and its representatives to identify problems and recommend corrective action.

C. With regard to LOSS CONTROL, AG shall:

- (1) Maintain loss information in a database and provide frequency and severity reports at CSURMA's request.

D. With Regard to PRIVACY ISSUES, AG shall:

- (1) Use its best efforts to hold in strict confidence, and in compliance with all applicable laws and regulations, all patient identifiable medical information, and other such confidential data pertaining to CSURMA as AG may receive in the course of performing services.
- (2) Not release information to any outside person or agency except as may be necessary for the performance of its duties. Whenever the disclosure of confidential medical information is necessary, such disclosure shall be made in accordance with applicable laws and pursuant to the consent of the injured person or his/her legal guardian.

- (3) Any personally identifiable medical information that is required to be provided or disclosed to CSURMA pursuant to this Agreement shall be provided or disclosed only to those employees or representatives of CSURMA who have responsibility for the administration of the Program, and only to the extent that such disclosure is necessary for the administration of the Program.

II. MINIMUM PERFORMANCE STANDARDS

A. AG shall assign Dixon Gillis, or such other individual as may be mutually agreed to by the parties, as the Account Manager for CSURMA who will provide the following:

- (1) Ensure timely, efficient and effective performance of services as described above.
- (2) Monitor the accuracy and quality of the work product.
- (3) Have the overall responsibility to ensure quality services for CSURMA.
- (4) Participate in the orientation of CSURMA's personnel who are directly or indirectly involved in the processing of athletic injury claims or losses.

B. File Organization

All files are the property of CSURMA and will be maintained in an organized and chronological order with appropriate separation, i.e. privileged information is segregated from regular correspondence and medical information are each in a separate section of the file.

- (1) All activities will be documented with appropriate detail, identify the author, date stamped, and be legible.

C. Reports

- (1) CSURMA will be specifically notified within thirty (30) days when incurred costs on any claim reach five thousand dollars (\$5,000.00).
- (2) AG will provide monthly reports as specified in the Agreement.
- (3) AG will produce an annual loss run.

D. Communication

- (1) AG and representatives at each participating campus will correspond directly as to the handling of claims adjudication regarding document requests, issue resolution and provider/patient/payor efficiencies.
- (2) AG will return all telephone calls within two business days, or as is otherwise reasonably possible.
- (3) AG will reply to all emails within two business days, or as is otherwise reasonably possible.

III. OWNERSHIP OF RESULTS

- A. Data recorded in any aspect of expense summaries of the Program prepared by AG on behalf of CSURMA for performance of services under this Agreement shall be the property of CSURMA.
- B. Any reports generated reflecting data specific to the Program at CSURMA produced by AG will not be published or reproduced in any form without the written consent of CSURMA for any representative or authority outside of the scope of services for the administration of the Program.
- C. Privately negotiated medical expense fee schedules structured by AG on behalf of CSURMA shall be proprietary and sole ownership of AG.

IV. CSURMA ADMINISTRATIVE RESPONSIBILITIES

- A. CSURMA shall timely and appropriately respond to all AG inquiries or requests as may be necessary for the performance of AG's duties. AG shall not be responsible for any failure to meet any of its duties if such failure is the result of a failure of CSURMA to respond to a request from AG.
- B. With regard to claim handling, it is the responsibility of CSURMA to provide necessary and appropriate itemized bills and primary insurer explanation of benefits for all charges. This paperwork must be submitted in its entirety, along with a claim form, to be eligible for payment.

- C. The responsibilities above and those outlined in the *Plan of Benefits* shall be the full responsibilities of CSURMA.
- D. Checks, money orders, and cash, received by AG for reimbursement or refund of claim expenditures shall be credited to the applicable claim file. A record of receipt will be maintained in the claim files and record of deposits furnished to CSURMA. Returned checks shall be secured in locked cabinets, behind closed doors overnight or when office is unoccupied.

V. SERVICE FEE

- A. In consideration for the services to be performed hereunder, CSURMA shall pay AG \$100,000.00, 25% of which is due as of the effective date of the Program, or July 1, 2006, and the balance due at 25% each on October 1, 2006, January 1, 2007 and April 1, 2007.
- B. This fee shall be revisited prior to each years' renewal, and established at a mutually agreed upon rate.

VI. CASHIERING

- A. Checks, money orders, and cash, received by AG for reimbursement or refund of claim expenditures shall be credited to the applicable claim file.
- B. A record of all checks issued, cashed, voided or cancelled shall be kept by AG and furnished to CSURMA at the installment request.
- C. AG shall operate all CSURMA accounts on a positive pay basis, and shall provide to CSURMA reconciliation once a month or at the installment request.

VII. CSURMA FUNDING

- A. CSURMA shall at all times provide funds adequate for the payment of reported claims or losses. The amount of such funds shall be no greater and no less than \$100,000 installments, requested at such times when the Fund goes below \$15,000, or as necessary and determined by AG. CSURMA shall continue to wire the requested funds in the Bank of America account established for the sole purpose of the claim funding account. AG shall provide account reports reflecting the status at each installment request.

- B. It is expressly understood that AG shall not be required to advance its own funds to pay reported claims or losses or Program expenses if CSURMA fails to provide adequate funds.

VIII. TERM OF AGREEMENT AND TERMINATION

- A. The term of this Agreement shall be for thirteen months beginning July 1, 2006 and expiring August 1, 2007. Notwithstanding the foregoing, either party may terminate this Agreement upon ninety (90) days advance written notice, provided however, that in the event of early termination of this Agreement by CSURMA without cause, CSURMA shall not be entitled to a refund of any fees previously paid to AG. In the event of cancellation for cause, AG shall be entitled to retain only those fees earned for work performed through the date of termination. Notwithstanding the foregoing, AG shall have the right to terminate this Agreement immediately, upon notice to CSURMA, if AG determines that CSURMA's conduct is contrary to the business interests or professional reputation of AG. In the event of such termination, CSURMA shall not be entitled to a refund of any fees previously paid.
- B. If requested by CSURMA, AG will handle any reported claims or losses remaining open at the termination or expiration of this Agreement, provided that CSURMA shall continue to make adequate funds available for the payment of such reported claims or losses and any allocated loss expenses. There shall be an additional fee for this service, which shall be agreed to in writing by the parties prior to termination or expiration of this Agreement. If an agreement as to the additional fee is not reached before the termination date of this Agreement, AG shall be under no obligation to continue performing services for CSURMA unless it has otherwise agreed in writing.

- (1) Upon termination or expiration of this Agreement, AG shall deliver to CSURMA all claim files, records, reports and other documents or material pertaining to claims processed under this Agreement; provided, however, AG and its agents, employees or attorneys shall continue to be entitled to inspect such files and to make copies or extracts therefrom to the extent required by the continuing needs of AG. In addition, AG shall provide a comprehensive electronic download of all claims data suitable for use by any subsequent third party administrator (TPA) for claims and any information system vendor at no additional cost to CSURMA. Upon CSURMA's written request, AG shall provide CSURMA with all Data within thirty (30) Days of the request; however, medical records shall be treated in accordance with applicable confidentiality laws. AG shall return all Data, including Confidential Information, to CSURMA upon termination or expiration of the Agreement, at a cost to CSURMA not to exceed five hundred dollars (\$500.00). CSURMA, as one of the parties to the Agreement, will be responsible for returning the Data to the appropriate member organization employee, passing the Data on to the next third-party administrator (TPA), destroying the Data, or otherwise disposing of the Data as appropriate.
- (2) "Data" means all types of raw data, articles, papers, charts, records, reports, studies, research, memoranda, computation sheets, questionnaires, surveys, and other documentation.

IX. INDEMNIFICATION AND INSURANCE

- A. AG agrees to indemnify and hold harmless CSURMA with regard to any and all claims, penalties, liabilities, damages, actions, causes of action and expenses of any nature, including related legal costs and attorney's fees, which may be incurred by CSURMA as a result of the negligence or willful misconduct of AG. It is agreed that the mere fact that a claim determination made by AG is successfully challenged by a claimant shall not, in the absence of other evidence, be deemed to constitute negligence, or give rise to CSURMA's right of indemnification under this paragraph.

AG's obligation to indemnify and hold CSURMA harmless pursuant to this Paragraph IX.A shall be binding upon AG irrespective of whether or not the claim, penalty, liability, damage, action, cause of action and/or expense for which CSURMA is to be indemnified is covered by any policy of insurance secured by AG pursuant to Paragraph IX.C below.

- B. CSURMA agrees to indemnify and hold harmless AG with regard to any and all claims, liabilities, damages, actions, causes of action and expenses of any nature, including related legal costs and attorney's fees which may be incurred by AG as a result of the negligence or willful misconduct of CSURMA in performing its duties hereunder. This indemnification includes, among other things, any claims, liabilities, damages, actions, causes of action and expenses, legal costs and attorney's fees arising out of or with regard to (i) CSURMA's payment or non-payment of any claim by or for any party, and (ii) CSURMA's authorization or failure to authorize settlement of any claim by or for any party, except, however, that CSURMA shall have no obligation to indemnify or hold AG harmless with regard to any and all claims, liabilities, damages, actions, causes of action and expenses of any nature, including legal costs and attorney's fees resulting solely from the negligence or willful misconduct of AG.
- C. AG agrees to maintain the following insurance coverage during the term of the Agreement:
- (1) Commercial General Liability Insurance (including both owned and non-automobile liability) in a combined single limit of not less than one million dollars (\$1,000,000) per occurrence with CSURMA named as additional insured; and
 - (2) Workers' Compensation insurance as required; and
 - (3) Employee Dishonesty insurance covering all employees of AG providing services under this Agreement in an amount of not less than one million dollars (\$1,000,000) per occurrence; and
 - (4) Errors and Omissions coverage for all employees of AG providing service under the agreement in an amount of not less than one million dollars (\$1,000,000) per occurrence; and

- (5) Such other insurance in such amounts which from time to time may be reasonably required by the mutual consent of CSURMA and AG against other insurable risks relating to performance of this Agreement.

AG agrees to submit statements evidencing existence of such insurance (including but not limited to Declarations Pages showing CSURMA as an additional insured and copies of the applicable policies) and to provide notice to CSURMA of any significant change in such coverage.

- D. In the event that AG fails to obtain and/or maintain the insurance coverage outlined in Paragraph IX.C, above, AG shall indemnify and hold harmless CSURMA with regard to any and all claims, penalties, liabilities, damages, actions, causes of action and expenses of any nature, including related legal costs and attorney's fees, which may be incurred by CSURMA regardless of responsibility. In addition to the foregoing, if AG fails to obtain and/or maintain the insurance coverage outlined in Paragraph IX.C, above, AG shall forfeit its rights to indemnify against CSURMA as outlined in Paragraph IX.B above.

X. NOTICES

Any notices required to be given under this Agreement shall be delivered in person or sent by certified or registered mail to:

Secretary, CSURMA
c/o Ms. Charlene M. Minnick
Senior Director, Systemwide Risk Management
The California State University
401 Golden Shore, 5th Floor
Long Beach, CA 90802

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

XI. SUCCESSORS AND ASSIGNS

AG shall not assign this Agreement, nor any part thereof, without the express written consent of CSURMA, except, however, that AG may assign its rights and responsibilities hereunder to another corporation that is a parent, subsidiary or affiliate of AG.

XII. APPLICABLE LAW

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

XIII. INDEPENDENT CONTRACTOR

In performing its services hereunder, AG shall be an independent contractor and not an employee of CSURMA. As such, AG shall be responsible for the payment of all taxes, federal and state for which it is liable, and for obtaining any license or permit necessary to perform its services hereunder. Except as may be specifically provided for herein, AG shall have no authority to bind CSURMA and shall not hold itself out as an employee or representative of CSURMA.

XIV. ENTIRE AGREEMENT AND MODIFICATION OR AMENDMENT

This Agreement and any attachments thereto shall constitute the entire and exclusive statement of the agreement of the parties and shall supersede any prior statement, writing or understanding of the parties with respect to the subject matter hereof. This Agreement may be modified or amended only by a written statement signed by both parties. Such modification or amendment shall be attached to, and shall thereupon become a part of, this Agreement.

XV. SEVERABILITY

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

XVI. DISPUTE RESOLUTION

The parties agree that any claim or dispute between or among them, their agents, employees, assignees, or successors, in any way related to this Agreement will be resolved by binding arbitration under the commercial arbitration rules of the American Arbitration Association and California Code of Civil Procedure §1280 et seq., which code sections shall prevail in the case of any conflict with the rules of the American Arbitration Association. In any such arbitration, the arbitrator's powers shall include, without limitation, the power to determine the scope of the arbitration, including the arbitrability of any issues raised by either party, the power to grant any relief which may be granted by a court of law or equity, including money damages, specific performance, injunctive relief, both temporary and permanent, or other equitable relief and the power to award costs as well as attorneys fees to the prevailing party. The parties further agree that with regard to any dispute or claim related to this Agreement, prior to the initiation of arbitration or other binding dispute resolution mechanism, they will, in good faith, submit the claim or dispute to mediation with any mutually agreeable neutral

possessing not less than three years mediation or other neutral alternative dispute resolution experience. To initiate the mediation process, the aggrieved party shall notify the other of the party's intent to seek mediation and provide a name for consideration as the neutral. The parties shall, within seven (7) days thereafter, in good faith select the neutral, and, as soon as such agreement is reached, the mediation process shall proceed. The parties agree to share equally the cost of the mediation, except that each party shall pay its own attorney's fees, if any. At such time as the parties agree or the mediator declares that an impasse exists, either party, may, at its own discretion, submit the matter to arbitration as provided for herein above. This Section XVI shall be enforceable as an Agreement made within the State of California under provisions of California code of Civil Procedure §1293 exclusively enforceable under the laws of the state of California.

XVII. EXCLUSIVITY

This Agreement is non-exclusive and nothing herein shall in any way limit the right of AG to enter into agreements with other individuals or entities, to provide the same or similar services, or to use the same or similar tools and/or materials as were used by AG in providing services under this Agreement.

XVIII. USE OF NAME

Neither CSURMA nor AG shall use the name of the other party or any employee thereof, in any advertising or promotional materials, or other publication, including on the Internet, without the written consent of the other party.

XIX. FORCE MAJEURE

In the event that either party is kept from performing its obligations hereunder because of strike, war, riot, fire, flood, earthquake, natural disaster or any other event beyond its control, then such party shall be relieved of its obligation to perform until such time as the factor inhibiting performance has abated.

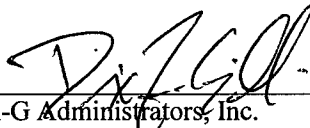
XX. PROPRIETARY INTEREST

All documents, forms, reports, assessment tools, software, educational and other materials provided to CSURMA by AG in conjunction with this Agreement are solely and exclusively the property of AG and shall not be photocopied, reproduced, marketed or distributed by CSURMA without the written consent of AG. No grant or license to any copyright, trade

secret or intellectual property of AG is granted by this Agreement. Notwithstanding the foregoing, CSURMA shall be the sole owner of the content of any such document, form, report, assessment tool, software, or other material, to the extent that such content is based upon or contains information or data belonging to CSURMA.

IN WITNESS WHEREOF, the parties hereto have caused the Agreement to be executed and effective as of the day and date first written above.

AG:



A-G Administrators, Inc.

By: DIXON GILLIS
Title: CSU ACCOUNT MANAGER

CSURMA:



California State University Risk Management Authority

By: Charlene MINNICK
Title: Secretary

AMENDMENT 1

THIRD PARTY ADMINISTRATOR AGREEMENT

It is agreed this Amendment 1 is attached to and becomes part of the Third Party Administrator Agreement between A-G Administrators, Inc. and California State University Risk Management Authority (CSURMA), a joint powers authority, which was entered into July 1, 2009, and herein defines the Service Fee (Section V) for services to be performed by A-G Administrators for CSURMA Athletic Injury Medical Expense (AIME).

A-G Administrators agrees to provide all services as described in said Agreement and to comply with all its terms and conditions during the Core Period, and any Optional Extension Period agreed to by CSURMA.


A-G Administrators shall be compensated by CSURMA for all services rendered during the Service Period on a flat fee basis as described below:

Service Period	Annual Amount*
<u>Core Period</u>	
July 1, 2009 to June 30, 2010	\$115,000.00
July 1, 2010 to June 30, 2011	\$115,000.00
July 1, 2011 to June 30, 2012	\$105,000.00
<u>Optional Extension Period</u>	
July 1, 2012 to June 30, 2013	\$115,000.00
July 1, 2013 to June 30, 2014	\$125,000.00


* Annual Amount shall be payable on a quarterly basis at 25% each quarter on July 1, October 1, January 1, and April 1 of the respective Service Period.

If the services required by AIME are substantially different than as described in said Agreement, both parties agree to negotiate in good faith an adjustment to the flat service fee for additional services.

A-G ADMINISTRATORS, INC.

By:  6-30-11
Dixon Gillis, President, A-G Administrators Date

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

By:  7-13-2011
Charlene Minnick, Secretary, CSURMA Date

**EVALUATION OF CSURMA EQUIPMENT PER
POLICY AND PROCEDURE NO. 16 – USE OF EQUIPMENT**

ISSUE: As noted within Policy and Procedure No. 16 – Use of CSURMA Equipment, the board tablets will be reviewed and refreshed on a three year schedule, contingent upon resources available. As shown on the CSURMA Equipment Listing, thirteen board tablets are now three years old.

RECOMMENDATION: Staff recommends that the Committee review the Policy and Procedure and the CSURMA Equipment Listing and provide direction to staff regarding the purchase of new equipment, as appropriate.

FISCAL IMPACT: Staff estimates the cost per board tablet will be approximately \$800 or a total of \$10,400. The old equipment would be sold and could result in approximately \$1,300 of income.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Equipment Listing
- b. Policy and Procedure No. 16 – Use of Equipment

CSURMA AORMA
Board Tablet Tracking Report

Member Name	Email Address	Status	Sold for	Purchase Price	Purchase Date
Kurt Borsting	kborsting@Exchange.FULLERTON.EDU	Out to Member			7/13/2011
Dwayne Brummett	dbrummet@calpoly.edu	Out to Member			7/13/2011
Gigi Kiama	gkiama@csumb.edu	Out to Member			7/13/2011
Robert de Wit	rdewit@csulb.edu	Out to Member			7/13/2011
Mark Day		Out to Member			7/13/2011
Guy Dalpe	gdalpe@sfsu.edu	Out to Member			7/13/2011
Leslie Davis	leslied@saclink.csus.edu	Out to Member		829.99	9/11/2012
Keith Kompsi	kkompsi@csufresno.edu	Out to Member			7/13/2011
Haleh Minakary	hminakary@csupomona.edu	Out to Member		829.99	9/6/2013
Melinda Coil	mcoil@foundation.sdsu.edu	Out to Member		829.99	9/6/2013
Cindy Matson	cmatson@csufresno.edu	Out to Member			7/13/2011
George Ashkar	gashkar@calstate.edu	Out to Member			7/13/2011
Mike Thorpe	methorpe@csuchico.edu	Out to Member			7/13/2011
Linda Hawk	lhawk@csusm.edu	Out to Member			7/13/2011
Lori Gentles	lgentles@fullerton.edu	Out to Member			7/13/2011
Mike Lee	mikelee@saclink.csus.edu	Out to Member		632.00	12/26/2013
Brian Nowlin		PROVIDED OWN			
Frank Mumford		PROVIDED OWN			
Robert Eaton		PROVIDED OWN			
Lisa Chavez		DECLINED			
Bob Brown	rleebrown@foundation.sdsu.edu	Purchased	275.00		
Christina Brown	christina.brown@sdsu.edu	Purchased	225.00		
John Griffin	john.griffin@csun.edu	Purchased	225.00		
David Prenovost	dfprenovost@csupomona.edu	Purchased	236.00		
Tom McCarron	tom.mccarron@csun.edu	Purchased	236.00		
Mary Ann Rodriguez	marodriguez@csudh.edu	Purchased	236.00		
Charlene Minnick	cminnick@calstate.edu	Purchased	276.00		
Pat Worley	pcworley@csus.edu	Purchased	145.00		



ADOPTED: MARCH 22, 2012
EFFECTIVE: MARCH 22, 2012
SUBJECT: USE OF CSURMA EQUIPMENT

PURPOSE:

This policy and procedure outlines the usage policy of Electronic Communication Equipment for the CSURMA Executive Committee members and the CSURMA AORMA Committee members. This policy and procedure addresses the desire of the CSURMA to control access to end users who have legitimate business requirements to access the hardware, the data contained therein and ensure responsible use.

POLICY:

It is the policy of the CSURMA that, in accordance with the Bylaws, the CSURMA shall adopt the procedure outlined in this document for purposes of granting access to Electronic Communication Equipment to facilitate the sharing of vital information related to the business of CSURMA while promoting 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 this policy:

1. If desired by the individual Committee Member, the CSURMA Executive Committee Members and CSURMA AORMA Committee Members will be issued Electronic Communication Equipment for their exclusive use during their term on the Committee for the purpose of accessing information related to the business of the Committee.
2. The CSURMA Executive Committee Member and CSURMA AORMA Committee Member will return the CSURMA owned Electronic Communication Equipment within forty-five (45) days of the end of their term on the Committee. Electronic Communication Equipment will remain the property of the CSURMA unless the Committee Member exercises his/her option to purchase the used equipment at fair market value at the end of his/her term on the Committee.

3. Each CSURMA Executive Committee Member and CSURMA AORMA Committee Member must employ reasonable physical security measures. Users of the Electronic Communication Equipment are expected to secure all such devices used for this activity whether or not they are actually in use and/or being carried. This includes, but is not limited to, passwords, encryption, and physical control of such devices whenever they contain enterprise data. Any non-business computers used to synchronize with these devices will have installed anti-virus and anti-malware software deemed necessary by CSURMA. Anti-virus signature files on any additional client machines – such as a home PC – on which this media will be accessed, must be up to date.

4. Each CSURMA Executive Committee Member and CSURMA AORMA Committee Member agrees to responsible usage of the Internet to further the goals and objectives of the Committee. Individual Internet use shall not interfere with others’ productive use of Internet resources. Users will not violate the network policies of any network accessed through their account. Usage of Electronic Communication Equipment will comply with all Federal and State laws, all CSU and CSURMA policies.

The types of activities that are encouraged include:

- a. Communicating with colleagues within the context of an individual’s assigned responsibilities;
 - b. Acquiring or sharing information necessary or related to the performance of an individual’s assigned responsibilities; and
 - c. Participating in educational or professional development activities.
-
5. Equipment will be reviewed and refreshed on a three (3) year schedule, contingent upon resources available.

ADOPTION OF CSURMA EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS 2015 MEETING CALENDAR

ISSUE: Noted below are the proposed 2015 Executive Committee and Board of Directors Committee meeting dates.

Description	Date	Day	Time	Location
EC Committee	2/08	Sunday	3:00 PM	Pasadena (AOA Conference)
EC Committee	3/19	Thursday	2:30 PM	TBD
EC Committee - LRP	3/20	Friday	8:00 AM	TBD
BOD Committee – New Board Member Orientation	4/23	Thursday	2:00 PM	Teleconference
BOD Committee	4/28	Tuesday	10:00 AM	San Diego (Fitting the Pieces Conference)
EC Committee	5/08	Friday	8:00 AM	Long Beach
EC Committee Orientation	9/10	Thursday	4:00 PM	TBD
EC Committee	9/11	Friday	8:30 AM	TBD
BOD Committee – New Board Member Orientation	10/22	Thursday	2:00 PM	Teleconference
EC & BOD Committee	10/23	Friday	9:00 & 10:30 AM	Long Beach
EC Committee	12/4	Friday	8:30 AM	TBD

RECOMMENDATION: Staff recommends reviewing the proposed 2015 Executive Committee and Board of Directors Committee meeting dates, and adopting a meeting calendar.

FISCAL IMPACT: None.

BACKGROUND: If the Executive Committee decides to meet at the AOA Conference in February 2015, it may want to keep the December 2014 meeting. Otherwise, the Executive Committee may cancel the December meeting, meet in January 2015, and not meet during the AOA Conference.

PUBLICATION: The approved calendar will be posted on the CSURMA website and will be included in all of the agenda packets.

ATTACHMENT(S): None.

FOREIGN TRAVEL APPROVAL AND TRACKING PROCESS

ISSUE: CSURMA covers CSU's international travelers via the Foreign Travel Insurance Program (FTIP). The travel approval process and coverage requirements are described in Chancellor's Office Technical Letter RM 2013-01. The Chancellor's Office is evaluating implementation of process changes that include the following:

- Delegation of Travel Approval to Campuses - Campus Presidents would be authorized to delegate approval of all international travel except to "war risk" countries requiring underwriter approval.
- Approval of "War Risk" Country Travel – Campuses would refer to the Chancellor's Office for prior approval for travel to countries designated "war risk" by FTIP underwriters.
- Travel Registration – all international travel would be registered by the campus designee via an on-line questionnaire. The questionnaire will include basic information relative to destinations, activities, traveler contact information and modes of transport, with additional risk management related questions for travel to designated high hazard and "war risk" countries.
- Overlay Coverage – covers gaps in insurance for CSU-approved independent study abroad program vendors who require their participants to purchase insurance provided by their programs. The "overlay coverage" would be purchased for CSU-approved independent study abroad programs to cover the gaps in coverage.

It is expected that the process changes and registration portal will be implemented by January 1, 2015. The Executive Committee has previously approved implementation of the Horizons software package proposed by Symplicity, but the vendor has had a management change and has not delivered the required product. Staff is now recommending that CSURMA authorize development of its own portal at the csurma.org web site. This would be a basic offering that would satisfy CSU minimum operating requirements.

RECOMMENDATION: It is recommended that the Executive Committee discuss the pending process changes and take action to direct staff on development of the traveler tracking software to support the new CSU process.

FISCAL IMPACT: The CSURMA EC approved a service agreement with Symplicity at a cost not to exceed \$14,000. CSURMA counsel is evaluating options and cost to cancel that

agreement. Staff will have information at today's meeting about the cost to implement a CSURMA web site registration portal.


BACKGROUND: None.

PUBLICATION: None at this time.

ATTACHMENT(S):

- a. Technical Letter RM 2013-01

MEMORANDUM

DATE: March 25, 2013
TO: CSU Presidents
FROM: Benjamin F. Quillian 
Executive Vice Chancellor and
Chief Financial Officer

Code: RM 2013-01
Supersedes RM 2011-03 & 2012-03

SUBJECT: International Travel & Requirement to Purchase Insurance

This memorandum supersedes Technical Letters RM 2011-03 and RM 2012-03. Campus president travel to high hazard areas or countries on the U.S. State Department Travel Warning List must be approved by the chancellor. Approval for all other faculty, student, and staff travel to high hazard areas or countries on the US State Department Travel Warning List has been delegated to the Executive Vice Chancellor/Chief Financial Officer.

The following link: <https://csyou.calstate.edu/Tools/high-hazard-travel/Pages/default.aspx> will direct you to the approval form for travel to high hazard and State Department travel warning locations. When the form has been completed, please print it and obtain the campus president's signature. Send the form and all supporting documentation electronically to Charlene Minnick, Assistant Vice Chancellor for Systemwide Risk Management and Public Safety at cminnick@calstate.edu, here in the Chancellor's Office.

Travel requests to high hazard areas or countries on the U.S. State Department Travel Warning List require underwriter approval and must be reported as soon as practical, but no less than 30 days prior to the planned departure date. For the most current high hazard/travel warning information, please check the State Department website http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html and the High Hazardous Country List at the Systemwide Risk Management's website http://www.calstate.edu/risk_management/. Both lists are subject to change.

ALL faculty, student, and staff traveling internationally on CSU business are required to use the California State University Risk Management Authority (CSURMA) Foreign Travel Insurance Program (FTIP).

FTIP benefits include but are not limited to the following:

- General Liability and Excess Auto Liability
- Primary Medical Expense, Emergency Medical Benefits and Evacuation
- Repatriation of Remains
- Political Evacuations and Repatriation Benefit War Risk Coverage
- Accidental Death and Dismemberment Benefit

Currently premium rates for FY 2012/13 are \$60.00 for trips of up to 15 days and \$75.00 for trips of up to 30 days in duration per trip/employee, with an additional premium for high-hazardous/war risk countries. For detailed information on coverage and costs, as well as the FTIP form, please visit <http://www.csurma.org/>.

It is recommended that all employees traveling internationally sign up for the State Department's Safe Traveler Enrollment Program (STEP). This is a system utilized by the State Department to connect with the traveler; providing information should conditions change in the foreign location and assist you in an emergency. The traveler need only enroll once and then can update as trips are planned. The on-line enrollment site is <https://travelregistration.state.gov>.

Should you have any questions, please contact Charlene Minnick, Assistant Vice Chancellor for Systemwide Risk Management and Public Safety at (562) 951-4580 or cminnick@calstate.edu.

BFQ:CM:zg

c: Timothy White, Chancellor
Chancellor's Council
Vice Presidents, Business/Administration
Provosts/Vice Presidents, Academic Affairs
Executive Assistants to Presidents
Risk Managers

CAMPUS RISK POOLS 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 Campus General and Errors & Omissions Liability, Workers' Compensation, and Athletic Injury Medical Expense (AIME) risk pools 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 2015/16 as well as evaluating potential campus dividends or assessments.

The Actuary's findings and recommendations include:

Campus Liability

1. Projected Ultimate Limited Losses increased slightly by 1.2% for FY 15/16.
2. Loss Funding at 70% actuarial confidence increased from \$13,953,600 (FY 14/15) to \$14,117,400 (FY 15/16).

Campus WC

1. Projected Ultimate Limited Losses increased by 7.5% for FY 15/16.
2. Loss Funding at 70% actuarial confidence increased from \$26,808,100 (FY 14/15) to \$28,819,350 (FY 15/16).

AIME

1. Projected Ultimate Limited Losses increased slightly by 1.7% for FY 15/16.
2. Loss Funding at 70% actuarial confidence increased from \$3,246,100 (FY 14/15) to \$3,300,000 (FY 15/16).

RECOMMENDATION: The Executive Committee is asked to review the draft actuarial studies and accept the reports for use in CSURMA's financial reporting, rate setting, and funding evaluations.

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. The Board of Directors will take action on FY 2015/16 rates and funding at its Fall meeting on October 24, 2014.

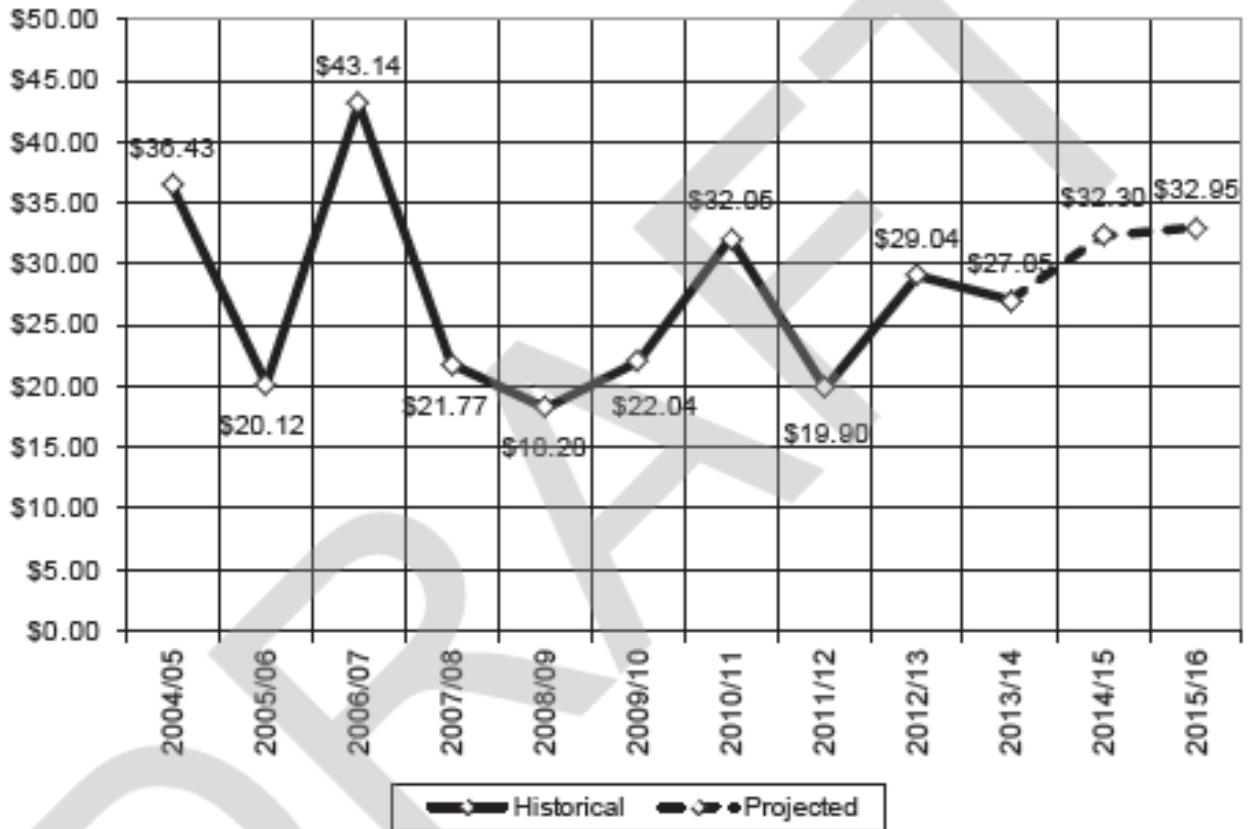
BACKGROUND: The complete actuarial study includes a discussion on the methodology used by the actuary to establish the financial projections for each coverage program. Staff will be present at today's meeting to review and comment on the findings in the reports.

PUBLICATION: None

ATTACHMENT(S):

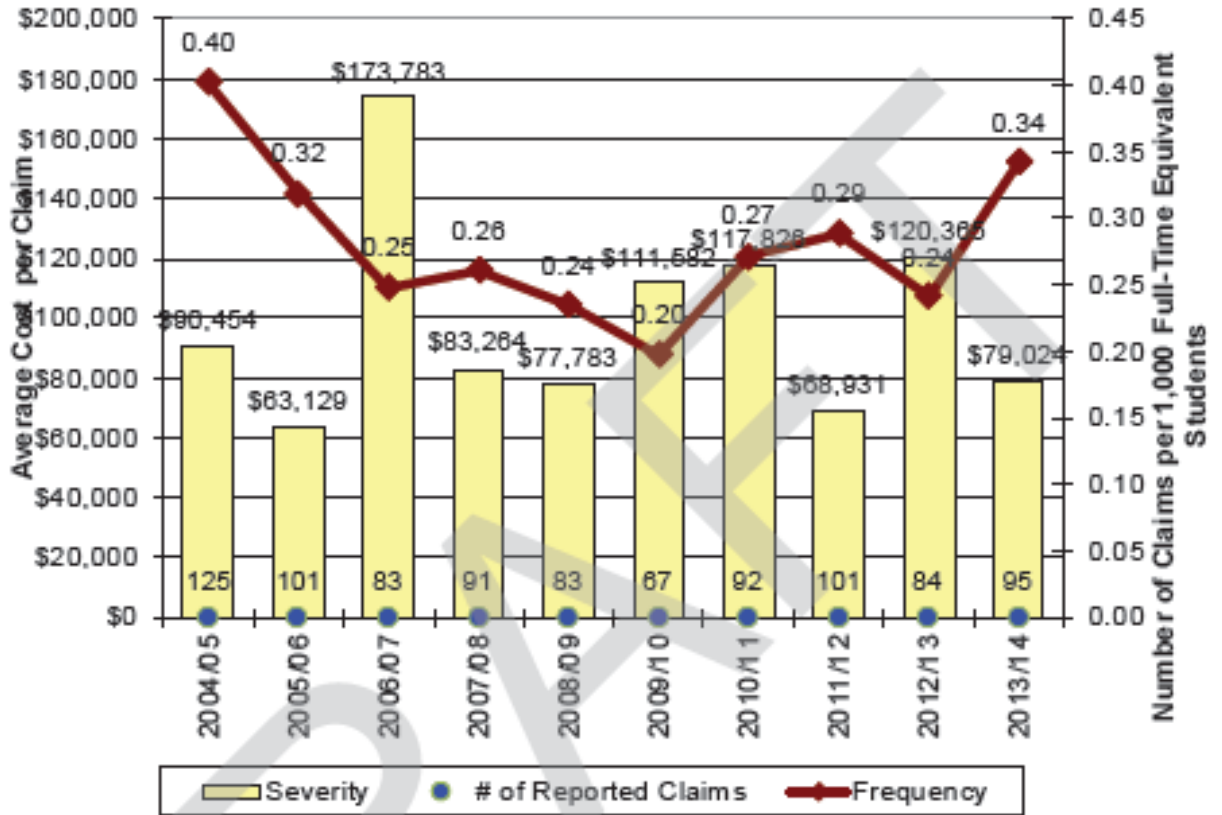
- a. Charts and exhibits from the Liability, Workers' Compensation and AIME draft actuarial reports valued at June 30, 2014.
- b. Complete copies of the draft studies dated July 31, 2014 are included separately with the Agenda packet.

Graph I-1
Loss Rate per Full Time-Equivalent Student
(Gross of Member Deductibles)



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

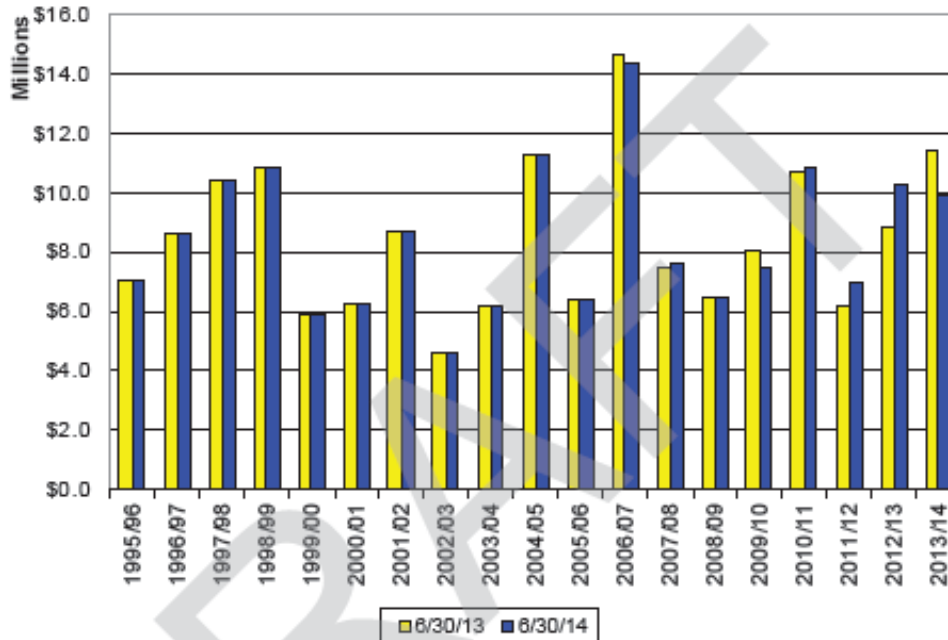
Graph I-2
Frequency and Severity
(Gross of Member Deductibles)



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

CSURMA Actuarial Study of GL Program as of June 30, 2014

Graph I-6
Comparison of Projected Ultimate Limited Losses
as of June 30, 2013 and June 30, 2014
(Gross of Member Deductibles)



Note: Amounts as of June 30, 2013 are from the previous actuarial study.
 Amounts as of June 30, 2014 are from Exhibit GL-9.

For all claims through 2012/13, the change in the projected ultimate limited losses from June 30, 2013 to June 30, 2014 was 1.0%.

Table IV-2B
Projected Ultimate Limited Losses
(Gross of Member Deductibles)
2015/16

Confidence Level (1)	Projected Ultimate Limited Losses (2)	Present Value of Projected Ultimate Limited Losses (3)
(A) Expected	\$12,276,000	\$11,596,000
(B) 70% Confidence Level	14,117,400	13,335,400
(C) 80% Confidence Level	16,572,600	15,654,600
(D) 90% Confidence Level	19,027,800	17,973,800

Note: (A) is from Exhibit GL-10.
 (B) through (D) are based on (A) and actuarial judgment.

CSURMA Actuarial Study of GL Program as of June 30, 2014

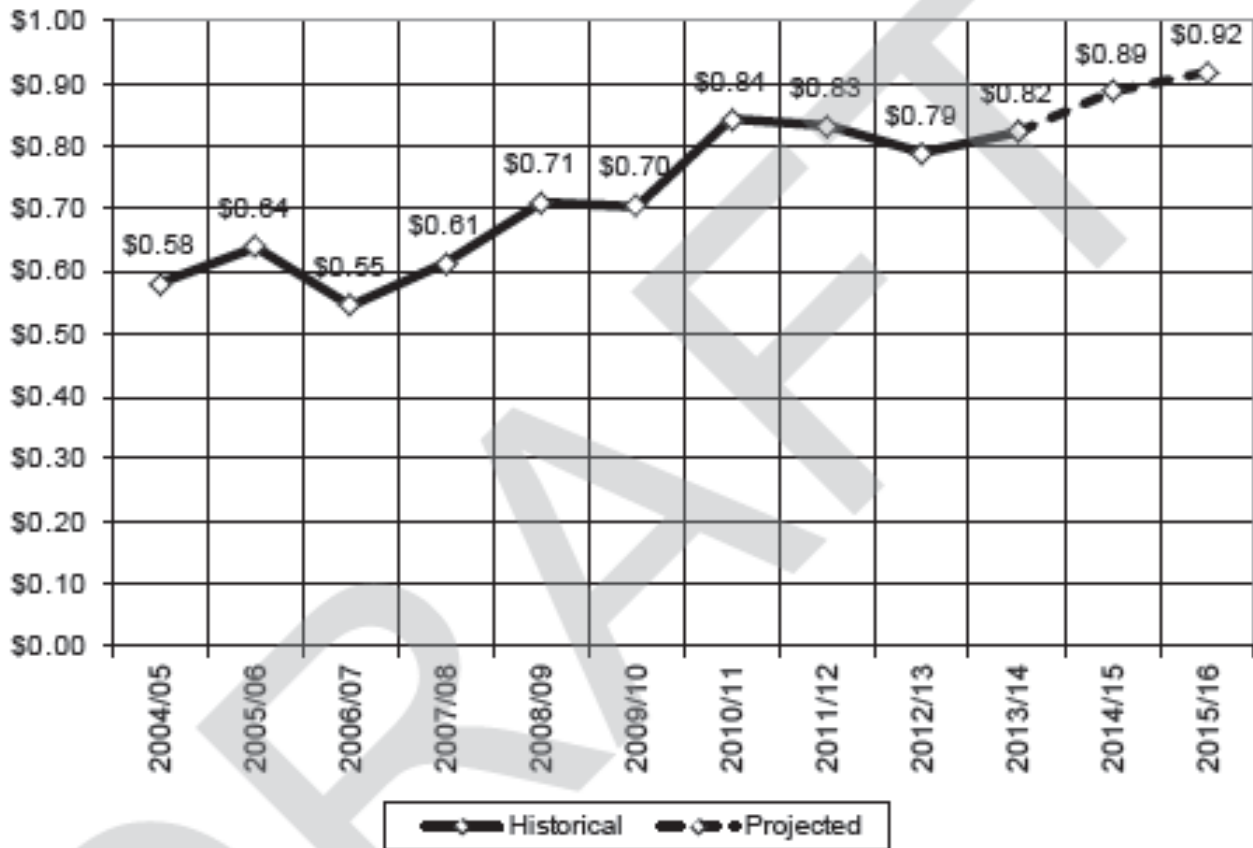
CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
GENERAL LIABILITY

Exhibit GL-18

Projected Losses Paid July 1, 2015 to June 30, 2016
Gross of Member Deductibles

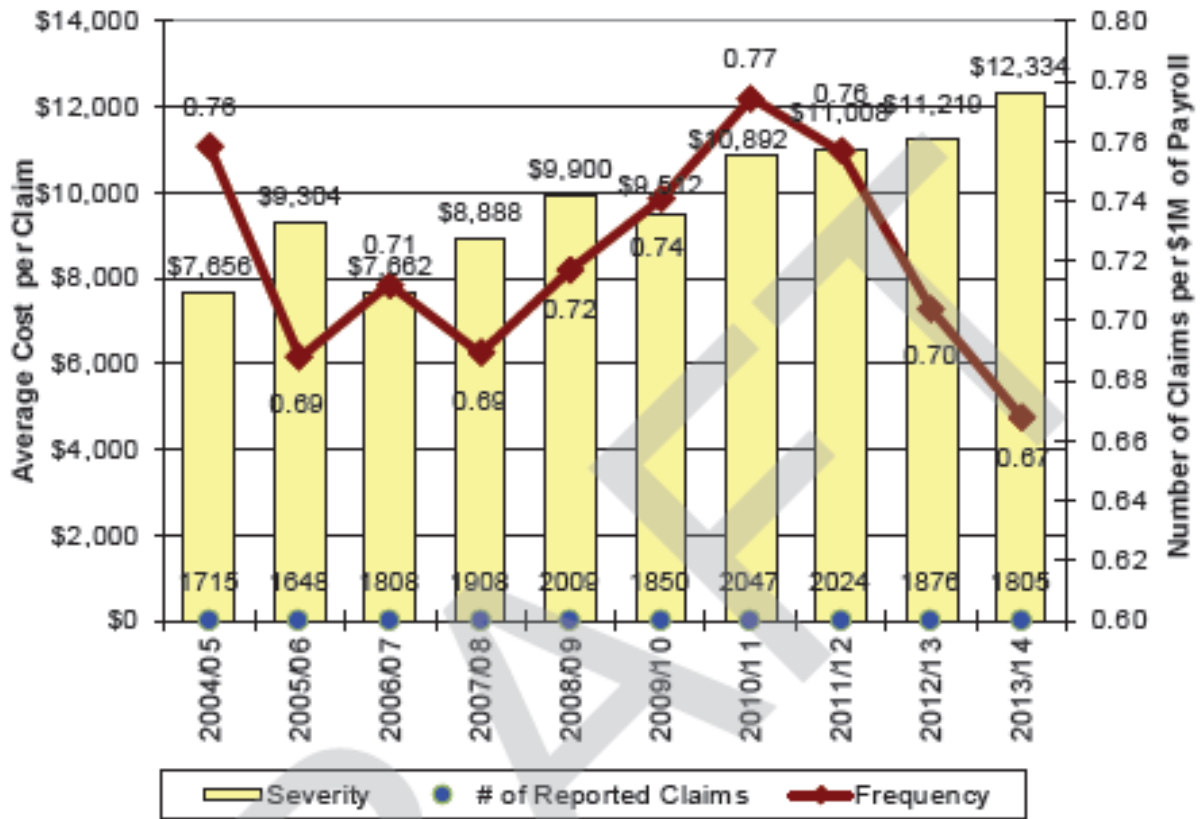
Claim Period (1)	Months of Development 6/30/15 (2)	Percent Losses Paid (3)	Months of Development 6/30/16 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/15 to 6/30/16 [(5)-(3)] [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/15 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/16 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/16 (9)X(10) (11)
to 1994/95	252.0	100.0%	264.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1995/96	240.0	100.0%	252.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
2003/04	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
2004/05	132.0	99.9%	144.0	100.0%	100.0%	0	0	0	1.00	0
2005/06	120.0	99.7%	132.0	99.9%	66.6%	204,547	136,274	68,273	0.99	67,600
2006/07	108.0	99.4%	120.0	99.7%	49.9%	98,109	49,965	49,144	0.98	48,341
2007/08	96.0	98.8%	108.0	99.4%	49.8%	679,676	338,510	341,166	0.98	333,401
2008/09	84.0	98.0%	96.0	98.8%	39.7%	13,056	5,185	7,871	0.97	7,667
2009/10	72.0	96.1%	84.0	98.0%	49.3%	305,339	150,612	154,727	0.97	149,920
2010/11	60.0	92.4%	72.0	96.1%	48.7%	207,812	101,164	106,648	0.97	103,424
2011/12	48.0	82.1%	60.0	92.4%	57.5%	1,306,817	751,254	555,563	0.97	538,858
2012/13	36.0	63.2%	48.0	82.1%	51.5%	3,250,305	1,673,496	1,576,819	0.97	1,534,982
2013/14	24.0	25.3%	36.0	63.2%	50.7%	7,697,655	3,905,222	3,792,433	0.97	3,689,262
2014/15	12.0	5.3%	24.0	25.3%	21.1%	11,288,580	2,384,198	8,904,382	0.97	8,656,851
2015/16	0.0	0.0%	12.0	5.3%	5.3%	12,276,000	646,376	11,629,624	0.96	11,175,545
Total						\$37,327,896	\$10,141,246	\$27,186,650		\$26,305,851

Graph I-1
Loss Rate per \$100 of Payroll



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

Graph I-2
Frequency and Severity

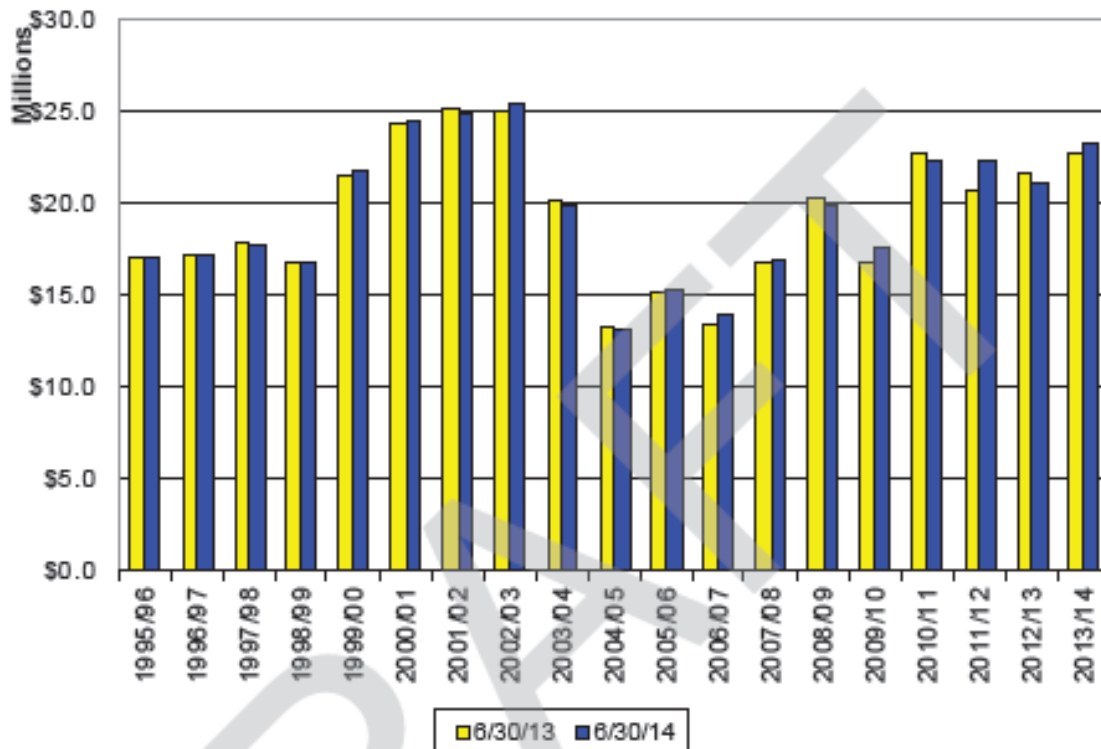


Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).
Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate losses in Exhibit WC-9.

About 30% of claim counts are \$0 claims. This lowers the indicated severity shown in Graph I-2.

CSURMA Actuarial Study of WC Program as of June 30, 2014

**Graph I-6
Comparison of Projected Ultimate Limited Losses
as of June 30, 2013 and June 30, 2014**



Note: Amounts as of June 30, 2013 are from the previous actuarial study.
Amounts as of June 30, 2014 are from Exhibit WC-9.

For all claims through 2012/13, the change in the projected ultimate limited losses from June 30, 2013 to June 30, 2014 was about +0.4%.

CSURMA Actuarial Study of WC Program as of June 30, 2014

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
WORKERS' COMPENSATION

Exhibit WC-13

Projected Losses Paid July 1, 2015 to June 30, 2016

Claim Period (1)	Months of Development 6/30/15 (2)	Percent Losses Paid (3)	Months of Development 6/30/16 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/15 to 6/30/16 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/15 (7)	Projected Losses Paid (6)X(7) (8)
to 1994/95	252.0	98.6%	264.0	99.0%	20.0% *	\$5,195,632	\$1,039,126
1995/96	240.0	98.0%	252.0	98.6%	20.0% *	566,302	113,260
1996/97	228.0	97.7%	240.0	98.0%	13.0% *	900,456	117,145
1997/98	216.0	97.4%	228.0	97.7%	14.7% *	513,813	75,694
1998/99	204.0	97.0%	216.0	97.4%	12.8% *	394,674	50,501
1999/00	192.0	96.6%	204.0	97.0%	11.3% *	1,624,948	183,683
2000/01	180.0	96.2%	192.0	96.6%	10.1% *	1,371,969	138,837
2001/02	168.0	95.6%	180.0	96.2%	13.1% *	1,511,477	198,163
2002/03	156.0	94.8%	168.0	95.6%	16.3% *	945,098	154,158
2003/04	144.0	93.8%	156.0	94.8%	15.2% *	1,822,651	277,301
2004/05	132.0	92.4%	144.0	93.8%	18.4% *	1,151,914	211,453
2005/06	120.0	91.0%	132.0	92.4%	16.2% *	1,807,041	291,983
2006/07	108.0	89.4%	120.0	91.0%	15.2% *	1,818,312	275,493
2007/08	96.0	87.2%	108.0	89.4%	17.0% *	2,527,795	430,559
2008/09	84.0	83.8%	96.0	87.2%	20.0% *	4,161,988	832,398
2009/10	72.0	78.0%	84.0	83.8%	20.0% *	5,144,921	1,028,984
2010/11	60.0	72.2%	72.0	78.0%	20.0% *	6,983,826	1,396,765
2011/12	48.0	62.8%	60.0	72.2%	20.0% *	9,682,445	1,936,489
2012/13	36.0	51.9%	48.0	62.8%	20.0% *	11,279,886	2,255,977
2013/14	24.0	36.8%	36.0	51.9%	20.0% *	16,011,643	3,202,329
2014/15	12.0	15.4%	24.0	36.8%	20.0% *	21,781,637	4,356,327
2015/16	0.0	0.0%	12.0	15.4%	15.4% *	27,447,000	4,227,185
Total						\$124,645,428	\$22,793,810

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CAMPUS RISK POOLS FUNDING STATUS AT JUNE 30, 2014

ISSUE: The Board of Directors adopted a policy to fund prior years' claim liabilities on a cash basis, and to begin funding of claims as they are incurred beginning in FY 1999/00, with the ultimate goal to achieve full funding for all program years in ten years; i.e., by July 1, 2009. CSURMA's full funding goal was achieved on July 1, 2007 – two years ahead of schedule.

RECOMMENDATION: The Executive Committee is asked to review the risk pools funding status at June 30, 2014 and take action as appropriate.

FISCAL IMPACT: Rates and funding for FY 2014/15 have already been adopted; no fiscal impact is anticipated by action that may be taken at today's meeting.

BACKGROUND: Policy & Procedure No. 7-JPA describes CSURMA's funding policy. With full funding achieved the Campus risk pools funding status at June 30, 2013 is based as follows:

- Fund program administrative expenses on a cash basis;
- Fund prior year deficits (if any) on a cash basis;
- Fund outstanding claims liabilities on an incurred basis; and
- Fully fund current year claims on an accrual (incurred) basis.

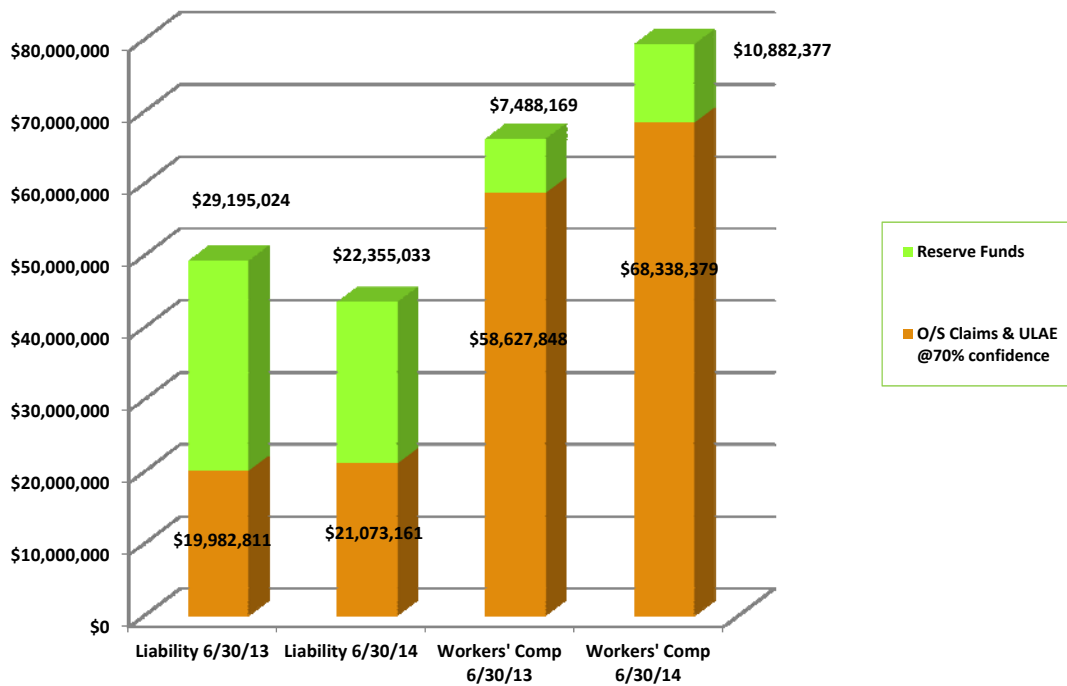
PUBLICATION: None

ATTACHMENT(S):

- a. Table and Chart showing Full Funding Projections and Calculations at June 30, 2014 (unaudited)

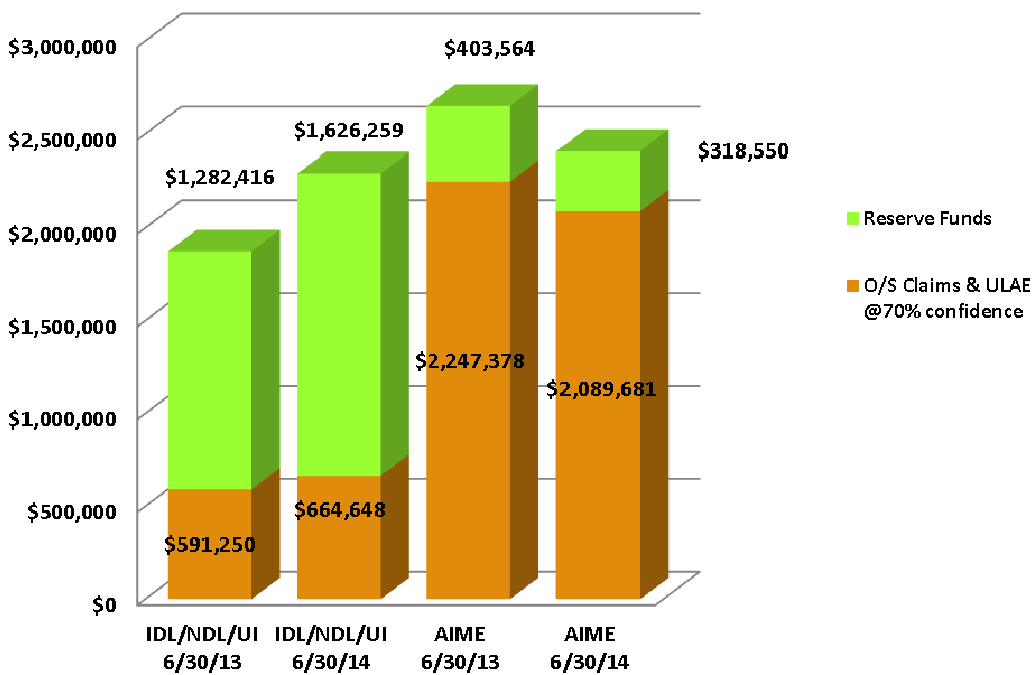
Campus Programs - Pools

Estimated Funding at FYE June 30, 2014 (undiscounted)



Campus Programs - Other

Estimated Funding at FYE June 30, 2014 (undiscounted)



**RECOMMENDATION FOR CAMPUS POOL PROGRAMS
 FY 2015/16 RATES AND GROSS FUNDING**

ISSUE: Upon recommendation of the Executive Committee, the Board of Directors adopts rates and funding for the upcoming fiscal year at its fall meeting. The Program Administrator has prepared FY 2015/16 draft calculations using the draft actuarial reports dated July 31, 2014.

The General Liability program cost includes premium deposits for Student Professional Liability Insurance Program (SPLIP) and Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP). Campus Property program cost includes Blanket Employee Fidelity coverage and Cyber Risk insurance. Auto Liability is covered by the State Vehicle Liability Self-Insurance Program (VELSIP); its cost is determined by the Office of Risk and Insurance Management (ORIM) and issued in March 2015. The costs for the purchased insurance programs (SPLIP, SAFECLIP, Property, Fidelity, and Cyber) are estimated at this time since actual rates will not be known until negotiations are finalized in June 2015.

The following summarizes total program costs, with individual Campus costs shown in the attachments to this item.

Campus Coverage Programs Funding Comparison

	FY 14/15 Actual	FY 15/16 <i>Undiscounted</i>	\$ Chg from FY 14/15	% Chg	FY 15/16 <i>Discounted</i>	\$ Chg from FY 14/15	% Chg
Liability	\$13,434,901	\$13,511,845	\$76,944	0.6%	\$13,469,522	\$34,621	0.3%
Workers' Comp	33,196,159	37,744,985	4,548,826	13.7%	35,511,637	2,315,478	7.0%
IDL NDI UI	12,500,000	13,500,000	1,000,000	8.0%	13,500,000	1,000,000	8.0%
Property ¹	9,000,000	8,000,000	(1,000,000)	-11.1%	8,000,000	(1,000,000)	-11.1%
AIME ²	3,577,749	3,577,749	0	0.0%	3,577,749	0	0.0%
Auto Liability ³	688,468	688,468	0	0.0%	688,468	0	0.0%
Total	\$72,397,277	\$77,023,047	\$4,625,770	6.4%	\$74,747,376	\$2,350,099	3.2%

Present Value Discount = \$2,275,671

- (1) This is a projection based on market assessment at this time.
- (2) AIME Committee to recommend final funding for FY 2015/16.
- (3) Auto Liability cost to be issued by DGS ORIM in March 2015.

RECOMMENDATION: The Executive Committee is asked to review and recommend to the Board of Directors adoption of the Campus coverage programs funding for FY 2015/16 as presented in the Table above.

FISCAL IMPACT: Adoption of the recommended funding for the campus coverage programs totaling \$77,023,047 (\$74,747,376 PV) are in accordance with the policies & procedures and rating plans adopted and approved by the Board of Directors.

BACKGROUND: CSURMA employs an independent actuarial firm, Aon Risk Solutions to project claim costs for its General and Errors & Omissions Liability, Workers' Compensation and Athletic Injury Medical Expense coverage programs. Aon's draft actuarial reports dated July 31, 2014 were used to calculate the recommended funding for FY 2015/16.

The Executive Committee is asked to focus on the aggregate program funding issues at this time. Campuses should contact Rob Leong (415-403-1441) for any specific questions as to how their cost was calculated.

PUBLICATION: None

ATTACHMENT(S):

- a. FY 2015/16 Campus Coverage Programs Proposed Funding (Draft)

**CSURMA RISK POOL FY 2015/16
Total Program Cost**

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<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Undiscounted</i>	<i>Change</i>	<i>FY 15/16 Discounted</i>	<i>Change</i>
Bakersfield	\$1,418,623	\$1,474,899	\$56,276	\$1,430,003	\$11,380
Channel Islands	1,516,544	1,514,418	-2,126	1,468,562	-47,982
Chico	2,501,648	2,705,735	204,087	2,619,203	117,555
Dominguez Hills	2,552,883	2,488,587	-64,296	2,414,117	-138,766
East Bay	2,957,823	3,329,993	372,170	3,216,038	258,215
Fresno	3,832,389	3,299,823	-532,566	3,213,066	-619,323
Fullerton	3,682,763	3,851,711	168,948	3,738,899	56,136
Humboldt	2,049,832	2,325,097	275,265	2,271,650	221,818
Long Beach	5,676,533	6,024,245	347,712	5,810,971	134,438
Los Angeles	3,573,797	4,072,090	498,293	3,919,160	345,363
Maritime Academy	550,780	710,994	160,214	699,919	149,139
Monterey Bay	1,297,113	1,325,773	28,660	1,285,428	-11,685
Northridge	4,524,799	5,092,843	568,044	4,928,328	403,529
Pomona	3,890,711	4,025,238	134,527	3,869,771	-20,940
Sacramento	3,508,798	3,673,737	164,939	3,580,763	71,965
San Bernardino	2,365,833	2,798,138	432,305	2,713,721	347,888
San Diego	4,770,808	5,409,454	638,646	5,221,239	450,431
San Francisco	4,664,687	4,678,838	14,151	4,528,187	-136,500
San Jose	4,716,484	4,966,089	249,605	4,853,118	136,634
San Luis Obispo	3,873,743	4,277,882	404,139	4,156,398	282,655
San Marcos	1,544,818	1,712,699	167,881	1,676,596	131,778
Sonoma	1,914,276	1,920,985	6,709	1,874,087	-40,189
Stanislaus	1,625,313	1,834,715	209,402	1,787,180	161,867
Chancellor's Office	1,016,854	1,221,421	204,567	1,186,198	169,344
Systemwide	2,369,425	2,287,643	-81,782	2,284,774	-84,651
Total:	\$72,397,277	\$77,023,047	\$4,625,770	\$74,747,376	\$2,350,099
				\$2,275,671	PV Discount

**CSURMA RISK POOL FY 2015/16
Liability Program Cost**

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<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Undiscounted</i>	<i>Change</i>	<i>FY 15/16 Discounted</i>	<i>Change</i>
Bakersfield	\$310,962	\$247,439	-\$63,523	\$246,682	-\$64,280
Channel Islands	378,619	379,294	675	377,798	-821
Chico	417,769	517,092	99,323	515,589	97,820
Dominguez Hills	786,761	654,356	-132,405	651,891	-134,870
East Bay	533,670	662,471	128,801	660,075	126,405
Fresno	1,215,727	576,048	-639,679	574,359	-641,368
Fullerton	571,387	609,470	38,083	608,283	36,896
Humboldt	492,860	665,582	172,722	662,804	169,944
Long Beach	898,634	941,489	42,855	938,653	40,019
Los Angeles	377,708	427,984	50,276	426,955	49,247
Maritime Academy	178,359	196,232	17,873	195,390	17,031
Monterey Bay	226,955	227,382	427	226,670	-285
Northridge	677,319	847,187	169,868	844,861	167,542
Pomona	700,741	458,460	-242,281	457,164	-243,577
Sacramento	572,563	675,636	103,073	673,698	101,135
San Bernardino	431,706	610,507	178,801	608,371	176,665
San Diego	642,467	491,530	-150,937	490,767	-151,700
San Francisco	615,717	590,134	-25,583	588,945	-26,772
San Jose	791,016	800,674	9,658	798,258	7,242
San Luis Obispo	607,355	701,134	93,779	698,865	91,510
San Marcos	368,362	369,710	1,348	368,506	144
Sonoma	400,327	348,384	-51,943	347,266	-53,061
Stanislaus	315,721	407,413	91,692	405,892	90,171
Chancellor's Office	329,593	391,513	61,920	389,925	60,332
Systemwide	592,603	714,724	122,121	711,855	119,252
Total:	\$13,434,901	\$13,511,845	\$76,944	\$13,469,522	\$34,621

\$42,323 PV Discount

Includes Student Professional Liability Insurance Program (SPLIP),
Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP).

**CSURMA RISK POOL FY 2015/16
Workers' Compensation Program Cost**

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<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Undiscounted</i>	<i>Change</i>	<i>FY 15/16 Discounted</i>	<i>Change</i>
Bakersfield	\$643,287	\$741,769	\$98,482	\$697,630	\$54,343
Channel Islands	706,473	743,200	36,727	698,840	-7,633
Chico	1,321,996	1,463,418	141,422	1,378,389	56,393
Dominguez Hills	1,118,339	1,195,481	77,142	1,123,476	5,137
East Bay	1,562,771	1,826,105	263,334	1,714,546	151,775
Fresno	1,375,505	1,465,296	89,791	1,380,228	4,723
Fullerton	1,789,656	1,970,643	180,987	1,859,018	69,362
Humboldt	815,757	865,210	49,453	814,541	-1,216
Long Beach	3,097,256	3,479,233	381,977	3,268,795	171,539
Los Angeles	2,095,824	2,473,644	377,820	2,321,743	225,919
Maritime Academy	169,214	181,700	12,486	171,467	2,253
Monterey Bay	614,793	667,587	52,794	627,954	13,161
Northridge	2,244,325	2,748,297	503,972	2,586,108	341,783
Pomona	2,250,555	2,513,160	262,605	2,358,989	108,434
Sacramento	1,539,314	1,601,153	61,839	1,510,117	-29,197
San Bernardino	1,194,128	1,393,532	199,404	1,311,251	117,123
San Diego	2,288,056	3,118,029	829,973	2,930,577	642,521
San Francisco	2,407,806	2,538,108	130,302	2,388,646	-19,160
San Jose	1,731,410	1,934,049	202,639	1,823,494	92,084
San Luis Obispo	1,777,283	2,030,691	253,408	1,911,476	134,193
San Marcos	541,205	634,285	93,080	599,386	58,181
Sonoma	738,931	801,109	62,178	755,329	16,398
Stanislaus	697,574	777,734	80,160	731,720	34,146
Chancellor's Office	474,701	581,552	106,851	547,917	73,216
Systemwide	0	0	0	0	0
Total:	\$33,196,159	\$37,744,985	\$4,548,826	\$35,511,637	\$2,315,478
				\$2,233,348	PV Discount

**CSURMA RISK POOL FY 2015/16
IDL/NDI/UI Program Cost**

<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Proposed</i>	<i>Change</i>
Bakersfield	\$225,489	\$256,506	\$31,017
Channel Islands	246,710	225,009	-21,701
Chico	388,258	384,426	-3,832
Dominguez Hills	376,066	387,238	11,172
East Bay	521,556	533,360	11,804
Fresno	479,426	534,549	55,123
Fullerton	714,929	703,454	-11,475
Humboldt	441,645	517,280	75,635
Long Beach	938,107	912,569	-25,538
Los Angeles	531,179	651,294	120,115
Maritime Academy	139,897	274,446	134,549
Monterey Bay	285,144	271,404	-13,740
Northridge	871,835	821,655	-50,180
Pomona	503,510	656,283	152,773
Sacramento	714,324	747,974	33,650
San Bernardino	437,712	517,675	79,963
San Diego	830,815	838,402	7,587
San Francisco	1,020,480	987,213	-33,267
San Jose	896,689	1,016,165	119,476
San Luis Obispo	623,263	732,666	109,403
San Marcos	397,349	490,176	92,827
Sonoma	405,714	435,178	29,464
Stanislaus	336,080	391,579	55,499
Chancellor's Office	173,823	213,499	39,676
Systemwide			0
Total:	\$12,500,000	\$13,500,000	\$1,000,000

Industrial Disability Leave, Nonindustrial Disability Leave, Unemployment Insurance

**CSURMA RISK POOL FY 2015/16
Property Program Cost**

<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Proposed</i>	<i>Change</i>
Bakersfield	\$88,866	\$79,166	-\$9,700
Channel Islands	161,161	143,334	-17,827
Chico	310,394	277,568	-32,826
Dominguez Hills	184,012	163,807	-20,205
East Bay	285,900	254,131	-31,769
Fresno	340,321	302,520	-37,801
Fullerton	357,206	318,559	-38,647
Humboldt	201,861	179,316	-22,545
Long Beach	467,016	415,434	-51,582
Los Angeles	447,295	397,377	-49,918
Maritime Academy	43,165	38,471	-4,694
Monterey Bay	98,875	88,054	-10,821
Northridge	501,767	446,151	-55,616
Pomona	345,224	306,654	-38,570
Sacramento	311,329	277,706	-33,623
San Bernardino	241,321	215,458	-25,863
San Diego	438,828	390,851	-47,977
San Francisco	527,027	469,726	-57,301
San Jose	728,572	646,404	-82,168
San Luis Obispo	471,441	418,990	-52,451
San Marcos	176,105	156,731	-19,374
Sonoma	295,919	262,929	-32,990
Stanislaus	161,298	143,349	-17,949
Chancellor's Office	38,275	34,395	-3,880
Systemwide	1,776,822	1,572,919	-203,903
Total:	\$9,000,000	\$8,000,000	-\$1,000,000

Includes Crime (Fidelity), Cyber Risks.

Estimate Only

Does not include adjustments due to addition/deletions of buildings.

**CSURMA RISK POOL FY 2015/16
Athletic Injury Medical Expense Program Cost
(AIME)**

<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Undiscounted</i>	<i>Change</i>	<i>FY 15/16 Discounted</i>
Bakersfield	\$137,997	\$137,997	\$0	\$137,997
Channel Islands			0	0
Chico	34,872	34,872	0	34,872
Dominguez Hills	68,285	68,285	0	68,285
East Bay	32,965	32,965	0	32,965
Fresno	366,388	366,388	0	366,388
Fullerton	215,061	215,061	0	215,061
Humboldt	78,906	78,906	0	78,906
Long Beach	228,050	228,050	0	228,050
Los Angeles	99,443	99,443	0	99,443
Maritime Academy	17,063	17,063	0	17,063
Monterey Bay	61,482	61,482	0	61,482
Northridge	195,646	195,646	0	195,646
Pomona	43,982	43,982	0	43,982
Sacramento	338,286	338,286	0	338,286
San Bernardino	32,145	32,145	0	32,145
San Diego	527,487	527,487	0	527,487
San Francisco	66,685	66,685	0	66,685
San Jose	529,804	529,804	0	529,804
San Luis Obispo	313,489	313,489	0	313,489
San Marcos	48,388	48,388	0	48,388
Sonoma	46,105	46,105	0	46,105
Stanislaus	95,220	95,220	0	95,220
Chancellor's Office			0	0
Systemwide			0	0
Total:	\$3,577,749	\$3,577,749	\$0	\$3,577,749

FY 15/16 rates to be calculated and approved by the AIME Committee.

**CSURMA RISK POOL FY 2015/16
Auto Liability (VELSIP) Program Cost**

<i>Campus</i>	<i>FY 14/15 Actual</i>	<i>FY 15/16 Proposed</i>	<i>Change</i>
Bakersfield	\$12,022	\$12,022	\$0
Channel Islands	23,581	23,581	0
Chico	28,359	28,359	0
Dominguez Hills	19,420	19,420	0
East Bay	20,961	20,961	0
Fresno	55,022	55,022	0
Fullerton	34,524	34,524	0
Humboldt	18,803	18,803	0
Long Beach	47,470	47,470	0
Los Angeles	22,348	22,348	0
Maritime Academy	3,082	3,082	0
Monterey Bay	9,864	9,864	0
Northridge	33,907	33,907	0
Pomona	46,699	46,699	0
Sacramento	32,982	32,982	0
San Bernardino	28,821	28,821	0
San Diego	43,155	43,155	0
San Francisco	26,972	26,972	0
San Jose	38,993	38,993	0
San Luis Obispo	80,912	80,912	0
San Marcos	13,409	13,409	0
Sonoma	27,280	27,280	0
Stanislaus	19,420	19,420	0
Chancellor's Office	462	462	0
Systemwide			0
Total:	\$688,468	\$688,468	\$0

Subject to Final MVIA Assessment from DGS in March 2015.

Auto Liability is managed by the State Vehicle Liability Self-Insurance Program (VELSIP) which also determines the program's total cost each year.

**EVALUATION OF POTENTIAL CAMPUS RISK POOLS
DIVIDENDS AND ASSESSMENTS**

ISSUE: Per CSURMA Policy and Procedure No. 14, the Executive Committee evaluates and approves dividends and assessments for the Campus Risk Pools. The practice has been to declare a dividend of up to fifty percent (50%) of unencumbered program funds where available and an assessment to cover existing and anticipated funding shortfalls for funds that have a negative fund balance.

Pursuant to proposed Policy and Procedure No. 14, staff is recommending that the Executive Committee approve the proposed dividends.

PROPOSED CAMPUS RISK POOLS DIVIDENDS AND ASSESSMENTS

Program	FY 13/14 Dividend (Assessment)	FY 14/15 Dividend (Assessment)
Liability	\$7,097,512	\$8,677,518
Workers' Compensation	0	0
IDL/NDI/UI	0	0
Total	\$7,097,512	\$8,677,518

RECOMMENDATION: Staff recommends that the Executive Committee review the proposed dividends and recommend approval of the amounts shown to the Board of Directors pursuant to Policy and Procedure No. 14.

FISCAL IMPACT: Staff's proposal would have the effect of reducing the Liability and Workers' Compensation funds by half of their excess reserves.

BACKGROUND: CSURMA adopted a funding policy that calls for each program to fund its liabilities. The authority allows interfund borrowing if a fund has a deficit position. Last year, the Executive Committee declared a simultaneous dividend and assessment that resulted in a \$0 net return to most campuses with some being assessed an additional contribution. An assessment is not needed this year as the IDL/NDI/UI fund has been restored.

PUBLICATION: None

ATTACHMENT(S):

- a. Target Equity Calculation
- b. Dividends and Assessments Summary
- c. Policy and Procedure #13 – Campus Risk Pool Target Reserve Funding Goal
- d. Policy and Procedure #14 – Campus Risk Pool Dividends & Assessments

Campus Workers' Compensation Coverage Fund Target Surplus Funding Analysis at \$2,500,000 SIR

Gross Premium (FY 14/15):	\$33,196,159
Maximum Retention:	\$2,500,000 <i>each Occurrence</i>
O/S Reserves at 6/30/14	\$60,745,226 <i>Expected, Discounted</i>
O/S Reserves at 6/30/14	\$63,782,487 <i>at 70% Confidence</i>
Fund Balance at 6/30/14	\$79,220,756
Funded Loss & ULAE @ 6/30/14	\$68,338,379 <i>at 70% Confidence</i>
Funding above 70% Conf Level:	\$10,882,377

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium to Surplus	< 3:1	\$11,065,386	0.42
Surplus to Retention	> 2:1	\$5,000,000	31.69
O/S Reserve to Surplus	≤ 5:1	\$12,149,045	0.77

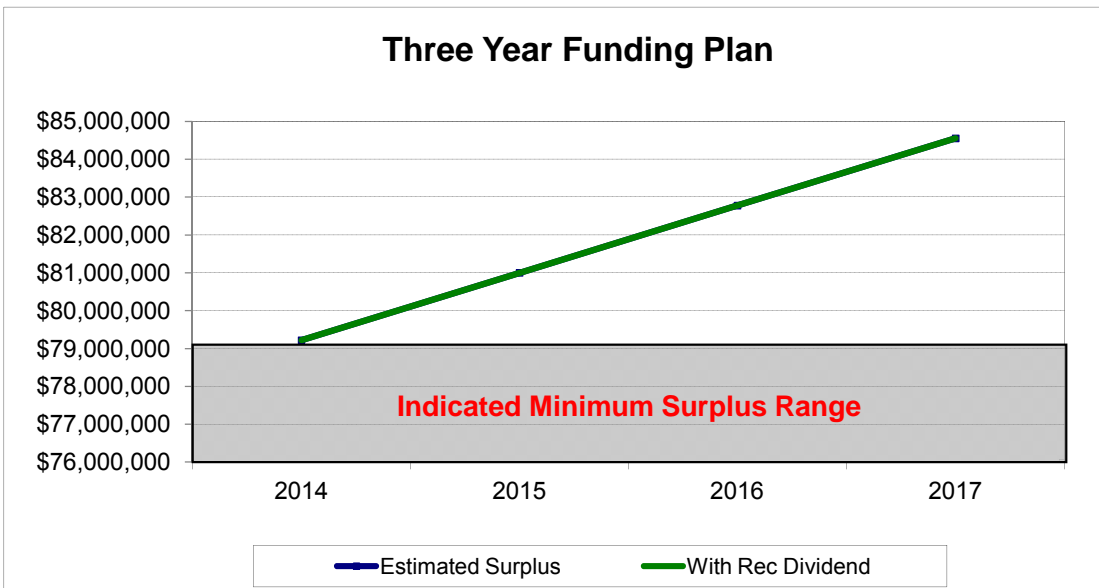
Maximum Dividend Available:	\$0
Recommended Dividend 50%:	\$0

2014/15 Pool Funding Options

Confidence Levels	Factor	Pool Premium	Surplus
Expected	1.000	\$17,781,000	-
70%	1.100	\$19,559,100	\$1,778,100

Three Year Funding Plan

	Amount to Add To Surplus	Est. Surplus Balance	With Rec Dividend
Estimated Balance at 6/30/14	N/A	\$79,220,756	\$79,220,756
2014/15 - Collection @ 70% CL	\$1,778,100	\$80,998,856	\$80,998,856
2015/16 - Collection @ 70% CL	\$1,778,100	\$82,776,956	\$82,776,956
2016/17 - Collection @ 70% CL	\$1,778,100	\$84,555,056	\$84,555,056



Campus Liability Coverage Fund Target Surplus Funding Analysis at \$5,000,000 SIR

Gross Premium (FY 14/15):	\$13,434,901
Maximum Retention:	\$5,000,000 <i>each Occurrence</i>
O/S Reserves at 6/30/14	\$16,960,525 <i>Expected, Discounted, Net of Deductibles</i>
O/S Reserves at 6/30/14	\$18,995,788 <i>at 70% Confidence</i>
Fund Balance at 6/30/14	\$43,428,194
Funded Loss & ULAE @ 6/30/14	\$21,073,161 <i>at 70% Confidence</i>
Funding above 70% Conf Level:	\$22,355,033

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium to Surplus	< 3:1	\$4,478,300	0.31
Surplus to Retention	> 1:1	\$5,000,000	8.69
O/S Reserve to Surplus	≤ 5:1	\$3,392,105	0.39

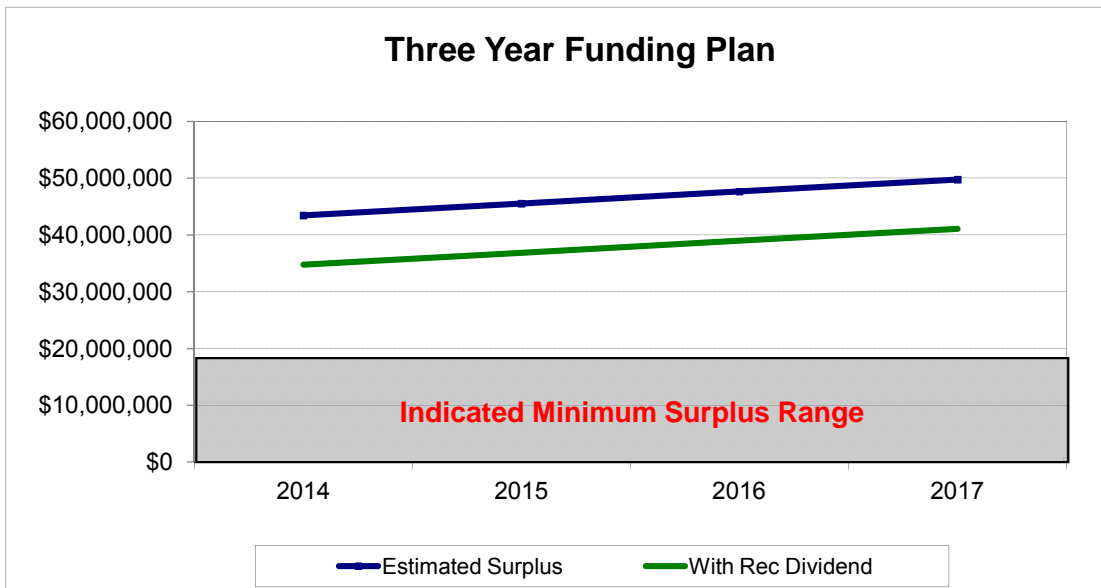
Maximum Dividend Available:	\$17,355,033
Recommended Dividend 50%:	\$8,677,517

2014/15 Pool Funding Options

Confidence Levels	Factor	Pool Premium	Surplus
Expected	1.000	\$10,560,000	-
70%	1.200	\$12,672,000	\$2,112,000

Three Year Funding Plan

	Amount to Add To Surplus	Est. Surplus Balance	With Rec Dividend
Estimated Balance at 6/30/14	N/A	\$43,428,194	\$34,750,678
2014/15 - Collection @ 70% CL	\$2,112,000	\$45,540,194	\$36,862,678
2015/16 - Collection @ 70% CL	\$2,112,000	\$47,652,194	\$38,974,678
2016/17 - Collection @ 70% CL	\$2,112,000	\$49,764,194	\$41,086,678



CSURMA

Recommended Campus Risk Pools Dividends/Assessments

September 12, 2014

Campus	Liability % of	WC % of	IDL/NDL/UI % of	Liability	WC	IDL/NL/UI	Net
	Ttl Deposit	Ttl Deposit	Ttl Deposit	Dividend	Dividend	Assessment	Dividend
Bakersfield	2.95%	1.71%	1.64%	255,848	0	0	255,848
Channel Islands	1.77%	1.88%	2.19%	153,404	0	0	153,404
Chico	4.08%	3.76%	3.39%	354,396	0	0	354,396
Dominguez Hills	4.89%	3.39%	3.15%	424,654	0	0	424,654
East Bay	2.20%	4.85%	4.87%	191,128	0	0	191,128
Fresno	12.10%	4.28%	4.21%	1,049,547	0	0	1,049,547
Fullerton	4.18%	5.62%	4.90%	362,575	0	0	362,575
Humboldt	3.91%	2.49%	3.63%	339,225	0	0	339,225
Long Beach	8.07%	7.65%	7.14%	700,424	0	0	700,424
Los Angeles	3.69%	6.12%	3.79%	319,778	0	0	319,778
Maritime Academy	0.93%	0.61%	0.51%	80,342	0	0	80,342
Monterey Bay	3.03%	1.61%	1.80%	262,868	0	0	262,868
Northridge	4.52%	7.48%	6.95%	392,248	0	0	392,248
Pomona	4.06%	5.93%	3.90%	352,233	0	0	352,233
Sacramento	4.34%	4.61%	5.70%	376,505	0	0	376,505
San Bernardino	5.14%	3.41%	3.15%	445,892	0	0	445,892
San Diego	4.38%	7.44%	6.60%	379,865	0	0	379,865
San Francisco	6.49%	7.65%	9.52%	563,581	0	0	563,581
San Jose	5.11%	5.70%	7.38%	443,757	0	0	443,757
San Luis Obispo	3.04%	6.04%	4.78%	264,173	0	0	264,173
San Marcos	3.92%	1.52%	2.47%	340,008	0	0	340,008
Sonoma	3.57%	2.59%	4.09%	310,120	0	0	310,120
Stanislaus	1.82%	1.91%	3.09%	157,947	0	0	157,947
Chancellor's Office	1.81%	1.74%	1.16%	157,000	0	0	157,000
Total	100.00%	100.00%	100.00%	8,677,518	0	0	8,677,518

Dividend (Assessment) \$8,677,517 \$0 \$0

Distribution based on percentage of Total Contribution by Fund in past 5 years (7/1/09 to 6/30/14).



CSURMA

POLICY AND PROCEDURE NO. 13

ADOPTED:

OCTOBER 28, 2011

EFFECTIVE:

OCTOBER 28, 2011

SUBJECT:

CAMPUS RISK POOL PROGRAMS TARGET
RESERVE FUNDING GOAL

In an effort to assure the long term financial strength of the Campus Risk Pool Programs that include an element of self-insurance, the CSURMA Board of Directors 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 Board of Directors desires to establish a Target Reserve Funding Goal that will guide the CSURMA Executive Committee in making annual funding decisions for the Programs.

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

POLICY

The Target Reserve Goal is hereby established to be, at a minimum, the actuarially determined expected liability (approximately 55% confidence level), discounted for investment. In evaluating the Programs' funding position relative to the Target Reserve Funding Goal as a part of each year's ratemaking process, the Committee shall take into consideration the following ratios: Gross Premium to Unencumbered Reserve Ratio, Unencumbered Reserve to Pool Retention Ratio and Outstanding Reserves to Unencumbered Reserve Ratio.

The Committee may take action to set higher or lower confidence levels based on CSURMA's goals to retain more or less risk. The Target Reserve Goal and Target Unencumbered Reserve Ratios described in this policy have been selected to take into account the nature of the Campus Risk Pool programs that include a relatively large and stable exposure and a single covered entity with substantial financial capacity.

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, AIME and Liability Programs. This analysis shall include estimates of the outstanding losses (including IBNR) at various confidence levels as well as estimates of ultimate losses for the upcoming year(s). The analysis shall also compare the current program funding against the outstanding liabilities and determine the confidence level to which the program is currently funded. Because the Property, SAFECLIP, SPLIP and Crime

Programs have an annual aggregate retention, an actuarial analysis may not be performed. Also, no actuarial study is required for the IDL/NDL/UI Program as that program covers very short tail statutory benefits.

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

Gross Premium to Unencumbered Reserve Ratio: Target <3:1

This ratio is a measure of how the unencumbered reserves are leveraged against possible pricing inaccuracies. A low ratio is desirable.

Unencumbered Reserve to Pool Retention Ratio: Target >1:1

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

Outstanding Reserves to Unencumbered Reserve Ratio: Target \leq 5:1

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

- 3. Application of Target Surplus Criteria** – After an annual review of the Target Unencumbered Reserve Ratios, the Executive Committee will determine whether it is desirable to increase, decrease, or stabilize reserves. Their recommendations will be forwarded to the Board of Directors. If the Board of Directors desires to decrease reserves, it may approve a funding level below the 55% confidence level. Conversely, a funding decision above the 55% confidence level will indicate a bias toward increasing reserves. A determination to fund at the 55% confidence level will reflect the Executive Committee's desire to keep surplus at the current level.

Because the Property, SAFECLIP, SPLIP and Crime Programs have annual aggregate retentions, and therefore no actuarial study is performed, the Target Reserve Funding shall be the amount of funds that exceed the maximum liability retained by the program for the upcoming program year plus the expected value for all open claims from current and prior years. The Executive Committee will approve the annual funding for each program.

The Program Target Reserve Funding and Dividend Calculation Report will be prepared for each self-funded program and presented to the Executive Committee after the end of each fiscal year.

- 4. Dividends** – Dividends may be available from the amount of reserves exceeding the Target Reserve amount established by the Executive Committee. The allocation of any dividend shall be pursuant to the formula approved by the Executive Committee.

5. **Assessments** – Assessments may be required when the Executive Committee determines that the amount of reserves is not sufficient and can best be remedied by an extraordinary assessment. The allocation of any assessment shall be pursuant to the formula approved by the Executive Committee.

MEMBER APPEAL PROCESS

If a MEMBER wishes to appeal any decision regarding the application of the Target Surplus Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary within 30 days of the disputed decision. The Secretary shall place the Member's appeal on the Executive Committee's agenda at its next regularly scheduled meeting. The Executive 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 Executive Committee's decision, the Member will notify the CSURMA Secretary in writing within 5 business days of receipt of the Executive 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:

CSURMA EXECUTIVE COMMITTEE – The California State University Risk Management Authority Executive Committee, a committee of the CSURMA providing management and oversight to the CSURMA. The Executive Committee is comprised of the Chair, the Vice Chair, and seven “At Large” members.

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

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

IBNR – Incurred but Not Reported losses

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

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

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

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



CSURMA

POLICY AND PROCEDURE NO. 14

ADOPTED: OCTOBER 28, 2011

EFFECTIVE: OCTOBER 28, 2011

SUBJECT: CAMPUS RISK POOL DIVIDENDS & ASSESSMENTS

Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the Executive Committee and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern. Words in capital letters are defined at the end of this document.

POLICY

It is the policy of Executive Committee that:

- Evaluation of the funding for each Campus Risk Pool Self-Insured Program (“PROGRAM”) shall be made based on all coverage periods combined for that particular program rather than on each coverage period on its own. The availability of any dividend or need for any assessment will be determined based on the program’s overall funding relative to the Target Reserve Funding Goal detailed in the separate Policy and Procedure No. 13.
- Assessments and Dividends shall be allocated to the MEMBERS based on participation in “open” policy periods only.
- Unless the Executive Committee takes specific action to the contrary, a coverage period shall be considered “closed” for dividend and assessment purposes five (5) years from the expiration of that period (i.e. 6/30/03 for FY07/08).
- Assessments are a responsibility of membership and shall be allocated to all members who participated in the open policy periods which the assessment is based on, regardless of whether they are current members at the time the assessment is declared.
- Dividends are a privilege of membership and shall be allocated only to the current members in the program at the time the dividend is declared who participated in one or more of the open policy periods which the dividend is based on.

PROCEDURE

1. **Annual Funding Analysis** – Each year the Program Director will analyze the current funding position of the programs in accordance with the Target Reserve Funding Goal detailed in Policy and Procedure No. 13. This analysis will, in part, determine whether each program’s overall funding is sufficient to consider a dividend or is depleted to the point of considering an assessment. The Program Director’s analysis will be reviewed by the Executive Committee.
2. **Closure of Policy Periods** - Upon reaching five (5) years of maturity after the end of a coverage period, that period shall be "closed" and there shall be no further dividends or

assessments allocated with respect to those program periods. Notwithstanding the above, the Executive Committee may take action to leave a policy period "open" even though it may otherwise qualify for closure. In addition, the last five (5) policy periods shall always remain "open" unless the Executive Committee takes specific action to declare any of the last five (5) policy periods closed.

- 3. Dividends and Assessments** - Dividends and assessments shall be allocated to the MEMBERS based upon the proportion of all premiums paid to the PROGRAM in all "open" periods only. For purposes of allocating dividends and assessments pursuant to this subparagraph, all "open" policy periods shall be considered collectively.
- 4. DECLARATION OF ASSESSMENTS** – Based on the recommendation of the Executive Committee, assessments will be declared as needed by the Board of Directors, and will be collected from a MEMBER in accordance with its proportionate funding to the PROGRAM during all “open” policy periods, whether or not they currently participate in the Program at the time of the assessment.
- 5. DECLARATION OF DIVIDENDS** – On the recommendation of the Executive Committee, the Board of Directors may declare dividends if overall funding is sufficient to support such action. Upon such a declaration, the dividend shall be allocated to those MEMBERS currently participating in the Program at the time the dividend is payable, based on the proportionate funding of all “open” policy periods.

MEMBER APPEAL PROCESS

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



DEFINITIONS:

EXECUTIVE COMMITTEE – The governing body of CSURMA’s Campus Risk Pool Programs.

MEMBER – Any campus participating in Campus Risk Pool Programs

PROGRAM – For purposes of dividends and assessments, CSURMA’s Campus Risk Pool Programs are the Liability, SAFECLIP, SPLIP, AIME, Workers’ Compensation, Property and Crime Programs.

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

**DEVELOPMENT OF INSURED PROGRAM CLAIMS
POLICY AND PROCEDURE**

ISSUE: CSURMA has developed claims processing policy and procedure documents for AORMA's self-insured programs. These policy and procedure's go beyond the coverage documents to describe such things as:

- Claim Reporting
- Roles and responsibilities
- Handling of disputes

For insured programs, we have followed traditional insurance industry practices and resolved complex matters on a case by case basis. The recent property claim at San Francisco State University highlighted the potential benefit to adopting a policy and procedure for insured programs so that stakeholders would have a reference point as needed. Staff's concept is that the policy and procedure could be framed broadly so that it would apply to all of the insured programs, with claims particulars fitting within the policy and procedure parameters.

RECOMMENDATION: It is recommended that the Executive Committee direct staff on the development of a policy and procedure to address claim processing of all insured programs.

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

BACKGROUND: CSURMA uses policy and procedure documents to define essential principles and processes of its core functions. Attached to this item is an example of the policy and procedure developed for AORMA's self-insured Workers' Compensation program. Note that CSURMA has not developed a policy and procedure for the Campus Risk Pool self-insured programs as those are operated under CSU's operating structure rather than CSURMA's.

PUBLICATION: None at this time. If a policy and procedure is developed it will be communicated to the membership and posted to the CSURMA website.

ATTACHMENT(S):

- a. CSURMA AORMA Policy and Procedure W-4



CSURMA AORMA

POLICY AND PROCEDURE NO. W-4

SUBJECT: **CLAIMS HANDLING PROCEDURES AND GUIDELINES**

ADOPTED: **DECEMBER 8, 2009**

EFFECTIVE: **DECEMBER 8, 2009**

AMENDED: **SEPTEMBER 16, 2010**
MARCH 20, 2014

PURPOSE:

The purpose of this Policy & Procedure is to describe the roles and responsibilities of the Workers' Compensation Third Party Claims Administrator (**TPA**) and the participants in the CSURMA Auxiliary Organizations Risk Management Alliance (**AORMA**) in the reporting and handling of claims.

POLICY:

It shall be the policy of the **AORMA** to ensure that Workers' Compensation claims are administered by the following general guidelines.

PROCEDURE:

- In the event of a Workers' Compensation occurrence likely to involve **AORMA**, written or verbal notice regarding the occurrence shall be given by the Member to the **AORMA** Third Party Administrator no later than five calendar days from the date of the Member's knowledge. Such notice shall include the Employer's First Report of Occupational Injury or Illness (Form 5020). Be sure to include circumstances of the occurrence, and the names and addresses of any injured parties, and witnesses.
- As outlined in **AORMA** Policy & Procedure W-5, failure to report occurrences as required may be cause for denial of coverage if **AORMA** is prejudiced due to the lack of timely reporting. The following will serve as the **AORMA** Workers' Compensation Program procedures and guidelines and are based upon the current contract with **TPA**.

Claim Reporting Procedures

The auxiliaries report all claims to **TPA** via e-mail or fax within five calendar days of notice as required by California Statute by completion of a Form 5020. The Claims Supervisor assigns new losses to appropriate handler for contact and investigation. After an initial investigation, the Claims Examiner makes a determination -as to the appropriate claim type.

Indemnity claims will be managed by the Claims Examiner. Medical First Aid Only claims will be managed by the Claims Support Associate. Medical First Aid Only claims are defined as



claims estimated at less than \$2,500 in medical costs, no anticipated permanent disability and with no loss of work.

Record Only claims will be closed by the Claims Examiner as soon as all the appropriate claim information is completed.

All new indemnity claims will be reviewed by the Claims Supervisor within 5 (five) working days of receipt by **TPA** or within 5 (five) days of conversion to indemnity claim.

Initial Investigation

The Claims Examiner will conduct a thorough investigation to determine compensability immediately upon receipt of the claim. The Claims Examiner makes all the initial contacts necessary to make this determination and will follow the question format provided by **TPA** management which outlines the information to be requested for each of the contacts. The Claims Examiner **TPA** will contact the Auxiliary Organization Workers' Compensation Claim Coordinator (**Coordinator**), the injured employee, and the injured employee's supervisor and physician. Physician contact is not necessary if (1) a Doctor's First Report of Occupation Injury or Illness (Form 5021) is in the file, (2) there is no lost time, and (3) there are no disputes.

3-Point Contact – Employee, Employer and Physician

The Claims Examiner will make 3-Point Contact on all "pending" claims within one business day after receiving notice of the claim. Communication with the injured employee will be available in the employee's primary language or with translation upon request.

Notice of claim is defined as:

- Notice of a pending claim in iVOS
- Phone call, fax or e-mail from the **Coordinator** (Form 5020)
- Doctor's First Report of Occupational Injury or Illness (Form 5021)
- Notice of Representation (no contact with injured employee)
- Application of Adjudication of Claim (no contact with injured employee)
- DWC-1 Claim Form

If the **TPA** receives the first notice of claim, **TPA** will notify the **Coordinator** of the details of the claim, request additional information from the **Coordinator** as needed and set up the claim in iVOS. The **Coordinator** will complete the Form 5020.

If it is determined after initial contact that a claim is a Record Only or a First Aid, the claim will be closed. If later a bill is received, the file will be reopened for payment of the bill and closed.

If the Claims Examiner/Claims Support Assistant is unable to complete all the initial contacts, the Claims Examiner will continue contact attempts for three days. Should the contact attempts be unsuccessful a "Call Me Card" or e-mail will be sent to contact the respective party. All attempts at communication will be documented in Notepad. Documentation of a "Call Me Card"

will be stored in Correspondence. Assistance from the **Coordinator** must be requested if contact with the injured employee cannot be made after three unsuccessful attempts. The work and home telephone number of the injured employee is a required field for a “pending” claim and therefore needs to be made available to the Claims Examiner. Alternative contact numbers, email addresses or a mailing address can be requested if the Claims Examiner is unable to make contact.

No claim will be accepted without completion of the 3-point contact unless there is concurrence from the Coordinator.

3-Point Contact will be documented in iVOS on the day the contact occurs.

The **Claims Supervisor** review of all new claims at five days will ensure that contact is completed and documented. If contact is complete, the **Claims Supervisor** will so note in Notepad. If contact is not complete, the **Claims Supervisor** will document in Notepad the contacts that need completion and require that the Claims Examiner continue contacts until all have been completed. The **Claims Supervisor** will keep the file on close diary until all contacts are made.

Acceptance/Denial Issues

If the Claims Examiner determines that a claim should be denied, the Claims Examiner will notify the **Coordinator** of the investigation results and recommendation to deny benefits prior to notifying the injured employee. All recommendations for denials must be approved by the **Claims Supervisor** and documented in Notepad. All denied claims will have a reason for the denial entered in the claim system.

If the injured worker does not pursue a claim, **TPA** will not delete the claim. The Claims Examiner/Claims Support Assistant will notify the employee in writing of Sedgwick’s confirmation and understanding that the employee does not wish to pursue the claim. The claim will be coded with an appropriate claim type (e.g., Record Only, Medical Only, Indemnity, etc.)

The Claims Examiner has fourteen (14) days to determine if a claim will be delayed. Medical treatment will continue to be provided during the ninety (90) day discovery period up to a limit of \$10,000, per labor code statute, or until the case is denied.

The Claims Examiner has up to ninety (90) days to make a compensability decision. The ninety (90) days starts with the employer’s knowledge of injury.

Initial Documents

The DWC-1, 5020 and 5021 forms are required documents in the claim file. If the DWC-1 is not in the file, evidence of attempts to solicit the DWC-1 form must be in the file. All are required in every claim file prior to closure.



If the **Claims Examiner/Claims Support Assistant** does not have the DWC-1 form when completing set-up of the claim, a claim form will be forwarded to the employee's home address immediately upon receipt of the notice of injury unless it is noted that a DWC-1 claim form was not provided by the **Coordinator**.

If the DWC-1 is not received within sixty days, the **Claims Examiner/Claims Support Assistant** will notify the **Coordinator** via email. This process applies to accepted claims only.

A copy of the 5020 DWC-1, and the 5021 will be clearly documented in SIR (Scanned Information Retrieval system).. If a 5021 has not been submitted, the file must contain a copy of a request for the 5021. The 5021 request will be saved to the claim in iVOS Correspondence.

A claim must not be closed without these documents, or proof that the DWC-1 was provided to the employee, in the claim file.

Medical Releases

TPA will request Medical Releases within five (5) working days of file make-up on all files. If the signed release is not returned within fourteen (14) days, and the injury has not resolved (such as in a Medical Only claim), the **Claims Examiner/Claims Support Assistant** will contact the **Coordinator** and request assistance. The process applies to Indemnity files as well as Medical Only files where treatment is continuing beyond the fourteen days.

Upon receipt of the medical release, **TPA** will order appropriate medical records as needed.

Medical Direction and Control

The **Claims Examiner/Claims Support Assistant** is responsible for coordinating the provision of prompt, appropriate and effective medical treatment for auxiliary employees. The **Claims Examiner/Claims Support Assistant** will exercise all reasonable efforts to obtain current physician reports in accordance with CCR 9785 (California Code of Regulations concerning treating physicians) on all claims where medical treatment is active.

Within fourteen calendar days of notification of change of treating physician, the **Claims Examiner/Claims Support Assistant** will send the complete medical file with CCR 9785 notification to the treating physician.

If the injured employee is absent from work, notification of the auxiliary organization's return to work policy, and the injured worker's job description, if necessary, will be sent to the treating physician. Notification will be by letter and available in Correspondence.

A copy of CCR 9785 will be sent to the treating physician within five working days upon any request made by the workers' compensation auxiliary **Coordinator**.



The Claims Examiner will request updated medical reports on Future Medical (FM) claims where treatment is being sought. On non-active FM claims, the Claims Examiner will document a strategy for administrative closure.

The Claims Examiner will document requests for authorization of treatment procedures in the iVOS Notepad. The **Claims Examiner/Claims Support Assistant** will respond to requests for authorization of treatment and surgery on accepted cases in accordance with Utilization Review guidelines and requirements.

The treatment plan will be documented in iVOS Notepad including the next treatment date. The **Claims Examiner/Claims Support Assistant** will document any medication, by name, which has been authorized by the physician for the employee in iVOS Notepad. Updates will be requested as medication changes.

No agreement to utilize an AME will be made without the approval of the Claims Examiner. In litigated cases, the Claims Examiner will notify the defense attorney of this requirement.

All bills will be paid or objected to within thirty (30) calendar days from date-stamp receipt.

Documentation

TPA will caption all iVOS Notepad entries using appropriate iVOS system-defined headings. All entries will contain documentation with appropriate detail, identify the issues of the claim, and describe the plan of action being taken to resolve these issues. An Action Plan will be documented in iVOS Notepad every ninety (90) days on Indemnity files and every one hundred eighty (180) days on Future Medical files.

Medically authorized restrictions will be documented in the iVOS Notepad and updated every time the restrictions are modified by the physician.

Medical records that are received via medical release or subpoena must be summarized in iVOS Notepad.

Diary

CLAIMS EXAMINER DIARY

Every active indemnity file will be reviewed at least once every thirty (30) days. Diary activity will include contact with unrepresented injured employees, at minimum, every sixty (60) days.

Claims with ongoing temporary disability benefits will be reviewed every fourteen (14) calendar days. Review includes a phone call to the treating physician to determine return to work capability. Documentation of the review and verification of disability will appear in Notepad.

Future medical diary is no less than one hundred eighty (180) days as warranted by activity on the claim. Future Medical cases are defined as claims where the only benefit obligations are the payment of awarded permanent disability and undisputed future medical care.

Follow-up telephone contact will be made with unrepresented injured employees who are losing time from work every fourteen (14) calendar days. Follow-up telephone contact with all other unrepresented injured employees must occur at a minimum every sixty (60) days (Future Medical file excluded).

CLAIMS SUPPORT ASSISTANT DIARY

Medical Only claims will be reviewed at minimum at sixty days. At ninety (90) days, the Claims Support Assistant will review for conversion to Indemnity or closure.

SUPERVISOR DIARY

Claims Supervisor will review all new indemnity claims five (5) days after receipt. The Claims Supervisor will re-set a diary on each new claim as appropriate depending on the severity of the issues or medical treatment but no less than one hundred eighty (180) days. Delayed claims will be reviewed at forty-five (45) and eighty (80) days within the first ninety (90) days. Acceptance after delay and denials will be reviewed and approved by the manager. These reviews will be documented under the Management Review heading in the claim Notepad.

Supervisors will effectively manage assignments of **Claims Examiner/Claims Support Assistant** personnel to ensure caseloads are meeting the claims handling standards. An inventory count by claim type will be kept for each Claims Examiner's caseload on a monthly basis.

Temporary Disability

Temporary disability is paid every two weeks.

Verification of the employee's disability is the responsibility of the Claims Examiner. The Claims Examiner must verify with the treating physician that the employee is unable to work his/her customary job duties, or able to return to work either in a modified position, or at his/her regular job duties.

The Claims Examiner should contact the physician, if necessary, and/or confirm through medical reporting medical verification of disability every two weeks to coincide with the temporary disability check issuance. Potential for return to work must be discussed and documented. Restrictions will be clarified and discussed with the **Coordinator** for return to work possibilities.

Litigation

TPA is to utilize approved auxiliary organization defense counsel in every case. The Claims Examiner will make the selection of counsel on each claim in coordination with the **Coordinator**. **TPA** recommends use of defense counsel as required by its defense counsel referral criteria. However, referrals will be made at the request of the **Coordinator** as well. **TPA** requires that defense counsel adhere to **AORMA's** Defense Counsel Guidelines. These guidelines will be included with each litigation referral.

TPA will notify the **Coordinator** upon receipt of an Application for Adjudication of Claim within five (5) working days. **TPA** will assign claims to Counsel within five days after receipt of notice of approval from the **Coordinator**. **TPA** will notify the **Coordinator** by telephone or email of assignment to Counsel on a claim, and confirm by sending the **Coordinator** a copy of the letter to the selected Counsel confirming engagement.

Case analysis is to be provided by counsel within thirty days of referral. A copy of the initial case analysis will be sent to the **Coordinator** and documented in the iVOS Notepad. The Claims Examiner will follow up with the defense attorney if a case analysis is not received within thirty (30) calendar days from date of referral. Subsequent reports will be sent to **TPA** and the **Coordinator** depending on the activity of the claim, but no less frequently than ninety (90) days.

The Claims Examiner will continue to manage the file, including performing administrative tasks, such as setting medical appointments, appointment letters and medical record requests. These tasks are to be completed by **TPA** staff with few exceptions.

The Claims Examiner will audit all attorney bills for appropriateness of payment.

The Claims Examiner and the **Coordinator** will determine who should attend hearings.

Mandatory Settlement Conference at WCAB

Upon notification of the Mandatory Settlement Conference (MSC) date, the following procedure will occur:

In litigated cases, a request for authority will be sent to **AORMA** thirty (30) days prior to defense counsel filing a Declaration of Readiness to proceed, or five (5) days after receipt of the Declaration of Readiness to proceed from applicant's counsel. Thirty (30) days prior to defense counsel filing a Declaration of Readiness to Proceed, **TPA** will provide **AORMA** and Member with a comprehensive case review and/or SAR (settlement authorization request).

TPA will attend an MSC as deemed necessary.

Subrogation will be pursued when appropriate unless otherwise indicated by the **Coordinator**. If any legal action must be filed in any court other than the Workers' Compensation Appeals Board on behalf of the auxiliary organization, **TPA** must have approval from the CSURMA **AORMA** Committee.

Communications

TPA Supervisor and Claims Examiner for **TPA** will utilize professional, courteous and effective communication skills at all times and will respond to telephone and email inquiries within one (1) working day. All e-mail communications that are pertinent to a particular claim should be placed in the iVOS Notepad.

Index System

TPA will index all disputed or lost time injury claims at claim setup and annually thereafter relying on Sedgwick's account number with the Index System.

Reserving

The initial reserve will be set up within five (5) working days of the receipt of the claim. Claims are to be reserved on a "most probable ultimate cost" basis from the date the claim is set up. Reserve amounts will be evaluated and adjusted on a regular basis, but at a minimum, within thirty (30) days of any event or change in medical prognosis that will affect the ultimate outcome of the claim. Reserves should also be reviewed concurrent with Diary and Action Plan review. "Stair-stepping" is to be avoided. All reserve calculations will be clearly reflected in the claim file.

Sedgwick Claims Supervisors will review all reserve changes above the authority of each Claims Examiner.

Reserves will be reviewed with each action plan.

Investigations

TPA recommends use of outside investigators as required by their claim investigation criteria and best practices. In addition to manager approval, assignment of an outside investigator requires prior contact, approval and coordination with the **Coordinator**.

OSHA Reporting –The members bear the responsibility to complete a manual OSHA log as required by California law.

Resolution

Upon receipt of any permanent and stationary report, the Claims Examiner will determine if the disability described in the report is appropriate for the circumstances of the injury. The Claims Examiner may self-rate if the disability is clear. However, **AORMA** prefers that the Claims Examiner solicit an independent rating prior to issuing advances. Based on what is learned from the rating, additional clarification may be needed from the physician. The Claims Examiner will seek clarification from the physician or object as appropriate.

Upon receipt of the supplemental report with the clarifying information, the Claims Examiner may need to solicit an additional independent rating in order to ensure that the Claims Examiner is confident of the total value of permanent disability. If the dollar amount of the rating and/or the dollar value of the total amount of permanent disability advance to be made exceed(s) \$25,000, the Permanent Disability Benefit letter requires approval from a supervisor.

Within five (5) calendar days after the Claims Examiner has determined that the report is appropriate, the Claims Examiner will submit the report to the Disability Evaluation Unit (DEU) for a Summary Rating.



A Settlement Authority Request (SAR) must be submitted to the Operations Manager at **TPA**, the **CSURMA AORMA** Workers' Compensation Committee or the **CSURMA AORMA** Committee depending on the level of the settlement value requested in accordance with the Claims Settlement Policy and Procedure. This requires timeliness in getting the independent rating in order to avoid penalties for not issuing a timely permanent disability advance.

Upon receipt of the Summary Rating from the Disability Evaluation Unit (DEU), the Claims Examiner verify the rating used in the SAR and amend the SAR, if necessary.

If the claim is litigated, the Claims Examiner must notify the defense attorney that negotiations cannot begin without authority. The Claims Examiner is responsible for getting that authority to the attorney within two (2) working days of receipt of authority. If applicant's attorney files the Declaration of Readiness to Proceed (DOR) for settlement purposes, the SAR must be submitted within five (5) days of receipt of the notification.

Settlement Authority

Various levels of settlement authority have been established as respects this **AORMA** coverage under **AORMA** Policy & Procedure W-5. The Member has no authority to settle claims.

All settlement authority requests must be presented using the Settlement Authorization Request (SAR) form.

The **SAR** must be complete and thorough. It must include a brief history of the injury, a description of the permanent disability and its dollar value, the medical prognosis and its dollar value, and any other costs that are included in the proposed settlement. It must include a complete outline of all issues and defenses. All ratings, both applicant and defense must be stated. It must state the Claims Examiner opinion regarding settlement versus taking the case to trial.

Managers must approve all requests for authority.

If a response from the authorizing body is not received in thirty (30) days, the Claims Examiner will notify the Claims Consultant via email. If timing is **urgent**, this will be indicated in the email along with a deadline date, as well as notifying the Claims Consultant by voicemail.

Return to Work Issues

The Claims Examiner will provide all information to the **Coordinator** regarding return to work restrictions and permanent modifications immediately upon knowledge.

Excess Carrier Reporting and Settlement Requirements

Any claim with a date of injury after May 1, 2004 must be reported by **TPA** to the respective excess carrier immediately, but in no event later than ten (10) calendar days from the date the **Coordinator** is notified or becomes reasonably aware of such accident or disease which may involve the excess carrier or includes any of the following:

- a. Injuries to spinal cord (including Cauda Equina), paraplegia, or quadriplegia;
- b. Fatality;
- c. Amputation of a major extremity;
- d. Blindness;
- e. Second degree burns on 25% or more of the body or third degree burns on 10% or more of the body
- f. Serious head or brain injuries (including skull fracture);
- g. Multiple fractures – involving more than one member or any non union of any part of the body;
- h. Nerve damage causing paralysis and loss of sensation in arm and hand (brachial plexus nerve damage);
- i. Massive internal injuries affecting body organs;
- j. Any occurrence which causes serious injury or death to two or more employees
- k. Any occurrence, which results in disability exceeding one (1) year.
- l. Any occurrence that results in permanent and total disability 100% - (including but not limited to 100% by statute: loss of both eyes/sight, loss of both hands (or the use thereof), “practically total paralysis,” brain injury resulting in incurable imbecility or insanity.
- m. Any occurrence that involves unusual exposure to the coverage—examples include sexual molestation, HIV, AIDS, rape, class actions and bad faith allegations, or other serious violation, which may involve excess;
- n. Total incurred in excess of 50% of the Self Insured Retention (Currently \$250,000)

Attachments to the first report will include:

- Face sheet to include summary of case, pertinent claimant information such as claim number, date of injury, date of birth, date of hire, average weekly wages, TTD, PD rate. The Claims Examiner must list all the issues and the plan of action recommended in order resolving these issues. Any subrogation aspects must be described and discussed.
- Reserve breakdown
- Printout of all payments, sorted by category
- AME, QME, P&S and/or current medical reports advising status of claim (AME = Agreed Medical Evaluator; QME = Qualified Medical Evaluator; P&S= Permanent and Stationary)
- Copies of all Applications filed, Workers’ Compensation Appeals Board (WCAB) Awards & Findings & Awards (F&As)
- Defense attorney evaluation
- Copies of investigation reports
- All notices and legal papers relating to the claim or suit
- Any other pertinent data

Subsequent reports will be made on a quarterly basis (unless excess carrier advises otherwise).

Attachments to the subsequent reports will include:

- Face sheet to include summary of case, pertinent claimant information such as claim number, Date of Injury, Date of Birth, Date of Hire, Average Weekly Wage, Total Temporary Disability and Permanent Disability Rate. The report must provide the status of the case and the steps proposed to resolve all the remaining issues.



- Reserve breakdown
- Printout of all payments, sorted by category
- Current medical report(s)
- Any of the prior reporting requirements that occur subsequent to the initial excess report.

The Claims Manager will review and authorize all excess reports. The reports will be submitted to the Excess carrier with a hard copy of all attachments. The hard copy attachments are to be submitted only to Excess carrier.

The process is the same for interim status reports and final reporting.

Once confirmation is received from Excess carrier, the Claims Examiner will make a copy of the confirmation for the claim file and update the system that confirmation was received from the Excess Carrier.

If the employee files a Serious and Willful claim, defense costs are not reimbursable by the Excess Carrier. Requests for reimbursement must exclude these costs.

Fraud Claims

Suspected fraudulent activity (material misrepresentation by the employee) must be reviewed with the Claims Supervisor, the **Coordinator** and the **AORMA** Claims Consultant to determine the merits of the case. The case will be prepared for submission to the District Attorney and Department of Insurance once a decision to refer the case to the authorities has been made. Fraud referral activity will be documented on the claim in iVOS Management Review Notepad.

Balance Sheet

TPA will complete a Balance Sheet on all open files at one year from date of injury, annually at the anniversary of claim set up and annually thereafter on each file at SAR evaluation and at closing of the claim. The Balance Sheet will be kept in Correspondence or a hard copy in the claims file.

Escrow Fund

The Oakland Corporate office of **TPA** administers a trustee account on behalf of **AORMA** from which benefit payments and expenses will be made. The Claims Accounting Department at Sedgwick will issue all checks. The Claims Accounting Department will also prepare monthly bank reconciliations.

Checks issued over \$10,000.00 require funding verification. Such requests should be forwarded to the **AORMA** Accountant at the CSU Chancellor's Office, along with supporting documentation.

TPA will submit replenishment requests **monthly or as needed**.



Check Issuance

All checks are issued by Sedgwick. Bob Blankenship, **TPA** Treasury Director's facsimile signature will be used for all checks. **AORMA** staff and consultants are not authorized to sign checks. There will be no manual checks under any circumstances.

Reports

The Claims Manager will provide a monthly report of **TPA** and **AORMA** penalties no later than the 10th of each month.

TPA will also provide reports to the **Coordinator** for each Member as follows:

Quarterly claim summary report - inception to date

- Claim summary report of all claims created in the last quarter
- Ad hoc reports by client request

CSURMA WEBSITE UPDATE

ISSUE: The csurma.org was re-launched with more functional capabilities for our members. The Executive Committee will be given a demonstration of website's enhancements at today's meeting.

RECOMMENDATION: It is recommended that the Executive Committee provide feedback and direction to Staff on the enhancements and new layout of the website.

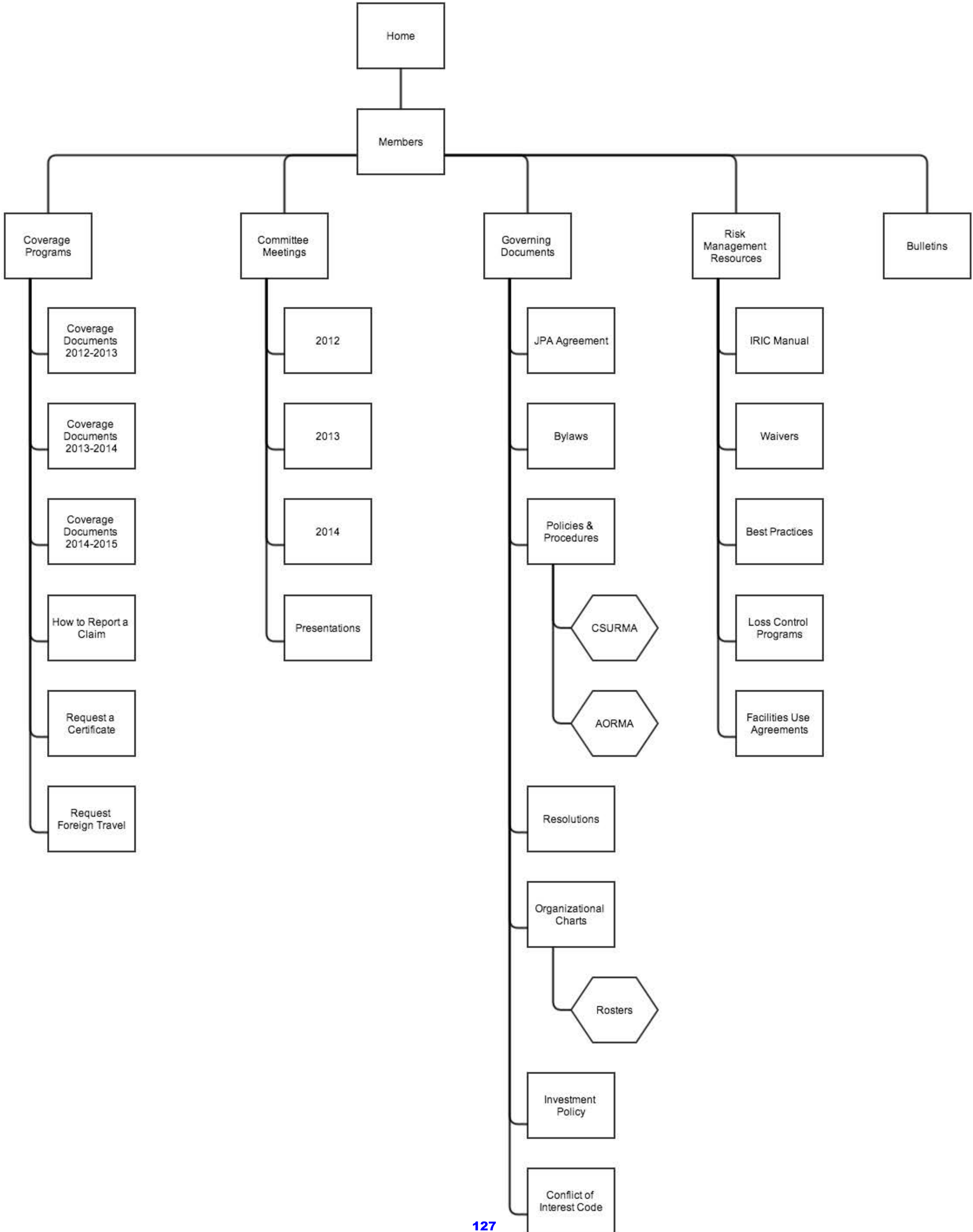
FISCAL IMPACT: None.

BACKGROUND: The CSURMA website was launched in July of 2013 and Staff continues to improve the website as feedback is received. After receiving input and feedback from the members, Staff has re-developed the layout and enhanced the website. Taking into consideration that the website was difficult to navigate and to find documents, many items have been moved into different categories or renamed. The goal is to make the site easy for members to search for and find information quickly.

PUBLICATION: In an effort to drive more traffic to the website, general announcements will be distributed and include links to the website, rather than through PDF attachments.

ATTACHMENT(S):

- a. CSURMA website map overview



**CSURMA SUPPORT OF SYSTEMWIDE EFFORTS RELATED TO
MITIGATION OF CONCUSSIVE INJURIES**

ISSUE: The Chancellor's Office has begun a process of supporting efforts at mitigation of concussive injuries in the University's athletic programs and club sports. An inventory of programs was conducted. Zachary Gifford from CSU's Systemwide Office of Risk Management will discuss this item at today's meeting.

In addition, a meeting with CSU's lead excess liability underwriters has been arranged at California State University, Fresno, on Friday, October 3, 2013. It will include discussion of CSU's practices, meetings with CSUF Athletic Department representatives and attendance at an athletic event with CSU officials.

RECOMMENDATION: It is recommended that the Executive Committee discuss the status of efforts related to mitigation of concussive injuries and take action or provide direction to CSURMA staff as appropriate.

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

BACKGROUND: Insurance underwriters are expressing concern about liability arising from concussive injuries, called "traumatic brain injury" (TBI) in the insurance industry. TBI claims and class action litigation have been multiplying and the cost of the recent settlement by the National Football League exceeds \$700 million. Class actions are pending in professional hockey and soccer as well. And, litigation is pending against the NCAA.

PUBLICATION: No publication is expected from this item at today's meeting.

ATTACHMENT(S): None.

**CSURMA ADMINISTRATION SERVICE TEAM ASSIGNMENTS
AND ADDITION**

ISSUE: Following the July 1 renewal season, the CSURMA Service Team at Alliant reviews our results and evaluates changes that will continue to improve our service. Based on this we have implemented the following additions and changes:

- AORMA Team Addition – Melissa Diaz. With the support of the AORMA Officers Committee, we have added Melissa Diaz to the service team. Melissa will work with Mimi on assigned AORMA projects and focus on member communications and outreach
- Consolidation of CSURMA Administrative Services – We are combining the administrative services so that all the meeting planning, agenda coordination, and operational compliance, can be led via a single team. Mimi Long will lead this team, supported by Tevea Him.
- CSURMA Technology Services – Melissa Diaz has been assigned the responsibility for the CSURMA website improvement project the results of which will be demonstrated at today’s meeting. Myron Leavell will continue to support the board tablet administration and will support administration of the CSURMA website as required.

RECOMMENDATION: No action is requested on this item.

FISCAL IMPACT: None.

BACKGROUND: None.





PUBLICATION: The updated CSURMA Administration Team Organization Chart has been posted to the CSURMA web site.

ATTACHMENT(S):

- a. CSURMA Administration Team Organization Chart

CSURMA CORE SERVICE TEAM – ORGANIZATIONAL CHART – AS OF JULY 01, 2014



	CSURMA Core Service Team
	Claims Consulting
	Workers' Comp / Risk Analysis
	Special projects / Peer review

CHANGES TO CSURMA CYBER COVERAGE PROGRAM

ISSUE: At the direction of the Chancellor, CSURMA engaged a consultant to evaluate the scope of CSU's insurable cyber risk exposures. As a result of that project, the Executive Committee delegated authority to the CSURMA Secretary/Auditor to bind coverage with the most competitive coverage for a broader cyber coverage program at renewal. Upon review of the proposals, the Secretary/Auditor directed binding coverage with Beazley Underwriters of Lloyds. Features of the coverage program include:

- Core Limit of \$2 million per event and program aggregate of \$20 million
 - Up to 2 million notifications upon discovery of a breach - cost outside of core limit (equivalent to a limit of approximately \$17 million)
 - Legal and forensic services outside of core limit to \$1 million

- Access to the Beazley Breach Response suite of services (see attached) including:
 - Loss Prevention
 - Incident Response
 - Legal Services

The Systemwide Office of Risk Management has suggested a presentation on the Cyber Coverage Program for the October CSURMA Board of Directors meeting.

RECOMMENDATION: It is recommended that the Executive Committee discuss the coverage program and potential communication strategies, taking action as appropriate.

FISCAL IMPACT: The incremental cost of the additional coverage was \$170,280. This cost is part of the Property Program budget, and costs were well within budget. No fiscal impact is expected from action on this item at today's meeting.

BACKGROUND: Liability and Property insurers have largely excluded losses caused by data breaches. Losses from breaches can be caused by lost or stolen laptops, system attacks and other means. Losses include loss of Personally Identifiable Information (PII), HIPPA protected data, and PCI regulated credit card data. There can be third party liability, first party system damage,

and penalties and fines. CSURMA has purchased coverage for the University and the Auxiliary Organizations for the past several years.

PUBLICATION: Program information has been noticed to the Membership and posted to the CSURMA web site.

ATTACHMENT(S):

- a. Beazley Breach Response Checklist

Beazley Breach Response Checklist

	Insurer 1	Insurer 2	Insurer 3
Insurer/Policy Form	Beazley Breach Response		
A.M. Best Rating	A*		

Breach response cost coverage			
Breach response costs coverage includes notification of up to _____ individuals?	Yes		
Credit monitoring offered to notified individuals?	Yes		
Coverage includes credit restoration service?	Yes		
Dedicated breach response costs limit that is in addition to third party liability aggregate limit?	Yes		
Forensic and legal expenses also in addition to policy aggregate limit (sublimit of \$ _____)?	Yes		
Insurer has panel of service providers?	Yes		
Insured may select legal counsel from panel?	Yes		
Free risk management program included with coverage?	Yes		

Security and privacy liability coverage			
Limit			
Retention			
Duty to defend	Yes		
Coverage includes both non-public personally identifiable information and confidential corporate information?	Yes		
Coverage extends to information in the possession of independent contractor?	Yes		
Coverage includes events and claims anywhere in the world?	Yes		
Coverage includes acts by rogue employees?	Yes		
Coverage includes failure to comply with own privacy policy?	Yes		
Coverage includes failure to administer an identity theft prevention program required by law or take necessary actions to prevent phishing/identity theft?	Yes		
Coverage for failure to timely disclose a security breach as required by law?	Yes		
No exclusion for failure to maintain security?	Yes		

Regulatory defense and penalties coverage			
Fines and penalties covered where insurable by law under most favourable venue?	Yes		

Crisis management and public relations coverage			
Coverage includes crisis management expenses?	Yes		

The descriptions contained in this communication are for preliminary informational purposes only. The policy, predominantly written on a non-admitted basis through Beazley's syndicates at Lloyd's through licensed surplus lines brokers, may also be available through Beazley Insurance Company, Inc. on admitted paper in select jurisdictions. The exact coverage afforded by the products described herein is subject to and governed by the terms and conditions of each policy issued. The publication and delivery of the information contained herein is not intended as a solicitation for the purchase of insurance on any US risk.



*Beazley's Syndicates at Lloyd's A15; Beazley Insurance Company, Inc. A8

**DELEGATION OF AUTHORITY TO NEGOTIATE EXTENSION OF
IVOS SERVICE AGREEMENT**

ISSUE: The current term of the software agreement with iVOS for the Campus Liability Risk Pool claims management needs to be extended. This software is utilized by the Office of Systemwide Risk Management to administer Campus Risk Pool Liability claims. Authorized campus personnel have access to the system for their campus' claims data.

RECOMMENDATION: Staff recommends delegating authority to the Secretary/Auditor to negotiate and execute an extension agreement with advice of CSURMA counsel.

FISCAL IMPACT: The annual cost for the iVOS software is included in the Campus Risk Pool Liability Program budget. The cost is approximately \$50,000 annually, depending on the amount of services and training required.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None

AORMA PROGRAMS UPDATE

ISSUE: The Auxiliary Organizations Risk Management Alliance (AORMA) continues to address the insurance and risk management needs of its members. All 87+ Auxiliary Organizations in Good Standing purchase insurance coverage through the AORMA.

Robert de Wit, AORMA Chair, will report on the activities of the AORMA Committee.

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

FISCAL IMPACT: None.

BACKGROUND: The AORMA was first marketed to CSU Auxiliary Organizations in 1998. Since that time, the program has grown from 12 members to 87+ members, and represents 100% participation.

PUBLICATION: None.

ATTACHMENT(S): None.

REVIEW OF FY 2014/2015 LONG RANGE PLANNING GOALS

ISSUE: Each year the Executive Committee conducts a Long Range Action Plan meeting to gauge progress and to re-evaluate where efforts should be focused. The Committee will review and discuss the FY 2014/2015 Long Range Planning Goals.

RECOMMENDATION: None.

FISCAL IMPACT: No fiscal impact is expected from today's meeting.

BACKGROUND: The CSURMA Executive Committee adopts the FY 2014/2015 Long Range Planning goals to be accomplished. The Committee will receive a report from Staff on the assigned responsibilities and deadlines of the FY 2014/2015 Long Range Planning goals.

PUBLICATION: None.

ATTACHMENT(S):

- a. FY 2014/2015 CSURMA Long Range Action Plan Timeline

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-1 CSURMA 101				
Develop ppt presentation on "An Introduction to CSURMA" for new CSU staff with objectives to (1) increase awareness of CSURMA, (2) explain Purpose, (3) describe Organizational Structure, and (4) affirm Value.	1. Draft outline of presentation.	PA	08/01/14	Completed
	2. Develop PowerPoint presentation.	PA	09/01/14	Completed
	3. Review/edit PowerPoint presentation	PA, SRM	09/15/14	Completed
	4. Finalize PowerPoint presentation	PA	10/01/14	
	5. Upload to CSURMA website.	PA	10/22/14	
LRP-2 UNEMPLOYMENT INSURANCE				
Evaluate CSU's Unemployment Insurance claim trends and establish methods to improve results.	1. Obtain claims report and evaluate UI expenditures.	PA, SRM, Equifax	09/01/14	Completed
	2. Identify UI claim trend.	PA, SRM, Equifax	10/15/14	
	3. Develop plan to mitigate UI claim costs.	PA, SRM, Equifax	12/01/14	
	4. Interview/negotiate terms with service provider, if any.	PA, SRM	02/01/15	
	5. Finalize service agreement and/or internal plan of action, as appropriate.	PA, SRM	03/01/15	
	6. Obtain necessary approvals from SRM, EC.	PA, SRM, EC	03/01/15	
	7. Engage service provider, if taken.	PA, CSURMA (R Eaton)	05/01/15	
LRP-3 WORKERS' COMPENSATION CLAIMS CLOSURE INITIATIVE				
Develop and implement plan to reduce WC claims liability, with specific goal to improve claims settlement and closure of very old claims.	1. Review proposed conceptual plan with Executive Committee	PA, SRM	03/21/14	Completed
	2. Executive Committee Action to begin project	EC	05/09/14	Completed
	3. Identify claims for action, adopt strategy	PA, SRM, Sedgwick, Consultant	06/01/14	Completed
	4. Meeting with campus to obtain support for strategy and action plan	PA, SRM, Sedgwick, Consultant	06/01/14	Completed
	5. Implement Strategy	PA, SRM, Sedgwick, Consultant	Jul - Nov 2014	In Progress
	6. Status report to CSURMA EC	PA, SRM, Sedgwick, Consultant	12/05/14	
	7. Project Completion Review with EC to determine next steps	PA, SRM	03/01/15	
LRP-4 WORKERS' COMPENSATION REINSURANCE				
Re-evaluate	1. Review WC funding requirements and actuary's recommendations.	PA, SRM	08/01/14	

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
Primary Workers' Compensation Reinsurance as a vehicle to mitigate CSU's cost of WC claims funding.	2. Develop coverage specification and proposed rating structure.	PA	09/01/14	
	3. Market plan to underwriters.	PA	Oct - Nov 2014	
	4. Obtain and evaluate carrier quotes.	PA	01/19/15	
	5. Meetings with potential Underwriters	PA, SRM, EC	May 2014 - Feb 2015	
	6. Obtain necessary approvals from SRM, EC.	PA, SRM, EC	Mar 2015	
	7. Effective date of reinsurance, if taken.	Reinsurer	07/01/15	
	LRP-5 OCIP RENEWAL			
Develop process and establish timeline to renew the Owner-controlled Insurance Program covering CSU's capital construction	1. Presentations on status of OCIP to CSURMA BOD, CSU CABO	PA, CPDC	May - Aug 2014	Completed
	2. Develop coverage specification and proposed rating structure.	PA, CPDC	07/01/14	Completed
	3. Develop target rating structure.	PA	08/01/14	Completed
	4. Market plan to underwriters.	PA	Aug - Sept 2014	
	5. Obtain and evaluate carrier quotes.	PA, CPDC	10/01/14	
	6. Draft coverage plan summary and rates.	PA	10/01/14	
	7. Obtain necessary approvals from CPDC, SRM, EC.	PA, CPDC, SRM, EC	10/01/14	
	8. Roll out renewal to CABO, Facilities Conference, Campuses	PA, CPDC	Nov - Dec 2014	
LRP-6 UNMANNED AERIAL VEHICLES (UAVs, Drones)				
Develop and implement coverage plan to cover CSU's liability arising from ownership and operation of UAVs (drones) used for research activities.	1. Research ownership, operation and usage of UAVs within CSU.	PA	Mar - Apr 2014	Completed
	2. Research liability issues of the ownership and operation of UAVs.	PA	April, 2014	Completed
	3. Research insurance availability to cover owned and non-owned aviation risks in the ownership and operation of UAVs.	PA	April, 2014	Completed
	4. Draft proposed modification to the Liability MOC to include coverage for UAVs.	PA	April, 2014	Completed
	5. Determine cost to insure or self-insure liability of UAVs	PA	May, 2014	Completed
	6. Present recommendations to EC.	PA, EC	05/09/14	Completed
	7. Present recommendations to BOD.	PA, EC, BOD	05/09/14	Completed
	8. Roll out to campuses and incept coverage.	PA	07/01/14	Completed
LRP-7 STUDENT PLACEMENT AGREEMENTS				
Implement more master insurance and indemnity agreements with key hosting partners	1. Research existing placement agreements for student internships, particularly in Teaching, Nursing/Allied Health, and Service Learning programs to identify key hosting partners	PA, SRM	08/01/14	
	2. Draft proposed master insurance and indemnity language for student placement agreements and contact key hosting partners	PA, SRM, OGC	Jul - Aug 2014	
	3. Negotiate and execute master insurance and indemnity agreements for student placements with key hosting partners	SRM, OGC, PA, Key Hosts	Sep 2014 - Feb 2015	

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
	4. Report to EC on Progress of Master Insurance and Indemnity Agreements	SRM	03/01/15	

BOD: CSURMA Board of Directors

CABO: CSU Chief Administrators and Business Officers

CO: Chancellor's Office

CPDC: CO Capital Planning Design & Construction

EC: CSURMA Executive Committee

OGC: CSU Office of General Counsel

PA: CSURMA Program Administrator

SRM: CSU Systemwide Risk Management

LISTING OF CSURMA POLICIES AND PROCEDURES

ISSUE: This item is provided as an information item to advise the Executive Committee of the Policies and Procedures currently in effect prior to this meeting. The attached list comes from the csurma.org web site where the policies and procedures are available to the Committee. The AORMA program has additional Policies and Procedures.

RECOMMENDATION: It is recommended that the Executive Committee review the list of CSURMA Policies and Procedures and provide direction to staff as appropriate.

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

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Listing of CSURMA Policies and Procedures

CSURMA Policies and Procedures
Review Schedule

Policy and Procedure		Adopted	Amended	Reviewed	Scheduled for Review
P&P #1	Assessments and Disbursements	8/5/1999	8/5/1999		2015
P&P #2	Resolution of Coverage Disputes for Campus Pooled Risk Coverage Programs	8/5/1999	3/26/2009	3/21/2014	
P&P #3	Records Retention	8/8/1999	8/8/1999		2015
P&P #4	Periodic Actuarial Studies	7/1/1999	7/1/1999	3/21/2014	
P&P #5	Claims Audits	7/1/1999	3/20/2014		2015
P&P #6	Payment Policy	5/18/2007	5/19/2010	3/21/2014	
P&P #7	Self-Insured Program Funding	1/1/2000	1/1/2000		2015
P&P #8	Coverage Determinations for Claims Designated "Systemwide"	7/1/2009	3/21/2014	3/21/2014	
P&P #9	Property Coverage of State-Owned Buildings Leased to an Auxiliary Organization and Other Specified State-Owned	4/17/2006	3/26/2009		2015
P&P #10	Member Loans	5/13/2011	5/13/2011	3/21/2014	
P&P #11	CSURMA Operating Budget Development and Adoption	3/26/2009	3/26/2009		2015
P&P #12	CSURMA Committee Members Attendance of Professional Development Conferences	3/24/2011	3/21/2014	3/21/2014	
P&P #13	Campus Risk Pool Programs Target Reserve Funding Goal	10/28/2011	10/28/2011		2015
P&P #14	Campus Risk Pool Dividends & Assessments	10/28/2011	10/28/2011	3/21/2014	
P&P #15	Responsibilities of The Treasurer and The Secretary-Auditor	12/9/2011	6/25/2013		2015
P&P #16	Use of CSURMA Equipment	3/22/2012	3/22/2012	3/21/2014	
P&P #17	Travel Reimbursement	3/22/2013	3/22/2013		2015
P&P #18	Board of Directors Participation and Executive Committee Nominations and Elections Process	3/22/2013	3/22/2013	3/21/2014	
P&P #19	CSURMA Claims Settlements Authority	3/22/2013	3/22/2013		2015
P&P #20	Owner Controlled Insurance Program and Builder's Risk Insurance Program	9/13/2013	11/6/2013	3/21/2014	
P&P #21	Risk Management Innovation Grant Program	9/13/2013	9/13/2012		2015

CSURMA ADMINISTRATIVE SERVICE CALENDAR

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

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

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

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Administrative Service Calendar

CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
JANUARY 2014			
01/02/14	CSURMA EC 01/12/14 Mtg - Agenda Mailing	Alliant Staff	Completed
01/06/14	Statement of Facts – Roster of Public Agencies - file with State & County	Alliant Staff	Completed
01/10/14	Form 700 - mail to BOD and Committee members – return deadline 03/21/14	Alliant Staff	Completed
01/12/14	CSURMA AOA CONFERENCE		Completed
01/12/14	CSURMA EC Meeting	Alliant Staff	Completed
01/26/14	CSURMA EC 01/12/14 Mtg - Meeting Minutes completion	Alliant Staff	Completed
01/12/14	<i>Exeuctive Committee Meeting - Agenda Items</i>	CSURMA Meeting	Completed
	CSU Trustee's Audit Update Underwriter Meetings Report Pollution Liability Insurance Coverage Program Administration Service Agreements Rating Plans Task Groups Adoption of Resolution No. 01-14-EC Amending CSURMA Conflict of Interest Code Schools Excess Liability Fund Excess Workers' Compensation Program Assessment Foreign Travel Software Training for Programs Involving Minors on Campus Executive Committee Nominations Service Provider Performance Survey Student Health Insurance Update on Concussive Injuries Initiatives Review of FY 2013/2014 CSURMA Long Range Planning Goals 2014 Long Range Planning Meeting Date, Location, and Agenda		
FEBRUARY 2014			
02/17/14	Reminder - Form 700s to Board and Alternate Members	Alliant Staff	Completed
02/18/14	CSURMA EC 03/20/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
02/19/14	CSURMA EC 03/20/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
02/19/14	CSURMA EC LRP 03/21/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
02/20/14	CSURMA EC LRP 03/21/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
02/27/14	CSURMA EC 03/20/14 Mtg - Get Quorum	Alliant Staff	Completed
02/28/14	CSURMA EC LRP 03/21/14 Mtg - Get Quorum	Alliant Staff	Completed
02/03/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
02/06/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
MARCH 2014			
03/01/14	Alliant begins contact with various contractors regarding renewal terms	Alliant Staff	
03/10/14	CSURMA EC 03/20/14 Mtg - Agenda Mailing	Alliant Staff	Completed
03/11/14	CSURMA EC LRP 03/21/14 Mtg - Agenda Mailing	Alliant Staff	Completed
03/20/14	CSURMA EC Meeting		Completed
03/21/14	CSURMA EC LRP Meeting		Completed
03/21/14	Form 700's - receive from Board Members and Alternates	Alliant Staff	Completed
03/03/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed



CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DRAFT

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
03/06/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
03/20/14	<i>AORMA Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
03/20/14	<i>Executive Committee Meeting - Agenda Items</i>	CSURMA Meeting	Completed
	Receipt and Review of the Draft Financial Statements at December 31, 2013 Treasurer's Report – December 31, 2013 FY 2013/2014 Midterm Budget Amendments and Adoption of Resolution No. 02-14 (EC) Chancellor's Office Services Budget Proposal for FY 2014/15 CSU International Programs FTIP Renewal and Funding Delegation of the Authority to Renew Insurance Program Recommendation for Approval of the FY 2014/2015 Operating Budget FY 2014/15 Premium Deposits Report of Nominating Committee on Executive Committee Elections Proposed Revision to Policy & Procedure 5 – Claims Audits Status of Form 700 Filings Minors on Campus Training Cyber Risk Insurable Exposure Project Fitting the Pieces Conference 2015 Concussive Injuries		
03/21/14	<i>CSURMA Executive Committee Long Range Planning Meeting</i>	CSURMA Meeting	Completed
	Review of CSURMA 2013/2014 Long Range Action Plan Campus Pooled Program Funding Status Annual Review of the Data security policies Annual Review of the Applicable ICSUAM policies Workers Compensation Program: Claims Audit Presentation Workers Compensation Program: Approval of Proposed Claims Closure Initiative Workers Compensation Program: Evaluation of Restarting Primary Reinsurance Program Rating Plans Task Groups: Campus Risk Pool Rating Plans Task Groups: Student Programs Review of Policies and Procedures No. 2. Resolution of Coverage and Claim Disputes Review of Policies and Procedures No. 4. Periodic Actuarial Studies Review of Policies and Procedures No. 6. Payment Terms Review of Policies and Procedures No. 8. Coverage Determination For Claims Designated "Systemwide" Review of Policies and Procedures No. 10. Member Loans Review of Policies and Procedures No. 12. CSURMA Committee Members Attendance of Conferences Professional Development Review of Policies and Procedures No. 14. Campus Risk Pool Dividends & Assessments Review of Policies and Procedures No. 16. Use of CSURMA Equipment Review of Policies and Procedures No. 18. Board of Directors Participation and Executive Committee Nominations and Elections Process Review of Policies and Procedures No. 20. OCIP & BRIP Emergency Services Consulting Presentation Development of New Programs and Services: Consideration of Student Tenant Insurance Program (STIP) Development of New Programs and Services: Student Health Insurance Program Development of New Programs and Services: Unemployment Insurance Aggregate Stop Loss Coverage		

CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
	Development of New Programs and Services: Coverage for Unmanned Aerial Vehicles CSURMA Rolling OCIP Status Report Service Provider Performance Evaluation of CSURMA Vendors Development of CSURMA Goals for next 1 to 3 years		
APRIL 2014			
04/01/14	Form 700's - file with FPPC	Alliant Staff	Completed
04/03/14	CSURMA EC 03/20/14 Mtg - Meeting Minutes completior	Alliant Staff	Completed
04/04/14	CSURMA EC LRP 03/21/14 Mtg - Meeting Minutes completior	Alliant Staff	Completed
04/08/14	CSURMA BOD NMO 05/08/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
04/09/14	CSURMA BOD 05/09/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
04/09/14	CSURMA BOD NMO 05/08/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
04/09/14	CSURMA EC 05/09/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
04/10/14	CSURMA BOD 05/09/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
04/10/14	CSURMA EC 05/09/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
04/15/14	Send annual renewal certificate spreadsheet to members - due 1 month	Alliant Staff	
04/17/14	CSURMA BOD NMO 05/08/14 Mtg - Get Quorum	Alliant Staff	Completed
04/18/14	CSURMA BOD 05/09/14 Mtg - Get Quorum	Alliant Staff	Completed
04/18/14	CSURMA EC 05/09/14 Mtg - Get Quorum	Alliant Staff	Completed
04/28/14	CSURMA BOD NMO 05/08/14 Mtg - Agenda Mailing	Alliant Staff	Completed
04/29/14	CSURMA BOD 05/09/14 Mtg - Agenda Mailing	Alliant Staff	Completed
04/29/14	CSURMA EC 05/09/14 Mtg - Agenda Mailing	Alliant Staff	Completed
04/03/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Completed
04/07/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Completed
MAY 2014			
05/08/14	CSURMA BOD NMO Meeting	Alliant Staff	Completed
05/09/14	CSURMA BOD Meeting	Alliant Staff	Completed
05/09/14	CSURMA EC Meeting	Alliant Staff	Completed
05/15/14	Send Member Vehicle Schedule/APD Proposal for review	Alliant Staff	
05/22/14	CSURMA BOD NMO 05/08/14 Mtg - Meeting Minutes completior	Alliant Staff	Completed
05/23/14	CSURMA BOD 05/09/14 Mtg - Meeting Minutes completior	Alliant Staff	Completed
05/23/14	CSURMA EC 05/09/14 Mtg - Meeting Minutes completior	Alliant Staff	Completed
05/01/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Completed
05/08/14	AORMA Committee Meeting - Agenda Items	AORMA Meeting	Completed
05/09/14	Executive Committee Meeting - Agenda Items	CSURMA Meeting	Completed
	Receipt and Review of the Draft Financial Statements at March 31, 2014 Treasurer's Report – March 31, 2014 Approval of Member Loan Underwriters' Meeting Report Student Insurance Programs Rating Plan Task Group		



CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DRAFT

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
	Extension of Emergency Services Contract with Witt-O'Briens Minors on Campus Training Cyber Risk Insurable Exposure Project Review of 2014/2015 Long Range Action Plan Overview of Investment Update - Loan portfolio Overview of Investment Update - SWIFT portfolio Overview of Investment Update - Fixed income portfolio Litigation Report from the Office of General Counsel 2015 Fitting The Pieces Together Conference		
05/09/14	<i>Board of Directors Meeting - Agenda Items</i>	CSURMA Meeting	Completed
	Campus Risk Pools Program Funding Status Rating Plans Task Group Reports a. Campus Program b. Student Insurance Programs FY 2014/2015 Campus Pooled Program Gross Funding Adoption of the FY 2014/2015 CSURMA Operating Budget Recommendation of Adoption of Revised Investment Policies Proposed Amendment to the Liability Memorandum of Coverage Nominating Committee Report and Executive Committee Elections Annual Review of Policies and Procedures Workers' Compensation Program Claims Closure Initiative Minors on Campus Training Initiative Review of FY 2014/2015 Long Range Planning Goals Fitting the Pieces Together Conference 2015 Unemployment Insurance Update Status of Form 700 Filings Update on Concussive Injuries Initiatives CSURMA Vendor Survey		
05/27/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Canceled
JUNE 2014			
06/05/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
06/30/14	<i>AORMA Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
JULY 2014			
07/01/14	Financial audit prep with KPMG	Alliant Staff / RM	
07/15/14	Final FY Payroll - request from Chancellor's Office	Alliant Staff	
07/21/14	Upon receipt of loss data begin semi-annual loss charts for RM meeting in October and to be sent to member	Alliant Staff	
07/31/14	Actuarial Study - receive draft and forward to RM	Alliant Staff	Completed
07/02/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed

CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
07/15/14	<i>AORMA Officers Retreat - Agenda Items</i>	AORMA Officers	Completed
07/28/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Completed
AUGUST 2014			
08/13/14	CSURMA EC 09/12/14 Mtg - Agenda TOC/Prep	Alliant Staff	Completed
08/14/14	CSURMA EC 09/12/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Completed
08/22/14	CSURMA EC 09/12/14 Mtg - Get Quorum	Alliant Staff	
08/21/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Canceled
SEPTEMBER 2014			
09/01/14	Annual Report of Financial Transactions - start process	Alliant Staff / Accounting	
09/01/14	Stewardship Report	Alliant Staff	
09/02/14	CSURMA EC 09/12/14 Mtg - Agenda Mailing	Alliant Staff	
09/12/14	CSURMA EC Meeting	Alliant Staff	
09/12/14	Begin preparation of CAJPA Standards review (2014 and every 3 years thereafter)	Alliant Staff	Pending
09/23/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda TOC/Prep	Alliant Staff	
09/24/14	CSURMA BOD 10/24/14 Mtg - Agenda TOC/Prep	Alliant Staff	
09/24/14	CSURMA BOD NMO 10/23/14 Mtg - TOC to Chancellor's Office	Alliant Staff	
09/24/14	CSURMA EC 10/24/14 Mtg - Agenda TOC/Prep	Alliant Staff	
09/25/14	CSURMA BOD 10/24/14 Mtg - TOC to Chancellor's Office	Alliant Staff	
09/25/14	CSURMA EC 10/24/14 Mtg - TOC to Chancellor's Office	Alliant Staff	
09/26/14	CSURMA EC 09/12/14 Mtg - Meeting Minutes completior	Alliant Staff	
09/11-13/14	CAJPA Fall Conference and Training Seminar		
09/10/14	<i>AORMA Committee Long Range Planning Meeting</i>	AORMA Meeting	
09/11/14	<i>AORMA Committee Meeting</i>	AORMA Meeting	
09/12/14	<i>Exeuctive Committee Meeting - Agenda Items</i>	CSURMA Meeting	
	Quarterly Financials (as of 06/30) - submit for approval Quarterly Investment Reports (as of 06/30) - submit for approval Review Financial Audit or DRAFT Review and approve actuarial studies Campus Risk Pool Rates Investment Policy Begin preparation of CAJPA Standards review (2014 and every 3 years thereafter)		
09/29/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	
OCTOBER 2014			
10/01/14	Annual Report of Financial Transactions - File	Alliant Staff / Accounting	
10/02/14	CSURMA BOD NMO 10/23/14 Mtg - Get Quorum	Alliant Staff	
10/03/14	CSURMA BOD 10/24/14 Mtg - Get Quorum	Alliant Staff	

CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
10/03/14	CSURMA EC 10/24/14 Mtg - Get Quorum	Alliant Staff	
10/13/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda Mailing	Alliant Staff	
10/14/14	CSURMA BOD 10/24/14 Mtg - Agenda Mailing	Alliant Staff	
10/14/14	CSURMA EC 10/24/14 Mtg - Agenda Mailing	Alliant Staff	
10/23/14	CSURMA BOD NMO Meeting	Alliant Staff	
10/24/14	CSURMA BOD Meeting	Alliant Staff	
10/24/14	CSURMA EC Meeting	Alliant Staff	
10/23/14	AORMA Committee Meeting	AORMA Meeting	
10/24/14	Exeuctive Committee Meeting - Agenda Items	CSURMA Meeting	
	Quarterly Financials (as of 09/30) - submit for approval Quarterly Investment Reports (as of 09/30) - submit for approval Financial Audit - review draft submission 2015 Meeting Calendar - submit for approval 2015 Service Calendar - submit for approval Student Travel Accident Insurance Renewal Claims Administration Audit (GL Odd years, WC even years) - submit for approval		
10/24/14	Board of Directors Meeting - Agenda Items	CSURMA Meeting	
	Quarterly Financials (as of 06/30 and 09/30) - submit for adoption Quarterly Investment Reports (as of 06/30 and 09/30) - submit for adoption Financial Audit - submit for adoption 2015 Meeting Calendar - submit for adoption 2015 Service Calendar - submit for adoption CAJPA review report (2014 and every 3 years thereafter)		
NOVEMBER 2014			
11/05/14	CSURMA EC 12/05/14 Mtg - Agenda TOC/Prep	Alliant Staff	
11/06/14	CSURMA BOD NMO 10/23/14 Mtg - Meeting Minutes completior	Alliant Staff	
11/06/14	CSURMA EC 12/05/14 Mtg - TOC to Chancellor's Office	Alliant Staff	
11/07/14	CSURMA BOD 10/24/14 Mtg - Meeting Minutes completior	Alliant Staff	
11/07/14	CSURMA EC 10/24/14 Mtg - Meeting Minutes completior	Alliant Staff	
11/14/14	CSURMA EC 12/05/14 Mtg - Get Quorum	Alliant Staff	
11/25/14	CSURMA EC 12/05/14 Mtg - Agenda Mailing	Alliant Staff	
11/28/14	Campus Risk Pool Deductible - Confirm (every 3 years - 2014, 2017, 2020)	Alliant Staff	
11/28/14	Confirm BOD Member and Alternate on file	Alliant Staff	
11/28/14	Confirm holdres of Campus Claims Settlement Authorities	Alliant Staff	
11/28/14	Email program manual to members	Alliant Staff	
11/28/14	Send campus risk pool renewal budget	Alliant Staff	
11/17/14	MSLCT Committee Meeting (Teleconference)	AORMA Meeting	
DECEMBER 2014			
12/01/14	Send out member survey	Risk Management	
12/05/14	CSURMA EC Meeting	Alliant Staff	
12/15/14	Property Schedules to Members for review - deadline 30 days	Alliant Staff	



CSURMA JPA ADMIN AND CAMPUS RISK POOL SERVICE CALENDAR

DRAFT

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	STATUS
12/19/14	CSURMA EC 12/05/14 Mtg - Meeting Minutes completion	Alliant Staff	
12/30/14	Financial Audit - mail to Secretary of State and County of Official Address	Alliant Staff/Accounting	
<i>12/04/14</i>	<i>AORMA Committee Meeting</i>	AORMA Meeting	
<i>12/05/14</i>	<i>Executive Committee Meeting - Agenda Items</i>	CSURMA Meeting	
	Quarterly Financials (as of 09/30) - submit for approval????? Are these reviewed at the October meeting? Quarterly Investment Reports (as of 09/30) - submit for approval????? Would this be reviewed at Oct meeting? Annual review of Conflict of Interest Code Claims Audit Report (GL odd years, WC even years) - review and provide recommendations to BOD		
<i>12/11/14</i>	<i>Program Committee Meeting (Teleconference)</i>	AORMA Meeting	

CSURMA EXECUTIVE COMMITTEE AND STAFF CONTACT LIST

ISSUE: Attached is a list of CSURMA Executive Committee member and the Program Administrators.

RECOMMENDATION: It is recommended that members review the list at each meeting for accuracy and make any changes or additions. If there are any changes, please contact Tevea Him at thim@alliant.com.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee and Staff Contact List

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
JPA Program Administrator – Alliant Insurance Services, Inc.				
Certificate of Insurance Requests	Hsan Htein Van Rin	hhhtein@alliant.com vrin@alliant.com	415-403-1452 415-403-1408	415-874-4810 415-874-4810
General CSURMA Coverage Questions	Robert Leong Van Rin Hsan Htein Daniel Howell	rleong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
General AORMA Coverage Questions	Mimi Long Van Rin Hsan Htein Daniel Howell Melissa Diaz	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com mdiaz@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426 415-403-1444	415-874-4810 415-874-4810 415-874-4810 415-874-4810 415-874-4810
Inland Marine	Van Rin Hsan Htein Mimi Long	vrin@alliant.com hhhtein@alliant.com mlong@alliant.com	415-403-1408 415-403-1452 415-403-1423	415-874-4810 415-874-4810 415-874-4810
Participant Accident Insurance (PAI)	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Special Events Insurance	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Foreign Travel Program	Stacey Weeks Van Rin	sweeks@alliant.com vrin@alliant.com	415-403-1448 415-403-1408	415-874-4810 415-874-4810
General Risk Management Questions	Mimi Long Van Rin Hsan Htein Daniel Howell	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
Workers' Compensation Claims Consultant	Jacki Graf	jgraf@alliant.com	415-403-1438	415-874-4810
Alliant Claims Consulting	Robert Frey Diana Walizada Michelle Maffei Martin Fox-Foster Elaine Kim	rfrey@alliant.com dwalizada@alliant.com mmaffei@alliant.com martin.fox-foster@alliant.com ekim@alliant.com	415-403-1445 415-403-1453 415-403-1418 415-403-1417 415-403-1458	415-403-1466 415-403-1466 415-403-1466 415-403-1466 415-403-1466
Form 700	Tevea Him	thim@alliant.com	415-403-1416	415-402-0773
Website and Technology Questions	Melissa Diaz Myron Leavell	mdiaz@alliant.com mleavell@alliant.com	415-403-1444 415-403-1404	415-874-4810 415-874-4810

CSU Chancellor's Office

CSU Chancellor's Office	Zachary Gifford	zgifford@calstate.edu	562-951-4568	562-951-4859
	Rebecca Skidmore	rskidmore@calstate.edu	562-951-4574	562-951-4859
	Leona Ching	lching@calstate.edu	562-951-4580	562-951-4859
	Alice Kim	akim@calstate.edu	562-951-4627	562-951-4865
	Kelly Cox	kcox@calstate.edu	562-951-4611	562-951-4865
	Mandy Wong	mwong@calstate.edu	562-951-4578	562-951-4865
	Rima Tanuwidjaja	rtanuwidjaja@calstate.edu	562-951-4621	562-951-4856
	Robert Eaton	reaton@calstate.edu	562-951-4572	562-951-4971
	Audra Reed	areed@calstate.edu	562-951-4564	562-951-4971
	William Hsu	whsu@calstate.edu	562-951-4500	562-951-4956

CSURMA EXECUTIVE COMMITTEE MEMBERS

Effective at July 1, 2014

Seat	Member	Position	Campus	Organization	E-Mail	Telephone Number
Chair	Cynthia Teniente-Matson	Vice President for Administration	Fresno	California State University Fresno	cmatson@csufresno.edu	559-278-2083
Vice Chair	Linda Hawk	Vice President, Finance & Administrative Services	San Marcos	California State University San Marcos	lhawk@csusm.edu	760-750-4950
Secretary Auditor	Robert Eaton	Acting Deputy Assistant Vice Chancellor	Chancellor's Office	California State University, Office of the Chancellor	reaton@calstate.edu	562-951-4572
Treasurer	George V. Ashkar	Assistant Vice Chancellor, Financial Services	Chancellor's Office	California State University, Office of the Chancellor	gashkar@calstate.edu	562-951-4671
At Large	Frank Mumford	CSU Fullerton Auxiliary Services Corporation	Fullerton	CSU Fullerton Auxiliary Services Corporation	fmumford@fullerton.edu	657-278-4101
At Large	Lisa Chavez	Vice-President, Administration and Chief Financial Officer	Los Angeles	California State University Los Angeles	lisa.chavez@calstatela.edu	323-343-3500
At Large	Lori Gentles	Vice President, Human Resources	Fullerton	California State University Fullerton	lgentles@fullerton.edu	657-278-2560
At Large	Michael Thorpe	Risk Manager	Chico	California State University Chico	methorpe@csuchico.edu	530-898-6588
At Large	Ming Tung (Mike) Lee	Vice President, Administration and Chief Financial Officer	Sacramento	California State University Sacramento	mikelee@csus.edu	916-278-6312
At Large	Robert de Wit	Chief Financial Officer	Long Beach	Forty-Niner Shops, Inc. California State University Long Beach	Robert.Dewit@csulb.edu	562-985-5549

CAJPA FALL CONFERENCE AND TRAINING SEMINAR

ISSUE: Attached is the brochure for 2014 CAJPA Fall Conference and Training Seminar.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CAJPA Fall Conference and Training Seminar

Building Your Bench.

Teamwork. Tools. Tactics. *Become an all-star.*

★ ★ ★ 2014 CAJPA Conference ★ September 16 - 19, 2014 ★ ★ ★



CAJPA 2014 Fall Workshop
& Training
Preliminary Program



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CAJPA 2014 Fall Workshop & Training Preliminary Program



FINANCE

A GAME PLAN FOR GASB 68 IMPLEMENTATION

GASB 68 Pension Reform will soon be implemented. This session will focus on the requirements which must be considered, the actuary reports needed and examples of what this change will cost the pools. Be prepared for the changes ahead as GASB 68 pension reform becomes a reality.

At the end of the session, the attendee should be able to:

- Understand the process a JPA will need to consider in recording the liability.
- See how this reform affect a JPA's bottom line.
- Know the actuary requirements needed to complete this process.

Speakers:

- Kevin Smith, Partner, Crowe Horwath
- Matt Nethaway, Partner, Crowe Horwath
- Ken Hearnberger, Finance Manager, North Bay Schools Insurance Authority

Moderator: Dianna Sutton, Finance Manager, ACWA/JPIA

Interest Area: FINANCE, TECHNOLOGY, GENERAL INTEREST

THE BUSINESS OF FRAUD

The business of fraud is rapidly catching up to the business of doing regular business. Defined as "Wrongful or criminal deception intended to result in financial or personal gain" Companies and consumers are taking a hit from this costly issue. This session will focus on statistics of fraud from various categories of fraud, how to identify fraud and what measures can be taken to combat fraud. At the end of the session, the attendee should be able to:

- Have knowledge of the rise in fraud in today's environment
- Understand the various methods of committing fraud and how to recognize them
- Learn ways to prevent fraud at your company and personally

Speaker:

- Veenindra Singh, First Vice President, Treasury Management Consultant, California Bank & Trust

Moderator: Dianna Sutton, Finance Manager, ACWA/JPIA

Interest Area: FINANCE, TECHNOLOGY

CAPITAL BASE – EXPECTATIONS AND SOLVENCY

As pools mature and extend their retained exposures, long-term capital needs change. The measurement of sufficient capital has evolved. This session will address pool funding from a capitalization approach to protect against the surplus deficit swings that many pools have encountered. Learn why a capital modeling approach is being used more and more across the country.

At the end of the session, the attendee should be able to:

- Provide clarity on the "appropriate pool surplus" question.
- Critique the common measure used by many pools to evaluate funding inadequacy.
- Present at a high level an alternative approach to develop target surplus levels.
- Relate how the results of a capital modeling study can be used to provide a framework to answer common pool financial questions.
- Outline key milestones for making the transition from a "cash call" to a "risk transfer" business model.

Speaker:

- Kevin Wick, FCAS, MAAA

Moderator: James Marta, CPA ARMP, James Marta & Co., LLP

Interest Area: FINANCE, TECHNOLOGY

CASH FLOW FORECASTING AND BENCHMARKING- TOOLS TO HELP YOUR ASSETS MEET YOUR LIABILITIES

Forecasting cash flows for administration costs, claims payments, and reserves is a sure win approach to ensure that assets meet liabilities. Get the answer to the question: Should these financial demands be viewed as a single pool of dollars or segregated for different purposes? Learn how benchmarking is a tool that can improve the ability to meet future liabilities.

At the end of the session, the attendee should be able to:

- Get information needed to manage cash flow for investing.
- Understand how to help ensure that the investment portfolio meets future liability needs.
- Learn how using appropriate benchmarks will help manage the portfolio along the way.

Speaker:

- Martin Cassell, CEO, Chief Investment Officer, Chandler Asset Management

Moderator: Vicki Walters, CPA, Controller, CSAC EIA

Interest Area: FINANCE, TECHNOLOGY

In depth information regarding content, speakers and interest areas. Get your game-plan ready.

WORKERS' COMPENSATION

MORE CARE EARLY EQUALS BETTER OUTCOMES – THE NEW BENCHMARK

A recent study of four injury categories in workers' compensation was completed by Harbor Health Systems. The results, treatment outcomes and recommendations for cost control of workers' compensation programs will be discussed. This information will help pool professionals understand how timely access to care can impact the overall claims costs and develop strategies for engaging Utilization Review partners to make smart decisions about when to authorize care.

At the end of the session, the attendee should be able to:

- Identify cost trends and timing of care relating to specific orthopedic injuries.
- Have the tools to identify the proper doctors to utilize for treatment of injured workers.
- Create strategic partnering with healthcare specialists to achieve ultimate medical and fiscal goals.

Speakers:

- Dr. Douglas Benner, MD, Chief Medical Officer, EK Health
- Greg Moore, MPH, Harbor Health Systems, LLC

Moderator: Kami Linan, Workers' Compensation Manager, North Bay Schools Authority

Interest Area: WORKERS' COMPENSATION, HEALTHCARE, HUMAN RESOURCES, GENERAL INTEREST

WORKERS' COMPENSATION AND HEALTHCARE FRAUD – THE HEAVY IN THE ROOM

Fraud can be found in many fields. Most familiar is workers compensation fraud but industrywide, there has been a growing increase in provider fraud, healthcare fraud and premium fraud. This session will provide data on California's strategy to tackle this growing problem. Real life examples will be used to show what to do when fraud is suspected.

At the end of the session, the attendee should be able to:

- Strengthen awareness of the growing fraud in this industry.
- Identify trends that are indicators of fraud.
- Access the tools for monitoring specific types of fraud.

Speakers:

- Donald C. Marshall, VP/National Director –SIU, Zenith Insurance Company and Chairman of the California Fraud Assessment Commission
- Shaddi Kamiabipour, Deputy District Attorney, Orange County District Attorney's Office Insurance Fraud Unit
- John Riggs, Compensation Manager, Disney Resort

Moderator: Carolyn Richard, ARM, Director, Public Agencies Division, Law Offices of Stacey L. Tokunaga

Interest Area: WORKERS' COMPENSATION, HEALTHCARE, GENERAL INTEREST



Become an all-star.

Teamwork. Tools. Tactics.

A TEAM APPROACH TO LEGACY CLAIMS - GET THESE DOLLARS OFF YOUR BOOKS

The only “good claim is a closed claim” is as true today as it was 30 years ago. Get insight into the rising cost of aged claims and learn tools to help identify what it will take to score a settlement. Real life examples of creative settlements that closed claims and ultimately saved financial resources. Pools win when there are more claims closed with a Compromise and Release agreement.

At the end of the session, the attendee should be able to:

- Learn how legacy claims have become such a financial burden to an agency.
- Discover techniques to settle aged file.
- Know how to remove large reserves and close claims permanently.

Speakers:

- Alex Swedlow, President, CWCI
- Noah Schwartz, CSSC, Ringler Associates

Moderator/Speaker: Carolyn Richard, ARM, Director, Public Agencies Division, Law Offices of Stacey L. Tokunaga

Interest Area: FINANCE, TECHNOLOGY, WORKERS' COMPENSATION, POOL MANAGERS, HUMAN RESOURCES

WORKERS' COMPENSATION COST BENCHMARKING AND SOLVENCY – WHAT THE DATA SHOWS AND WHY IT IS IMPORTANT TO THE PUBLIC SECTOR

SB 863 brought a lot of changes to the workers' compensation industry. One change promoted by CAJPA, was the collection of detailed cost data on public agency claims. Historically, data on public agencies was absent from information relied upon during public policy deliberations. Our victory is now moving forward with the study of public sector data benchmarking and solvency underway.

At the end of the session, the attendee should be able to:

- Compare the data provided with their own agency results.
- Learn the different methods that public agencies budget and fund for claims and related costs recommendations for improvement.
- Understand how future data collection by the DIR can be used for benchmarking public policy analysis and user assessments.

Speakers:

- Greg Trout, Chief Executive Officer, Bickmore
- Lachlan Taylor, Acting Executive Officer, CHSWC

Moderator: Nancy Broadhurst, ARM, Director, Finance & Accounting Services, Bickmore

Interest Area: FINANCE & TECHNOLOGY, LEGISLATIVE, WORKERS' COMPENSATION, POOL MANAGER, GENERAL INTEREST

THE OPIOID EPIDEMIC: CURRENT TRENDS AND OPTIONS

Despite 10 years of public policy and market-based controls, opioid use within the workers' compensation system remains at high levels. New utilization and cost trend data is available and emerging research on the potential utility of new controls. The session will use real world examples of successful patient intervention strategies as well as suggestions for managed care program and system refinements that have been successful models for addressing this challenge.

At the end of the session, the attendee should be able to:

- Understand current trends in opioid use in treatment of occupational injury.
- Understand the adverse effects of graduated, off-label opioid use on recovery and return-to work.
- Consider and apply practical options to intervention.

Speaker:

- Alex Swedlow, President, California Workers' Compensation Institute
- Dr. Richard Reimer, Medical Director, SIA

Moderator: Debra Russell, Director, Workers' Compensation Program, SIA

Interest Area: WORKERS' COMPENSATION, HEALTHCARE, POOL MANAGERS

playbook

Study, learn
and execute.



LEGISLATIVE

INSIDE JPA'S LEGISLATIVE PLAYBOOK

CAJPA's legislative team will take the attendee inside the legislative advocacy program, introduce the team's managers and star players, and talk about some of the key bills worked on this past session. The team promises a bit of fun, some hands on practice play and a lot of information about how CAJPA is working throughout the year to ensure members are well-represented in the legislative game.

At the end of the session, the attendee should be able to:

- Understand how the CAJPA Legislative Committee is structured.
- See how the committee operates.
- Understand the key bills and issues of interest to CAJPA members.

Speakers:

- Julianne Broyles, CAJPA Legislative Advocate, California Advocates, Inc.
- Katherine Zalewski, WCAB Deputy Commissioner, State of California

Moderator: Janet Selby, ARM, Municipal Pooling Authority

Interest Area: LEGISLATIVE, BOARD/GOVERNANCE, POOL MANAGERS

INSIDE THE DIR LOCKER ROOM

Come and hear about the current events and issues facing the Department of Industrial Relations (DIR). When SB 863 was passed in 2012, the ball was handed to them to develop regulations for many of the new laws. DIR was also charged with overseeing Cal OSHA and the Self-Insurance Plans, which often impacts CAJPA member operations. Hear directly from the head coach, Christine Baker, DIR Director.

At the end of the session, the attendee should be able to:

- Know the status of regulatory implementation of post SB 863.
- Ask questions of Christine Baker, DIR Director.
- Express concerns to Christine Baker, DIR Director.

Speaker:

- Christine Baker, Director, Department of Industrial Relations

Moderator: Janet Selby, ARM, Municipal Pooling Authority

Interest Area: LEGISLATIVE, WORKERS' COMPENSATION, POOL MANAGERS, LOSS CONTROL, BOARD/GOVERNANCE

ACCREDITATION

JPA AGREEMENTS, BYLAWS AND MOCS

Game-changing plays in any risk pool playbook are the organized documents including the JPA agreements, bylaws and memorandum of coverage. Reviewed during the CAJPA accreditation process, winners and losers are discovered. There are many legal requirements and opportunities for clarification which could save dollars and avoid disagreements.

At the end of the session, the attendee should be able to:

- Understand what is required to be in a JPA agreement and bylaws.
- Understand why a memorandum of coverage is needed.
- Identify what should be addressed in a memorandum of coverage.

Speakers:

- James Marta, CPA, ARMP, James Marta & Company, LLP
- Robin Johnson, Attorney-at-Law, Law Office of Robin Johnson
- Douglas Alliston, JD, Murphy Campbell Alliston & Quinn

Moderator: Mike Fleming, Chief Executive Officer, CSAC EIA

Interest Area: FINANCE, TECHNOLOGY, BOARD/GOVERNANCE, POOL MANAGER, PROPERTY & LIABILITY, GENERAL INTEREST

DRAFTING MEMORANDA OF COVERAGE

Make sure all your bases are covered when drafting a Memorandum of Coverage (MOC). The session will discuss the provisions generally required of all MOCs as well as those unique to liability or property coverage. Learn how to avoid falling victim to "traps" MOC developers experience during the drafting process.

At the end of the session, the attendee should be able to:

- Understand the need for a Memorandum of Coverage.
- Learn the provisions that need to be included in the Memorandum.
- Be aware of the traps involved when drafting a memorandum.

Speakers:

- Robin Johnson, Attorney-at-Law, Law Office of Robin Johnson
- Doug Alliston, Attorney, Murphy, Campbell, Alliston & Quinn, PLC

Moderator: James Marta, CPA, ARMP, James Marta & Company, LLP

Interest Area: WORKERS' COMPENSATION, BOARD/GOVERNANCE, POOL MANAGER, PROPERTY & LIABILITY

CAJPA MEMBERS EMPLOY MORE THAN 800,000 PEOPLE AND PROVIDE LOCAL GOVERNMENT SERVICES TO NEARLY ALL CALIFORNIA RESIDENTS.



MEDICAL INJURY COMPENSATION REFORM ACT (MICRA)

MICRA is again center court as members of the California Legislature review the act and a ballot measure qualifies for the November election. The effects of the changes on the costs in health care and other indirect effect on other liability and workers' compensation pools.

At the end of the session, the attendee should be able to:

- Learn how the provisions of MICRA help control medical costs in California.
- Learn how the attempted changes to MICRA may increase the costs of medical treatment in California and other states.
- Learn how MICRA initiative will affect all Californians.

Speaker:

- Lisa Maas, Executive Director, Californians Allied for Patient Protection

Moderator: Tom Wander, CEO, BETA Healthcare Group

Interest Area: LEGISLATIVE, BOARD/GOVERNANCE, POOL MANAGERS, HUMAN RESOURCES, GENERAL INTEREST

TORT LIABILITY UPDATE

Every day, courts publish new decisions impacting public agencies. While being aware of new decisions can improve your risk management batting average, failing to understand them can cause you to strike out when responding to claims and litigation. This session will cover some of the latest court decisions affecting the liabilities of risk sharing pool and member agencies.

At the end of the session, the attendee should be able to:

- Understand the recent changes in case law and how they affect the liability of public entities.
- Obtain information that can be put into immediate practice in analyzing claims and risks.
- Receive helpful tips addressing the different types of liability facing public entities and agencies today.

Speaker:

- Judy McKelvey, Partner, Pollak, Vida & Fisher

Moderator: Daniel Barer, Partner, Pollak, Vida & Fisher

Interest Area: PROPERTY & LIABILITY

MOCK MEDIATION: A SCHOOL EMPLOYMENT DISPUTE (TRY 1)

As Perry Mason had you believe you were watching real courtroom drama, this session will make you believe you are part of a real liability case mediation. As the drama unfolds, breaks will take place to allow attendees to ask questions of both sides and inquire into the thoughts and actions of the mediator. Learn strategies of effective mediation in an interactive environment.

At the end of the session, the attendee should be able to:

- Understand the mediation process from both parties' viewpoints.
- Develop a better understanding of successful strategies in mediation.
- Identify and discuss the impacts that different personalities and their relationships to each other have on the mediation process

Speakers:

- Ernest Long, Mediator, Ernest A. Long Alternative Dispute Resolution
- Jill Sazama, Partner, Boornazian, Jensen & Garthe

Moderator: Brad Reager, Excess Liability Claims Manager, CSAC EIA

Interest Area: PROPERTY & LIABILITY

MOCK MEDIATION: A MULTI-PARTY CIVIL RIGHTS DISPUTE (TRY 2)

Strategy and drama continues in Mock Medication Try 2 but this time the mediation is a multi-party civil rights charge. Try 2 is a standalone session so if you didn't make Try 1 this is another opportunity to learn tactics of effective mediation in an interactive environment.

Speakers for this session are the same as Try 1

Moderator: Brad Reager, Excess Liability Claims Manager, CSAC EIA

Interest Area: PROPERTY & LIABILITY, LEGISLATIVE, GENERAL INTEREST

THE LAW OF SOCIAL MEDIA IN THE WORKPLACE

Rules on using social media is far from a slam dunk! This session will review case law and legislation on the issues involved in the use of social media by employees during working hours including comments about the employer or employment conditions. Does the employer have the right to view employee's social media sites and what happens when one side calls foul?

At the end of the session, the attendee should be able to:

- Understand the laws affecting employers and their abilities to use information from social media sites.
- Understand proper disciplinary action an employer may take for an employee's misuse of social media.
- Learn ways to limit the use of social media both on and off the job.

Speaker:

- Hannibal Odisho, Attorney, Allen, Glaessner & Werth, LLP; Joe Kriskovich, Administrative Services Director, City of Manteca

Moderator: Craig Schweikhard, Claims Administrator, CJPRMA

Interest Area: HUMAN RESOURCES, PROPERTY & LIABILITY, GENERAL INTEREST, POOL MANAGERS

TECHNOLOGY

CYBER RISK AND MITIGATION STRATEGIES FOR THE REAL WORLD

This segment will focus on the common causes of data breaches at governmental organizations sharing realistic and budget conscious management strategies for combating the most likely causes of data loss. However, even the best information management system isn't a slam dunk. This session will include a discussion of what happens after a breach is discovered and use real examples to highlight the stages of breach response and the role insurance can play in mitigating the damage.

At the end of the session, the attendee should be able to:

- Identify relevant data security and information privacy risks.
- Implement meaning risk reduction strategies that do not require an investment in new technology.
- Respond to a data breach.

Speaker:

- Inga Goddijn, EVP and Managing Director of Insurance Services, Risk Based Security

Moderator: Ann Gergen, Managing Director, AGRiP

Interest Area: TECHNOLOGY

CHANGE THE FUTURE

Pool leaders want to evaluate performance against industry standards in an effort to identify risk areas, quantify pool health or maintain competitive parity. How do you identify the relevant metrics? This session will discuss approaches to building key metrics for claims and financial management and loss prevention to help you understand what to measure, how to measure and what it all means.

At the end of the session, the attendee should be able to:

- Relevant metrics for your risk sharing pool.
- Industry standards and how to use them to evaluate your pool's performance.
- Measuring your pools performance with metrics.

Speaker:

- Frank Ono, President, The iFish Group, Inc.

Moderator: Carl Sandstrom, Business Projects Manager, California Joint Powers Insurance Authority

Interest Area: TECHNOLOGY

GOVERNMENT

BROWN ACT: UPDATE AND EMERGING ISSUES

If there is one thing you can count on with the Brown Act, the game will change on a regular basis. This program will score by addressing recent cases and court decisions as well as new legislative changes relating to use of texts and email during meetings, blogging and other social media as well as new voting requirement. There will be time outs to take questions from the participants.

At the end of the session, the attendee should be able to:

- Understand how to set agendas and conduct meetings.
- Know the implications of e-mails, blogs and other electronic media during meetings.
- Learn "best practices" as they relate to the Brown Act.

Speakers:

- Harriet Steiner, Partner, Best Best & Krieger, LLP
- Kimberly Hood, Associate, Best Best & Kreiger, LLP

Moderator: Melissa Weis, CSEBA/SCSRM JPA

Interest Area: POOL MANAGERS, BOARD/GOVERNANCE, GENERAL INTEREST

TACKLING PUBLIC AGENCY BANKRUPTCY

Sadly, many public agencies are finding their ticket sales are down and their costs continue to rise. This session will detail federal and state laws regarding the bankruptcy of public agencies. It will explore and bankruptcies that have occurred across the country and the impacts on society. Head to the sidelines armed with key elements within organizational documents that may protect pool interests while a member is resolving a fiscal crisis.

At the end of the session, the attendee should be able to:

- Learn the key elements of bankruptcy and the laws governing actions prior, during and after the bankruptcy.
- Understand the significant issues that impact public agencies during bankruptcy.
- Gain valuable lessons learned from a pool that has experienced two members that filed for bankruptcy protection.

Speakers:

- Byrne Conley, Partner, Gibbons and Conley
- David Clovis, ARM-P, General Manager, California Joint Powers Risk Management Authority

Moderator: C. Paul Frydendal, CPA, Chief Financial Officer, SDRMA

Interest Area: BOARD/GOVERNANCE, POOL MANAGERS

I'VE ALWAYS BELIEVED NO MATTER HOW MANY SHOTS I MISS,
I'M GOING TO MAKE THE NEXT ONE.

– ISIAH THOMAS



SUCCESSION PLANNING IN RISK MANAGEMENT (FIRST HALF)

The first half of this program will focus not only on the Millennium Generation, but all generations focusing on the skills and values various generations offer to risk management operations. This will be complimented with a discussion on how the “Millennials” entering the workforce have their own set of skills and values to offer the risk management profession and the professional values they hold..

At the end of the session, the attendee should be able to:

- Learn the skills and values of the next generation.
- Discover what to look for when hiring or training the generation.
- Understand the opportunities available for candidate selection and training for the next generation.

Speaker:

- Dr. Jessica Kriegel, Global Organizational Development Consultant, Oracle Corp.

Moderator: Bonnie Kolesar, Risk Manager, Solano County

Interest Area: Pool Managers, Human Resources, Governance

SUCCESSION PLANNING IN RISK MANAGEMENT – THE NEXT GENERATION (SECOND HALF)

Following half-time, the second session will be a dynamic panel on succession planning and how to prepare the next generation for risk management. The future is here, ever evolving and pools need to be prepared. The next generation may not look, act or sound like past generations, and pool leaders need to recognize their valued assets, motivate and mentor to ensure our agencies future.

At the end of the session, the attendee should be able to:

- Learn the skills and values of the next generation.
- Discover what to look for when hiring or training the generation.
- Understand the opportunities available for candidate selection and training for the next generation.

Speakers:

- Dr. Jessica Kriegel, Global Organizational Development Consultant, Oracle Corp.
- Zachary Gifford, Associate Director, Systemwide Risk Management
- Dr. Yue Liu, Professor, California State University Fullerton, Mihaylo College of Business & Finance

Moderator: Bonnie Kolesar, Risk Manager, Solano County

Interest Area: POOL MANAGERS, HUMAN RESOURCES, BOARD/GOVERNANCE

THE STATION NIGHTCLUB FIRE DISASTER: PUBLIC OFFICIALS LIABILITY COLLIDES WITH PUBLIC POLICY

The Station Nightclub Fire in West Warwick, Rhode Island, the 4th deadliest fire in U.S. history, is not only a horrific human tragedy on many different levels, but also dramatizes the inherent tension between public officials’ liability and sound public policy. Learn the details of the stunning \$176 million “settlement”, the transformation of the lawsuit into a products liability claim and alternative ways to resolve mass public catastrophes.

At the end of the session, the attendee should be able to:

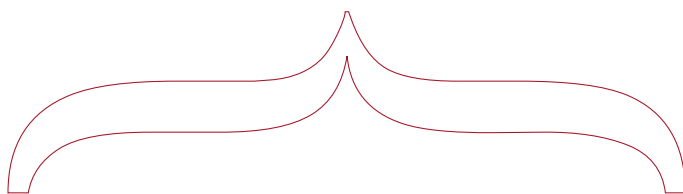
- See new perspectives and have an enhanced understanding of the tension between public liability and public policy relative to public safety.
- Understand the inadequacy of our civil justice system in the face of mass catastrophes and its implications on various aspects of our society.
- Gain an appreciation of the pool’s role and attendant claims handling considerations which are strikingly different than normal when a mass catastrophe claim occurs.

Speaker:

- Tom Dwyer, Retired CEO, Rhode Island Interlocal Insurance Trust

Moderator: Jenny Emery, Strategic Advisor, AGRiP

Interest Area: BOARD/GOVERNANCE, POOL MANAGERS, LIABILITY, GENERAL INTEREST



improve.

Prepare to
get better.



SURPLUS IS A CONCEPT, NOT A NUMBER

Pool leaders continue to struggle with how to determine the appropriate level of surplus and how the level might change over time or within different circumstances. This is not a session about how to do “Monte Carlo” simulations or “dynamic financial analysis,” but rather how policy needs to be set, justified, evaluated, and reset throughout the life of a pool.

At the end of the session, the attendee should be able to:

- Learn a different way to understand surplus and its role in your risk sharing pool.
- Understand the wide range of approaches to surplus used by pools, and the advantages and disadvantages.
- Through the details of a recent state supreme court ruling, consider the risks involved in the concept of surplus for pools given the lack of understanding by non-pooling professionals, and the public sector nature of pools.

Speakers:

- Jenny Emery, Strategic Advisor, AGRiP
- Ann Gergen, Managing Director, AGRiP
- Alex Smith, CFO, California Joint Powers Insurance Authority

Moderator: Martin Cassell, CFA, CEO, Chief Financial Officer, Chandler Asset Management

Interest Area: FINANCE, POOL MANAGERS, BOARD/GOVERNANCE

ALTERNATIVE REGULATORY STRUCTURES FOR POOLS – WHAT IF BEING A JPA ISN’T ENOUGH?

California’s JPA structure is elegant in its simplicity, but pools thrive throughout the country under a variety of regulatory structures. Nobody thinks they want to be regulated, but sometimes regulations turn out protecting the regulated. This session will explore the alternative regulatory structures that exist for member-owned, member-governed risk management pools, and offer food for thought regarding management of political and regulatory risk.

At the end of the session, the attendee should be able to:

- Understand the risk of a change in the political or regulatory landscape.
- Learn how alternative structures – especially captives – might be used to manage and mitigate this risk.
- Hear specific examples of what a JPA can do, and how, if it wants to manage and mitigate political risk through a captive.

Speakers:

- Patrick Theriault, Managing Director, SRS
- Joel Kress, Underwriting Manager, GEM

Moderator: Jenny Emery, Strategic Advisor, AGRiP

Interest Area: POOL MANAGERS, BOARD/GOVERNANCE, GENERAL INTEREST

NATIONAL POOLING ROUNDTABLE

Join us to hear what issues pools across North America are talking about when they do their strategic planning. What are the strengths and weaknesses they face, internally, and the opportunities and threats from the external environment? Come prepared to share and discuss, in the hopes of identifying actionable takeaways for CAJPA and AGRiP members to pursue, for the benefit of pooling everywhere.

At the end of the session, the attendee should be able to:

- Share information on emerging pooling issues nationally, including “pools in the news,” and regulatory and legislative challenges pools are facing.
- Engaged the participants in a SWOT analysis – strengths, weaknesses, opportunities, threats - for the JPA/pooling community
- Brainstorm collective activities that JPA’s/pools are doing, or should consider, to help pools thrive into the future.

Speakers:

- Jenny Emery, Strategic Advisor, AGRiP
- Ann Gergen, Managing Director, AGRiP

Moderator/Speaker: Martin Brady, Executive Director, SIA

Interest Area: FINANCE, BOARD/GOVERNANCE, POOL MANAGERS, GENERAL INTEREST

OPPORTUNITIES AND CHALLENGES UNDER THE ACA FOR COVERED CALIFORNIA, CALPERS AND PURCHASING POOLS

The Affordable Care Act (ACA) created mechanisms for lower wage citizens to obtain subsidized coverage. This presentation will explore the challenges Covered California may present to existing pools like CalPERS and health benefit JPAs. The presentation will also explore the opportunities that have been created for pools, employers and individuals to leverage this new purchasing power. Does that have to be a winner and loser?

At the end of the session, the attendee should be able to:

- Understand the differences in public and private purchasing pools.
- Recognize challenges and opportunities created by the ACA.
- Consider strategies to preserve purchasing pool value.

Speakers:

- Tom Sher, Senior Vice President, Alliant Employee Benefits
- Doug McKeever, Chief, CalPERS

Moderator: Ellen Alcalá, CSEBA JPA and Chair, California Purchasers Health Care Coalition (CPHCC)

Interest Area: HEALTHCARE, BOARD/GOVERNANCE, POOL MANAGERS

EHEALTH: WHERE ARE WE NOW AND WHERE ARE WE GOING?

Each year more than one million new medical articles are published. This year there will be over 7.7 billion mobile devices in use, including phones and tablets. This number is greater than the world's population. What is being done to harness all this data and utilize this technology? A team of experts will discuss what ehealth means for the future of health care.

At the end of the session, the attendee should be able to:

- Have a better understanding of how data and technology are changing the health care delivery system
- Take away information regarding how these changes will impact employee access to healthcare
- Begin to prepare for the coming changes

Speakers:

- Tom Sher, Senior Vice President, Alliant Employee Benefits
- Randy Parker, President & CEO, MDLive
- Elizabeth Bigham, Vice President Health IT Strategy, Wellpoint

Moderator: John Stenerson, Deputy Executive Officer, Self-Insured Schools of California (SISC)

Interest Area: HEALTHCARE, TECHNOLOGY, GENERAL INTEREST

WALKING THE TIGHTROPE – WORKERS' COMPENSATION AND DISABILITY MANAGEMENT

One definition of tightrope is to be in a difficult situation that demands careful and considered behavior. This session will identify and offer solutions to some of the most challenging issues faced by human resources and risk management professionals. This is intended as a practical discussion of responding to issues such as use of transitional work assignments, psychiatric/stress claims vs employees performance and timing of Fitness for Duty exams.

At the end of the session, the attendee should be able to:

- Develop a strategy for compliance with overlapping legal requirements.
- Successfully respond to conflicting medical reports.
- Learn “best practices” from the analysis of mistakes made by others.

Speakers:

- Reanette Fillmer, Human Recourses Consultant, Renne, Sloan, Holtzman, Sakai
- Marcia Whiting, Claims Supervisor, SIA

Moderator: Jen Hamelin, WC Claims Manager, CSAC EIA

Interest Area: HUMAN RESOURCES, WORKERS' COMPENSATION, GENERAL INTEREST

EDUCATION VS. TRAINING AND THEIR IMPACT ON BEHAVIOR-BASED SAFETY

The human factor is part of any sporting event and the most problematic factor of safety. Gain insight on the human mind, how adults learn, how behaviors and habits are formed, and how to overcome bad habits and get employees to make conscious changes to their unsafe behaviors by utilizing proper adult learning techniques and strategies.

At the end of the session, the attendee should be able to:

- Get a better understanding of how adults learn and how the human mind works.
- Understand how habits are formed and broken.
- Learn strategies to get employees to make conscious changes to their unsafe behaviors.

Speakers:

- Eric Preston, ARM-P, Assistant Vice President – Loss Control/Risk Management, Keenan & Associates
- Dr. John Preston, Director of Risk Management, Murrieta Valley Unified School District

Moderator: Susan Trowbridge, Vice President, Property & Casualty, Keenan & Associates

Interest Area: LOSS CONTROL