



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: May 6, 2016
Time: 8:00 AM to 10:30 AM

Primary Location: CSU Chancellor’s Office
401 Golden Shore, Munitz Room
Long Beach, CA 90802

Legend: **A** = Action
I = Information

A. CALL TO ORDER

- 1. Approval of the Agenda A p. 4

B. PUBLIC COMMENTS

C. CONSENT CALENDAR A

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is asked to take action on the consent calendar items as a group, except that a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

- 1. **Approval of Minutes – March 10 and 11, 2016** p. 5
The Committee will be asked to approve the minutes from their last meetings.
- 2. **Financial Report**
 - a. **Receipt and Review of the Draft Financial Statements at March 31, 2016** p. 28
The Committee will be asked to review and accept the unaudited Financial Statement as March 31, 2016.
 - b. **Treasurer’s Quarterly Investment Report** p. 40
The Committee will be asked to review and accept the Treasurer’s Quarterly Investment Report.
- 3. **Annual Review of the CSURMA’s Data Security Policies** p. 42
The Committee will be asked to review and approve the Data Security Policies of the CSURMA.
- 4. **Proposed Cost of Risk Study** p. 47
The Committee will be asked to approve the proposal for the Cost of Risk Reports to be completed by Aon Actuarial Services.

5. **FY 2016/17 Budget Amendments** p. 48
The Committee will be asked to approve the FY 2016/17 budget and recommend adoption by the Board of Directors.
6. **Chancellor’s Office Services FY 2016/17 Memorandums of Understanding** p. 93
The Committee will be asked to approve the Chancellor’s Office Services Budget Proposals from Office of General Counsel and Systemwide Risk Management.

D. GENERAL ADMINISTRATION

1. **FY 16/17 Long Range Action Plan** A p. 101
The Committee will be asked to review and approve the FY 16/17 Long Range Action Plan, with revisions as appropriate.
2. **Insurance Renewals Update and Writer Meeting Report** I p. 105
The Committee will receive a report on the renewals of the excess insurance policies.
3. **Revised Liability Memorandum of Coverage effective July 1, 2016** A p. 107
The Committee will be asked to review the revised Campus Liability MOC and recommend its adoption by the Board of Directors.
4. **Praesidium Proposal** A p. 138
The Committee will be asked to review and approve the renewal proposal, or direct staff as appropriate.
5. **Systemwide Campus Public Safety Risk Mitigation** A p. 160
The Committee will be asked to review and, if appropriate, approve funding for the Systemwide campus safety risk mitigation initiatives.
6. **Evaluation of Captive Insurance Vehicle** A p. 172
The Committee will hear a presentation regarding the formation of a captive insurance company and will be asked to provide direction as appropriate.
7. **Insurance Policy Database** A p. 217
The Committee will hear a presentation by Ventiv and will be asked to delegate authority to the CSURMA Secretary-Auditor to negotiate and execute agreements to obtain software licenses.
8. **Witt O’Brien’s Consulting Services Contract Extension** A p. 219
The Committee will be asked to review and approve the proposed services agreement for two-year period.
9. **Master Enabling Agreement for Transportation** A p. 232
The Committee will be asked to review and approve the proposal submitted by GoGround, providing direction or approval as appropriate.

- 10. **UC Consortium and Web Based Training** A p. 244
The Committee will be asked to discuss and approve the annual cost for the renewal of the on-line training.
- 11. **2016 CSURMA Meeting Calendar** A p. 248
The Committee will be asked to choose an alternative meeting date for the September 9th meeting.
- 12. **Risk Management Innovation Grant Program** A p. 250
The Committee will be asked to review and if appropriate approve grant awards.
- 13. **New Cal OSHA Regulations for Healthcare Facilities** A p. 365
The Committee will be asked to evaluate authorizing a consulting project to develop a master IIPP and delegate authority to the CSURMA Secretary-Auditor to engage a consultant.

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

- 1. **AIME Programs Update** I p. 366
The Committee will receive a verbal report on the AIME program.
- 2. **AORMA Programs Update** I p. 367
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) – A
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.

- 1. SFSU Science Building Loss Update
- 2. Lor vs. California State University, Chico

G. INFORMATION ITEMS

- 1. **Alliant Service Team Update** I p. 368
- 2. **Concussive Mitigation LMS Training Program Status** I p. 370
- 3. **CSURMA Administrative Service Calendar** I p. 371
- 4. **2016 CSURMA Meeting Calendar** I p. 378
- 5. **CSURMA Executive Committee and Staff Contact List** I p. 380
- 6. **CSU IIPP WorkGroup** I p. 385

H. ADJOURNMENT

*The next CSURMA Executive Committee meeting is scheduled for “TBD”.
 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 – MARCH 10 AND MARCH 11, 2016

ISSUE: The Executive Committee will be asked to review and approve the draft minutes from its March 10, 2016 and March 11, 2016 meetings.

RECOMMENDATION: It is recommended that the Executive Committee approve the minutes from its March 10, 2016 and March 11, 2016 meetings, including corrections as necessary.

FISCAL IMPACT: None.

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

PUBLICATION: All CSURMA Executive Committee meeting minutes are posted on the CSURMA website once they are approved.

ATTACHMENT(S):

- a. CSURMA EC Meeting Minutes – March 10, 2016
- b. CSURMA EC LRP Meeting Minutes – March 11, 2016

**MINUTES OF THE
CSURMA EXECUTIVE COMMITTEE MEETING**

MARCH 10, 2016

**ALLIANT INSURANCE SERVICES
100 Pine Street, 11th Floor • San Francisco, CA**

2:30 PM

MEMBERS PRESENT

Scott Apel, California State University Long Beach (*arrived at 2:55 PM*)
Lisa Chavez, California State University Los Angeles
Guy Dalpe (AORMA Vice-Chair), Associated Students, Inc., San Francisco State University
Robert Eaton (Treasurer), California State University, Office of the Chancellor (*via Teleconference*)
Linda Hawk (Chair), California State University, San Marcos
Ming Tung (Mike) Lee, California State University, Sacramento (*via Teleconference*)
Frank Mumford (AORMA Chair), CSU Fullerton Auxiliary Services Corporation
Kevin Saunders, California State University, Monterey Bay

MEMBERS ABSENT

Jody Van Leuven, California State University, San Bernardino

STAFF, GUESTS & CONSULTANTS

Kelly Cox – CSU, Office of the Chancellor
Zachary Gifford (CSURMA Secretary/Auditor), CSU Office of the Chancellor
Jacki Graf - Alliant Insurance Services, Inc.
Daniel Howell - Alliant Insurance Services, Inc.
William Hsu – CSU, Office of General Counsel
Myron Leavell – Alliant Insurance Services, Inc.
Rob Leong - Alliant Insurance Services, Inc.
Mimi Long - Alliant Insurance Services, Inc.
Rebecca Skidmore – CSU, Office of the Chancellor

A. CALL TO ORDER

The meeting was called to order by the Chair, Linda Hawk at 2:34 PM. Mike Lee and Robert Eaton expressed their desire to abstain from voting on all motions.

A1. Approval of the Agenda

A motion was made to approve the agenda as presented.

MOTION: Frank Mumford

SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

B. PUBLIC COMMENTS

There were no comments from the public.

C. CONSENT CALENDAR

- C1. Approval of Minutes – January 10, 2016**
- C2a Financial Report: Draft Financial Statement at December 31, 2015**
- C2b. Financial Report: Treasurer’s Quarterly Investment Report at December 31, 2015**
- C3. FY 2015/2016 Midterm Budget Amendments and Adoption of Resolution No. 01-16 (EC)**
- C4. Adoption of Final 2016 CSURMA Meeting Calendar**

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

MOTION: Frank Mumford

SECOND: Guy Dalpe

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D. GENERAL ADMINISTRATION

The next item was discussed out of order.

D8. Insurance Policy Database

Rebecca Skidmore summarized the activity surrounding the insurance policy database project. Chancellor’s Office and Program Administrator Staff have been reviewing the products available and have attended vendor capability presentations. A capabilities and needs discussion was conducted on December 17, 2015, and a proposal is being prepared by Ventiv Technologies, the vendor of CSURMA’s current claims management software to expand existing claims modules to include insurance policy management. Ventiv offers a package of services that includes exposure modules, claims benchmarking, etc. The cost to include the extra services is in the \$100,000 to \$150,000 range the first year, and \$75,000 to \$100,000 for additional years. To just store CSURMA’s insurance policies, the cost would be \$30,000 the first year and \$20,000 for additional years.

A motion was made to table this item until the May 6, 2016, meeting and to request that Ventiv provide a demonstration of the services available.

MOTION: Frank Mumford
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D1. Chancellor’s Office Services Budget Proposal for FY 2016/2017

The Chancellor’s Office Services proposals for FY 16/17 were reviewed by the Committee. As noted by Kelly Cox, the Financial Services Administration & Accounting cost would increase from \$345,000 to \$350,000. Cox notes that the fee increase was mitigated by George Ashkar’s retirement, but increased slightly because of the mandatory salary adjustments. William Hsu confirmed that the services provided by the Office of General Counsel would continue with an anticipated increase from \$438,043 to \$453,000 for mandatory salary increase and staff training.

Zachary Gifford noted that the services provided by Systemwide Risk Management will continue with an increase from \$1,004,914 to \$1,013,000 for mandatory CSU salary increase. Robert Eaton did request that the Systemwide Risk Management services be discussed at the May 6th Executive Committee meeting as the Public Safety services may change per discussions with Mike Redmond. The Committee discussed the three Chancellor’s Officer Services proposals.

A motion was made to approve all three Chancellor’s Office Services proposals.

MOTION: Kevin Saunders
SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D2. Campus Risk Pool Rating Plan for Bond Funded Facilities

Robert Eaton explained that the new capital financing legislation eliminated the annual adjustments for debt service or cost for State Public Works Board (SPWB) bond funded facilities. Instead, CSU will be allocated a fixed amount going forward. The current rating plan for the Property and the Liability Risk Pools does separate the SPWB facilities from the campus schedules; the premium for the SPWB facilities is then paid by “Systemwide”. Eaton stated that there have been discussions at the Chancellor’s Office about possibly taking the amount of annual funding from the State that had been used to pay the Property insurance premiums on projects funded by the SPWB and using it for capital needs instead. Campuses that had benefitted from these funds would then be billed similar to any other project.

The Committee discussed the issue surrounding the bond funded facilities and recommended that the Rating Plan Task Group (RPTG) which will report out at the September, 2016 EC meeting, propose a rating plan for the bond funded facilities.

Linda Hawk appointed the Rating Plan Task Group to include Kevin Saunders, Lisa Chavez, Robert Eaton and Mike Lee. The Program Administrator will arrange meetings so that the RPTG will complete its review and report for the September 2016 EC meeting.

D3. University’s Business Personal Property Program (Campus 86)

Rob Leong explained that the Committee approved a plan to offer campuses the option to insure the University’s Business Personal Property under the “Campus 86” plan. At its initial launch, Campus 86 provided coverage up to \$1,000,000 in contents value with a \$100,000 deductible. This layer of coverage (\$900,000 excess of \$100,000) is funded by the Campus Property risk pool. Values over \$1,000,000 would require underwriting approval by the insurers supporting CSU’s Master Property Insurance program (APIP). Staff was directed to develop a plan and finalize rates to offer deductible options below \$100,000. Leong reviewed the different rates for the lower deductible options of \$5,000, \$10,000, \$25,000, \$50,000 and \$100,000. Similar to the AORMA Property Program, the rates for the Business Personal Property are 20% higher than the rates for the Real Property. This is because losses to Personal Property tend to occur with greater frequency.

A motion was made to approve the rate structure to offer deductibles below \$100,000 for Campus 86.

MOTION: Frank Mumford
SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D4. FY 2016/2017 Operating Budget

Rob Leong discussed the proposed FY 16/17 CSURMA Operating Budget. CSURMA’s next fiscal year begins on July 1, 2016. The FY 2016/17 operating budget is to be approved by the Board of Directors at its May 6, 2016 meeting. The Chancellor’s Office Enterprise Accounting Services and the Program Administrators worked together to develop a draft FY 2016/17 budget for the Executive Committee to review at today’s meeting.

AORMA separately develops a budget for its coverage programs. The AORMA Committee met earlier today and finalized its proposed budget for FY 2016/17 and has recommended adoption to the Executive Committee. Leong explained the Major features of the proposed Campus Programs budget:

- Increase in Total contributions from \$77,345,917 to \$78,818,221 (or \$78,496,771 if Liability is discounted).
- Increase in Liability contributions from \$13,514,960 to \$14,240,860 (undiscounted) or \$13,919,410 (discounted) due to actuarial projected claim trend.
- Slight increase in Workers’ Compensation contributions from \$37,744,986 to \$37,823,215 (discounted) due to actuarial projected claim trend.
- No change in IDL/NDI/UI contributions from \$13,500,000 due to claims trend.
- Increase in Property contributions from \$8,000,000 to \$8,250,000 for new Fine Arts, Archives & Artifacts program (FAAAP). Premiums are subject to adjustment based on final reported total insured values (TIV).
- Increase in Auto Liability contributions from \$688,468 to \$845,823 per current Motor Vehicle Self-Insurance Account (MVIA) allocation for FY 15/16. Actual 2016/17 MVIA will be issued by DGS later this month.
- Increase in AIME contributions from \$3,897,503 to \$4,158,323 (discounted) per recommendation of the AIME Committee due to claims trend.

The proposed Campus programs operating budget would develop Total Revenues of \$78,818,221 or \$78,496,771 if Liability is discounted (net of reinsurance premiums), Total Operating Expenses of \$74,082,230, and Total Non-Operating Revenues of \$2,127,765, generating Net Surplus of \$2,278,749 additions to retained earnings. If Campus Liability is funded on a discounted basis, Net Surplus is estimated to be \$1,958,652. The FY 16/17 CSURMA Budget does not ~~not~~ include projected Dividend Distributions during FY 2016/17, which, if any, will increase expenditures and decrease fund reserves.

A motion was made to recommend approval of the draft FY 2016/17 CSURMA budget to the Board of Directors.

MOTION: Guy Dalpe
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D5. Campus Coverage Programs FY 2016/2017 Rates and Gross Funding

As explained by Rob Leong, at its October 23, 2015 meeting, the Board of Directors adopted rates and funding for FY 2016/17. Campus Liability was adopted with estimated claims liability funded on an “undiscounted” basis in respect of projected investment income, and the Board asked the Executive Committee to review Campus Liability rates again when it meets in March 2016. Upon consideration of the actuary’s projected rates, program funding strategy and fiscal climate, the Executive Committee has the option to finalize FY 2016/17 funding for Campus Liability on either an undiscounted or discounted basis at today’s meeting. The Program Administrator prepared the FY 2016/17 draft calculations using the final actuarial reports dated September 16, 2015 and February 2, 2016 (updated AIME funding for FY 2016/17 as approved by the AIME Committee).

The Committee reviewed the total program costs as well as the individual Campus costs which were presented as an attachment.

Campus Coverage Programs Funding Comparison

Program	FY 15/16	FY 16/17			
	Actual Costs	Adopted by BOD ¹	% Change	Option for EC ²	% Change
Liability	\$13,514,960	\$14,240,860	5.4%	\$13,919,410	3.0%
Workers' Compensation	37,744,986	37,823,215	0.2%	37,823,215	0.2%
IDL NDI UI	13,500,000	13,500,000	0.0%	13,500,000	0.0%
Property	8,000,000	8,250,000	3.1%	8,250,000	3.1%
Auto Liability	688,468	845,823	22.9%	845,823	22.9%
AIME ³	3,897,503	4,158,323	6.7%	4,158,323	6.7%
Total	\$77,345,917	\$78,818,221	1.9%	\$78,496,771	1.5%

A motion was made to leave the FY 16/17 Campus Liability rates and funding on an undiscounted basis as adopted by the Board of Directors at its October 23, 2015 meeting.

MOTION: Lisa Chavez
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

D6. Report of Nominating Committee on Executive Committee Elections

Robert Eaton, the Chair of the Nominating Committee, reported that the Nominating Committee had met via teleconference and reviewed the four seats that are currently up for reelection. At the May 6th Board of Directors meeting, the Nominating Committee will nominate Linda Hawk for the Chair seat, Mike Lee for the Vice Chair seat, Kevin Saunders for seat #3 and Scott Apel for seat #4.

Scott Apel arrived to the meeting and was introduced to the Executive Committee by Linda Hawk.

D7. Progress of the Master Insurance and Indemnity Student Placement Agreements

Zachary Gifford explained that Systemwide Risk Management has recently completed negotiation and implementation of a master agreement template with the insurance JPAs representing over 50 school districts in the Sacramento and San Francisco Bay Area. Gifford has initiated conversations with County placement partners as a result of his role on the Underwriting Committee of CSAC EIA and will continue to advise CSU risk management and procurement professionals of the option to implement master indemnity and insurance agreements in lieu of multiple campuses negotiating separate agreements with the same hosting partners. An additional 130 different entities, mostly Cities, Counties, School Districts and Hospitals have been targeted for master insurance and indemnity agreements.

D9. Policies and Procedure #18, Board of Directors Participation and Executive Committee Nominations and Elections Process.

The Committee reviewed the proposed changes the Policy and Procedure No. 18. The following wording was added to clarify CSURMA's policy and process of CSURMA representation on outside committees and boards:

Other than the AORMA Chair representing the CSURMA AORMA programs to the Auxiliary Organizations Association, no member or alternate of a CSURMA Executive Committee or Board of Directors shall represent the CSURMA without the prior written approval of the CSURMA Chair and that any proposal to do so shall be submitted to the CSURMA Secretary-Auditor for review and recommendation to the CSURMA Chair at least 30 days prior to such proposed representation. Costs of representing CSURMA will be subject to CSURMA Policy and Procedure and any other requirements established by the CSURMA Executive Committee or Board of Directors.

A motion was made to recommend approval of the revisions to Policy and Procedure #18 to the Board of Directors.

MOTION: Frank Mumford
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E1. AIME Programs Update

Rob Leong provided a brief report of the activities of the AIME Committee.

E2. AORMA Programs Update

Frank Mumford provided a brief report of the activities of the AORMA Committee.

F. CLOSED SESSION

1. CSU v. SELF
2. Carlson Lynch ADA Letter

A motion was made to enter closed session at 3:41 PM.

MOTION: Frank Mumford
 SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel				X
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		
Frank Mumford	X			
Kevin Saunders	X			

Jody Van Leuven				X
-----------------	--	--	--	---

MOTION CARRIED

The Committee left closed session at 4:11 PM. The Chair reported that direction was given during closed session.

G. INFORMATION ITEMS

The Committee reviewed and discussed the information items.

G1. Review of the Praesidium Utilization Report.

Mimi Long noted that the Committee will review the Praesidium contract at tomorrow’s meeting as well as a more detailed utilization report.

- G2. Agility Recovery Utilization Report**
- G3. Service Provider Performance Evaluation of CSURMA Vendors**
- G4. 2016 Fitting the Pieces Together Conference**
- G5. Concussion Mitigation Training Program Status.**

Zachary noted that this training is expected to be completed by tomorrow.

G6. Review of FY 2015/2016 Long Range Planning Goals.

Daniel Howell provided a brief summary of the LRP items.

- G7. 2016 CSURMA Meeting Calendar**
- G8. CSURMA Administrative Service Calendar**
- G9. CSURMA Executive Committee & Staff Contact List**

H. ADJOURNMENT

A motion was made to adjourn the meeting at 5:00 PM.

MOTION: Lisa Chavez
 SECOND: Frank Mumford

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton		X		
Linda Hawk	X			
Mike Lee		X		



California State University Risk Management Authority

DRAFT

Frank Mumford	X			
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

**MINUTES OF THE CSURMA EXECUTIVE COMMITTEE
LONG RANGE ACTION PLANNING MEETING**

MARCH 11, 2016

**ALLIANT INSURANCE SERVICES
100 Pine Street, 11th Floor • San Francisco, CA**

8:03 AM

MEMBERS PRESENT

Scott Apel, California State University Long Beach
Lisa Chavez, California State University Los Angeles
Guy Dalpe (AORMA Vice-Chair), Associated Students, Inc., San Francisco State University
Linda Hawk (Chair), California State University, San Marcos
Ming Tung (Mike) Lee, California State University, Sacramento
Kevin Saunders, California State University, Monterey Bay

MEMBERS ABSENT

Robert Eaton (Treasurer), California State University, Office of the Chancellor
Frank Mumford (AORMA Chair), CSU Fullerton Auxiliary Services Corporation
Jody Van Leuven, California State University, San Bernardino

STAFF, GUESTS & CONSULTANTS

Kelly Cox – CSU, Office of the Chancellor
Zachary Gifford (CSURMA Secretary/Auditor), CSU Office of the Chancellor
Jacki Graf - Alliant Insurance Services, Inc.
Daniel Howell - Alliant Insurance Services, Inc.
William Hsu – CSU, Office of General Counsel (*via Teleconference*)
Rob Leong - Alliant Insurance Services, Inc.
Mimi Long - Alliant Insurance Services, Inc.
Rebecca Skidmore – CSU, Office of the Chancellor

CALL TO ORDER

The meeting was called to order by the Chair, Linda Hawk at 8:03 AM.

1. Review of CSURMA 2015/2016 Long Range Action Plan

Daniel Howell reviewed the items on the FY 15/16 Long Range Action Plan.

- ✓ Item 1 – *Form 700 Electronic Filing* – The item has been completed.
- ✓ Item 2 – *Workers' Compensation Claims Closure Initiative* – All future costs will be billed to the claim file. This item has been completed.

- ✓ Item 3 – *Agility Recovery* – The service is in place and the Committee will review at today’s meeting a utilization report and will decide if the service should be continued. This item has been completed.
- ✓ Item 4 – *Additional Coverage Party Policy and Procedure* – The CSURMA Board of Directors adopted an Additional Covered Party Policy and Procedure. This item has been completed.
- ✓ Item 5 – *On-line Education Multi-State Surety Initiative* – This item is still in process and will be added to the FY 16/17 Long Range Action Plan.
- ✓ Item 6 – *Student Placement Agreement* – This item has been transitioned to an ongoing operation.
- ✓ Item 7 – *CSU / UC Workers’ Compensation Summit* – This item is still open and Zachary Gifford will continue to work with the UC to schedule a summit, but is not recommending that it remain on the FY 16/17 LRP.
- ✓ Item 8 – *Campus and AORMA Risk Program Benchmarking and Trend Analysis* – Staff recommends keeping this item on the FY 16/17 LRP.
- ✓ Item 9 – *Special Events Risk Management Manual* – Staff recommends keeping this item on the FY 16/17 until the special events manual is completed in 2017.
- ✓ Item 10 – *Insurance Policy Database* – Staff recommends keeping this item on the FY 16/17 LRP.

A motion was made to accept Staff’s report on the FY 15/16 Long Range Action Plan.

MOTION: Mike Lee
 SECOND: Guy Dalpe

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders				X
Jody Van Leuven				X

MOTION CARRIED

2. Campus Risk Pools Funding Status

Rob Leong explained that Staff prepared an analysis of the pooled programs’ funding position relative to the actuary’s projection for CSURMA’s minimum funding requirements and expected cash expenditures for program administration through June 30, 2016. The Executive Committee, at its March meeting, reviews the pooled programs funding position and determines if there are sufficient funds to meet anticipated needs, including a confidence margin for unexpected

expenditures, if an assessment is necessary, or if there is ample surplus to consider a release of dividends to the members which would be discussed at the September meeting based on the independent actuary’s updated study valued at June 30. The Committed reviewed the Estimated Funding Charts as well as the Target Surplus Funding Analysis. Leong noted that these exhibits were updated based on the December 31, 2015, financial statements, including the budget amendments, and the actuary’s recommendations for outstanding liabilities. Leong explained that the Estimated Outstanding Liabilities (as shown in red) fluctuate primarily due to the actuary’s calculation of the risk pool’s outstanding liabilities. The outstanding liabilities do include a risk margin. If the outstanding liability decrease, generally, the assets will decrease as well due claims closures. Assets will also be reduced by the release of dividends. Also, CSURMA did receive a large SELF recovery which decreased the outstanding liabilities. The number in the exhibits are estimates only; the Committee will review a revised report at the September meeting.

A motion was made to accept the reports and to include one correction to the AIME Target Surplus Funding Analysis Three Year Funding Plan exhibit.

MOTION: Mike Lee
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

3. Review of the CSURMA’s Conflict of Interest Code

Mimi Long noted that the FPPC requires that CSURMA review its Conflict of Interest Code every even numbered year. Staff has reviewed the Conflict of Interest Code and it not recommending any changes.

A motion was made to adopt and promulgate the CSURMA Conflict of Interest Code.

MOTION: Guy Dalpe
 SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

Direction was given to Staff to forward to the FPPC. Also, Staff was directed to review the list of reporting consultants with the Chair as described in the Code.

4. Annual Review of the CSURMA’s Data Security Policies

As explained by Daniel Howell, the Executive Committee resolved to annually review CSURMA’s data security policies. The Executive Committee is being asked to review the iVOS User Policy. CSURMA uses many electronic data systems, but the iVOS Liability System is the electronic data system maintained by CSURMA and for which CSURMA is responsible for the security of the electronic data. The vendors for the other electronic data systems, such as Sedwgick and Carl Warren & Co. are responsible for their systems’ security. Zachary Gifford noted that he reviewed the iVOS data security policy and is not recommending any changes.

Kelly Cox mentioned that Financial Services Accounting uses Blackbaud solely for CSURMA and recommends that the Executive Committee review its data security policies as well.

The Committee tabled this item until the May 6, 2016, meeting so that the Blackbaud data security policy could be reviewed as well.

5. Annual Review of the Applicable Integrated CSU Administrative Manual Policies

Kelly Cox noted that Financial Services Accounting reviewed the Integrated CSU Administrative Manual (ICSUAM) and is recommending that the Executive Committee adopt Section 6000, Financing, Treasury, and Risk Management and Sections 13175, Auxiliary Organizations External Auditor Firms Qualifications, and Section 13680, Placement and Control of Receipts for Campus Activities and Programs. Section 6000 was moved from Section 3000, General Accounting, and therefore has already been adopted by CSURMA.

William Hsu suggested that the Committee review Section 1401, Administration of Student Organization Funds as well. The Committee considered adopting Section 1401, but because CSURMA does not hold funds for student groups, the Committee did not feel its adoption was

appropriate. The Committee contemplated if funds within CSURMA could be construed to be funds held for a student group. The Agreement and Bylaws stipulate the CSURMA owns all of the money in the JPA until a dividend is distributed.

A motion was made to adopt Resolution No. 03-16 (EC) – Resolution Adopting Administrative Policies and Procedures.

MOTION: Guy Dalpe
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

6. Analysis of the Required Information Management Discussion and Analysis (MD&A) for CSURMA

Kelly Cox explained that during the meeting on October, 2015, the Executive Committee directed CSU Accounting to complete of an analysis of the recommended MD&A items of discussion compared to the comparative statement as well as the footnotes which are included in CSURMA financial audit. According to GASB Statement No. 34, Paragraph 11, at a minimum an MD&A should include eight items. Accounting staff reviewed in detail whether or not CSURMA currently includes these items in its financial statements in one way or another. This could either be on the face of the financial statements or in a footnote disclosure. Cox notes that three items are not applicable and two items are not address within the financial statement. It does not address Items 3 or Item 8.

The Committee discussed the absence of the MD&A and felt that it would be helpful in giving members a better understanding of CSURMA and without the MD&A a complete understanding is difficult.

A motion was made to develop a draft MD&A for the Executive Committee’s review at their September 9, 2016 meeting.

MOTION: Mike Lee
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe			X	
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

7. CSURMA Master Investment Policy and Related Investment Policies and adoption of Resolution No. 02-16 (EC)

Daniel Howell stated that the Treasurer of CSURMA is directed to adopt the CSURMA Investment Policy and related policies, as the Master Investment Policy of the CSURMA. As noted within Resolution 02-14 (BOD), the Executive Committee will annually review the Master Investment Policy and approve amendments as necessary. The Committee reviewed the Master Investment policy and noted that one minor change had been made. A capitalized “A” was changed to a lowercase “a”.

A motion was made to adopt Resolution No.02-16 (EC) – CSURMA Master Investment Policy and Related Investment Policies.

MOTION: Scott Apel
 SECOND: Guy Dalpe

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

8. Evaluation of Captive Insurance Vehicle

Zachary Gifford stated that at its January 10, 2016 meeting the CSURMA Executive Committee directed Staff to engage Pinnacle Actuarial Resources to prepare an initial evaluation for CSU/CSURMA captive utilization options. Robert Walling had planned on attending today’s meeting; however, due to a family emergency, the report has not been completed and he was unable to present his findings at the meeting.

The item was tabled until the May 6, 2016 meeting.

9. Alternative Allocation of Investable Assets

Daniel Howell noted that there has been some discussion about whether CSURMA in its existing structure can achieve more effective and impactful investments by segregating its short and long term capital needs and allocating additional assets for member loans. The Committee discussed CSURMA’s current member loan policy. Currently, 15% of CSURMA’s assets can be loaned to Members as a last resort funding source. The Committee discussed options for expanding the member loan policy for capital needs within the system, or for differed maintenance.

A motion was made to add Alternative Allocation of Investable Assets for the FY 16/17 Long Range Action Plan.

MOTION: Kevin Saunders
 SECOND: Guy Dalpe

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

10. Risk Program Benchmarking and Trend Analysis

Jacki Graf demonstrated the benchmarking capabilities of the CWCI dashboard. Zachary Gifford noted that the UC has joined CWCI as well as a data contributor. Staff was directed to develop a campus level presentation which shows the workers’ compensation benchmarking, the actuary’s Total Cost of Risk report for that campus, as well as other pertinent information resulting for the Rating Plan Task Group meetings.

A motion was made to direct Staff to develop the campus level presentation (discussed above) and start with the campuses with the highest workers’ compensation experience modifications.

MOTION: Mike Lee
SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

11. CAJPA Accreditation Standards as of July 1, 2015

Daniel Howell described that the California Association of Joint Powers Authorities (CAJPA) Accreditation Program was developed to establish standards by which risk sharing California joint powers authorities (JPA) can measure their ability to provide efficient services to their member agencies. The CAJPA accreditation standards have been recently updated to include a requirement that all JPAs have a clear process for developing and monitoring its underwriting policies and processes. CSURMA already has underwriting processes and standards in place; therefore, Staff developed Policy and Procedure No. 25 Underwriting Procedures in order to memorialize CSURMA’s practices in compliance with this new CAJPA accreditation standard. The Committee reviewed the proposed Policy and Procedure No. 25.

A motion was made to recommend approval of Policy and Procedure No. 25 – Underwriting Procedures – to the Board of Directors.

MOTION: Mike Lee
SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			

Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

12. Agility Recovery

The Committee discussed the current Agility Recovery contract as well as their utilization report. Staff was directed to (1) reach out to IT, the Facilities Director at each campus as well as CPDC to make sure everyone is aware of these services, (2) add Agility Recovery information to each campus’ EOC manual, (3) and to present this information at the Fitting the Pieces Together Conference.

A motion was made to renew the Agility Recovery contract for one more year.

MOTION: Mike Lee
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

The Committee directed staff to add a communication plan to the FY 16/17 LRP. It should include communication regarding Agility Recovery, Praesidium, Fine Arts as well as the Campus Portfolio.

The Committee also directed staff to present a CSURMA overview at CABO.

13. Praesidium Proposal

The Committee reviewed the Praesidium utilization report as well as the contract renewal proposal. Zachary Gifford and Mimi Long explained the current services available as well as the proposed services. The Committee asked to see a “per campus” optional proposal.

The Committee recommended a Praesidium presentation at the Fitting the Pieces Together conference. The presentation could include a mock trail, case studies, and can ask the questions, “what happens next?”, or “are you prepared?”

This item was tabled until the May 6, 2016 meeting.

14. Development of New Programs, Services and Projects

The Committee discussed the items to be added to the Long Range Action Plan for FY 16/17. Zachary Gifford recommended a Master Transportation Enabling Agreement be explored by CSURMA. CSURMA’s Excess Insurance Underwriters are asking about the contractors used by the campuses and auxiliary organizations for transportation. GoGround vets all transportation carriers and requires minimum safety standards as well as minimum insurance levels. GoGround also carries excess insurance on top of the primary insurance held by the transportation carriers. GoGround has better rates due to volume. The Committee directed staff to add consideration of a Master Transportation Enabling Agreement to the FY 16/17 LRP.

15. Development of CSURMA Goals for next one to three years

The Committee reviewed the items discussed during the meeting and compiled the following list of Long Range Action Plan items:

1. On-Line Education Multi-State Surety Initiative
2. Special Events Risk Management Manual
3. Campus and AORMA Risk Program Benchmarking and Trend Analysis
4. Insurance Policy Database
5. Analysis and Evaluation of Captive
6. Evaluation of Member Loan Policy and Investment Strategy
7. Campus Vice President Visit with State of Campus vs. CSURMA
8. Overall Communication Plan and Strategy
9. Master Transportation Enabling Agreement

A motion was made to adopt the nine Long Range Action Plan items noted above and to develop steps for completion.

MOTION: Kevin Saunders
 SECOND: Mike Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			

Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

A motion was made to adjourn the meeting at 11:43 AM.

MOTION: Mike Lee
SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Lisa Chavez	X			
Guy Dalpe	X			
Robert Eaton				X
Linda Hawk	X			
Mike Lee	X			
Frank Mumford				X
Kevin Saunders	X			
Jody Van Leuven				X

MOTION CARRIED

FINANCIAL REPORT
DRAFT FINANCIAL STATEMENT AT MARCH 31, 2016

ISSUE: The Chancellor's Office Financial Services Accounting prepares Financial Statements for CSURMA. The Executive Committee is asked to review the Draft Financial Statement as a part of the Consent Calendar. The Chancellor's Office Finance Services Accounting will be available at the meeting to answer questions.

RECOMMENDATION: It is recommended that the Executive Committee review and accept the Draft Financial Statement at March 31, 2016 as a part of the Consent Calendar.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. Draft Financial Statement at March 31, 2016

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 4/13/2016

	Client Name	Current	31-60	Over 60	Balance
b	Associated Students Inc, CPSU San Luis Obispo	34,925.00	229.00	0.00	35,154.00
	Associated Students Inc, CSPU Pomona	29,382.00	0.00	0.00	29,382.00
	Associated Students Inc, CSU Dominguez Hills	2,159.00	0.00	0.00	2,159.00
	Associated Students Inc, CSU East Bay	7,088.00	0.00	0.00	7,088.00
	Associated Students Inc, CSU Long Beach	31,292.00	0.00	0.00	31,292.00
	Associated Students Inc, CSU Northridge	17,834.00	0.00	0.00	17,834.00
	Associated Students Inc, CSU Sacramento	27,351.00	0.00	0.00	27,351.00
	Associated Students Inc, CSU Stanislaus	509.00	0.00	0.00	509.00
	Associated Students Inc, San Francisco State University	16,454.00	0.00	0.00	16,454.00
	Associated Students of CSU, Chico	57,658.00	0.00	0.00	57,658.00
	Associated Students of Humboldt State University	491.00	0.00	0.00	491.00
	Associated Students of Sonoma State University	3,485.00	0.00	0.00	3,485.00
	Associated Students, CSU Fullerton	35,748.00	0.00	0.00	35,748.00
	Associated Students, San Diego State University	44,381.00	0.00	0.00	44,381.00
	Cal Poly Corporation	111,575.00	0.00	0.00	111,575.00
b	Cal Poly Pomona Foundation, Inc.	81,690.00	81,690.00	0.00	163,380.00
	Cal State LA University Auxiliary Services Inc	63,487.00	0.00	0.00	63,487.00
	Capital Public Radio, Inc.	9,490.00	0.00	0.00	9,490.00
	CSU Bakersfield Foundation	6,647.00	464.00	0.00	7,111.00
	CSU Bakersfield, Auxiliary for Sponsored Programs Admin	5,145.00	0.00	0.00	5,145.00
b	CSU Chico Research Foundation	62,844.00	141.00	0.00	62,985.00
	CSU Dominguez Hills Foundation	32,417.00	0.00	0.00	32,417.00
	CSU Fresno Association	53,096.00	0.00	0.00	53,096.00
	CSU Fresno Athletic Corporation	18,231.00	0.00	0.00	18,231.00
	CSU Fresno Foundation	50,527.00	0.00	0.00	50,527.00
	CSU Fullerton Univ Auxiliary Services Corporation	55,218.00	0.00	0.00	55,218.00
	CSU Long Beach Research Foundation	55,394.00	0.00	0.00	55,394.00
b	Donald P. & Katherine B. Loker University Student Union, Inc	5,682.00	5,041.00	0.00	10,723.00
b	Forty-Niner Shops Inc, CSU Long Beach	70,284.00	61,276.00	0.00	131,560.00
	Humboldt State Univ Sponsored Programs Foundation	32,036.00	0.00	0.00	32,036.00
	Humboldt State University Advancement Foundation	10,520.00	0.00	0.00	10,520.00
	Humboldt State University Center	25,999.00	0.00	0.00	25,999.00
	San Jose State University Research Foundation	94,877.00	0.00	0.00	94,877.00
	Santos Manuel Student Union, CSU San Bernardino	13,368.00	0.00	0.00	13,368.00
	Spartan Shops Inc., San Jose State University	67,262.00	0.00	0.00	67,262.00
	Student Union Inc, San Jose State University	11,256.00	0.00	0.00	11,256.00
	The Tower Foundation, San Jose State University	1,457.00	0.00	0.00	1,457.00
a	The University Corporation, CSU Northridge	107,249.00	253.00	0.00	107,502.00
	The University Corporation, San Francisco State	15,410.00	0.00	0.00	15,410.00
	Univ Auxiliary & Research Services Corp, San Marcos	33,445.00	0.00	0.00	33,445.00
	University Corporation at Monterey Bay	44,785.00	0.00	0.00	44,785.00
	University Enterprises Corporation at CSUSB	45,692.00	0.00	0.00	45,692.00
	University Enterprises Inc. CSU Sacramento	241,999.00	0.00	0.00	241,999.00
	University Glen Corporation, CSU Channel Islands	14,430.00	0.00	0.00	14,430.00
	University Student Union Board, CSU Los Angeles	18,519.00	0.00	0.00	18,519.00
	University Student Union, CSU Northridge	36,222.00	0.00	0.00	36,222.00
	University Student Union, CSU Stanislaus	1,765.00	0.00	0.00	1,765.00
	University Union, CSU Sacramento	354.00	0.00	0.00	354.00
	Totals:	\$1,807,129.00	\$149,094.00	\$0.00	\$1,956,223.00

a Member indicated that payment will be remitted in April 2016.

b CSURMA Accounting is working with Members to collect outstanding balances.

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 3/31/2016**

Loan Pool: 15% of the overall average cash and investment for the preceding 12 months (Apr 2015 - Mar 2016)				\$ 26,232,757.90	
Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 3/31/2016	Outstanding Loan Balance 06/30/2015
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	\$ 330,063.76	\$ 1,028,216.52
CSU Sacramento	Jun 2019	May 2014	\$ 4,000,000.00	\$ 2,549,468.00	\$ 2,339,839.00
Total Loans			\$ 11,035,000.00	\$ 4,879,531.76	\$ 5,368,055.52

Remaining Amount Available for Member Loans **\$ 19,902,694.14**
(The remaining amount reflects CSU Sacramento Line of credit balance of \$1,450,532)

***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 investments for the preceding 12 months

\$ 8,744,252.63

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

Processed from July 1, 2015 to March 31, 2016

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
1/10-1/11/2016	Zachary Gifford	Sacramento	CSURMA EC Meeting at AOA Conference	\$ 195.85	\$ 24.36	\$ 408.02	\$ 628.23
1/25-1/28/2016	Zachary Gifford	Sonoma/San Francisco	Campus visit and Poudyal Mediation and Ventiv meeting at Alliant	\$ 264.21	\$ 113.04	\$ 426.29	\$ 803.54
1/27- 1/28/2016	Rebecca Skidmore	San Francisco/CSU Northridge	Ventiv meeting at Alliant and CSURMA Special Events Resource Guide Conference	\$ -	\$ 10.51	\$ 197.95	\$ 208.46
2/3/2016	Zachary Gifford	Sacramento	CSAC EIA UW Committee Meeting	\$ -	\$ -	\$ 349.20	\$ 349.20
2/10-2/12/2016	Zachary Gifford	San Diego	Workers' Compensation Fraud Seminar, CSUSM & SDSU Campus WCCs Meeting	\$ 198.28	\$ 40.26	\$ 118.59	\$ 357.13
2/16-2/18/2016	Rebecca Skidmore	Denver, CO	URMIA Western Regional Conference	\$ 387.86	\$ 101.66	\$ 528.81	\$ 1,018.33
2/23-2/26/2016	Zachary Gifford	Palm Desert	2016 PARMA Conference at Indian Wells, Palm Desert	\$ 319.77	\$ 33.81	\$ 142.02	\$ 495.60
3/10-3/11/2016	Rebecca Skidmore	San Francisco	CSURMA EC and LRP Meetings	\$ 314.88	\$ 44.05	\$ 240.22	\$ 599.15
3/9-3/11/2016	Zachary Gifford	San Francisco	CSURMA AORMA, EC & LRP Meetings at Alliant Office	\$ 629.76	\$ 46.76	\$ 330.54	\$ 1,007.06
3/14-3/15/2016	Zachary Gifford	Sonoma	AORMA Underwriter Meeting at Sonoma State University	\$ 189.97	\$ 7.00	\$ 385.06	\$ 582.03
3/17-3/18/2016	Zachary Gifford	Oakland	CWCI 52nd Annual Meeting & Sedgwick Double Play Meeting with Ingber & Weinberg	\$ 161.43	\$ 372.72	\$ 100.74	\$ 634.89
3/17-3/18/2016	Zachary Gifford	Oakland/San Francisco	UCOP, CSU Business Conference, and CSURMA Team Meeting	\$ 586.68	\$ 80.92	\$ 346.21	\$ 1,013.81
Travel Expenses Processed from 01/01/2016 to 03/31/2016				\$ 3,248.69	\$ 875.09	\$ 3,573.65	\$ 7,697.43
Previously Reported							
10/07/2015	Zachary Gifford	San Francisco	Various CSURMA Team Meetings at Alliant, and Ironshore Meeting	\$ -	\$ 9.25	\$ 254.83	\$ 264.08
10/11 - 10/14/2015	Zachary Gifford	Minneapolis, MN	URMIA Conference	\$ 642.96	\$ 84.54	\$ 526.65	\$ 1,254.15
10/20/2015	Zachary Gifford	Sacramento	WC Subrogation Training to Sedgwick Claims Examiners (Rancho Cordova)	\$ -	\$ 6.50	\$ 353.62	\$ 360.12
10/27 - 10/31/2015	Steve Relyea	London	CSU Underwriting Meetings for General Liability programs	\$ 1,106.73	\$ 185.71	\$ 2,072.61	\$ 3,365.05
10/27 - 10/28/2015	Rebecca Skidmore	Riverside	2-Day Lean Process Improvement Training Workshop (CSU-CCC-UC Conference)	\$ 168.66	\$ 50.20	\$ 70.56	\$ 289.42

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

Processed from July 1, 2015 to March 31, 2016

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
10/28 - 10/30/2015	Zachary Gifford	Riverside	2015 California Public Higher Education Collaborative Business Conference	\$ 215.28	\$ 46.00	\$ 77.06	\$ 338.34
11/04 - 11/05/2015	Zachary Gifford	Chico	Systemwide In-Person EH&S Directors Affinity Group Meeting	\$ 104.69	\$ 39.20	\$ 325.95	\$ 469.84
11/04 - 11/05/2015	Rebecca Skidmore	Chico	Systemwide In-Person EH&S Directors Affinity Group Meeting	\$ 152.90	\$ 40.04	\$ 240.88	\$ 433.82
11/29 - 12/05/2015	Steve Relyea	NYC / Bermuda	CSU Underwriting Meetings for General Liability programs	\$ 2,554.32	\$ 358.62	\$ 1,691.55	\$ 4,604.49
11/30 - 12/04/2015	Zachary Gifford	NYC / Bermuda	CSU Underwriting Meetings for General Liability programs	\$ 1,767.08	\$ 296.14	\$ 1,656.36	\$ 3,719.58
11/30 - 12/04/2015	Robert Eaton	NYC / Bermuda	CSU Underwriting Meetings for General Liability programs	\$ 1,830.78	\$ 381.90	\$ 910.50	\$ 3,123.18
Travel Expenses Processed from 10/01/2015 to 12/31/2015				\$ 8,543.40	\$ 1,498.10	\$ 8,180.57	\$ 18,222.07
Previously Reported							
07/07 - 07/09/2015	Zachary Gifford	San Francisco, Redwood City	AORMA Officer's Retreat & LRP, K-12 JPA meeting	\$ 425.36	\$ 14.00	\$ 565.49	\$ 1,004.85
07/15 - 07/17/2015	Zachary Gifford	Reno, NV	PRIMA ISO 31000 Workshop	\$ 96.06	\$ 49.06	\$ 281.30	\$ 426.42
08/11/2015	Rebecca Skidmore	Van Nuys	ACP (Association of Contingency Planners) Business Continuity Meeting	\$ -	\$ -	\$ 79.45	\$ 79.45
08/12 - 08/13/2015	Zachary Gifford	Oakland	Annual Workers' Compensation Stewardship Meetings at Alliant, WC Double Play year-in-review and planning meeting	\$ 240.97	\$ 13.93	\$ 359.54	\$ 614.44
08/18/2015	Zachary Gifford	Oakland	Calderon Mediation	\$ -	\$ -	\$ 234.73	\$ 234.73
08/27/2015	Zachary Gifford	Oakland	UC/CSU WC Claims Examiners Summit at UCOP	\$ -	\$ 6.85	\$ 231.15	\$ 238.00
08/31 - 09/02/2015	Rebecca Skidmore	Chicago, IL	Ventiv Tech Experience 2015 Conference - iVOS Training	\$ 440.00	\$ 74.45	\$ 1,586.72	\$ 2,101.17
09/08 - 09/11/2015	Zachary Gifford	Sacramento	AORMA LRP, AORMA Committee, and CSURMA EC Meetings at Alliant	\$ 292.14	\$ 63.77	\$ 362.60	\$ 718.51
09/28/2015	Zachary Gifford	San Jose	JAL v. SJSU Mediation	\$ -	\$ 5.45	\$ 193.50	\$ 198.95
Travel Expenses Processed from 07/01/2015 to 09/30/2015				\$ 1,494.53	\$ 227.51	\$ 3,894.48	\$ 5,616.52
GRAND TOTAL				\$ 13,286.62	\$ 2,600.70	\$ 12,950.14	\$ 31,536.02

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 3/31/2016

(Unaudited)

	<u>Liability</u>	<u>Workers' Compensation</u>	<u>IDL/NDI/UI</u>	<u>Property</u>	<u>AIME</u>	<u>Auto Liability</u>	<u>Total Campus Programs as of 3/31/2016</u>
Assets:							
Cash and Investments	8,733,822	20,260,872	1,613,063	2,197,684	800,875	(157,355) ¹	33,448,962
Other long-term investments	28,847,231	66,539,615	5,275,368	7,209,021	2,624,975	0	110,496,210
Accounts receivable	964,575	776,463	0	0	0	0	1,741,038
Loan receivable	0	0	0	0	0	0	0
Reinsurance receivable	0	263,324	0	0	0	0	263,324
Accrued interest receivable	2,286	5,282	419	572	208	0	8,768
Prepaid insurance	1,000,385	6,526,801	542	286,681	7,468	211,456	8,033,332
Prepaid expense	116,884	3,085,661	5,728	176,603	691,131	0	4,076,008
Total assets:	<u>39,665,184</u>	<u>97,458,018</u>	<u>6,895,120</u>	<u>9,870,562</u>	<u>4,124,658</u>	<u>54,101</u>	<u>158,067,641</u>
Liabilities:							
Accounts payable	49,369	714,656	2,716,585	3,936	266,910	0	3,751,456
Unearned revenue	3,352,198	9,436,247	3,375,000	1,083,587	974,376	172,117	18,393,524
SELF assessment liability	0	9,545,359	0	0	0	0	9,545,359
Reported claims	10,153,055	36,241,586	0	0	137,137	0	46,531,778
Claims incurred but not reported	8,276,122	24,758,890	0	0	1,828,498	0	34,863,510
Total liabilities:	<u>21,830,743</u>	<u>80,696,738</u>	<u>6,091,585</u>	<u>1,087,523</u>	<u>3,206,921</u>	<u>172,117</u>	<u>113,085,627</u>
Fund balance	17,834,440	16,761,280	803,535	8,783,039	917,737	(118,016)	44,982,014
Total liabilities and fund balance	<u>39,665,184</u>	<u>97,458,018</u>	<u>6,895,120</u>	<u>9,870,562</u>	<u>4,124,658</u>	<u>54,101</u>	<u>158,067,641</u>

¹ Actual cost determined by the State VELSIP program exceeded the FY 15/16 budget, which was based on the PY MVIA assessment in March 2015.

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 3/31/2016

(Unaudited)

	<u>AORMA Liability</u>	<u>AORMA Workers' Comp</u>	<u>AORMA Property</u>	<u>AORMA Crime</u>	<u>AORMA UIP</u>	<u>Total AORMA Programs as of 3/31/2016</u>
Assets:						
Cash and Investments	2,066,525	2,698,559	495,427	96,204	1,305,818	6,662,532
Other long-term investments	6,786,879	8,863,592	1,624,306	315,682	4,287,940	21,878,400
Accounts receivable	12,500	188,348	0	0	0	200,848
Loan receivable	0	0	0	0	0	0
Reinsurance receivable	0	0	0	0	0	0
Accrued interest receivable	539	704	129	25	340	1,737
Prepaid insurance	81,896	742,258	21,290	49,372	120	894,936
Prepaid expense	354,430	398,611	47,512	3,929	1,272	805,753
Total assets:	<u>9,302,768</u>	<u>12,892,072</u>	<u>2,188,664</u>	<u>465,211</u>	<u>5,595,490</u>	<u>30,444,206</u>
Liabilities:						
Accounts payable	979,810	468,915	1,082	149	255,293	1,705,249
Unearned revenue	689,411	11,521	243,239	77,681	0	1,021,852
SELF assessment liability	0	0	0	0	0	0
Reported claims	1,283,240	4,399,377	0	0	0	5,682,617
Claims incurred but not reported	962,176	4,594,927	0	0	0	5,557,103
Total liabilities:	<u>3,914,637</u>	<u>9,474,741</u>	<u>244,321</u>	<u>77,830</u>	<u>255,293</u>	<u>13,966,822</u>
Fund balance	5,388,131	3,417,332	1,944,343	387,382	5,340,197	16,477,384
Total liabilities and fund balance	<u>9,302,768</u>	<u>12,892,072</u>	<u>2,188,664</u>	<u>465,211</u>	<u>5,595,490</u>	<u>30,444,206</u>

California State University Risk Management Authority

Balance Sheet - Miscellaneous Programs as of 3/31/2016

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 3/31/2016	Grand Total All Programs as of 3/31/2016
Assets:						
Cash and Investments	15,250	963,339	59,163	(982,345)	55,407	40,166,901
Other long-term investments	61,808	3,888,869	194,093	(3,897,187)	247,583	132,622,192
Accounts receivable	1,795	0	0	0	1,795	1,943,681
Loan receivable	0	0	0	4,879,532	4,879,532	4,879,532
Reinsurance receivable	0	0	0	0	0	263,324
Accrued interest receivable	0	0	15	0	15	10,520
Prepaid insurance	0	2,447,540	55,140	0	2,502,680	11,430,948
Prepaid expense	0	244,532	50,690	0	295,222	5,176,983
Total assets:	78,852	7,544,279	359,102	0	7,982,234	196,494,081
Liabilities:						
Accounts payable	0	2,963	101	0	3,064	5,459,769
Unearned revenue	0	0	96,354	0	96,354	19,511,730
SELF assessment liability	0	0	0	0	0	9,545,359
Reported claims	0	0	0	0	0	52,214,395
Claims incurred but not reported	0	0	0	0	0	40,420,613
Total liabilities:	0	2,963	96,455	0	99,418	127,151,867
Fund balance	78,852	7,541,317	262,647	0	7,882,816	69,342,214
Total liabilities and fund balance	78,852	7,544,279	359,102	0	7,982,234	196,494,081

California State University Risk Management Authority
Income Statement - Campus Programs as of 3/31/2016
(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	10,578,617	28,308,740	10,125,000	6,595,133	2,923,127	516,351	59,046,967
Reinsurance premiums	(136,553)	0	0	(3,309,916)	0	0	(3,446,468)
Total operating revenues:	10,442,064	28,308,740	10,125,000	3,285,217	2,923,127	516,351	55,600,499
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	3,843,788	14,587,653	10,963,784	1,392,614	2,758,946	0	33,546,786
Deductible recoveries	(2,576,886)	0	0	0	0	0	(2,576,886)
Claims administrators	65,080	2,846,041	53,285	0	191,250	0	3,155,656
Claims management information system	26,744	0	0	0	0	0	26,744
Program administrator	154,405	314,628	132,435	156,132	7,656	0	765,256
Brokerage commissions	251,948	310,246	174	365,986	1,421	0	929,776
Insurance premiums	2,957,483	19,721,962	0	973,487	11,954	634,367	24,299,253
Taxes, assessments & fees	218,789	0	0	0	0	0	218,789
Actuarial services	4,750	5,250	0	0	2,750	0	12,750
Miscellaneous program services	3,066	4,931	0	0	0	0	7,997
Workshops/training	34,190	11,376	4,219	2,879	0	0	52,665
Loss control	117,516	19,261	0	42,589	0	0	179,366
Reinsurance/excess recovery	0	(7,187,911)	0	0	0	0	(7,187,911)
Program committee	0	0	0	0	2,486	0	2,486
Dividend distributions	5,038,862	3,461,497	0	0	0	0	8,500,359
Total direct program expenses:	10,139,736	34,094,934	11,153,897	2,933,688	2,976,464	634,367	61,933,085
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	4,200	11,727	4,194	2,487	1,113	0	23,721
Executive committee & board expenses	757	2,114	756	448	205	0	4,281
JPA insurance	1,627	4,543	1,625	963	431	0	9,189
Memberships, associations & dues	1,260	3,518	1,258	746	334	0	7,116
Chancellor's office accounting services	36,225	101,145	36,173	21,450	9,600	0	204,594
Risk management expenses	86,426	241,314	86,308	51,175	23,217	0	488,440
Miscellaneous indirect services	10,223	9,653	3,473	2,141	938	0	26,428
Total general & administrative expenses:	140,719	374,014	133,786	79,410	35,838	0	763,768
Total operating expenses:	10,280,454	34,468,948	11,287,683	3,013,098	3,012,302	634,367	62,696,853
NON-OPERATING REVENUES:							
Investment income	532,311	1,384,396	249,996	154,272	25,697	0	2,346,672
Miscellaneous fee revenue	(0)	0	0	0	0	0	(0)
Total non-operating revenues:	532,311	1,384,396	249,996	154,272	25,697	0	2,346,672
BEGINNING RETAINED EARNINGS	17,289,228	21,537,093	1,716,222	8,356,648	981,214	0	49,880,404
ADJUSTMENTS TO RETAINED EARNINGS	(148,708)	0	0	0	0	0	(148,708)
TOTAL ADJUSTED RETAINED EARNINGS	17,140,520	21,537,093	1,716,222	8,356,648	981,214	0	49,731,696
NET SURPLUS/(DEFICIT)	693,920	(4,775,813)	(912,687)	426,391	(63,478)	(118,016)	(4,749,682)
ENDING RETAINED EARNINGS	17,834,440	16,761,280	803,535	8,783,039	917,737	(118,016)	44,982,014

California State University Risk Management Authority
Income Statement - AORMA Programs as of 3/31/2016
(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	2,758,908	3,571,570	1,781,110	233,042	1,588,347	9,932,977
Reinsurance premiums	(666,698)	0	(1,051,226)	0	0	(1,717,924)
Total operating revenues:	2,092,211	3,571,570	729,884	233,042	1,588,347	8,215,053
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	4,240,565	1,488,893	76,823	0	697,612	6,503,892
Deductible recoveries	(13,490)	0	0	0	0	(13,490)
Claims administrators	10,500	161,592	0	0	22,534	194,626
Claims management information system	0	0	0	0	0	0
Program administrator	447,173	265,925	192,714	18,477	35,752	960,041
Brokerage commissions	48,390	41,192	139,611	11,395	39	240,627
Insurance premiums	245,238	2,203,758	63,997	148,078	0	2,661,071
Taxes, assessments & fees	0	28,519	0	0	0	28,519
Actuarial services	5,000	5,500	0	0	0	10,500
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	9,531	7,958	4,389	558	5,328	27,764
Loss control	69,964	81,465	11,321	0	0	162,751
Reinsurance/excess recovery	(6,608,331)	(304,116)	0	0	0	(6,912,448)
Program committee	2,889	3,459	1,817	239	2,309	10,713
Dividend distributions	871,524	300,000	0	0	0	1,171,524
Total direct program expenses:	(671,048)	4,284,146	490,672	178,746	763,573	5,046,089
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,164	1,395	732	96	930	4,317
Executive committee & board expenses	211	252	130	17	162	771
JPA insurance	451	540	284	37	360	1,672
Memberships, associations & dues	17	21	11	1	14	65
Chancellor's office accounting services	10,040	12,032	6,314	828	8,021	37,234
Risk management expenses	24,035	28,709	14,927	1,958	18,734	88,362
Miscellaneous indirect services	983	1,167	656	82	778	3,665
Total general & administrative expenses:	36,901	44,115	23,052	3,020	28,999	136,087
Total operating expenses:	(634,147)	4,328,261	513,724	181,765	792,572	5,182,176
NON-OPERATING REVENUES:						
Investment income	137,861	207,788	32,755	7,035	95,488	480,927
Miscellaneous fee revenue	0	0	0	0	0	0
Total non-operating revenues:	137,861	207,788	32,755	7,035	95,488	480,927
BEGINNING RETAINED EARNINGS	2,523,912	3,966,235	1,695,428	329,070	4,448,934	12,963,580
ADJUSTMENTS TO RETAINED EARNINGS	0	0	0	0	0	0
TOTAL ADJUSTED RETAINED EARNINGS	2,523,912	3,966,235	1,695,428	329,070	4,448,934	12,963,580
NET SURPLUS/(DEFICIT)	2,864,219	(548,904)	248,914	58,312	891,263	3,513,805
ENDING RETAINED EARNINGS	5,388,131	3,417,332	1,944,343	387,382	5,340,197	16,477,384

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 3/31/2016
(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	338,460	5,743,470	217,200	6,299,130	75,279,074
Reinsurance premiums	0	0	0	0	(5,164,392)
Total operating revenues:	338,460	5,743,470	217,200	6,299,130	70,114,682
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	2,060	2,060	40,052,738
Deductible recoveries	0	0	0	0	(2,590,376)
Claims administrators	0	0	0	0	3,350,282
Claims management information system	0	0	0	0	26,744
Program administrator	0	204,375	0	204,375	1,929,672
Brokerage commissions	69,060	18,383	6,032	93,474	1,263,877
Insurance premiums	396,712	900,616	124,478	1,421,806	28,382,130
Taxes, assessments & fees	0	0	0	0	247,308
Actuarial services	0	0	0	0	23,250
Miscellaneous program services	0	0	0	0	7,997
Workshops/training	0	0	0	0	80,428
Loss control	0	0	0	0	342,117
Reinsurance/excess recovery	0	0	0	0	(14,100,358)
Program committee	0	0	0	0	13,199
Dividend distributions	0	0	0	0	9,671,883
Total direct program expenses:	465,772	1,123,374	132,569	1,721,715	68,700,889
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	1,902	60	1,962	30,000
Executive committee & board expenses	0	343	11	354	5,406
JPA insurance	0	737	23	760	11,621
Memberships, associations & dues	0	29	1	29	7,210
Chancellor's office accounting services	0	16,405	518	16,922	258,750
Risk management expenses	0	39,140	1,249	40,389	617,191
Miscellaneous indirect services	0	1,598	51	1,649	31,742
Total general & administrative expenses:	0	60,152	1,912	62,065	961,919
Total operating expenses:	465,772	1,183,526	134,481	1,783,780	69,662,808
NON-OPERATING REVENUES:					
Investment income	0	0	1,694	1,694	2,829,293
Miscellaneous fee revenue	0	0	0	0	(0)
Total non-operating revenues:	0	0	1,694	1,694	2,829,293
BEGINNING RETAINED EARNINGS	57,457	2,981,373	178,234	3,217,064	66,061,048
ADJUSTMENTS TO RETAINED EARNINGS	148,708	0	0	148,708	0
TOTAL ADJUSTED RETAINED EARNINGS	206,165	2,981,373	178,234	3,365,772	66,061,048
NET SURPLUS/(DEFICIT)	(127,312)	4,559,944	84,413	4,517,044	3,281,166
ENDING RETAINED EARNINGS	78,852	7,541,317	262,647	7,882,816	69,342,214

California State University Risk Management Authority

Income Statement as of 3/31/2016

(Unaudited)

	Budget vs. Actual			
	FY 2015/2016 Amended Budget	Year-to-Date Ended 03/31/2016	Variance	Percent of Budget
OPERATING REVENUES:				
Contributions	97,531,829	75,279,074	22,252,755	77.18 %
Reinsurance premiums	(7,114,006)	(5,164,392)	(1,949,614)	72.59 %
Total operating revenues:	90,417,823	70,114,682	20,303,141	77.55 %
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	62,792,191	40,052,738	22,739,453	63.79 %
Deductible recoveries	(5,381,360)	(2,590,376)	(2,790,984)	48.14 %
Claims administrators	4,783,683	3,350,282	1,433,401	70.04 %
Claims management information system	35,000	26,744	8,256	76.41 %
Program administrator	2,559,903	1,929,672	630,232	75.38 %
Brokerage commissions	1,290,820	1,263,877	26,943	97.91 %
Insurance premiums	38,192,443	28,382,130	9,810,312	74.31 %
Taxes, assessments & fees	265,500	247,308	18,192	93.15 %
Actuarial services	56,000	23,250	32,750	41.52 %
Claims audit	22,000	0	22,000	0.00 %
Coverage counsel	16,000	0	16,000	0.00 %
Program legal	2,500	0	2,500	0.00 %
Miscellaneous program services	171,755	7,997	163,758	4.66 %
Workshops/training	219,000	80,428	138,572	36.73 %
Loss control	1,002,399	342,117	660,283	34.13 %
Reinsurance/excess recovery	(18,353,854)	(14,100,358)	(4,253,496)	76.83 %
Program committee	30,688	13,199	17,490	43.01 %
Dividend distributions	9,671,883	9,671,883	0	100.00 %
Total direct program expenses:	97,376,551	68,700,889	28,675,663	70.55 %
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	43,000	30,000	13,001	69.77 %
Executive committee & board expenses	34,000	5,406	28,595	15.90 %
JPA insurance	27,500	11,621	15,878	42.26 %
Memberships, associations & dues	7,450	7,210	240	96.78 %
Chancellor's office accounting services	345,000	258,750	86,251	75.00 %
Risk management expenses	1,004,914	617,191	387,724	61.42 %
JPA legal	105,000	0	105,001	0.00 %
Miscellaneous indirect services	15,000	31,742	(16,741)	211.60 %
Total general & administrative expenses:	1,581,864	961,919	619,950	60.81 %
Total operating expenses:	98,958,415	69,662,808	29,295,613	70.40 %
NON-OPERATING REVENUES:				
Investment income	2,500,000	2,829,293	(329,294)	113.17 %
Miscellaneous fee revenue	0	0	0	0.00 %
Total non-operating revenues:	2,500,000	2,829,293	(329,294)	113.17 %
NET SURPLUS/(DEFICIT)	(6,040,592)	3,281,166	(9,321,765)	(54.32)%

FINANCIAL REPORT
TREASURER'S QUARTERLY INVESTMENT REPORT

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 accept the Treasurer's Report dated May 2, 2016 as a 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 dated May 2, 2016



California State University Risk Management Authority

Officers

Linda Hawk
Chair - 760-750-4950

Dr. Ming Tung (Mike) Lee
Vice Chair - 916-278-6312

Robert Eaton
Treasurer - 562-951-4572

Zachary Gifford
Secretary-Auditor - 562-951-4568

To: Executive Committee
CSU Risk Management Authority

From: Robert Eaton
Treasurer of CSU Risk Management Authority

Re: Treasurer's Certification

Date: May 2, 2016

The funds held in investments are sufficient to meet the Authority's cash flow needs for the following six (6) months, and the investments are in accordance with the investment policy of the Authority, as duly authorized by the Executive Committee.

A handwritten signature in blue ink, appearing to read "Robert Eaton for", is written over the typed name.

Robert Eaton
Treasurer
CSU Risk Management Authority

ANNUAL REVIEW OF THE CSURMA'S DATA SECURITY POLICIES

ISSUE: The Executive Committee resolved to annually review CSURMA's data security policies.

RECOMMENDATION: It is recommended that the Executive Committee review the iVos and the Financial Edge (BlackBaud) data security policies.

FISCAL IMPACT: None.

BACKGROUND: The Executive Committee is being asked to review the iVOS User Policy as well as the BlackBaud User Policy. CSURMA uses many electronic data systems, but the iVOS Liability System and BlackBaud Accounting System are the only electronic data systems maintained by CSURMA and for which CSURMA is responsible for the security of the electronic data.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA iVOS User Policy
- b. Financial Edge User Policy

CSURMA iVOS User Policy

The iVOS Liability system has been operational since 2006. Beginning in 2006, CSURMA implemented the following policies and procedures designed to restrict access to the iVOS Liability system.

System Administrator(s)

Administrative access to the iVOS Liability system is limited to individuals identified by CSURMA as being a system administrator. It is the responsibility of the system administrator to activate access for users, maintain user lists, and perform security functions.

Access Authorization

User access to the iVOS Liability system is restricted. User access is granted on a “read-only” basis. Access is provided only to the Campus Risk Manager and other campus personnel who are directly involved in claims/risk management for the campus. In order to grant access to campus personnel (other than the Campus Risk Manager), a written request (e.g., an e-mail) must be received from the Campus Risk Manager requesting and approving access for that person. The Campus Risk Manager is responsible for determining and verifying that the identified person has had appropriate and adequate training and has signed all necessary and required data confidentiality agreements.

The system administrator maintains a list of all persons to whom user access has been granted. The list is updated and changed throughout the year as the system administrator receives information concerning personnel changes. The Campus Risk Manager is responsible for notifying the system administrator about any change in a user’s employment status. In addition, the system administrator independently reviews the list of users on no less than an annual basis.

Password Protocol

The password protocol described below is utilized as a means of authentication control.

CSU iVOS User Policy – Password Security Settings

Controls	11/5/2009 Minimum Settings	3/1/2011 Revisions
minimumPasswordLength	8 characters	
passwordExpirePeriod	60 days	90 days (quarterly - CSU policy)
maximumInactiveDays	90 days	
minimumUppercaseChars	1 character	
minimumLowercaseChars	1 character	
minimumNumericChars	1 character	
minimumSpecialChars	0 characters	1 character (CSU policy)
maximumDuplicateCharsWithPrior	No more than 3 duplicate characters	No more than 6 duplicate characters
minimumPriorPasswords	12 prior passwords	
maximumFailedLoginAttempts	3 failed logins	
requireInitialPasswordChange	TRUE - initial password change	

(Document Origination Date: April 2013)



CSURMA Financial Edge User Policy

In compliance with *ICSUAM Section 8000 Information Security* adopted by the CSURMA Executive Committee, this is to provide guideline to manage restricted access to the Financial Edge (Blackbaud) System. This form must be completed, signed by the employee, and sent to CSURMA Accounting in order to gain access to the Financial Edge (Blackbaud) System.

Introduction and Scope

CSURMA uses Financial Edge as a main accounting system, and access is limited to CSURMA accounting and risk management staffs.

Access Authorization

- User access to the Financial Edge is restricted and it is based on the principle of the least privilege. The principle of least privilege requires that a user be given no more privilege than necessary to perform a job.
- It is the responsibility of the system administrator to activate access for users, maintain users, and perform security functions.
- Confidentiality Form required by the CSU (http://www.calstate.edu/hrs/policies/documents/co_confidential_form.pdf) should be completed before access is granted.
- Access levels should be associated with group membership when possible and require that all Financial Edge users be a member of at least one user group.
 - Level 5 - Managers
 - Level 4 – Lead Accountant
 - Level 3 - Accountant
 - Level 2 – Student Assistant
 - Level 1 – View Only
- The system administrator performs an online review at least annually, of all user accounts for the Financial Edge to ensure access remains accurate and proper.
- Account controls must be in place to ensure accounts are proper and remain current. This includes:
 - Prohibiting the use of shared accounts.
 - Prohibiting the use of guest accounts.
 - Disabling unneeded accounts for transferred or terminated employees

SECTION 1 – EMPLOYEE/USER INFORMATION

New User? Yes No If No, Update Terminate

User Information	
Name (Last, First, Middle Initial): _____	Date: _____
Title: _____	Phone: _____
Department: _____	Email: _____
User Signature: <div style="border: 1px solid black; width: 150px; height: 30px; display: inline-block;"></div>	FE Oper ID: (If Current User) _____

SECTION 2 – FE ACCESS

<input type="checkbox"/> Supervisor Rights	<input type="checkbox"/> Selected Group Rights <ul style="list-style-type: none"> <input type="checkbox"/> Level 5 - Managers <input type="checkbox"/> Level 4 - Lead Accountant <input type="checkbox"/> Level 3 - Accountant <input type="checkbox"/> Level 2 – Student Assistant <input type="checkbox"/> Level 1 – View Only 	<input type="checkbox"/> Copy Access from Existing User:
Comments/Job Functions in relation to FE: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>		

SECTION 3 – TO BE FILLED OUT BY CSURMA ACCOUNTING

Access Granted? Yes No

Date Access Granted: _____

Additional Comments/Information: _____

System Administrator Name (Please print) _____

Signature _____

Date _____

PROPOSED COST OF RISK STUDY

ISSUE: Related to the Long Range Action Plan, the Executive Committee has supported development of information that is suitable for benchmarking CSU risk management performance and costs. The risk management community has developed a cost of risk methodology that calculates an organization's total cost of risk. The resulting calculations will reveal internal and external comparison points. CSURMA's independent actuary, Mujtaba Dattoo of Aon Risk Services, has indicated he can perform the calculations and prepare a report in time for the November 2016 Board of Director's Meeting.

RECOMMENDATION: It is recommended that the CSURMA Executive Committee evaluate authorizing a cost of risk study be prepared by CSURMA's independent actuary.

FISCAL IMPACT: CSURMA's actuary projects that the cost of risk study will not exceed \$50,000. This amount has been included in the proposed CSURMA budget.

BACKGROUND: None.

PUBLICATION: The cost of risk study would be delivered at the November 2016 Board of Director's meeting.

ATTACHMENT(S): None.

FY 2016/17 BUDGET AMENDMENTS

ISSUE: The Executive Committee approved the FY 2016/17 Budget at its meeting on March 10, 2016. The following additions to expenditures for FY 2016/17 are proposed:

1. Aon Cost of Risk Study for all campuses: \$50,000.
2. University Police Training: \$100,000.
3. Captive Formation Costs: \$250,000 estimated.
4. Ventiv Insurance Database and Management: \$50,000.
5. UC Safety Training Consortium annual membership: \$50,000.
6. Hogan Lovells to draft blanket UAS Section 333 Exemption and related drone operations manual: \$7,000.
7. Kualu Ready annual membership: \$15,000.

TOTAL: \$522,000

RECOMMENDATION: It is recommended the Executive Committee approve the additions to the FY 2016/17 budget described above and recommend adoption by the Board of Directors as presented.

FISCAL IMPACT: The effect of the above adjustments increase Total Expenses by \$522,000 which will be allocated to all funds as applicable. Estimated Total Operating Revenue is \$91,123,123, Total Operating Expenses of \$89,432,357, and Non-Operating Income of \$2,500,000, resulting in a Net Surplus of \$4,190,766. The Ending Balance at June 30, 2017 is estimated to be \$64,211,221.

BACKGROUND: Please refer to items in this agenda for description of proposed budget amendments as follows:

- C4. Cost of Risk study
- D5. University Police Training
- D6. Captive study and formation costs.
- D7. Insurance Policy Database
- D10. UC Safety Training Consortium

Hogan Lovells' transmittal letter dated March 21, 2016 with the General Terms and of Representation describe the Scope of Services. Hogan Lovells US LLP, an international legal practice, to represent the University for counsel related to Unmanned Aerial Systems (UAS)

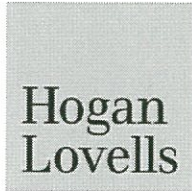
regulatory and policy issues. The agreed fixed fee is \$7,000 for UAS counsel associated with drafting and filing a blanket Section 333 Exemption and related operations manual.

Kuali Foundation is a non-profit, 501(c)(3) corporation that develops open source enterprise resource planning software for higher education institutions. Kuali modules include Student, Financial, Human Resources, Research Administration, and Library. Founding partners are Indiana University, The University of Arizona, the University of Hawaii, Michigan State University, San Joaquin Delta Community College, Cornell University, NACUBO, and the rSmart Group. At least thirteen campuses subscribe to Kuali Ready, which cost \$11,000 per campus. The subscription fee would be reduced to \$8,000 per campus if CSURMA becomes a member of the Kuali Foundation. Annual membership due is \$15,000.

PUBLICATION: The amended FY 16/17 Budget will be uploaded onto the CSURMA website.

ATTACHMENT(S):

- a. Hogan Lovells' transmittal letter dated March 21, 2016
- b. FY 2016/17 CSURMA Operating Budget (Draft 9)



Hogan Lovells US LLP
Columbia Square
555 Thirteenth Street, NW
Washington, DC 20004
T +1 202 637 5600
F +1 202 637 5910
www.hoganlovells.com

March 21, 2016

William Hsu
Office of General Counsel
The California State University, Office of the Chancellor
401 Golden Shore, Fourth Floor
Long Beach, California 90802

Dear Mr. Hsu:

We are pleased that The California State University (the "University") has engaged Hogan Lovells US LLP to represent the University for counsel related to UAS regulatory and policy issues.

This letter and the attached General Terms of Representation describe our retention, as required by applicable Rules of Professional Conduct. We will e-mail our monthly statements to you in a PDF file unless the University asks us to send them to someone else or tells us that it would prefer to receive them by mail.

We greatly appreciate the opportunity to work with you on this matter and to develop a more extensive relationship with you and the University. Please sign and return this letter to us at your earliest convenience.

Sincerely,

Lisa Ellman

Enclosures

AGREED AND APPROVED

The California State University

By William Hsu
Name WILLIAM HSU
Title UNIVERSITY COUNSEL / OFFICE OF THE GENERAL COUNSEL
Date APRIL 15, 2016

GENERAL TERMS OF REPRESENTATION

Hogan Lovells US LLP (the "Firm") provides legal services on the basis described in our letter of March 21, 2016 (the "Transmittal Letter") and on the following terms and conditions:

1. Staffing

We expect the following attorneys to work on this matter, with the assistance of others as may be appropriate: Lisa Ellman and Matthew Clark. Staffing needs change on many matters over time; we will adjust assignments to respond to those needs.

2. Scope of Services

The Firm accepts this engagement to represent you or your interests in any matter described in the Transmittal Letter. Unless specifically made a part of this engagement, our engagement does not include any other matter, or responsibility for review of insurance policies to determine the possibility of coverage for any claims that have been or might be asserted in a matter in which we are representing you, for notification of insurance carriers about such matters, or for advice about disclosure obligations concerning the matter under the federal securities laws or any other applicable law.

3. Client Identification

We can only represent clients that have been cleared through a conflicts check and whose names appear in our conflicts database. You agree that the person or entity named in the Transmittal Letter is our client for the specific matters on which we are engaged, and that we shall not be deemed to represent any of its parents, subsidiaries, joint ventures, or other affiliates unless you have specifically identified them to us and we agree in writing to do so. Further, our representation of a corporation, partnership, joint venture, or other entity does not include a representation of the individuals or entities that are shareholders, officers, directors, partners, joint venturers, employees or members of such entities or their interests in such entities.

4. Basis of the Firm's Charges

As we have discussed, we offer CSU a discounted fixed fee rate of \$7,000 for UAS counsel associated with drafting and filing a 333 exemption and related manuals. This is subject to such further adjustments as we believe are appropriate under the circumstances and which are pre-approved by the University in its discretion.

As is customary for firms like ours, we may, at the conclusion of the matter and in consultation with the University, seek an upward adjustment in our fees based on a number of factors, including (a) hours at standard valuation; (b) complexity of the matter and required special skills, experience and resources; (c) time-sensitivity and constraints; (d) size and importance of the matter; (e) level of required staffing and impact on other matters; (f) the level of fees customarily charged by comparable firms; (g) time-saving use of resources; and (h) other factors that are relevant under the circumstances. Thus, with your consent, our fees may be somewhat higher than our standard hourly rates.

5. Retainer

We will waive our standard practice and not require a retainer for this matter. We will require a retainer in the future if payments are not timely made or in other appropriate circumstances.

6. Client Duty to Cooperate

In order to work effectively for you, we often will need to ask you for information, sometimes on tight timelines. We need to rely on the completeness and accuracy of the information that you give us. Please tell us promptly if any of that information changes, and of any changes in the University's policies which are relevant to our work.

7. Payment of Fees and Other Charges

We will bill you monthly for legal services and other charges (listed on the attached schedule) and will provide you with a detailed description of those services and charges. Payment will be due within 30 days of the date of our statement. If bills are not timely paid, the Firm may cease work and withdraw from the representation to the extent permitted by applicable Rules of Professional Conduct. If major third-party charges are incurred in connection with the representation, such as printing bills, filing fees, court reporting fees, and consultant or expert witness fees, our normal practice is to forward such statements directly to you for payment. Any third-party charges in excess of \$500, must be pre-approved by the University.

Our fees are determined net of any withholdings, deductions or payments that you or we may be required to make in respect of any taxes or duties, including, without limitation, taxes in the nature of "value added taxes," sales taxes, or taxes imposed upon gross receipts that we might be required to pay (but excluding taxes payable by us with respect to our net income by reason of our having an office in the jurisdiction imposing the tax). If you or we are required by law to withhold, deduct or pay taxes or other amounts (other than taxes on our net income as described in the parenthetical in the preceding sentence), then the amount of each bill shall be treated as increased to the extent necessary that, after any withholding, deduction or payment, we will receive and retain a net sum equal to the amount of the bill.

Our representation will be deemed concluded at the time that we have rendered our final bill for services on this and any other matter undertaken for you.

8. Conflicts and Confidential Information

Hogan Lovells is a large international legal practice with multiple offices around the world. Because of Hogan Lovells' size and geographic scope, as well as the breadth and diversity of its practice, other present or future clients of Hogan Lovells inevitably will have contacts with you. Accordingly, to prevent any misunderstanding and to preserve the Firm's ability to represent you and its other clients, you and we agree as follows with respect to certain conflict of interest issues:

- a) You agree that we are free to represent other clients (including future clients) in matters that involve you or are adverse to you as long as those matters are not the same as or substantially related to matters in which we represent you, or have represented you. "Matter" refers to transactions, negotiations, proceedings or other representations involving specific parties. Such unrelated matters may include, but are not limited to:

- i. Agreements, licenses, mergers and acquisitions, joint ventures, loans and financings, and securities offerings;
- ii. Bankruptcies, reorganizations, receiverships or insolvencies (including proceedings under the US Bankruptcy Code or state insolvency proceedings); non-judicial debt restructurings, including representation of debtors-in possession, liquidators or other insolvency professionals in domestic or international matters in which you are a creditor or other party in interest;
- iii. Patents, copyrights, trademarks, trade secrets or other intellectual property; real estate; and government contract and procurement matters including bid protests;
- iv. Representation and advocacy with respect to legislative issues, policy issues, or regulatory issues, including rulemakings, administrative proceedings and enforcement proceedings;
- v. Third-party discovery requests (including subpoenas) to be served on you, and discovery requests (including subpoenas) that have been served by you on others; and
- vi. Litigation matters brought by or against you.

If at a later time you withdraw or modify this advance waiver in any respect, you agree that we then shall have the right to withdraw from our representation of you pursuant to these General Terms of Representation to the extent permitted by the applicable Rules of Professional Conduct.

- b) In addition, you consent to our representation of multiple bidders, or of lenders or other financing sources to any other bidder, in any proposed merger, acquisition, joint venture or other transaction so long as there are ethical firewalls in place and the Hogan Lovells teams representing different clients are comprised of different attorneys. Should you rescind or revoke this consent after we and another client have relied on it to start representing that client, you agree now that we may withdraw from our representation of you and continue representing the other client in the transaction in which you are involved.
- c) You also agree that, if we represent you in a matter adverse to, or across the table from, another person or entity, we may also represent such person or entity on matters not substantially related to our work for you.
- d) We take very seriously our obligation to maintain the confidentiality of information we receive from our clients. This advance consent does not affect our continuing obligation to maintain the confidences of you and our other clients. Unless we receive authorization, we will not disclose to you or use on your behalf any documents or information protected by confidentiality obligations to other clients.
- e) Our professional obligations require us to perform a conflicts check and not to commence work on a matter if we find conflicts of interest that would preclude us from doing so. Our professional obligations to you and to our other clients will require us to run a new conflicts check if there is any change in the parties or the

nature of the work Hogan Lovells is doing for you. We must also run a new conflicts check before undertaking any new matters for you.

- f) The lawyers practicing in Hogan Lovells' offices in various jurisdictions are governed by Rules of Professional Conduct that are prescribed by the proper authorities in each jurisdiction. Although the rules of the various jurisdictions often are similar, they are not identical. Only the rules in force in the specific jurisdictions in which the Hogan Lovells lawyers representing you are practicing apply to those lawyers, subject to any permitted modifications of those rules reflected in these General Terms of Representation.

9. Specific Limits on Client Information

As we have discussed, Hogan Lovells has a large international legal practice with active practices in a variety of areas, including regulatory matters, government contracts, and litigation. In a variety of matters currently being handled by Hogan Lovells for other clients, the scope of its representation is such that other agencies of the State of California as a whole are or may be adverse parties. We do not believe that any direct conflict currently exists between the Firm and California State University because the work we have been asked to perform for California State University is not related to any of our current representations. We also expect to represent clients in future matters under circumstances in which California State University and other State of California agencies may be adverse parties.

To ensure that our work for California State University does not adversely affect Hogan Lovells' ability to continue to represent other clients on current or future matters where their interests may be adverse to the State of California or any agencies thereof (including California State University), including litigation against or other adversities to the State of California or any of its agencies, California State University agrees that: (1) California State University is our client for the specific matters on which it engages us, and Hogan Lovells shall not be deemed to represent the State of California or any other agency thereof with respect to such matters; and (2) the work we perform for California State University in this matter will not disqualify Hogan Lovells from working on any other current or future matters, including litigation, bankruptcy or bid protest matters, in which the interests of the State of California or any agencies thereof (including California State University) are or may be adverse to the interests of our client(s) so long as those other current or future matters are not substantially related to the work performed for California State University in this matter.

10. In-House Attorney-Client Privilege

The lawyers working on this matter may wish to consult, at no cost to you, with the Firm's in-house counsel, including its General Counsel, or with outside counsel concerning our own rights and responsibilities in connection with representation of you in this matter. Any such communications and advice are protected by our own attorney-client privilege, and will remain confidential within the Firm.

11. Disclosure Issues

Under certain circumstances, we may be required to publicly disclose our representation of you and general information about our activities on your behalf, for example in connection with:

- the Lobbying Disclosure Act of 1995,
- the Foreign Agents Registration Act,

- Internal Revenue Service tax shelter regulations,
- any audit letter request to which you ask us to respond,
- any subpoena or other legal process to which we are required to respond.

In the event that such disclosure is sought, we will comply with a request from a third party only to the extent that you have requested us to do so or we are legally bound to do so. If it is practicable and permitted, we shall notify you of the request or the sharing of information. As part of our service to you, we will do our best to protect your interests in those circumstances. We will bill you for any time spent complying with these requirements, requests or demands in connection with any matters we handle for you. In the event that the Firm considers it necessary to engage counsel in connection with any such disclosure, those expenses will be reimbursable costs under this engagement. The Firm will consult with you before engaging outside counsel at your expense.

12. Client Files; Retention

During the course of this engagement, we shall maintain certain documents, both hard-copy and electronic, which pertain to the engagement and which in our judgment should be so maintained (the "Client File"). The Client File shall be your property. If you wish any documents we maintain in the Client File to be returned to you, we shall do so upon your request, although we shall be entitled to make copies of any such documents at our expense. Further, any expenses we incur in returning the Client File to you (other than costs incurred in making copies for ourselves) shall be billed to and paid by you, including without limitation any costs incurred in converting electronic documents to hard copy documents if you request such conversion. If you do not request return of the Client File, we shall maintain the documents in it for a period of seven years from the end of our representation of you in this matter as determined by the date of the last bill, and thereafter may destroy the subject documents without further communication with you.

In cases that involve protective orders or transactional matters that involve non-disclosure agreements, we are sometimes required to destroy certain documents or files in our possession once the matter is complete or in the event the transaction does not proceed. If this engagement involves such a protective order, non-disclosure agreement or other agreement between the parties, you authorize the Firm to comply (and agree to pay any fees and costs incurred) with the required document destruction.

13. Disclaimer of Guarantee

During the course of this engagement, we may express opinions or beliefs to you about the effectiveness of various courses of action or about the results that might be anticipated. Such statements are expressions of opinion based on available information at that time and should not be construed as promises or guarantees.

14. Data Privacy and Security

We understand that security of data relating to our representation of you is critically important to our clients. The Firm has been ISO 27001 certified since January 11, 2013.

15. Hogan Lovells

a) As used in these Terms of Representation, Hogan Lovells refers to an international legal practice comprising Hogan Lovells US LLP, Hogan Lovells International LLP and their affiliated businesses, each of which is a separate legal entity. Hogan Lovells US LLP is a limited liability

partnership registered in the District of Columbia. Hogan Lovells International LLP is a limited liability partnership registered in England and Wales with registered number OC323639. In some jurisdictions, Hogan Lovells practices through an affiliated local entity. Information about Hogan Lovells' offices and affiliates can be found on <http://www.hoganlovells.com>.

b) The full resources of Hogan Lovells will be made available to you in connection with this engagement. Pursuant to these Terms of Representation, Hogan Lovells US LLP will be the sole contracting party with you and will alone be responsible to you for the work performed under the engagement, including work performed under the engagement by Hogan Lovells International LLP or any of its affiliates. If Hogan Lovells International LLP or any Hogan Lovells affiliate carries out any work for you in relation to the matter, they will do so technically as a subcontractor of Hogan Lovells US LLP, but as a part of our integrated legal practice described above. Absent any other agreement, this engagement shall establish the terms under which they will perform any such work.

c) The word "partner" is used to describe a partner or member of Hogan Lovells International LLP, Hogan Lovells US LLP or any of their affiliated entities or any employee or consultant with equivalent standing. Certain individuals, who are designated as partners, but who are not members of Hogan Lovells International LLP, do not hold qualifications equivalent to members. For more information about the partners and their qualifications, see <http://www.hoganlovells.com>.

16. Application of These Terms

The Transmittal Letter, this statement of General Terms of Representation, and the accompanying schedule of other charges will govern our relationship with you even if you do not sign and return a copy of the Transmittal Letter.

Client companies sometimes present the Firm with billing guidelines, outside counsel guidelines, or other additional or different terms and conditions. If you want the Firm to follow any such guidelines, please present them to us as soon as possible, so we can consider how they correspond to these General Terms of Representation, and come to a clear understanding that is agreed to by the University and the Firm.

If you disagree with any of these terms and conditions, please advise us immediately by return correspondence so that we can resolve any differences promptly and proceed with a clear, complete, and consistent understanding of our relationship. These General Terms of Representation contain important information about your rights, obligations and agreements with us, so you should feel completely free to consult other independent counsel or any other advisor concerning these matters, and we encourage you to do so. By signing the Transmittal Letter, you acknowledge that you have had an opportunity to consult with other counsel.

STANDARD SCHEDULE OF OTHER CHARGES

The following items are billed at actual cost: postage, outside messengers, outside photocopies, transcripts, computerized research, express delivery services, travel charges, food services, and all third-party charges.

Other charges incurred in connection with this representation will be billed on the following basis until further notice:

- in-house photocopying at \$.10/page for black and white copies and \$.30/page for color copies

CSURMA

Cash Flow Budget of Revenues and Expenses Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

Executive Committee and Board of Directors
May 6, 2016

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

TOTAL: ALL FUNDS

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	97,531,829	98,787,129	1,255,300
Reinsurance Premiums	-7,114,006	-7,664,006	-550,000
Total Operating Revenues	<u>90,417,823</u>	<u>91,123,123</u>	<u>705,300</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	62,792,191	59,479,626	-3,312,565
Deductible Recoveries	-5,381,360	-5,381,360	0
Claims Administrators	4,783,683	4,492,631	-291,052
Management Information System	35,000	85,000	50,000
Program Administrators	2,559,903	2,592,251	32,348
Brokerage Commissions & Fees	1,290,820	1,290,820	0
Insurance Premiums (net of brokerage)	38,192,443	38,442,443	250,000
Taxes, Assessments & Fees	265,500	265,500	0
Actuarial Services	56,000	386,000	330,000
Claims Audit	22,000	22,000	0
Coverage Counsel	16,000	16,000	0
Program Legal	2,500	24,500	22,000
Miscellaneous Program Services	171,755	10,000	-161,755
Workshop/Training Expenses	219,000	329,000	110,000
Loss Control Expenses	1,002,399	1,064,466	62,067
Appraisals	0	0	0
Reinsurance Recovery	-18,353,854	-16,452,994	1,900,860
Program Committee	30,688	0	-30,688
Dividend Distributions	9,671,883	1,171,524	-8,500,359
Total Direct Program Expenses	<u>97,376,551</u>	<u>87,837,407</u>	<u>-9,539,144</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

TOTAL: ALL FUNDS

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	43,000	43,000	0
Executive Committee & Board Expenses	34,000	34,000	0
JPA Insurance	27,500	27,500	0
Memberships, Associations & Dues	7,450	7,450	0
Chancellor's Office Accounting Services	345,000	350,000	5,000
Chancellor's Office Risk Management Service	1,004,914	1,013,000	8,086
JPA Accreditation	0	0	0
JPA Legal	105,000	105,000	0
Miscellaneous Expenses	15,000	15,000	0
Total General & Administrative Expenses	<u>1,581,864</u>	<u>1,594,950</u>	<u>13,086</u>
Total Operating Expenses	<u>98,958,415</u>	<u>89,432,357</u>	<u>-9,526,058</u>
Non-Operating Revenues			
Investment Income	2,500,000	2,500,000	0
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>0</u>
Net Surplus (Deficit)	<u>-6,040,592</u>	<u>4,190,766</u>	
Beginning Retained Earnings	66,061,048	60,020,455	
Ending Retained Earnings	60,020,455	64,211,221	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Draft 9

GENERAL FUND

**To allocate General Expenses
across All Program Funds**

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	0	0	0
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	0	0	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	0	0
Program Administrators	0	0	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	0	0	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	0	0
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	0	0	0
Workshop/Training Expenses	0	0	0
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Draft 9

GENERAL FUND

**To allocate General Expenses
across All Program Funds**

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget Change
Total Direct Program Expenses	<u>0</u>	<u>0</u>	<u>0</u>
General & Administrative Expenses			
Financial Audit	43,000	43,000	0
Executive Committee & Board Expenses	34,000	34,000	0
JPA Insurance	27,500	27,500	0
Memberships, Associations & Dues	7,450	7,450	0
Chancellor's Office Accounting Services	345,000	350,000	5,000
Chancellor's Office Risk Management Service	1,004,914	1,013,000	8,086
JPA Accreditation	0	0	0
JPA Legal	105,000	105,000	0
Miscellaneous Expenses	15,000	15,000	0
Total General & Administrative Expenses	<u>1,581,864</u>	<u>1,594,950</u>	<u>13,086</u>
Total Operating Expenses	<u>1,581,864</u>	<u>1,594,950</u>	<u>13,086</u>
Non-Operating Revenues			
Investment Income	2,500,000	2,500,000	0
Interest Income - Loans (separate fund)	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>2,500,000</u>	<u>2,500,000</u>	<u>0</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

TOTAL: CAMPUS PROGRAMS

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	77,345,917	78,818,221	1,472,304
Reinsurance Premiums	-4,585,006	-4,585,006	0
Total Operating Revenues	<u>72,760,911</u>	<u>74,233,215</u>	<u>1,472,304</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	57,544,296	53,123,917	-4,420,379
Deductible Recoveries	-5,331,360	-5,331,360	0
Claims Administrators	4,529,795	4,223,978	-305,817
Management Information System	35,000	74,984	39,984
Program Administrators	1,013,001	1,045,349	32,348
Brokerage Commissions & Fees	1,175,981	1,175,981	0
Insurance Premiums (net of brokerage)	32,214,172	32,464,172	250,000
Taxes, Assessments & Fees	200,000	200,000	0
Actuarial Services	45,000	318,906	273,906
Claims Audit	12,000	12,000	0
Coverage Counsel	10,000	10,000	0
Program Legal	0	22,000	22,000
Miscellaneous Program Services	170,004	8,551	-161,453
Workshop/Training Expenses	170,848	281,653	110,805
Loss Control Expenses	733,452	782,918	49,467
Appraisals	0	0	0
Reinsurance Recovery	-11,621,856	-15,150,355	-3,528,499
Program Committee	2,000	0	-2,000
Dividend Distributions	8,500,359	0	-8,500,359
Total Direct Program Expenses	<u>89,402,692</u>	<u>73,262,694</u>	<u>-16,139,997</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

TOTAL: CAMPUS PROGRAMS

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	33,996	34,386	390
Executive Committee & Board Expenses	26,880	27,189	308
JPA Insurance	21,741	21,991	249
Memberships, Associations & Dues	5,890	5,958	68
Chancellor's Office Accounting Services	272,756	279,883	7,127
Chancellor's Office Risk Management Service	794,482	810,061	15,579
JPA Accreditation	0	0	0
JPA Legal	83,013	83,965	952
Miscellaneous Expenses	11,859	11,995	136
Total General & Administrative Expenses	<u>1,250,617</u>	<u>1,275,426</u>	<u>24,809</u>
Total Operating Expenses	<u>90,653,309</u>	<u>74,538,120</u>	<u>-16,115,189</u>
Non-Operating Revenues			
Investment Income	2,155,798	2,127,765	-28,033
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>2,155,798</u>	<u>2,127,765</u>	<u>-28,033</u>
Net Surplus (Deficit)	<u>-15,736,600</u>	<u>1,822,859</u>	
Beginning Retained Earnings	49,880,404	34,143,804	
Ending Retained Earnings	34,143,804	35,966,663	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS LIABILITY PROGRAM

(Fund 10)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	13,514,960	14,240,860	725,900
Reinsurance Premiums	-170,000	-170,000	0
Total Operating Revenues	<u>13,344,960</u>	<u>14,070,860</u>	<u>725,900</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	15,547,871	9,937,699	-5,610,172
Deductible Recoveries	-5,331,360	-5,331,360	0
Claims Administrators	81,909	88,600	6,691
Management Information System	35,000	42,303	7,303
Program Administrators	204,172	176,494	-27,678
Brokerage Commissions & Fees	317,819	317,819	0
Insurance Premiums (net of brokerage)	3,691,323	3,691,323	0
Taxes, Assessments & Fees	200,000	200,000	0
Actuarial Services	36,000	86,027	50,027
Claims Audit	10,000	10,000	0
Coverage Counsel	10,000	10,000	0
Program Legal	0	22,000	22,000
Miscellaneous Program Services	152,506	1,562	-150,944
Workshop/Training Expenses	47,051	75,638	28,587
Loss Control Expenses	480,967	495,687	14,721
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	5,038,862	0	-5,038,862
Total Direct Program Expenses	<u>20,522,120</u>	<u>9,823,792</u>	<u>-10,698,328</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS LIABILITY PROGRAM

(Fund 10)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	6,019	6,280	262
Executive Committee & Board Expenses	4,759	4,966	207
JPA Insurance	3,849	4,016	167
Memberships, Associations & Dues	1,043	1,088	45
Chancellor's Office Accounting Services	48,289	51,118	2,829
Chancellor's Office Risk Management Service	140,657	147,949	7,293
JPA Accreditation	0	0	0
JPA Legal	14,697	15,335	639
Miscellaneous Expenses	2,100	2,191	91
Total General & Administrative Expenses	<u>221,411</u>	<u>232,943</u>	<u>11,532</u>
Total Operating Expenses	<u>20,743,531</u>	<u>10,056,736</u>	<u>-10,686,795</u>
Non-Operating Revenues			
Investment Income	560,194	562,159	1,965
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>560,194</u>	<u>562,159</u>	<u>1,965</u>
Net Surplus (Deficit)	<u>-6,838,377</u>	<u>4,576,284</u>	
Beginning Retained Earnings	17,289,228	10,450,851	
Ending Retained Earnings	10,450,851	15,027,135	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS WORKERS' COMPENSATION PROGRAM

(Fund 11)

	<i>Amended</i>	<i>Proposed</i>	
	FY 15/16	FY 16/17	Budget
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Operating Revenues			
Contributions	37,744,986	37,823,215	78,229
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>37,744,986</u>	<u>37,823,215</u>	<u>78,229</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	22,139,260	23,686,074	1,546,814
Deductible Recoveries	0	0	0
Claims Administrators	4,132,886	3,880,378	-252,508
Management Information System	0	19,396	19,396
Program Administrators	415,409	474,710	59,301
Brokerage Commissions & Fees	413,662	413,662	0
Insurance Premiums (net of brokerage)	24,146,033	24,146,033	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	6,000	138,867	132,867
Claims Audit	2,000	2,000	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	12,705	4,148	-8,557
Workshop/Training Expenses	66,129	168,276	102,147
Loss Control Expenses	196,132	231,385	35,253
Appraisals	0	0	0
Reinsurance Recovery	-11,621,856	-15,150,355	-3,528,499
Program Committee	0	0	0
Dividend Distributions	3,461,497	0	-3,461,497
Total Direct Program Expenses	<u>43,369,857</u>	<u>38,014,574</u>	<u>-5,355,283</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS WORKERS' COMPENSATION PROGRAM

(Fund 11)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	16,809	16,680	-129
Executive Committee & Board Expenses	13,291	13,189	-102
JPA Insurance	10,750	10,667	-83
Memberships, Associations & Dues	2,912	2,890	-22
Chancellor's Office Accounting Services	134,864	135,767	903
Chancellor's Office Risk Management Service	392,830	392,948	118
JPA Accreditation	0	0	0
JPA Legal	41,045	40,730	-315
Miscellaneous Expenses	5,864	5,819	-45
Total General & Administrative Expenses	<u>618,365</u>	<u>618,690</u>	<u>325</u>
Total Operating Expenses	<u>43,988,221</u>	<u>38,633,263</u>	<u>-5,354,958</u>
Non-Operating Revenues			
Investment Income	1,303,274	1,225,509	-77,765
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>1,303,274</u>	<u>1,225,509</u>	<u>-77,765</u>
Net Surplus (Deficit)	<u>-4,939,961</u>	<u>415,461</u>	
Beginning Retained Earnings	21,537,093	16,597,132	
Ending Retained Earnings	16,597,132	17,012,593	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS IDL NDL UI PROGRAM *

(Fund 12)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	13,500,000	13,500,000	0
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>13,500,000</u>	<u>13,500,000</u>	<u>0</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	13,500,000	13,000,000	-500,000
Deductible Recoveries	0	0	0
Claims Administrators	60,000	60,000	0
Management Information System	0	6,923	6,923
Program Administrators	175,120	170,408	-4,712
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	0	0	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	47,424	47,424
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	2,504	1,481	-1,023
Workshop/Training Expenses	23,652	23,424	-228
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>13,761,276</u>	<u>13,309,660</u>	<u>-451,616</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS IDL NDL UI PROGRAM *

(Fund 12)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	6,012	5,953	-59
Executive Committee & Board Expenses	4,754	4,707	-46
JPA Insurance	3,845	3,807	-37
Memberships, Associations & Dues	1,042	1,031	-10
Chancellor's Office Accounting Services	48,236	48,458	223
Chancellor's Office Risk Management Service	140,501	140,252	-248
JPA Accreditation	0	0	0
JPA Legal	14,680	14,538	-143
Miscellaneous Expenses	2,097	2,077	-20
 Total General & Administrative Expenses	 <u>221,166</u>	 <u>220,825</u>	 <u>-341</u>
 Total Operating Expenses	 <u>13,982,442</u>	 <u>13,530,485</u>	 <u>-451,957</u>
Non-Operating Revenues			
Investment Income	130,520	134,264	3,743
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
 Total Non-Operating Revenues	 <u>130,520</u>	 <u>134,264</u>	 <u>3,743</u>
 Net Surplus (Deficit)	 <u>-351,922</u>	 <u>103,779</u>	
 Beginning Retained Earnings	 1,716,222	 1,364,300	
Ending Retained Earnings	1,364,300	1,468,079	

* Industrial Disability, Non-industrial Disability, Unemployment Insurance

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS PROPERTY PROGRAM

(Fund 13)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	8,000,000	8,250,000	250,000
Reinsurance Premiums	-4,415,006	-4,415,006	0
Total Operating Revenues	<u>3,584,994</u>	<u>3,834,994</u>	<u>250,000</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	3,363,266	3,363,266	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	4,230	4,230
Program Administrators	208,176	213,307	5,131
Brokerage Commissions & Fees	442,500	442,500	0
Insurance Premiums (net of brokerage)	3,511,193	3,761,193	250,000
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	28,980	28,980
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	1,891	905	-986
Workshop/Training Expenses	14,016	14,315	299
Loss Control Expenses	56,353	55,846	-507
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>7,597,395</u>	<u>7,884,542</u>	<u>287,147</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS PROPERTY PROGRAM

(Fund 13)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget Change
General & Administrative Expenses			
Financial Audit	3,563	3,638	76
Executive Committee & Board Expenses	2,817	2,877	60
JPA Insurance	2,278	2,327	48
Memberships, Associations & Dues	617	630	13
Chancellor's Office Accounting Services	28,584	29,613	1,029
Chancellor's Office Risk Management Service	83,260	85,710	2,450
JPA Accreditation	0	0	0
JPA Legal	8,700	8,884	185
Miscellaneous Expenses	1,243	1,269	26
Total General & Administrative Expenses	<u>131,062</u>	<u>134,949</u>	<u>3,887</u>
Total Operating Expenses	<u>7,728,457</u>	<u>8,019,490</u>	<u>291,034</u>
Non-Operating Revenues			
Investment Income	110,920	142,612	31,692
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>110,920</u>	<u>142,612</u>	<u>31,692</u>
Net Surplus (Deficit)	<u>-4,032,543</u>	<u>-4,041,885</u>	
Beginning Retained Earnings	8,356,648	4,324,105	
Ending Retained Earnings	4,324,105	282,220	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS ATHLETIC INJURY MEDICAL EXPENSE

(Fund 14)

	<i>Amended</i>	<i>Proposed</i>	
	FY 15/16	FY 16/17	Budget
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Operating Revenues			
Contributions	3,897,503	4,158,323	260,820
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>3,897,503</u>	<u>4,158,323</u>	<u>260,820</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	2,993,899	3,136,878	142,979
Deductible Recoveries	0	0	0
Claims Administrators	255,000	195,000	-60,000
Management Information System	0	2,132	2,132
Program Administrators	10,124	10,430	306
Brokerage Commissions & Fees	2,000	2,000	0
Insurance Premiums (net of brokerage)	19,800	19,800	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	3,000	17,608	14,608
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	399	456	57
Workshop/Training Expenses	20,000	0	-20,000
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	2,000	0	-2,000
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>3,306,222</u>	<u>3,384,304</u>	<u>78,082</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS ATHLETIC INJURY MEDICAL EXPENSE

(Fund 14)

<i>Amended</i>	<i>Proposed</i>	
FY 15/16	FY 16/17	Budget
<u>Budget</u>	<u>Budget</u>	<u>Change</u>

General & Administrative Expenses

Financial Audit	1,593	1,834	241
Executive Committee & Board Expenses	1,260	1,450	190
JPA Insurance	1,019	1,173	154
Memberships, Associations & Dues	276	318	42
Chancellor's Office Accounting Services	12,783	14,926	2,143
Chancellor's Office Risk Management Service	37,235	43,201	5,966
JPA Accreditation	0	0	0
JPA Legal	3,891	4,478	587
Miscellaneous Expenses	556	640	84
Total General & Administrative Expenses	<u>58,613</u>	<u>68,019</u>	<u>9,406</u>
Total Operating Expenses	<u>3,364,835</u>	<u>3,452,323</u>	<u>87,489</u>

Non-Operating Revenues

Investment Income	50,889	63,221	12,332
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>50,889</u>	<u>63,221</u>	<u>12,332</u>

Net Surplus (Deficit) **583,557** **769,221**

Beginning Retained Earnings 981,214 1,564,771
Ending Retained Earnings 1,564,771 2,333,992

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS AUTO LIABILITY PROGRAM *

(Fund 15)

	<i>Amended</i>	<i>Proposed</i>	
	FY 15/16	FY 16/17	Budget
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Operating Revenues			
Contributions	688,468	845,823	157,355
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>688,468</u>	<u>845,823</u>	<u>157,355</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	0	0	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	0	0
Program Administrators	0	0	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	845,823	845,823	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	0	0
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	0	0	0
Workshop/Training Expenses	0	0	0
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>845,823</u>	<u>845,823</u>	<u>0</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CAMPUS AUTO LIABILITY PROGRAM *

(Fund 15)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	0	0	0
Executive Committee & Board Expenses	0	0	0
JPA Insurance	0	0	0
Memberships, Associations & Dues	0	0	0
Chancellor's Office Accounting Services	0	0	0
Chancellor's Office Risk Management Service	0	0	0
JPA Accreditation	0	0	0
JPA Legal	0	0	0
Miscellaneous Expenses	0	0	0
Total General & Administrative Expenses	<u>0</u>	<u>0</u>	<u>0</u>
Total Operating Expenses	<u>845,823</u>	<u>845,823</u>	<u>0</u>
Non-Operating Revenues			
Investment Income	0	0	0
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Net Surplus (Deficit)	<u>-157,355</u>	<u>0</u>	
Beginning Retained Earnings	0	-157,355	
Ending Retained Earnings	-157,355	-157,355	

* Vehicle Liability Self-Insurance Program
 State Motor Vehicle Self-Insurance Account

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA LIABILITY PROGRAM

(Fund 21)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	3,831,957	3,880,956	48,999
Reinsurance Premiums	-850,000	-1,400,000	-550,000
Total Operating Revenues	<u>2,981,957</u>	<u>2,480,956</u>	<u>-501,001</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	1,157,383	1,700,777	543,394
Deductible Recoveries	-50,000	-50,000	0
Claims Administrators	15,000	15,000	0
Management Information System	0	1,990	1,990
Program Administrators	596,230	596,230	0
Brokerage Commissions & Fees	39,939	39,939	0
Insurance Premiums (net of brokerage)	404,339	404,339	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	5,000	16,145	11,145
Claims Audit	5,000	5,000	0
Coverage Counsel	5,000	5,000	0
Program Legal	2,500	2,500	0
Miscellaneous Program Services	427	426	-1
Workshop/Training Expenses	18,477	18,447	-30
Loss Control Expenses	118,199	122,095	3,896
Appraisals	0	0	0
Reinsurance Recovery	-5,993,779	0	5,993,779
Program Committee	8,619	0	-8,619
Dividend Distributions	871,524	871,524	0
Total Direct Program Expenses	<u>-2,796,142</u>	<u>3,749,411</u>	<u>6,545,553</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA LIABILITY PROGRAM

(Fund 21)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	1,669	1,711	43
Executive Committee & Board Expenses	1,320	1,353	34
JPA Insurance	1,067	1,095	27
Memberships, Associations & Dues	289	297	7
Chancellor's Office Accounting Services	13,389	13,931	541
Chancellor's Office Risk Management Service	39,001	40,320	1,319
JPA Accreditation	0	0	0
JPA Legal	4,075	4,179	104
Miscellaneous Expenses	582	597	15
Total General & Administrative Expenses	<u>61,392</u>	<u>63,482</u>	<u>2,090</u>
Total Operating Expenses	<u>-2,734,750</u>	<u>3,812,894</u>	<u>6,547,644</u>
Non-Operating Revenues			
Investment Income	107,283	98,507	-8,776
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>107,283</u>	<u>98,507</u>	<u>-8,776</u>
Net Surplus (Deficit)	<u>5,823,990</u>	<u>-1,233,431</u>	
Beginning Retained Earnings	2,523,912	8,347,902	
Ending Retained Earnings	8,347,902	7,114,471	

Includes Cyber Risk Liability

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA WORKERS' COMPENSATION PROGRAM

(Fund 22)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	4,496,250	4,523,000	26,750
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>4,496,250</u>	<u>4,523,000</u>	<u>26,750</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	2,671,580	3,236,000	564,420
Deductible Recoveries	0	0	0
Claims Administrators	205,000	219,765	14,765
Management Information System	0	2,319	2,319
Program Administrators	351,636	351,636	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	2,483,349	2,483,349	0
Taxes, Assessments & Fees	65,500	65,500	0
Actuarial Services	6,000	18,989	12,989
Claims Audit	5,000	5,000	0
Coverage Counsel	1,000	1,000	0
Program Legal	0	0	0
Miscellaneous Program Services	756	496	-260
Workshop/Training Expenses	13,905	14,011	106
Loss Control Expenses	135,222	138,985	3,763
Appraisals	0	0	0
Reinsurance Recovery	-738,219	-1,302,639	-564,420
Program Committee	9,906	0	-9,906
Dividend Distributions	300,000	300,000	0
Total Direct Program Expenses	<u>5,510,634</u>	<u>5,534,411</u>	<u>23,776</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA WORKERS' COMPENSATION PROGRAM

(Fund 22)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	1,998	1,995	-3
Executive Committee & Board Expenses	1,580	1,577	-3
JPA Insurance	1,278	1,276	-2
Memberships, Associations & Dues	346	346	-1
Chancellor's Office Accounting Services	16,031	16,235	204
Chancellor's Office Risk Management Service	46,696	46,990	294
JPA Accreditation	0	0	0
JPA Legal	4,879	4,871	-8
Miscellaneous Expenses	697	696	-1
 Total General & Administrative Expenses	 <u>73,505</u>	 <u>73,985</u>	 <u>479</u>
 Total Operating Expenses	 <u>5,584,139</u>	 <u>5,608,395</u>	 <u>24,256</u>
 Non-Operating Revenues			
Investment Income	172,862	159,993	-12,870
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
 Total Non-Operating Revenues	 <u>172,862</u>	 <u>159,993</u>	 <u>-12,870</u>
 Net Surplus (Deficit)	 <u>-915,027</u>	 <u>-925,402</u>	
 Beginning Retained Earnings	 3,966,235	 3,051,208	
Ending Retained Earnings	3,051,208	2,125,806	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA PROPERTY PROGRAM *

(Fund 23)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	2,204,231	2,368,714	164,483
Reinsurance Premiums	-1,679,000	-1,679,000	0
Total Operating Revenues	<u>525,231</u>	<u>689,714</u>	<u>164,483</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	250,000	250,000	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	1,215	1,215
Program Administrators	254,828	254,828	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	21,000	21,000	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	6,802	6,802
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	246	260	14
Workshop/Training Expenses	6,817	7,338	521
Loss Control Expenses	15,527	18,219	2,692
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	5,707	0	-5,707
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>554,124</u>	<u>559,661</u>	<u>5,538</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA PROPERTY PROGRAM *

(Fund 23)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	1,050	1,045	-5
Executive Committee & Board Expenses	830	826	-4
JPA Insurance	671	668	-3
Memberships, Associations & Dues	182	181	-1
Chancellor's Office Accounting Services	8,422	8,503	81
Chancellor's Office Risk Management Service	24,530	24,609	78
JPA Accreditation	0	0	0
JPA Legal	2,563	2,551	-12
Miscellaneous Expenses	366	364	-2
 Total General & Administrative Expenses	 <u>38,614</u>	 <u>38,746</u>	 <u>132</u>
 Total Operating Expenses	 <u>592,738</u>	 <u>598,407</u>	 <u>5,670</u>
 Non-Operating Revenues			
Investment Income	17,283	25,418	8,135
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
 Total Non-Operating Revenues	 <u>17,283</u>	 <u>25,418</u>	 <u>8,135</u>
 Net Surplus (Deficit)	 <u>-50,224</u>	 <u>116,725</u>	
 Beginning Retained Earnings	 1,695,428	 1,645,204	
Ending Retained Earnings	1,645,204	1,761,929	

* AORMA Property includes Cyber Risk and ID Fraud; AORMA Fidelity is Crime only.

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA CRIME PROGRAM *

(Fund 24)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	299,468	310,552	11,084
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>299,468</u>	<u>310,552</u>	<u>11,084</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	50,000	50,000	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	159	159
Program Administrators	24,432	24,432	0
Brokerage Commissions & Fees *	22,243	22,243	0
Insurance Premiums	229,552	229,552	0
Taxes, Assessments & Fees *	0	0	0
Actuarial Services	0	892	892
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	33	34	1
Workshop/Training Expenses	926	962	36
Loss Control Expenses	0	286	286
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	394	0	-394
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>327,580</u>	<u>328,561</u>	<u>980</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA CRIME PROGRAM *

(Fund 24)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	138	137	-1
Executive Committee & Board Expenses	109	108	-1
JPA Insurance	88	88	-1
Memberships, Associations & Dues	24	24	0
Chancellor's Office Accounting Services	1,108	1,115	7
Chancellor's Office Risk Management Service	3,226	3,226	0
JPA Accreditation	0	0	0
JPA Legal	337	334	-3
Miscellaneous Expenses	48	48	0
 Total General & Administrative Expenses	 <u>5,079</u>	 <u>5,080</u>	 <u>1</u>
 Total Operating Expenses	 <u>332,659</u>	 <u>333,640</u>	 <u>982</u>
Non-Operating Revenues			
Investment Income	3,437	4,686	1,249
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
 Total Non-Operating Revenues	 <u>3,437</u>	 <u>4,686</u>	 <u>1,249</u>
 Net Surplus (Deficit)	 <u>-29,754</u>	 <u>-18,403</u>	
 Beginning Retained Earnings	 329,070	 299,316	
Ending Retained Earnings	299,316	280,914	

* AORMA Crime separated from AORMA Property beginning July 1, 2011

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA UNEMPLOYMENT INSURANCE PROGRAM

(Fund 25)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	2,595,674	2,127,354	-468,320
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>2,595,674</u>	<u>2,127,354</u>	<u>-468,320</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	1,014,350	1,014,350	0
Deductible Recoveries	0	0	0
Claims Administrators	28,888	28,888	0
Management Information System	0	1,091	1,091
Program Administrators	47,276	47,276	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	0	0	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	6,109	6,109
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	289	233	-56
Workshop/Training Expenses	8,027	6,590	-1,437
Loss Control Expenses	0	1,963	1,963
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	4,063	0	-4,063
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>1,102,893</u>	<u>1,106,500</u>	<u>3,607</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

AORMA UNEMPLOYMENT INSURANCE PROGRAM

(Fund 25)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	1,334	938	-396
Executive Committee & Board Expenses	1,055	742	-313
JPA Insurance	853	600	-253
Memberships, Associations & Dues	231	163	-69
Chancellor's Office Accounting Services	10,701	7,636	-3,064
Chancellor's Office Risk Management Service	31,169	22,101	-9,068
JPA Accreditation	0	0	0
JPA Legal	3,257	2,291	-966
Miscellaneous Expenses	465	327	-138
Total General & Administrative Expenses	<u>49,064</u>	<u>34,798</u>	<u>-14,266</u>
Total Operating Expenses	<u>1,151,957</u>	<u>1,141,298</u>	<u>-10,659</u>
Non-Operating Revenues			
Investment Income	42,068	62,371	20,303
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>42,068</u>	<u>62,371</u>	<u>20,303</u>
Net Surplus (Deficit)	<u>1,485,785</u>	<u>1,048,427</u>	
Beginning Retained Earnings	4,448,934	5,934,719	
Ending Retained Earnings	5,934,719	6,983,147	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

PURCHASED INSURANCE PROGRAM *

(Fund 20)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	435,000	435,000	0
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>435,000</u>	<u>435,000</u>	<u>0</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	0	0	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	0	0
Program Administrators	0	0	0
Brokerage Commissions & Fees	43,500	43,500	0
Insurance Premiums (net of brokerage)	391,500	391,500	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	0	0
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	0	0	0
Workshop/Training Expenses	0	0	0
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>435,000</u>	<u>435,000</u>	<u>0</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

PURCHASED INSURANCE PROGRAM *

(Fund 20)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget Change
General & Administrative Expenses			
Financial Audit	0	0	0
Executive Committee & Board Expenses	0	0	0
JPA Insurance	0	0	0
Memberships, Associations & Dues	0	0	0
Chancellor's Office Accounting Services	0	0	0
Chancellor's Office Risk Management Service	0	0	0
JPA Accreditation	0	0	0
JPA Legal	0	0	0
Miscellaneous Expenses	0	0	0
Total General & Administrative Expenses	<u>0</u>	<u>0</u>	<u>0</u>
Total Operating Expenses	<u>435,000</u>	<u>435,000</u>	<u>0</u>
Non-Operating Revenues			
Investment Income	0	0	0
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Net Surplus (Deficit)	<u>0</u>	<u>0</u>	
Beginning Retained Earnings	57,457	57,457	
Ending Retained Earnings	57,457	57,457	

* Participant Accident Insurance (PAI), Auto Physical Damage (APD), International Progr

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

OWNER CONTROLLED INSURANCE PROGRAM

(Fund 16)

	<i>Amended</i>	<i>Proposed</i>	
	FY 15/16	FY 16/17	Budget
	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
Operating Revenues			
Contributions	6,118,518	6,118,518	0
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>6,118,518</u>	<u>6,118,518</u>	<u>0</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	0	0	0
Deductible Recoveries	0	0	0
Claims Administrators	0	0	0
Management Information System	0	3,137	3,137
Program Administrators	272,500	272,500	0
Brokerage Commissions & Fees	0	0	0
Insurance Premiums (net of brokerage)	2,366,117	2,366,117	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	17,569	17,569
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	0	0	0
Workshop/Training Expenses	0	0	0
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>2,638,617</u>	<u>2,659,323</u>	<u>20,706</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

OWNER CONTROLLED INSURANCE PROGRAM

(Fund 16)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
General & Administrative Expenses			
Financial Audit	2,725	2,698	-27
Executive Committee & Board Expenses	2,154	2,133	-21
JPA Insurance	1,743	1,726	-17
Memberships, Associations & Dues	472	467	-5
Chancellor's Office Accounting Services	21,862	21,962	101
Chancellor's Office Risk Management Service	63,678	63,566	-113
JPA Accreditation	0	0	0
JPA Legal	6,654	6,589	-65
Miscellaneous Expenses	951	941	-9
Total General & Administrative Expenses	<u>100,238</u>	<u>100,083</u>	<u>-155</u>
Total Operating Expenses	<u>2,738,855</u>	<u>2,759,406</u>	<u>20,551</u>
Non-Operating Revenues			
Investment Income	0	19,169	19,169
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>0</u>	<u>19,169</u>	<u>19,169</u>
Net Surplus (Deficit)	<u>3,379,663</u>	<u>3,378,281</u>	
Beginning Retained Earnings	2,981,373	6,361,036	
Ending Retained Earnings	6,361,036	9,739,317	

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CLUB SPORTS INSURANCE PROGRAM

(Fund 17)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget <u>Change</u>
Operating Revenues			
Contributions	204,814	204,814	0
Reinsurance Premiums	0	0	0
Total Operating Revenues	<u>204,814</u>	<u>204,814</u>	<u>0</u>
Operating Expenses			
<i>Direct Program Expenses</i>			
Claims Payments & Legal Expenses	104,582	104,582	0
Deductible Recoveries	0	0	0
Claims Administrators	5,000	5,000	0
Management Information System	0	105	105
Program Administrators	0	0	0
Brokerage Commissions & Fees	9,157	9,157	0
Insurance Premiums (net of brokerage)	82,413	82,413	0
Taxes, Assessments & Fees	0	0	0
Actuarial Services	0	588	588
Claims Audit	0	0	0
Coverage Counsel	0	0	0
Program Legal	0	0	0
Miscellaneous Program Services	0	0	0
Workshop/Training Expenses	0	0	0
Loss Control Expenses	0	0	0
Appraisals	0	0	0
Reinsurance Recovery	0	0	0
Program Committee	0	0	0
Dividend Distributions	0	0	0
Total Direct Program Expenses	<u>201,153</u>	<u>201,846</u>	<u>693</u>

CSURMA
Cash Flow Budget of Revenues and Expenses
Fiscal Year July 1, 2016 to June 30, 2017

Proposed
Draft 9

CLUB SPORTS INSURANCE PROGRAM

(Fund 17)

	<i>Amended</i> FY 15/16 <u>Budget</u>	<i>Proposed</i> FY 16/17 <u>Budget</u>	Budget Change
General & Administrative Expenses			
Financial Audit	91	90	-1
Executive Committee & Board Expenses	72	71	-1
JPA Insurance	58	58	-1
Memberships, Associations & Dues	16	16	0
Chancellor's Office Accounting Services	732	735	3
Chancellor's Office Risk Management Service	2,132	2,128	-4
JPA Accreditation	0	0	0
JPA Legal	223	221	-2
Miscellaneous Expenses	32	32	0
Total General & Administrative Expenses	<u>3,355</u>	<u>3,350</u>	<u>-5</u>
Total Operating Expenses	<u>204,508</u>	<u>205,196</u>	<u>688</u>
Non-Operating Revenues			
Investment Income	1,269	2,091	822
Interest Income - Loans	0	0	0
Miscellaneous Fee Revenue	0	0	0
Total Non-Operating Revenues	<u>1,269</u>	<u>2,091</u>	<u>822</u>
Net Surplus (Deficit)	<u>1,575</u>	<u>1,709</u>	
Beginning Retained Earnings	178,234	179,809	
Ending Retained Earnings	179,809	181,518	

Launched beginning August 1, 2012

CHANCELLOR'S OFFICE SERVICES
FY 2016/17 MEMORANDUMS OF UNDERSTANDING

ISSUE: On March 10, 2016, upon hearing verbal reports from Systemwide Risk Management (SRM), Office of General Counsel (OGC), and Financial Services Administration & Accounting, the Executive Committee approved the Chancellor's Office budget proposals for each of the departments. Since CSURMA obtains services from the Chancellor's Office under a memorandum of understanding (MOU), SRM and OGC has followed up with their respective MOUs. Financial Services' MOU was included and reviewed at the March 10, 2016 meeting.

- **Systemwide Risk Management:** Increase from \$1,004,914 to \$1,013,000 for mandatory CSU salary increase. The proposed budget is inclusive of \$100,000 for Public Safety. Similar to FY 15/16, the amount for Public Safety is not for salary or benefits, but rather is for any special programmatic needs that may arise during the year.
- **Office of General Counsel:** Increase from \$438,043 to \$459,945 for mandatory salary increase and staff training. CSURMA supports two litigators who serve on litigation of matters covered under the Campus Risk Pool Liability Program. CSURMA would otherwise have to engage outside counsel for these matters handled in house. OGC's proposed budget consists of \$354,945 for Campus Liability claims legal expenses, and \$105,000 for work as CSURMA's General Counsel. The \$5,000 in annual training funds would remain the same.
- **Financial Services Administration & Accounting:** Increase from \$345,000 to \$350,000 in accordance with CSU's mandatory salary adjustments.

RECOMMENDATION: The Executive Committee is asked to approve the proposed MOUs from Systemwide Risk Management and Office of General Counsel.

FISCAL IMPACT: The Chancellor's Office costs are included in the FY 2016/17 CSURMA Budget. Financial Services Accounting and Systemwide Risk Management costs are allocated proportionately across all funds. In respect of the Office of General Counsel, \$354,945 is allocated to the Campus Risk Pool Liability Program for claims legal expense, and \$105,000 is allocated across all funds for CSURMA General Counsel.

BACKGROUND: The Chancellor's Office provides management and administrative support services to CSURMA from Systemwide Risk Management, the Office of General Counsel, and Financial Services Administration & Accounting as described in specific Memorandums of Understanding with each department.

PUBLICATION: None.

ATTACHMENT(S):

- a. FY 16/17 Systemwide Risk Management
- b. FY 16/17 Office of General Counsel
- c. FY 16/17 Financial Services

Risk Management
401 Golden Shore, 5th Floor
Long Beach, CA 90802-4210

www.calstate.edu

MEMORANDUM

Date: April 13, 2016
To: CSURMA Executive Committee
From: Robert Eaton, Assistant Vice Chancellor, Financing, Treasury and Risk Management
Subject: **Annual Risk Management Overhead Costs for CSURMA**

The following services (costs) are assigned to the CSU Risk Management Authority

CSURMA Risk Management

Annual cost of staff, benefits, space and operation costs for CSURMA – Risk Management which provides the following services:

- **Oversight of CSURMA:** Works directly with CSURMA program administrator and broker in administration and development of the self-insurance and insurance programs.
- **Insurance Placement:** Key participant in the placement of the 16+ insurance placements, including underwriter meetings, insurance program review, analysis and development.
- **Risk Consultation:** Provides daily risk management, loss control, emergency preparedness, and workers compensation consultation with a myriad of campus representatives.
- **General Liability Claims Handling and Litigation Support:** Adjusts claims from notice of incident through the filing and adjustment of the claim and when applicable, monitors and collaborates with legal counsel on litigated matters. Maintains the general liability database.
- **Workers' Compensation, Environmental Health & Safety, Risk Management and Emergency Preparedness Systemwide Oversight:** Provides systemwide guidance, oversight, and development of policy and procedures systemwide.
- **Police Services (Public Safety):** CSURMA provides partial funding for police services related to training and systemwide oversight expense.

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

The proposed annual cost of providing the services identified above is \$913,000 (Risk Management) and \$100,000 (Public Safety/Police Services). The CSURMA program is billed monthly. The above would be effective for the fiscal period beginning July 1, 2016 through June 30, 2017.

If there are any questions, please contact me at reaton@calstate.edu or by calling (562) 951-4580.

*The Chief Law Enforcement Officer and the Special Assistant – Compliance Coordinator are reimbursable positions at the direction of the Executive vice Chancellor – Chief Financial Officer.

MEMORANDUM

April 15, 2016

To: CSURMA Executive Committee

From: William Hsu, OGC

Re: CSURMA – OGC
Proposed Overhead Funding for FY 2016/2017

For FY 2015 - 2016, CSURMA is providing overhead funding in a total amount of \$438,043, allocated as follows: \$100,000 to CSURMA General Counsel legal services and \$338,043 to Campus Liability Claims legal services. In addition, CSURMA is providing \$5,000 in annual funding to assist with the ongoing training of OGC attorneys.

For FY 2016-2017, OGC is requesting a 5% increase in overhead funding. The total overhead funding for FY 2016 - 2017 would be \$459,945, with \$105,000 allocated for CSURMA General Counsel services, and \$354,945 allocated for Campus Liability Claims services. The \$5,000 in annual training funds would remain the same.

MEMORANDUM

Date: February 25, 2016
To: CSURMA Executive Committee
From: Mary Ek 
Assistant Vice Chancellor/Controller, Financial Services
Subject: **FY 2016/17 Financial Services Overhead Costs for CSURMA**

Per ICSUAM 3552.01, it is the policy of the CSU that costs incurred by one fund for providing services to another fund are recovered with cash or a documented exchange of value. In accordance with this policy and as approved by the CSURMA Executive Committee annual budget process, \$350,000 needs to be recovered from the CSU Risk Management Authority. This amount represents the annual cost of providing the services identified below. The Authority will be charged quarterly installments of \$87,500 for a total annual amount of \$350,000. This cost allocation/reimbursement plan is effective for the fiscal period beginning July 1, 2016 through June 30, 2017. The increase for fiscal year 2016/17 takes into account the 2% salary increase for fiscal year 2016/17, as well as any other estimated adjustments in cost recovery.

The cost allocation/reimbursement was determined by evaluating Business and Finance employees' time and effort worked on the program. At this time, the program consumes 2.935 Full Time Employee(s) (FTEs) at an average salary and benefit rate of \$109,332 and an average operating expense amount of \$9,987 (based on the total Financial Services Department's budgeted operating expenses divided by the total Financial Services Department's FTE).

Services (Costs) allocated to the Authority:

Financial Services Administration

A portion of the cost of staff, benefits, space, and operating expenses for the Financial Services Administration department, which provides the following services:

- Fiscal management and reporting oversight by the Assistant Vice Chancellor;
- Certification of compliance with CSU policies, procedures, and regulations.

Financial Services Accounting

A portion of the cost of staff, benefits, space, and operating expenses for the Financial Services Accounting department which provides the following services:

- Process bi-weekly and emergency disbursements for vendor payments, settlements, legal bills, and reimbursements to the members through the Accounts Payable department;
- Produce on-demand, quarterly, and annual billing invoices/CPOs to CSURMA members;
- Manage collection efforts on all CSURMA accounts and collect member payments on a daily basis;
- Facilitate member disputes through the Accounts Receivable department;
- Produce financial reporting package, annual external audit, bond audited financial statements, and on-demand reporting requests;
- Manage financial data to maintain electronic records and information in accordance with CSURMA's Policy;
- Maintain Accounts Payable, Accounts Receivable, Audit Reporting, Banking, and financial reporting records and information in accordance with CSURMA's Policy.

Treasury Operations

A portion of the cost of staff, benefits, space, and operating expenses for the Financing and Treasury department, which provides the following services:

- **Planning and Forecasting:** Project cash inflows/outflows;
- **Data Collection and Recordkeeping:** Collect and maintain within a central database items such as daily bank transactions, monthly bank statements; quarterly interest distributions;
- **Investment Reporting and Advising:** Produce quarterly investment reporting package and advising services.

If you have any questions, please contact me at 562-951-4540.

The above has been reviewed and approved by the CSURMA Executive Committee;

Steve Relyea Date
Vice Chancellor for Business and Finance

Linda Hawk Date
CSURMA Executive Committee, Chair

ME: KC; MC

cc: Robert Eaton, Assistant Vice Chancellor, Financing, Treasury, and Risk
Management
Jean L. Gill, Assistant Controller, Financial Services Accounting
Kelly Cox, Associate Director, Financial Services Accounting
Alice Kim, Senior Manager, Financial Services Accounting

FY 2016/17 LONG RANGE ACTION PLAN

ISSUE: The Executive Committee held its long range planning session on March 11, 2016. The planning session consisted of a review of the FY 15/16 Long Range Action Plan, a report on its status, an evaluation on where efforts should be focused for the next one to three years, and the development of new long range goals for FY 16/17 and beyond. Based on the discussions during the long range planning session, Staff drafted the FY 16/17 Long Range Action Plan summarizing goals to be accomplished in the next fiscal year for the Committee's review and approval.

RECOMMENDATION: The Executive Committee is asked to approve the draft FY 16/17 Long Range Action Plan with modifications, as necessary.

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

BACKGROUND: The Executive Committee establishes a Long Range Action Plan every year. The planning session is held in March to consider how CSURMA may be refined to improve member services and to evaluate areas of coverage in response to emerging risk.

PUBLICATION: The Long Range Action Plan will be included in every agenda packet.

ATTACHMENT(S):

- a. FY 16/17 Long Range Action Plan (draft)

FY 2016/17 CSURMA LONG RANGE ACTION PLAN

DRAFT

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
LRP-1 MASTER OUT-OF-STATE ON-LINE EDUCATION SURETY					
Search for a blanket surety bond to cover all campuses and auxiliary organizations who provide on-line instruction outside California.	1	Research scope of on-line programs and jurisdictions. Determine if placement of a blanket bond or alternative systemwide placement approach is feasible.	SRM, OGC, PA	August 2016	
	2	Present information to EC for direction.	SRM, OGC, PA	September 2016	
	3	Report on project to BOD.	SRM, OGC, PA	November 2016	
	4	Approval of blanket or alternative surety program as appropriate.	EC	March 2017	
	5	Implement program. Communicate to campus stakeholders.	PA	July 2017	
LRP-2 SPECIAL EVENTS RESOURCE GUIDE					
Create a Special Events Resource Guide. Implement risk management training for special events.	1	Identify and engage consultant to create Special Events Risk Management Manual and training modules.	SRM	August 2015	Completed
	2	Develop subject content for special events risk management manual.	SRM	October 2015	Completed
	3	Oversee design and development of special events risk management manual.	SRM	June 2016	
	4	Roll out manual to all campus and auxiliary organization staff.	SRM	July 2016	
	5	Post manual on the CSURMA website.	PA	August 2016	
	6	Present the Special Events Risk Management Training at Fitting the Pieces Together Conference.	SRM	November 2016	
	7	Roll out special events training on the CSU learning management system.	SRM	July 2017	
LRP-3 BENCHMARKING AND TREND ANALYSIS					
Develop a Workers' Compensation statistical database for comparative analysis and industry benchmarking.	1	Research benchmarking resources available.	PA	April 2015	Completed
	2	Develop conceptual proposal for short and long term benchmarking.	SRM, PA	May 2015	Completed
	3	Approval of initial benchmarking project scope and costs.	EC	May 2015	Completed
	4	Implement initial project.	SRM, PA	September 2015	On-going
	5	Initial report to EC, BOD and CABO.	SRM, PA	October 2015	Completed
	6	Report to AORMA membership at AOA Conference.	SRM, PA	February 2016	Completed
	7	Presentation of sustainable long term benchmarking program.	SRM, PA	September 2016	
	8	Approval of long term benchmarking project scope and costs.	EC	September 2016	
LRP-4 INSURANCE POLICY DATABASE					
Implement an insurance database for	1	Research and identify viable software products.	SRM, PA	January 2016	Completed
	2	Review presentation by Ventif.	EC, BOD	May 2016	
	3	Approve selection of software product.	EC	September 2016	

FY 2016/17 CSURMA LONG RANGE ACTION PLAN

DRAFT

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
coverage history and to provide a reference for litigation matters.	4	Populate database with Phase 1 data.	PA	October 2016	
	5	Present Phase 1 project results and recommendations for Phase 2.	SRM, PA	March 2017	
	6	Approve Phase 2 and ongoing database maintenance plan.	EC	May 2017	
LRP-5 CAPTIVE INSURER					
Complete cost / benefits analysis for a captive insurance company to operate within CSURMA.	1	Identify and engage consultant to evaluate CSURMA's captive utilization options.	EC, SRM, PA	January 2016	Completed
	2	Review the Pinnacle Actuarial Resources initial evaluation of CSURMA's captive utilization options.	EC	May 2016	
	3	Present further evaluation to EC for direction.	EC	September 2016	
	4	Report on project to BOD.	BOD	November 2016	
	5	Oversee formation of captive.	SRM, PA	July 2017	
LRP-6 LOAN POLICY AND INVESTMENT OPTIONS					
Review member loan policy. Explore and evaluate alternate investment strategies.	1	Research viable investment options within the CSU community to invest in certain capital projects.	CO, SRM, PA	August 2016	
	2	Present investment options to EC for direction.	CO, EC	September 2016	
	3	Report on project to BOD.	CO, BOD	November 2016	
	4	Approval of alternate investment options. <i>Note: this item may be impacted by potential development of a captive insurer.</i>	EC	December 2016	
LRP-7 ON-CAMPUS VISITS WITH VICE PRESIDENTS					
Visit Campus VPs to provide updates on rating plans, cost of risk analysis and benchmarking.	1	Schedule meetings with all Campus VPs.	PA	August 2016	
	2	RPTG will meet to review risk pool rating plans.	SRM, RPTG, PA	September 2016	
	3	Cost of Risk Analysis received from Actuary.	PA	October 2016	
	4	Completion of Campus VP presentation.	PA	November 2016	
	5	Completion Campus visits.	SRM , PA	March 2017	
LRP-8 CSURMA COMMUNICATIONS AND OUTREACH PLAN					
Develop and implement communications plan to keep all members apprised	1	Identify strategies for effective communication.	PA	August 2016	
	2	Present communication strategies to CSURMA EC for direction.	EC	September 2016	
	3	Report on project to BOD.	BOD	November 2016	
	4	Implement communication strategies.	PA	December 2016	
	5	Report to EC on long term communication strategies.	EC, PA	March 2017	

FY 2016/17 CSURMA LONG RANGE ACTION PLAN

DRAFT

GOAL		ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
of CSURMA resources.					
LRP-9 MASTER ENABLING AGREEMENT FOR TRANSPORTATION					
Review current transportation management.	1	Identify available transportation carriers and obtain contract proposals.	SRM, PA	May 2016	
	2	Present options to EC for direction.	SRM, PA, EC	May 2016	
	3	Report on project to BOD.	BOD	November 2016	
Develop a master enabling agreement for charter bus companies.	4	Negotiate final contract for EC approval.	EC	January 2017	
	5	Roll out transportation program.	SRM, PA	January 2017	

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

INSURANCE RENEWALS UPDATE AND UNDERWRITER MEETINGS REPORT

ISSUE: Most of CSURMA's insurance and reinsurance programs renew July 1, 2016. In April 2016, CSURMA's Treasurer, Robert Eaton and Secretary-Auditor, Zachary Gifford, completed meetings with insurance underwriters in preparation for final renewal negotiations. Following is a brief overview of the major renewals:

- **Liability:** The AORMA primary excess liability program will experience a substantial increase due to recent losses. The University excess tower will be stable with possibly an increase that follows the increase in full time equivalent students. We are negotiating with underwriters to expand the use of reinsurance into the excess layers.
- **Property:** The AORMA program will likely see a flat rate renewal and the University program an increase due to a recent large loss.
- **Workers' Compensation:** The initial 18 month primary coverage program with CSAC EIA is up for renewal and initial terms are showing that the renewal cost should come in below CSU and AORMA's expected loss cost as calculated. Cost will increase with payroll increases.
- **Other Coverages:** The insurance market is relatively stable and CSURMA loss histories are good. We expect renewal costs to be near expiring. The Foreign Travel Insurance Program may see an increase in cost due to claims experience. The new Fine Arts, Artifacts and Archives property insurance program is being expanded to a Systemwide offering.

Robert Eaton, Zachary Gifford and Daniel Howell will be present at today's meeting to report on the meetings. The CSURMA Secretary-Auditor has been previously authorized to renew programs and report back to the Executive Committee at the September 2016 meeting.

RECOMMENDATION: The Executive Committee may take action or provide direction to staff based on the report of the meetings.

FISCAL IMPACT: No direct fiscal impact is expected from action on this item at today's meeting. The cost of the insurance renewals is included in the CSURMA program budgets.

BACKGROUND: CSURMA representatives met with CSURMA's program underwriters in London on April 19-20, 2016, and in New York and Bermuda on November 30 through December 4, 2015. CSURMA was represented by Steve Relyea, CSU Executive Vice

Chancellor and Chief Financial Officer in New York and Bermuda, and all meetings were attended by Robert Eaton, CSU Assistant Vice Chancellor, Financing, Treasury and Risk Management, Zachary Gifford, Director, Systemwide Risk Management and Daniel Howell, CSURMA Program Director. The main goals of the meetings were:

- Demonstration of CSU leadership's commitment to risk management
- Update on CSU's financial and operational outlook
- Evaluation of the state of the insurance market and how changes may impact CSURMA's placements;
- Discussion of pending claims matters; and,
- Discussion on technical points of insurance placements and renewal expectations

Over the seven days of meetings there were over 20 meetings with over 35 market participants.

PUBLICATION: None.

ATTACHMENT(S): None.

REVISED LIABILITY MEMORANDUM OF COVERAGE
EFFECTIVE JULY 1, 2016

ISSUE: Coverage provided under CSURMA's self-insured programs is governed by a memorandum of coverage (MOC) agreement that serves in place of an insurance agreement. With pending changes to both the AORMA Liability Program and Campus Liability Risk Pool Program, the Board will be asked to delegate authority to the AORMA Committee to adopt revisions to the AORMA Liability Program MOC and to the Executive Committee for the Campus Liability Risk Pool MOC and Excess Liability Coverage Program for coverage effective July 1, 2016.

- **AORMA Liability Program:** With the likely change in reinsurers, a new MOC will probably be needed.
- **Campus Liability Risk Pool Program:** The campus risk pool form has not been updated since July 1, 2007 and this year appeared an appropriate time to review considering excess reinsurer willingness to offer coverage on a reinsured basis.
- **Excess Liability Coverage Program:** The University and auxiliary organizations are jointly covered in the Excess Liability Coverage Program attaching at \$5 million. The lead underwriter, Ironshore has indicated a willingness to cover the program on a reinsured basis.

Daniel Howell will be present at today's meeting to report on the proposed changes.

RECOMMENDATION: The Executive Committee is asked to review the draft Revised Campus Liability MOC attached herein. The Board of Directors will be asked to delegate authority to the Executive Committee to adopt revisions to the MOC to be effective July 1, 2016.

FISCAL IMPACT: There is no cost expected from the recommended action at today's meeting. However, changes in coverage may impact future funding requirements to the extent that coverage is broadened or limited.

BACKGROUND: The Memoranda of Coverage will be delivered to the members following renewal of the programs.

PUBLICATION: None.

ATTACHMENTS:

- a. Draft Campus Liability Memorandum of Coverage with Proposed Revisions

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY
(CSURMA)**

**CAMPUS LIABILITY
POOLED COVERAGE PROGRAM**

Proposed Effective: July 1, 2016

**Presented to the Executive Committee and
The Board of Directors on May 6, 2016**

Revision Draft – 4/29/16

CAMPUS LIABILITY POOLED COVERAGE PROGRAM

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
SECTION I – DEFINITIONS	1
SECTION II – COVERAGES	11
SECTION III – LIMITATIONS UPON CSURMA’S LIABILITY	12
SECTION IV – COVERED PARTIES	12
SECTION V – EXCLUSIONS	13
SECTION VI – CONDITIONS	22
SECTION VII – DEFENSE AND SETTLEMENT	27

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

COVERAGE TERMS AND CONDITIONS FOR CAMPUS LIABILITY POOLED COVERAGE PROGRAM

Throughout this document, words and phrases that appear in **boldface** type have special meanings. They are defined in SECTION I - DEFINITIONS.

California State University Risk Management Authority, hereinafter called the CSURMA, a California public entity formed pursuant to the State of California Government Code Section 6500 *et seq.*, does hereby agree with the named **Covered Party**, in consideration of payment of the contribution and subject to the Limit of Liability set forth in the Declarations and other terms as described in this document.

This document does not provide insurance, but instead provides for pooled self-insurance. This document is a negotiated agreement among the members of the CSURMA, and none of the parties to the document is entitled to rely on any contract interpretation principles which require interpretation of ambiguous language against the drafter of such agreement. This document shall be applied according to the principles of contract law, giving full effect to the intent of the Members of the CSURMA, acting through the Board of Directors in adopting this document. As the CSURMA is not an insurer, it has no obligation to issue reservation of rights letters, nor does it have an obligation to provide "*Cumis*" counsel to a **Covered Party** in disputed coverage situations under Civil Code 2860. Finally, failure to provide notice to a **Covered Party** of any coverage dispute shall not operate to waive any of the provisions of this document.

SECTION I – DEFINITIONS

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

This coverage does not extend, either with respect to defense or indemnity to the sole negligence, or to the willful misconduct of any **Additional Covered Party**.

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

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

- C. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air, but does not include an **unmanned aerial vehicle**.

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

- I. **Coverage Period(s)** means the period of coverage provided under this Memorandum as shown on the Declarations Page.
- J. **Covered Individual(s)** means persons who are past or present elected or appointed officials, employees or appointed volunteers of the **Member**, whether or not compensated while acting for or on behalf of the **Member**, including while acting on outside boards at the direction of the **Member**. **Covered Individuals** do not include employees of nonmember organizations, including, but not limited to auxiliary organizations, alumni associations and volunteer university support groups.
- K. **Dam** means any artificial barrier together with appurtenant works which:
1. Is twenty-five feet or more in height from the foot of a natural bed of stream or watercourse; or
 2. Has water impounding capacity of fifty acre feet or more.
- Except, any such barrier which is not in excess of twenty-five (25) feet in height regardless of storage capacity, or which has a storage capacity not in excess of fifteen (15) acre feet regardless of height, shall not be considered a **dam**; and, no structure specifically exempted from jurisdiction by the applicable state agency overseeing **dams** shall be considered a **dam**, unless such structure is under the jurisdiction of any agency of the federal government.
- L. **Damage(s)** includes damages for death and for care and loss of services resulting from Personal Injury and damages for loss of use of property resulting from Property Damage, and losses for Wrongful Acts as defined in this Policy.
- M. **Deductible** - The amount of each **Ultimate Net Loss** which the **Member** has to pay irrespective of the amount of the **Ultimate Net Loss** as shown on the declaration page of this document.
- N. **Defense cost(s)** means reasonable fees charged by an attorney, including expenses of a claims servicing organization the **insured** has engaged, and all other reasonable fees, costs, including third-party attorney's fees and costs as authorized by law or under contract, and expenses attributable to the investigation, defense, administration or appeal of a claim or **suit** within the scope of coverage afforded by this policy. **Defense costs shall include any allocated claims expenses, salaries or overhead incurred by attorneys who are employees of the California State University's Office of General Counsel. However, such expenses in "defense costs" shall be limited at \$250 per hour.**
- O. **Discrimination**, as respects **Employment Practices Liability**, means the actual or alleged failure to employ, failure to promote, or the demotion or transfer of any **Employee** because of race, color, creed, national origin, sex, sexual orientation or preference, religion, age, gender, disability or handicap or pregnancy. **Discrimination**, other than as respects **Employment Practices Liability**, means **Bodily Injury, Personal Injury** and/or **Errors and Omissions** liability arising from alleged acts, errors or omissions showing favor, prejudice or bias for or against a person because of race, color, creed, national origin, sex, sexual orientation or preference, religion, age, gender, disability or handicap or pregnancy.
- P. **Employee** means:
1. Any person who has an assigned work schedule for the **Member** and is on the **Member's** regular payroll; and
 2. Any person who is leased to the **Member** through a staffing or temporary agency and is working for the **Member** under the **Member's** supervision, including a **Leased Worker**.

3. As respects **Employment Practices Liability** and **Employee Benefit Liability** and when appearing in boldface type in this Memorandum, means any present or former **Employee** of the named **Covered Party**; and
 4. Solely as respects **Employment Practices Liability** arising from alleged **Discrimination** with respect to negligent hiring, only, **Employee** includes an applicant for employment
- Q. **Employee Benefits Liability** means liability for actual or alleged **Errors and Omissions** in the **Administration** of a **Member's Employee Benefits Program**.
- R. **Employee Benefits Program** means a program providing some or all of the following benefits to **Employees**:
1. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts;
 2. Profit sharing plans, **Employee** savings plans, **Employee** stock ownership plans, pension plans and stock subscription plans; and
 3. Unemployment insurance, social security benefits, workers' compensation and disability benefits.
- S. **Employment Practice Liability** means any claim or **suit** by a past, present or prospective employee of CSURMA (and the spouse, child, parent, brother or sister of that person as a consequence of **employment practices liability** at whom any of the **employment practices liability** is directed) arising out of the following **wrongful acts**: wrongful dismissal, discharge, or termination, either actual or constructive, of employment; employment related misrepresentation; **retaliation**; wrongful failure or refusal to employ or promote; wrongful deprivation of career opportunity or reassignment; wrongful discipline; failure to grant tenure or negligent employee evaluation; sexual or workplace harassment or humiliation of any kind, including, but not limited to, the alleged operation of a harassing workplace environment; negligence resulting in **damages** to a person that is a **whistle-blower**; unlawful discrimination, whether direct, indirect, intentional or unintentional; failure to provide adequate employee policies and procedures; or any act, error, or omission in the **administration** of the **Member's Employee Benefits Program**. **Employment practices liability** shall include actions brought under state, local, or federal law, whether common or statutory, and shall include, but not limited to allegations of violations of the following federal laws, as amended, including regulations promulgated thereunder:
1. Americans With Disabilities Act of 1992 (ADA)
 2. Civil Rights Act of 1991
 3. Age Discrimination In Empowerment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990
 4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978;
 5. Civil Rights Act of 1866, Section 1981; and
 6. Fifth and Fourteenth Amendments of the U.S. Constitution.

- T. **Errors and Omissions** means any actual or alleged misstatement or misleading statement or act or omission or neglect or breach of duty or lack of ordinary skill in the performance of a professional act including misfeasance, malfeasance or nonfeasance by **Covered Individuals** individually or collectively in the discharge of their duties for the **Member**, or any matter claimed against them solely by reason of their being or having been public officials.
- U. **Impaired Property** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
1. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 2. You have failed to fulfill the terms of a contract or agreement;
- If such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your" fulfilling the terms of the contract or agreement.
- V. **Land Subsidence** means the movement of land or earth, including, but not limited to, sinking or settling of land, earth movement, earth expansion, and/or contraction, landslide, slipping, falling away, caving in, eroding, earth sinking, and earth rising or shifting or tilting.
- W. **Leased Worker** means a person leased to the **Member** by a labor-leasing firm under a previously executed written agreement between the **Member** and the labor-leasing firm, to perform duties related to the conduct of the **Member**.
- X. **Loss Adjustment Expense** means all costs and expenses incurred by the Member in connection with the investigation, appraisal, negotiation, adjustment, settlement, litigation, defense or appeal of a specific **claim** or loss, including but not limited to defense attorney fees, court costs, costs of supersedeas and appeal bonds, monitoring counsel expenses, post-judgment interest, pre-judgment interest (unless included as part of an award), subrogation, salvage and recovery expense, costs and expenses in connection with coverage questions and legal actions and other associated costs and expenses. **Loss Adjustment Expense** shall also include a pro-rata share of salaries and expenses of Member in-house counsel who are **Employees** while working as outside adjusters according to time spent on specific **claims**, fees and expenses of outside adjusters, including Third Party Administrators (TPA), associated with specific **claims**, but excluding any **Loss Adjustment Expense** and fees paid to a TPA that are not allocable to a specific **claim**. **Loss Adjustment Expense** does not include salaries and expense of Entity **Employees** except as provided above as well as office and other overhead expenses.
- Y. **Medical Malpractice Liability** means liability for **Bodily Injury** arising from **Medical Malpractice**
- Z. **Media Wrongful Act** means any actual or alleged:
1. Invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, or misappropriation of name or likeness;
 2. Wrongful entry or eviction, trespass, eavesdropping, or other invasion of the right of private occupancy;
 3. Libel, slander, disparagement, or any other form of defamation or harm to the character or reputation of any person or entity;

4. Outrage, infliction of emotional distress or prima facie tort;
5. Infringement or dilution of trademark, tradename, trade dress, title, slogan, service mark or service name;
6. Copyright infringement, plagiarism, piracy, breach of implied contract, or misappropriation of property rights, information or ideas;
7. Breach of a promise of confidentiality or anonymity;
8. Error or omission in content;
9. Unfair competition or conspiracy
10. Breach of an indemnification or hold harmless agreement relating to claims arising out of the media, but only when such claims allege a **Media Wrongful Act** falling within sections 1-9 above; solely when committed or allegedly committed by an **Covered Party** in his, her or its capacity as such and in connection with the creation or dissemination of media, or in connection with the creation or dissemination of advertising materials relating to media.

AA. **Member** means the Member named in the Declarations.

BB. **Mobile Equipment** means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a) Power cranes, shovels, loaders, diggers or drills; or
 - b) Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1, 2, 3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a) Air compressors, pumps and generators, including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b) Cherry pickers and similar devices used to raise or lower workers;
6. Vehicles not described in Paragraph 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo.

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

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

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

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

DD. **Named Covered Party** means the **Member** listed in Item 1 of the Declarations including endorsements thereto.

EE. **Occurrence:**

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

6. With respect to **Employee Benefit Liability Occurrence** means any of the conduct described in the definition of **Employee Benefits Liability** in this **Section I – Definition** that is committed during the **Coverage Period**.
7. With respect to **Media Wrongful Acts: Occurrence** means any of the conduct described in the definition of **Media Wrongful Act** in this Section I – Definitions that is committed during the **Coverage Period**.

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

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

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

HH. **Property Damage** means:

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

II. **Sexual Harassment** shall mean any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature, of a person by another person, or person acting in concert, which causes physical and/or mental injuries. **Sexual Harassment** also includes the above conduct when:

1. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment, or a basis for employment decisions affecting a person; or
2. Such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

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

JJ. **Sexual Misconduct** means:

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

KK. **Ultimate Net Loss** as contained in the Declarations of this document means the amount of paid claims and liability for damages for which the **Member** is responsible on a per **occurrence** basis, and which the **Member** actually pays in cash, after making proper deduction for all recoveries and salvages collectible. **Ultimate Net Loss** includes defense attorney fees and costs of the **Member** in defense of the claim and also includes court costs, allocated loss adjustment expenses, and other associated costs and expenses, but does not include any salaries of the **Member's** regular employees. **Ultimate Net Loss** includes retrospective benefits ("back wages"), but does not include prospective benefits ("forward wages"), payable as a part of a claim for **Employment Practices Liability** covered under this document. **Ultimate Net Loss** shall not include any of the above-described expenses for damages against a **Member** or defense expenses incurred because of liability excluded by this document.

LL. **Unfair Employment Practices** means:

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

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

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

6. Fifth and Fourteenth Amendments of the U.S. Constitution.

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

Hazardous properties include radioactive, toxic or explosive properties;

Nuclear material means source material, special nuclear material or byproduct material;

Source material, special nuclear material and byproduct material have the meaning given in the Atomic Energy Act of 1954 or in any law amendatory thereof;

Spent fuel means fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

Waste means any **waste** material, (a) containing a byproduct material and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of **nuclear facility** under paragraph a. or b. thereof:

Nuclear Facility means:

- a. Any **nuclear reactor**;
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging **waste**;
- c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the **Member** at the premises where such equipment or device is located consists of or contains more than 25 grams plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
- d. Any structure, basin, excavation site premises or place prepared or used for the storage or disposal of **waste** and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear Reactor means any apparatus designed or used to sustain nuclear fission in a supporting chain reaction or to contain a critical mass of fissionable material.

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

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

OO. **Volunteer Worker** means a person who is not your **Employee** or an **Employee** who is not acting in his/her capacity as an **Employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by **Member**, and is not paid a fee, salary or other compensation by **Member** or anyone else for their donated work performed for member, except that the person may be reimbursed for expenses they incur while donating time.

PP. **Your Product:**

1. Means:

- 1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a) You;
 - b) Others trading under your name; or
 - c) A person or organization whose business or assets you have acquired; and
- 2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

2. Includes:

- 1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- 2) The providing of or failure to provide warnings or instructions.
- 3) Does not include vending machines or other property rented to or located for the use of others but not sold.

QQ. **Your Work:**

1. Means:

- 1) Work or operations performed by you or on your behalf; and
- 2) Materials, parts or equipment furnished in connection with such work or operations.

2. Includes:

- 1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- 2) The providing of or failure to provide warning or instructions.

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

SECTION II – COVERAGES

Subject to the **Member's Deductible**, the CSURMA agrees:

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

SECTION III – LIMITATIONS UPON CSURMA’S LIABILITY

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

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

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

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

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

The term **Covered Party** is used severally and not collectively. The Limit of Liability and **Member’s Deductible** as stated in the Declarations apply separately to each **Covered Party**. In the event of an **Occurrence** for which more than one **Covered Party** is or may be held liable, this Memorandum shall cover each such **Covered Party** as if separate Memoranda had been issued to each **Covered Party**, except that CSURMA’s liability for all **Covered Parties** shall not exceed the Limit of Liability set forth in Declarations.

In the event that the same Occurrence or claim involves more than one Member of the CSURMA, one **Member Deductible** and one **Limit of Liability** coverage will apply per Occurrence or claim.

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

SECTION IV – COVERED PARTIES

The parties covered by the CSURMA:

- A. The **Member** named in the selected deductible form.

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

SECTION V – EXCLUSIONS

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

A. Aircraft

For any liability for damages arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft capable of flight. This exclusion does not apply to static aircraft, or to an **unmanned aerial vehicle**.

B. Asbestos

Arising out of or related to the presence of, or installation or removal of, asbestos or any product containing asbestos material.

C. Aviation Activities

To liability for **damages** arising out of the ownership, maintenance, loading or unloading, use or operation of any:

1. **Aircraft**

- a. Airfields;
- b. Runways;
- c. Hangars; or
- d. Buildings of other properties in connection with aviation activities.

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

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

D. Bodily Injury

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

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

E. Contractual Obligations

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

F. Dams

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

G. Employment Benefit Liability Claim

Arising out of an insufficiency of funds to meet any obligations under any plan included in the **Employee Benefit Program**

For any **Employee Benefits Liability Claim** based upon:

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

Except as provided within the Fiduciary Liability Coverage endorsement.

H. Eminent Domain and Inverse Condemnation

For any loss, damage or expense arising out of or related to, either directly or indirectly, from any **claim**, suit or demand arising from or in connection with the direct condemnation of property or exercise of power of eminent domain by the **Member** or on the **Member's** behalf, or inverse condemnation, or any taking of property by the **Member** which is compensable under the Fifth or Fourteenth Amendments to the United States Constitution, or any taking of property by the **Member** which is compensable under the law of the State in which the **Claim** is made.

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

I. Employee Retirement Income Security Act (ERISA)

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

Except as provided within the Fiduciary Liability Coverage endorsement.

J. Fiduciary Liability

To any liability arising out of the purchase, sale, or offer of sale, or solicitation, or decline in price or value of any security, debt, bank deposit or financial interest or instrument.

To liability arising out of;

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

Except as provided within the Fiduciary Liability Coverage endorsement.

K. Funds, Grants or Appropriations

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

However, CSURMA will defend any action or suits brought against any **Covered Party** for the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations or for the return of such funds, grants or appropriations for such causes of action, unless their alleged conduct was outside the scope of employment, subject to the CSURMA SIR program sublimit of \$1,000,000 per **occurrence**.

L. Insolvency

Arising by contract, operation of law, or otherwise, from **Covered Party's** participation or membership, whether voluntary or involuntary, in any insolvency fund. "Insolvency Fund" includes any guaranty fund, insolvency fund, plan, pool, association, fund or other arrangement, howsoever denominated, established or governed, which provides for any assessment of or payments or assumption by CSURMA or any **Covered Party** of part or all of any **claim**, debt, charge, fee or other obligation of an insurer, or its successors or assigns, which has been declared by any competent authority to be insolvent, or which is otherwise deemed unable to meet any **claim**, debt, charge, fee or other obligation in whole or in part.

M. Intentional Conduct

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

N. Lack of Occurrence

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

O. Land Use

To any liability for **damages** arising from any claim, suit or proceeding arising from allegations related to land use, land planning or land development. However, CSURMA shall defend the **Covered Party** up to an amount not exceeding \$1,000,000 **ultimate net loss** for such liability.

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

P. Lead

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

Q. Medical Malpractice

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

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

2. The furnishing of or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to liability arising out of

1. Ambulance operations, occupational physical examinations, student nursing programs, infirmaries, on-clinic nursing services or services of the Insured's employees who are nurses, physician assistants, paramedics, emergency medical technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists;
2. Employment Practices Liability;
3. First aid to any person. For the purposes of this exception, first aid means the immediate and emergency care given to an ill or injured person before regular medical aid can be obtained.
4. Any nursing services clinic that does not perform invasive surgery of any kind; or
5. Operations performed by coroners.
6. Volunteer medical personnel while attending an activity sponsored by the Insured or while on school premises under the **Member's** control.

R. Mold

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

S. Non-Compensatory Amounts and/or Damages

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

T. Nuclear Material

To any liability for **damages** arising out of injury, sickness, disease, death or destruction:

1. For any loss or liability accruing to the **Covered Party** as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.

- a. It is agreed that this Memorandum does not apply under any liability coverage, to *{Injury, sickness, disease, death or destruction, bodily injury or property damage}* with respect to which a **Covered Party** under the Memorandum is also an **Covered Party** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability. The **Member** is, or had such coverage not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Resulting from the hazardous properties of nuclear material, if:
- a. The nuclear material is at any nuclear facility owned by, or operated by or on behalf of a Member, or has been discharged or dispersed therefrom;
 - b. The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a Member; or
 - c. The injury, sickness, disease, death or destruction arises out of the furnishing by a Member of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this part c. applies only to injury to or destruction of property at such nuclear facility.

However, this Exclusion shall not apply to liability arising from the use of radioactive materials in instructional laboratories operated by the **Member** and/or research activities sponsored by the **Member**, but only to a sublimit of \$1,000,000 each **occurrence**.

U. OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

For any liability for premium or loss under this Memorandum if it would result in a violation of any mandatory sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America that are applicable to either party.

V. Pollution

For any loss, cost, or expense:

1. Arising out of, or that would not have occurred in whole or in part but for, the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, however, wherever or whenever occurring and by whomever caused or alleged to have been caused;
2. Arising out of any **claim**, suit, governmental direction or request, request, demand or order, whether by or on behalf of a governmental authority or not, that any **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of pollution or **pollutants**:
 - a. At any premises owned, rented or occupied by the **Covered Party**;

- b. At or from any site or location used by or for the **Covered Party** or others for the handling, storage, dispersal, processing or treatment of waste;
- c. Which are at any time transported, handled, stored, treated or disposed of; or processed as waste by or for the **Covered Party** or any person or organization for whom the **Covered Party** may be legally responsible; or
- d. At or from any site or location on which the **Covered Party** or any contractors or subcontractors working directly or indirectly on the **Covered Party's** behalf are performing operations:
 - 1) If the **Pollutants** are brought on or to the site or location in connection with such operations; or
 - 2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **Pollutants**.

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

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

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

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

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

- 4. Any site or location used by others on the **Covered Party's** behalf, principally for the handling, storage, disposal, dumping, processing or treatment of waste material.

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

W. Property Damage

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

Arising from **Property Damage** to:

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

X. Silica

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

Y. Subsidence

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

Z. Terrorism

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

AA. War

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

BB. Watercraft

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

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

CC. Wrongful Acts

1. Arising from any lockout, strike, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations. This exclusion shall not apply to a **Claim** brought by (i) an **Employee** alleging wrongful termination or retaliation as a result of strike activity or union involvement, or (ii) a law enforcement officer responding within the scope of his or her duties to any lockout, strike, picket line, replacement or other similar actions in connection with labor disputes or labor negotiations.
2. For injunctions, equitable relief, or any other form of relief other than the payment of money damages.
3. For liability arising out of an alleged willful commission of a crime by **Member** or other dishonest fraudulent, or malicious act. At CSURMA's discretion, however, **CSURMA** will pay for **Defense Costs** until final adjudication, judgment, or settlement to which CSURMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA for all costs associated with the defense.
4. Liability arising out of a **Member's Wrongful Act** for gain, profit, or advantage to which **Member** is not legally entitled. At CSURMA's discretion, however, CSURMA will pay **Defense Costs** for any **Claim** or **Suit** arising from an alleged willful commission of a crime by a **Member** or other dishonor, fraudulent or malicious act, for any **Claim** or **Suit** arising out of the **Members Wrongful Act** for gain, profit, or advantage to which **Member** is not legally entitled until final adjudication, judgment, settlement to which CSURMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA for all costs associated with the defense.

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

Under Errors and Omissions Liability

1. Based on **Covered Party's** obtaining of financial gain to which the **Covered Parts** was not legally entitled.

2. Arising out of the willful violation of a penal code or ordinance committed by or with knowledge of consent of any **Covered Party**; except that any act pertaining to any one **Covered Party** shall not be imputed to any other **Covered Party** for the purpose of determining the application of this exclusion.

Under Media Wrongful Acts

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

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

DD. Uninsured/Underinsured Motorists

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

SECTION VI – CONDITIONS

- A. Action Against CSURMA: No action shall lie against CSURMA unless, as a condition precedent thereto, the **Covered Party** shall have fully complied with all the terms of this Memorandum nor until the amount of the **Covered Party's** obligation to pay shall have been finally determined whether by judgment against the **Covered Party** after actual trial or by written agreement of the **Covered Party**, the claimant and CSURMA. Said judgment shall not be deemed final, if an appeal be prosecuted therefrom, until the suit shall have been finally determined on appeal. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this document to the extent of the coverage afforded by this document. Nothing contained in this document shall give any person or organization any right to join CSURMA as a co-defendant in any action against the **Covered Party** to determine such **Covered Party's** liability.
- B. Arbitration:
 1. In the event that a question or dispute arises between CSURMA and a **Covered Member** concerning the applicability of the coverage provided by this document to an occurrence or claim against the **Covered Party**, either the **Covered Party** or CSURMA may make a written request

for arbitration. Where such a request is made, arbitration shall be a condition precedent to the filing of any civil action concerning, or in any way arising out of, such question or dispute.

2. If a **Covered Member** and CSURMA fail to agree upon an arbitrator, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request selection by a judge of a court having jurisdiction. Each party will bear the expense it incurs, and the two parties will bear the expense of the third arbitrator equally. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will constitute a determination of the matter in question or dispute.
3. Except as otherwise provided above, arbitration hereunder shall be conducted as provided in Title 9 of the California Code of Civil Procedure (Code of Civil Procedure Section 1280, *et seq.*).

- C. Assignment: No assignment of interest under this Memorandum shall bind CSURMA without its written consent to endorse hereon.
- D. Bankruptcy or Insolvency: Bankruptcy or insolvency of the **Member** or any **Covered Party** shall not relieve CSURMA of any of its obligations hereunder nor shall such bankruptcy or insolvency increase CSURMA'S obligations hereunder.
- E. Cancellation and Termination: This Memorandum may, with respect to any **Member**, be cancelled by CSURMA either for the then-current coverage period or, in the event of expulsion, permanently upon the occurrence of the events and under terms set forth in the CSURMA Joint Powers Agreement and the Bylaws.

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

- F. Changes to the Memorandum: Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or change in any part of this Memorandum nor preclude CSURMA from asserting any right under the terms of this Memorandum, nor shall the terms of this Memorandum be waived or changed, except by written endorsement issued by CSURMA to form a part of this Memorandum.

~~G. Claims Settlement: As stated in the CSURMA Policy and Procedures regarding Claims Reporting and Claims Administration and Litigation Management:~~

~~1. Claims Settlement Authority~~

~~The following guidelines apply to settlement authority of CSURMA, within this Memorandum:~~

~~a) \$0 to 25,000 — Claims Administrator~~

~~The Liability Claims Administrator has authority to settle claims up to, and including, \$25,000 per claim.~~

~~b) Up to the Pooled Layer Limit — CSURMA Committee~~

~~The CSURMA Committee has authority to authorize claims settlement up to the **Pooled Layer Limit**.~~

~~2. Claims Settlement Responsibility:~~

~~CSURMA Committee shall have the primary responsibility to control and direct settlement negotiations and to determine the terms of any settlement. However, before effecting any settlement, CSURMA Committee shall give notice to the Member of the terms of the proposed settlement.~~

~~3. Member Appeal Process~~

~~First Level Appeal~~

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

~~Second Level Appeal~~

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

H. Contribution Payment: The annual contribution payment shall be due and payable upon inception of coverage and each renewal thereafter. The amount of the annual contribution will be computed in accordance with CSURMA's rules and rates. CSURMA shall not be required to perform any obligations under this Memorandum if contributions are not paid.

I. Defense Payments

Defense fees and costs are included in the **Member Deductible**. After the amount of the **Member Deductible** has been exhausted, CSURMA will pay Defense fees and costs only at a rate agreed to by CSURMA in writing.

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

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

K. Duties in the Event of Occurrence, Wrongful Act, Claim or Suit Perhaps workable if these are not bolded?

- (1) In the event of an **Occurrence** or **Wrongful Act** that is reasonably likely to involve **CSURMA**, written notice containing particulars sufficient to identify **Member** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of any injured persons and witnesses, shall be given by or for **Member** to **CSURMA** or any of **CSURMA**'s authorized agents as soon as practicable after **Member**'s Risk Manager, Chief Risk Officer, Assistant Vice Chancellor for Risk Management or a Chief Executive Officer of the **Member** has knowledge of the **Occurrence** or **Wrongful Act**.
- (2) If **Claim** is made or **Suit** is brought against **Member** that is reasonably likely to involve **CSURMA**, **Member** shall immediately forward to **CSURMA** every demand, notice, summons or other process received by **Member** or **Member**'s representatives.
- (3) **Member** shall cooperate with **CSURMA** and upon **CSURMA**'s request assist in making settlements, in the conduct of **Suits** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **Member** because of **Personal Injury, Property Damage or Public Official's Errors and Omissions** with respect to which insurance is afforded under this Policy; and **you** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. **Member** will not, except at **Member**'s own cost, voluntarily make any payment, assume any obligation or incur any expense; however, in the event that the amount of **Ultimate Net Loss** becomes certain either through trial court judgment or agreement among **Member**, the claimant and us, **you** may pay the amount of **Ultimate Net Loss** to the claimant to effect settlement and upon submission of due proof thereof, **CSURMA** shall indemnify **you** for that part of such payment which is in excess of your **Member Deductible**, or upon **Member**'s request, make such payment to the claimant on **your** behalf.
- (4) In the event of an **Occurrence** or **Wrongful Act**, which is reserved at greater than or equal to fifty (50) percent of **your** retention, **Member** shall:
 - (a) Report said **Occurrence** or **Wrongful Act**; or
 - (b) Regardless of the reserve amount, report losses without regard to liability falling within the following classifications:
 - (I) Fatalities; Spinal cord, paralysis or brain injuries;
 - (II) Amputations; Loss of sight;
 - (III) Serious head injury;
 - (IV) Paralysis;
 - (V) Severe burns;
 - (VI) Sexual Abuse or Molestation.
 - (VII) Serious loss of use of any body functions;
- (5) Whenever **Member** has information from which **Member** may reasonably conclude that an **Occurrence** or **Wrongful Act** covered hereunder involves injuries or **Damages**, which in the

event that **you** shall be held liable, are likely to involve this Policy, notice shall be sent to us as soon as practicable; provided, however, that failure to give notice of any **Occurrence** or **Wrongful Act** which at the time of its happening did not appear to involve this Policy, but which at a later date would appear to give rise to **Claims** hereunder, shall not prejudice such **Claims**.

L. Inspection and Audit

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

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

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

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

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

N. Other Coverage

1. Except as provided in F(2), the **Member** must pay the full amount of its **Member's Deductible** in order for coverage under this Memorandum to apply. Payment of the **Member's Deductible** by the **Member** is required in addition to, and regardless of, any payment or payments from any other source for or on behalf of that **Member**. If insurance or any other coverage with any insurer, joint powers authority or other source is available to the **Covered Party** covering a loss also covered hereunder (whether on a primary, excess or contingent basis), the coverage hereunder shall be in excess of, and shall not contribute with, such other insurance or coverage. This coverage shall be in excess of, and shall not contribute with, any insurance or coverage which names a **Covered Party** herein as an **Member** or a **Covered Party**, where such coverage applies to a loss also covered hereunder.
2. If any coverage is available to the Covered Party, whether such coverage is called excess over, or pro rata with other valid and collectible insurance or not, the coverage afforded hereunder shall not apply until such other coverage has been exhausted, provided that this clause does not apply with respect to excess insurance purchased specifically to be in excess of this Memorandum.

3. CSURMA acknowledges that a **Member** from time to time may purchase or become an additional insured on underlying insurance with Limits of Liability less than, equal to, or greater than the amount of the **Member's Deductible**, for certain operations, events or hazards for which this Memorandum affords excess coverage. It is agreed that this Memorandum (subject to its Declarations, terms, Conditions, Exclusions, and Endorsements that complete this Memorandum) shall provide insurance in excess of such underlying insurance subject to the following condition:

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

- O. Premium: The premium designated in the Policy **Declarations** is flat and not adjustable, unless:
 1. A material exposure is added under the Policy;
 2. The Limits of Liability are increased or decreased;
 3. The Policy is restricted or broadened by endorsement; or
 4. The Policy Period is increased or shortened
- P. Separation of Insureds: Except with respect to the Section III – Limitations Upon CSURMA's Liability, and any rights or duties specifically assigned to this Memorandum, this coverage applies:
 1. As if each **Covered Party** were the only **Covered Party**; and
 2. Separately to each **Covered Party** against whom the claim is made or suit is brought.
- Q. Statutory Provisions: Terms of the Memorandum which are in conflict with the statutes of the State of California are amended to conform to such statutes.
- R. Subrogation/Transfer of Rights of Recovery Against Others to CSURMA: CSURMA shall be subrogated to the extent of any payment hereunder, to all of **Member's** rights of recovery and **Member** shall do nothing after loss to prejudice such rights and shall do everything necessary to secure such rights. **Member** may elect to waive their rights to subrogation prior to a loss. To the extent that **Member** elects to waive such rights, CSURMA shall have no right of subrogation. Any amount recovered shall be apportioned as follows:

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

SECTION VII – DEFENSE AND SETTLEMENT

- A. The CSURMA shall not be obligated to investigate or to defend any claim for damages, or to pay for or to take charge of the investigation or defense of any claim for damages against any **Covered Party**. However, the CSURMA, at its own expense, shall have the right, but not the duty, to associate itself with any **Covered Party** in the control, negotiation, investigation, defense or appeal of any claim or proceeding which, in the opinion of the CSURMA or the **Covered Party**, is or may be covered by this document, and for which the **Ultimate Net Loss** therefrom may exceed the **Deductible**. The Covered Party shall fully cooperate with the CSURMA in all matters pertaining to such claim or proceeding.
- B. No claim shall be settled, whether by out of court settlement, stipulated judgment or otherwise, by a **Covered Party** wherein the **Ultimate Net Loss** exceeds the **Deductible**, without the prior written consent of the CSURMA.

SECTION VIII – POLICY PERIOD, TERRITORY

The Policy Period commences on the effective date shown in the **Declarations**. The Policy Period ends on the earlier of either the expirations date or effective date of cancellation of this **Memorandum**. If a person or organization becomes a **Member** under this **Memorandum** after the effective date, the Policy Period for that person or organization begins on the date the person or organization became a **Member**.

This **Memorandum** applies to **Personal Injury, Property Damage** or **Public Official’s Errors and Omissions** arising out of an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period, anywhere in the world.

PRAESIDIUM PROPOSAL

ISSUE: The contract with Praesidium for Prevention of Sexual Abuse of Minors will expire on June 30, 2016. Praesidium has provided a renewal proposal which includes an expanded list of products and services available to each campus. Staff is proposing that CSURMA fund \$12,000 for the Regional Workshops as well as \$2,000 per campus to be used on any Praesidium product or service. The additional services and products available will be funded directly through the campus.

Aaron Lundberg from Praesidium will be at the meeting to present the renewal proposal as well as to explain the services available to the campuses.

RECOMMENDATION: Staff recommends discussing the renewal proposal and directing Staff as appropriate.

FISCAL IMPACT: \$12,000 for the Regional Workshops and \$2,000 per campus to be used on any Praesidium product or service. See the renewal proposal attached for the pricing schedule.

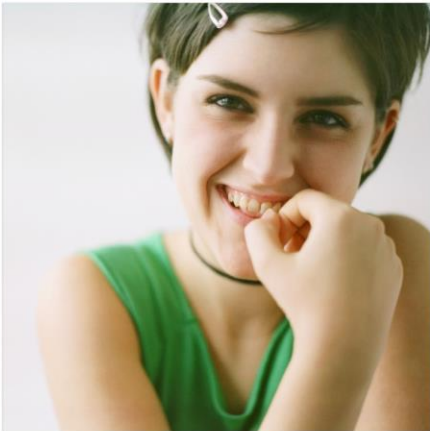
BACKGROUND: All Praesidium services and products will be provided to the campuses and auxiliary organizations through a master agreement. All invoicing will be funneled through CSURMA as well.

See the proposal attached for additional details.

PUBLICATION: When the renewal services are finalized, notice will be sent out to all members.

ATTACHMENT(S):

- a. Praesidium's Higher Education Abuse Risk Management Proposal for CSURMA – April 25, 2016



Praesidium's Higher Education
Abuse Risk Management Proposal
for California State University
Risk Management Authority

Revised April 25, 2016



PRAESIDIUM

Our Passion. Your Protection.

800.743.6354 • 817.261.7864 fax
www.PraesidiumInc.com

Information contained in this proposal is confidential and proprietary to Praesidium, Inc. and should not be disclosed to anyone not a designated recipient or reviewer.

INTRODUCTION

In the recent past, Forbes magazine likened the sexual molestation litigation of this decade to that of the asbestos litigation of the previous decade. Million dollar settlements are not uncommon, statutes of limitations for child sexual abuse have been altered in many states, and all organizations entrusted with the care of minors and vulnerable adults are expected to have in place adequate standards to prevent incidents of abuse. Failure to do so can cause the ruin of a life and the financial and reputational downfall of programs and organizations designed to help.

PRÆSIDIUM / CSURMA PARTNERSHIP

Building on Praesidium's knowledge and experience and CSURMA's commitment to provide risk mitigation controls to the California State University campuses and auxiliary organizations, Praesidium, CSURMA, and Alliant Insurance Services seek to continue their existing partnership. As part of this process, this proposal is designed to provide additional information on Praesidium, its products and services, optional pricing structures, and continue the discussions regarding rollout and implementation options.

Overall, Praesidium recommends delivery and implementation mechanisms that foster and promote a culture of safety through the availability of abuse prevention solutions and risk mitigation tools across the CSU system. To facilitate this process, Alliant and CSURMA have indicated a desire to offer the following structure:

CSURMA pays for: \$52,000 for a one-year contract that includes:

- Four regional workshops
- \$2,000 per campus credit

Campuses and Auxiliaries pay CSURMA for:

Any additional services in excess of \$2,000.

A comprehensive list of products, services, and prices is enclosed as Appendix 1 *Praesidium Price Listing*. Each of these items can be combined into additional packages at the system or campus level. Additional discounts are available for most items with packages or bulk purchases.

ABOUT PRAESIDIUM

Since 1991, Praesidium’s mission is “to help you protect those in your care from abuse and to help preserve trust in your organization.” Praesidium works with organizations across the world to prevent the sexual abuse of children and vulnerable adults, to prevent false allegations of abuse against innocent employees and volunteers, and to prevent the loss of reputation and revenue for organizations serving vulnerable populations. The founders of Praesidium have over 30 years of experience working in abuse risk management. For the past two decades Praesidium has served more than 4,000 clients and offers a full range of risk management and loss control services. Praesidium’s clients include higher education institutions, public and private schools, churches, camps, youth development organizations, water parks, long-term care facilities, hospitals, luxury resorts, social service programs, sports programs, fitness clubs, and child care centers.

PRAESIDIUM’S SCIENTIFIC METHODOLOGY

Using root cause analysis, Praesidium developed its own abuse risk management model, The Praesidium Safety Equation.® Root cause analyses of several thousand incidents of abuse across industries demonstrated that risks fell into eight organizational operations: Policies, Selection and Screening, Training, Monitoring and Supervision, Internal Feedback Systems, Consumer Participation, Responding, and Administrative Systems. By implementing best practices in each of these operations, Praesidium determined that risks could be reduced or eliminated.



OVERVIEW OF PRAESIDIUM PRODUCTS AND SERVICES

Praesidium Guardian Certification. Select an employee committed to protecting those in your care and give them the information and skills they need to become your “boots on the ground” expert on organizational abuse prevention. Your Praesidium Guardian joins a national community of certified Praesidium Guardians for support, guidance, and cutting edge information.

TRAINING SOLUTIONS

Armatus[®] Learn to Protect System. Adults directly involved in providing services to minors, those who supervise others directly involved with minors, and those who manage or oversee programs serving minors must know how offenders operate, how to recognize warning signs, when and how to intervene to interrupt interactions that may foretell of abuse, mandated reporting requirements, and how to manage high risk situations in their own programs. This training can be provided online where participants must demonstrate mastery and completion can be documented.

At the core of the system is a range of online courses, 25-45 minutes in length, designed to ignite the learning process and provide learners with the tools they need to implement best practices in abuse prevention. *See Appendix 3 for a sample course listing.* Armatus[®] online courses include actionable learning objectives, research-validated content, engaging graphics, frequent interactivity and a content mastery quiz. In addition to the online courses, learners are supported with a variety of tools including:

- *Action Plans* that are printed and used with the online course. Action Plans summarize the key learning points and prompt learners to take notes throughout the course. They provide a great reference after the course.
- *Coaching Guides* provide supervisors a high-level summary of the course, including learning objectives and key learning points. The coaching guide gives supervisors practical steps they can take to reinforce the learning, with specific things they can say, do, and reinforce.
- *Discussion Guides* are developed for small group and classroom discussions. A facilitator is able reinforce important content and remind learners of what they learned in the online course. The group is able to discuss practical application of the learning for their work group and organization.
- *Mini Minders* (coming soon!) are 30 second to 3 minute learning segments that reinforce or remind learners of content from an Armatus course. These can range from a short interactive segment, to a standalone video clip, a scenario(s) to apply skills, a PDF (Ready Reference or Pocket Card) or an offline worksheet. The goal is to remind learners of and review with them key content that they have previously learned.
- *Guide Posts* (coming soon!) are signs that you can post around your facility to remind learners of key policies, practices, and principles. Guide Posts have QR codes that can be scanned with a smart phone to pop-up a Mini Minder interaction.

Armatus[®] comes with a robust database that allows organizations to confirm in real time who has completed training, as well as other useful user information such as criminal

background check completions. Praesidium also has the internal capability to design, program, and produce online courses to meet the specific needs of high volume usage and maintains a national network of content experts in a wide array of subjects.

On-Site Leadership Presentations. To fully integrate Minors on Campus initiatives and create cultural changes at the campus level, senior leadership on each campus should have a fundamental understanding of the scope of the risk, how abuse of minors happens in youth serving programs, and best practice standards designed to reduce the likelihood of an incident and effectively mitigate harm. Leadership should also understand and embrace their responsibilities and contributions to these initiatives. Because this information is best delivered in face-to-face meetings with leadership teams (i.e., Campus Presidents / Provosts, Cabinet Members, Vice Presidents, Department Leaders, etc.), Praesidium recommends a one-hour initial leadership meeting on each campus.

On-Site Abuse Prevention Training. To continue the blended learning environment and facilitate a campus-specific application of the key learning points, Praesidium recommends at least one on-site abuse prevention training for all campuses. Target audiences include all individuals who work with minors, including campus and auxiliary employees, staff, faculty, students, interns, volunteers, and chaperones.

Praesidium offers an array of on-site workshops and seminars for front-line employees and volunteers, supervisors, administrators, and board members covering screening and selection, best practices in abuse risk management, how to prevent peer-to-peer sexual abuse, legal issues in abuse risk management, and many others. Workshops can be tailored to meet the needs of each audience.

Your Boundaries. Your Call![™] This three-part video series teaches children between fifth and twelfth grades how to protect themselves if someone tries to violate their emotional, physical, or behavioral boundaries.

Educational Webinars and Abuse Prevention Tips/Updates. Praesidium can conduct regular abuse risk management seminars on a wide range of topics including sexual harassment, social networking, bullying, internal incident investigations, how offenders operate, reputational risk management, creating a culture of safety, quality assurance methods, employee and volunteer screening and selection for abuse risk, and others.

RISK ASSESSMENTS AND THE PATH TO ACCREDITATION

Know Your Score! Online Self Assessment. Individuals complete an online self-assessment, or in-depth questionnaire about existing policies and procedures in their program or organization. The self-assessment (available in generic or customizable versions) allows organizations to quickly and confidentially learn the strength of their policies and practices designed to keep those in their care safe from abuse. The completed self-assessment provides organizations with a blueprint and sample resources to address any potential abuse prevention gaps.

Comprehensive On-Site Risk Assessment with Praesidium Accreditation. Praesidium's Safety Analysts conduct a comprehensive risk assessment of all programs offered by the organization including a review of policies, on-site architectural inspections, interviews with employees and volunteers at all levels, interviews with administrators, analysis of claims and incident data, and direct observations of programs in operation. At the conclusion of the assessment, the organization can request The Praesidium Report,TM which includes detailed findings and custom-tailored risk management recommendations. Upon implementation of the recommendations, the organization is eligible to attain Praesidium Accreditation status for three years and receives three random follow-up mini-audits at no additional costs (although travel may apply); a press release; a statement for parents and consumers; and, an etched-glass Praesidium award.

On-Site Management Systems Review. Praesidium's Management Systems Review identifies potential gaps in an organization's risk management practices related to preventing the sexual abuse of children or vulnerable adults by an employee, a volunteer, or by another program participant. Praesidium analyzes the organization's existing policies; interviews representatives from program, human resources, risk management, legal, and training; and reviews past incidents, allegations or litigation related to abuse. At the conclusion of this on-site review, Praesidium shares the findings with key leaders and outlines high level recommendations to address potential exposures.

Minors on Campus Survey. Praesidium's heat map process utilizes a minors on campus survey to identify all programs serving minors on campus at a higher education institution and in the community. This brief survey asks some basic questions to identify any program serving minors that an individual or department operates, sponsors, or hosts and is customizable in many respects. Among other things, this survey also identifies the number of minors served and various program characteristics, including risk level and ownership. Praesidium provides a comprehensive analysis of the data, along with recommendations in areas including policy development, training, monitoring and supervision, and relationships with third parties. The survey can also be tailored to accommodate other industries and risks.

SCREENING SOLUTIONS

Criminal Background Checks. Praesidium offers several standard and customizable criminal background check packages plus other a la carte background check services. One of our most popular packages includes comprehensive searches in the industry and includes over 305 million criminal records from county, state, national, and international sources. It includes a Social Security Number Trace and Alias Search, Multi-State Criminal Records Search, National Sex Offender Registry Search, and national and international security searches. And, at no additional charge, Praesidium is also available to discuss additional screening issues with organizations upon receipt of their results.

Screening and Selection Toolkit. Less than five percent of offenders have a criminal history. Because criminal background checks can't be relied on to screen out offenders, organizations must use other methods to prevent potentially harmful adults from gaining access to their clients. Praesidium's Screening and Selection Toolkit provides organizations with everything necessary to effectively screen and select employees and volunteers. The Toolkit includes policies, forms (applications, interviewing questions, and reference forms), and guidelines for identifying high-risk and low-risk responses during interviews, reference checks, and on applications. It also identifies six applicant characteristics that are critical for adults working with children and vulnerable adults and a scoring system to evaluate applicants on each characteristic. The complete package includes one-day intensive on-site training that teaches hiring managers how to use the screening and selection toolkit.

CONSULTATION, REPORTING MECHANISMS, AND CRISIS MANAGEMENT

Model Policies and Policy Analysis. Sound policies provide the foundation for a safe environment. They tell an organization's employees and volunteers what is and is not acceptable; they set tolerance levels; and they can protect an organization if it faces litigation. But are your policies doing their job? Do they address such ever-changing issues as whether employees can communicate with clients via email, social networking sites, or after work? Do they set limits on when and how employees or volunteers can demonstrate affection towards clients? Send the organization's policies to us, and we'll advise what works and what needs re-visiting, and why!

Online Community. Praesidium's online community allows individuals from across organizations and programs to connect and share their abuse prevention experiences, challenges, and successes. Praesidium's team of experts facilitates and monitors discussions to provide quick tips and initial consultation.

General Consultation. Does one of your campuses have concerns about a summer applicant? Does a Risk Manager need advice on how to manage a particular youth program's interactions with minors? Want to discuss their screening and selection practices? Not sure how to respond to a report of suspicious interactions between an employee and a program participant? Praesidium can be available over the phone to discuss anything that may forewarn of an incident or lead to an abuse claim. Our experts include psychologists, social workers, attorneys, private investigators, policy analysts,

doctoral level educators, and human resource professionals, all with extensive experience in organizational abuse risk management.

Toll-Free Confidential Helpline. In most cases of abuse in organizations, individuals often report having seen or heard something suspicious, inappropriate, or of concern, yet failed to take action. Praesidium's consultation services allow your campuses a way to report concerns as well as an open line of communication in the event of an incident or crisis.

Crisis Management and On-Site Victim's Assistance. In the event that a campus has an allegation or incident of suspicious or inappropriate interactions or suspected abuse, a member of Praesidium's team can be available to provide a range services, including on-site consultation, response coordination, investigation, and victim's assistance.

CONTACT

Aaron Lundberg, LMSW
President and CEO
ALundberg@PraesidiumInc.com

Candace Collins, JD
Director of Higher Education
CCollins@PraesidiumInc.com

PRAESIDIUM
624 Six Flags Drive, Suite 110
Arlington, TX 76011
817-801-7773 main
800-743-6354 toll-free
www.PraesidiumInc.com

Appendix 1

Praesidium Price Listing

Praesidium Price Listing¹ for CSURMA Global Contract

*Additional discounts available for most items with packages,
bulk purchases, or multi-year contracts.*

Praesidium Product or Service	Pricing
Praesidium Guardian Certification	\$4,950 per individual (if attending TX classes) and \$4,000 per individual for every participant after the first. \$39,000 for CSU-specific program in CA
General Consultation	\$2,000 per day on-site \$250 per hour off-site
Regional Workshops	\$12,000 for four regional workshops Includes a combination of general consultation, leadership strategies, and best practices.
Access to Praesidium's Online Community	<i>Pricing requires additional consultation with CSURMA to further define implementation and rollout.</i>
Policy Analysis and Sample Policies	Ranges from \$1,000-\$25,000 <i>Depends on the nature and extent of analysis and samples (i.e., individual program procedure versus campus-wide policy)</i>
Armatus [®] Learn to Protect System ²	\$8 per course
On-Site Campus Leadership Presentation	\$2,000 per day
On-Site Abuse Prevention Training	\$2,000 per day
Educational Webinars and Abuse Prevention Tips/Updates <i>Includes regular email tips. Other topic updates, webinars, and additional content for CSU publications may also be available upon further request and discussion.</i>	<i>Praesidium can provide 2 webinars and access to Praesidium's tips/updates at no cost.</i> \$500 for each additional webinar

<p><i>Know Your Score!</i> Online Self Assessment</p>	<p>\$2,000 per campus, per year Includes:</p> <ul style="list-style-type: none"> • 10 assessments initiated in the <i>KYS!</i> system (regardless of whether an assessment is completed or archived) • <i>KYS!</i> demonstrative and marketing webinars • Existing written sample resources <p>Additional assessments: \$500 per assessment initiated in the <i>KYS!</i> system (regardless of whether an assessment is completed or archived)</p>
<p>Comprehensive On-Site Risk Assessment with Praesidium Accreditation</p>	<p>\$5,000+ <i>Depends on number of programs and locations</i></p>
<p>On-Site Management Systems Review</p>	<p>Ranges from \$4,000 to \$10,000 <i>Depends on number of programs and locations. Note that in addition to discussions with leadership, pricing also <u>includes</u> one training for leadership during the on-site portion of the review.</i></p>
<p>Minors on Campus Survey</p>	<p>Ranges from \$6,000+ <i>Depends on level of customization</i></p>
<p>Toll-Free Confidential Helpline</p>	<p>\$1,000 one-time initial set up fee \$500 annual maintenance fee \$250 per call</p>
<p>Crisis Management and On-Site Victim's Assistance</p>	<p>\$2,000 per day on-site \$250 per hour for off-site consultation</p>

Criminal Background Checks ^{3, 4}	
<i>À la Carte Pricing</i>	
Employment Credit	\$7.00
Multi State Criminal Database w/Name and Address Locator	\$10.00
7 Year County Criminal Records Search: 1 County	\$7.00
7 Year County Criminal Records Search: All Counties Provided/Developed	\$25.00
County Civil Records Search (upper): 1 County	\$12.00
Statewide Criminal Search: 1 State	\$9.00
Federal Criminal Records Search: 1 State, All Districts	\$9.00
Federal Civil Records Search: 1 State, All Districts	\$12.00
DOJ National Sex Offender Registry Search	\$4.00
Motor Vehicle Records Search	\$4.00
Employment Verification: 1 Position	\$11.00
Education Verification: 1 Degree	\$10.00
Personal Reference: 1 Reference	\$13.00
Professional Reference: 1 Reference	\$14.00
Professional License Verification: 1 License	\$9.00
International Criminal Search: 1 Jurisdiction	\$25 + In country Acquisition Fee
<i>Packaged Pricing</i>	
	<i>Available upon further consultation</i>
Screening and Selection Toolkit	\$6,000 <i>Price includes one day of on-site training related to screening and selection.</i>

ADDITIONAL PRICING NOTES:

1. Pricing does not include reasonable travel costs and expenses. Reasonable travel costs and expenses will be separately billed.
2. Pricing for Armatus[®] usage may be billed on a monthly or quarterly basis.
3. Third-party record keeper fees may apply and will be passed on at cost when incurred.
4. Criminal records found in the Multi State Database check are subject to verification at the source and additional costs may apply.

Appendix 2
Armatus[®] Learn to Protect Course Listing

Armatus[®] Online Training Course Descriptions

CORE COURSES	
<p>Meet Sam</p> <p>Sam molests children. Hear him tell how he gets away with it. Participants will learn:</p> <ul style="list-style-type: none"> • The three types of molesters • The three things molesters need in order to offend • The types of boundaries offenders often violate <p style="text-align: right;">* ^</p>	<p>It Happened to Me</p> <p>Anger. Failing grades. Depression. These are just some of the effects of sexual abuse. Participants will learn:</p> <ul style="list-style-type: none"> • The long-term effects of abuse • Which children are most vulnerable to abuse • Why children don't report abuse • What to do if a child tells you about abuse <p style="text-align: right;">* ^</p>
<p>Duty to Report: Mandated Reporter</p> <p>Adults have a moral responsibility--and in many cases a legal responsibility-- to report suspected child abuse or neglect.</p> <p>In this course you will learn:</p> <ul style="list-style-type: none"> • Why reporting is critical • What your legal obligation is to report • What types of conduct must be reported • How to report • How to respond if a child discloses abuse or neglect to you <p style="text-align: right;">* ^</p>	<p>Abuse Risk Management for Volunteers</p> <p>Volunteers give their precious time to your organization to serve others. Teach them how to protect those they serve from abuse. Participants will learn:</p> <ul style="list-style-type: none"> • The facts about sexual abuse • Steps you can take to keep kids safe • How to protect yourself from false allegations of abuse

* Denotes course available in Spanish

^ Denotes course available in Canadian-French

Armatus® Online Training Course Descriptions

CORE COURSES	
<p><i>Preventing Sexual Activity Between Young Children</i></p>	<p><i>Abuse Prevention Refresher</i></p>
<p>Recent statistics show that incidents of sexual acting out between children have increased 300% in the past three years. Participants will learn:</p> <ul style="list-style-type: none"> • How – and where – sexual activity between children typically occurs • Steps to prevent sexual activity between children • How to respond if sexual activity between children occurs <p style="text-align: right;">*</p>	<p>Once employees and volunteers know the basics about preventing abuse in your organization, it's time for real life application. Participants will learn:</p> <ul style="list-style-type: none"> • The importance of acting on warning signs, and how to do so • How to keep yourself and co-workers safe from false allegations • How to apply your knowledge to real-life scenarios <p style="text-align: right;">* ^</p>
<p><i>NEW Preventing Bullying</i></p>	<p><i>NEW Social Media and Sexual Abuse: Establishing Healthy Boundaries</i></p>
<p>Bullying, in some way, is a part of everybody's childhood memories. However, the severity of recent bullying incidents has shown that bullying can no longer be a "normal" part of growing up. Participants will learn:</p> <ul style="list-style-type: none"> • What bullying is • How bullying happens • The impact of bullying • What you can do to stop bullying • What to do if you are a supervisor <p style="text-align: right;">*</p>	<p>Social media increases opportunities for sexual abusers to communicate with their intended victims. Participants will learn:</p> <ul style="list-style-type: none"> • The different types of abuse risks that organizations face • How to educate parents and youth on healthy social media use • How to protect yourself from false allegations of abuse • How to respond to warning signs and incidents of abuse

* Denotes course available in Spanish

^ Denotes course available in Canadian-French

Armatus® Online Training Course Descriptions

INDUSTRY-SPECIFIC COURSES	
<i>Keeping Your School Safe</i>	<i>Keeping Your Foster Care Program Safe</i>
<p>Parents send their children to school to have fun, meet challenges, make friends, practice skills, and learn. They also expect them to be safe. Participants will learn:</p> <ul style="list-style-type: none"> • When, where, and by whom child abuse is most likely to occur at school • Specific steps to take to keep children safe at school • How to prevent false allegations of abuse <p style="text-align: right;">*</p>	<p>Approximately half of the children in foster care have been sexually abused and almost a third are abused again while in care. Participants will learn:</p> <ul style="list-style-type: none"> • Techniques to establish effective relationships with foster parents and children • What to watch for when making home visits • Six tested methods to keep foster children safe
<i>Keeping Your Foster Home Safe</i>	<i>Keeping Your Church Safe</i>
<p>Foster parents open their hearts and homes to provide for those in need. But in some cases, foster parents may also be vulnerable to false allegations of abuse. Participants will learn:</p> <ul style="list-style-type: none"> • Unique risks that exist in foster care homes • How to protect children in care from abuse, including abuse between children • How to protect foster parents from false allegations of abuse 	<p>God has entrusted church staff with something precious to Him – His children. Participants will learn:</p> <ul style="list-style-type: none"> • Five specific actions to keep children safe • The importance of keeping a watchful eye • What to do in the case of suspicious behaviors • How to respond to inappropriate behavior <p style="text-align: right;">*</p>
<i>Keeping Your Camp Safe</i>	<i>A Day at Day Camp</i>
<p>Camp can be a wonderful experience for kids – but not if they are abused by a counselor or a peer. Participants will learn:</p> <ul style="list-style-type: none"> • Abuse risks at a residential camp • Six locations where abuse is most likely to happen at a residential camp • How all employees and volunteers can make a difference <p style="text-align: right;">* ^</p>	<p>“A Day at Day Camp” takes you through a typical day at camp. Participants will learn:</p> <ul style="list-style-type: none"> • How to keep day campers safe from sexual abuse • How to protect yourself from false allegations of abuse • How to identify and manage high risk situations at day camp • What to do if you see something suspicious or inappropriate

* Denotes course available in Spanish

^ Denotes course available in Canadian-French

Armatus® Online Training Course Descriptions

INDUSTRY-SPECIFIC COURSES	
<i>Keeping Your Y Safe</i>	<i>Keeping Your Scholars Safe</i>
<p>Ys build strong kids, strong families, and strong communities. But to do so, your employees must have the skills and knowledge to keep those in your care safe from offenders. Participants will learn:</p> <ul style="list-style-type: none"> • Six potentially dangerous situations at Ys • When, where and by whom child abuse is most likely to occur • Four steps to take to keep kids safe 	<p>This course has been developed to assist you in identifying sexual misconduct. As we welcome thousands of scholars to our programs each year, it is important for all of us to take this step to ensure our scholars and staff are safe. Participants will learn:</p> <ul style="list-style-type: none"> • The types of molesters and how they operate • Four steps to keep scholars safe • How to protect yourself from false allegations of abuse • How to identify and address sexual harassment
<i>Keeping Your Optimist Club Safe</i>	<i>Catholic Review Board Course</i>
<p>Optimist Clubs around the world are dedicated to “Bringing Out the Best in Kids” and aiming to provide a helping hand to youth. Unfortunately, their lives can be shattered by sexual abuse. Participants will learn:</p> <ul style="list-style-type: none"> • When, where, and by whom child abuse is most likely to occur in Optimist Club programs • Four steps to keep children safe • How to protect yourself from false allegations of abuse 	<p>The Review Board Course supports Religious Review Board Members assisting the Religious Institute in its efforts to uphold the highest standards in abuse prevention. Participants will learn:</p> <ul style="list-style-type: none"> • The history of the Religious Accreditation Program • Overall role of Review Boards • The Review Board’s role in reviewing allegations and supervision cases
<i>Keeping Your Boys & Girls Club Safe</i>	<i>Managing Risk in Community Based Program</i>
<p>Every year, nearly five million children and adolescents come to Boys & Girls Clubs after school and in the summer. They expect to have fun and be safe. You can help the children by preventing abuse in your Club. Participants will learn:</p> <ul style="list-style-type: none"> • When, where, and by whom child abuse is most likely to occur at a Club • Four steps to keep children safe • How to protect yourself from false allegations of abuse 	<p>So you're going to be a volunteer! In this course, participants will learn:</p> <ul style="list-style-type: none"> • Do's and don'ts in your relationships with kids • How to keep safe in potentially unsafe neighborhoods • How child molesters operate • How abuse affects children • How to protect yourself from false allegations of abuse.

Armatus[®] Online Training Course Descriptions

Denotes course available in Spanish
 ^ Denotes course available in Canadian-French

INDUSTRY-SPECIFIC COURSES	
<i>Establishing and Maintaining Healthy Relationships with Athletes</i>	<i>Preventing Abuse against Adults with Disabilities</i>
<p>This course is designed to keep your athletes safe from abuse and to protect you from false allegations. Through establishing appropriate boundaries, you can facilitate a healthy coach-athlete relationship. Participants will learn:</p> <ul style="list-style-type: none"> • The scope and effects of abuse in sports • Characteristics of the coach-athlete relationship • How to recognize and report boundary violations and allegations of abuse 	<p>Providing care to people with disabilities is rewarding and challenging work. However, some caregivers psychologically abuse, physically abuse, steal from those they care for, and some even sexually abuse people in their care. You can do your part to make sure this doesn't happen! Participants will learn:</p> <ul style="list-style-type: none"> • Facts about abuse of people with disabilities • Characteristics of potential victims • Awareness of potential abusers and high-risk environments • Steps to keep clients safe • How to prevent false allegations
<i>Preventing Elder Abuse and Neglect</i>	
<p>It's hard to believe that anyone would hurt the elderly. Fortunately, federal and state laws and regulations help protect vulnerable adults from abuse. Participants will learn:</p> <ul style="list-style-type: none"> • Facts about abuse and neglect • How to recognize risk factors, warning signs, and red-flag behaviors • Steps to take to keep residents safe • Steps to protect care givers from false allegations • Steps administrators can take to prevent abuse and neglect 	

Armatus[®] Online Training Course Descriptions

INTERPERSONAL COURSES	
<i>Navigating the Murky Waters of Sexual Harassment</i>	<i>Now You're a Supervisor: Preventing Discrimination, Harassment, and Retaliation</i>
<p>Nobody wants to work in a polluted environment. Participants will learn:</p> <ul style="list-style-type: none"> • How to recognize different types of harassment • How to determine if a situation is or is not sexual harassment • How to prevent and respond to sexual harassment 	<p>Being a supervisor comes with lots of benefits – and tons of responsibilities. It's up to you to make sure discrimination, harassment, or retaliation does not happen on your watch! Participants will learn:</p> <ul style="list-style-type: none"> • Laws and statutes pertaining to discrimination, harassment, and retaliation • How to prevent, stop, and respond to discrimination, harassment, and retaliation • What to do if someone reports an incident of discrimination, harassment, or retaliation
PERSONAL SAFETY COURSE	
<i>Bloodborne Pathogens</i>	
<p>Bloodborne pathogens cause diseases that are difficult to treat and cannot be cured. That's why it is so important to know how to reduce your risk of contracting a bloodborne disease. Participants will learn:</p> <ul style="list-style-type: none"> • What bloodborne pathogens are • Standards businesses must follow • How bloodborne pathogens might enter your body • Common exposures that could occur at your organization • The three most common diseases caused by bloodborne pathogens • How to protect yourself from bloodborne pathogens • What to do if you are exposed to bloodborne pathogens 	

Armatus[®] Online Training Course Descriptions

CUSTOM COURSES	
<i>Your Policies</i>	<i>Core and Advanced Courses</i>
<p>Policies allow your organization to define what's acceptable – and what isn't. To complete this course, users read your policies and confirm online that they understand and agree to comply with your policies.</p>	<p>Many of our core and advanced courses can be customized to the needs of your organization. This will allow you to include your company-specific policies, scenarios, case studies, and examples. Inquire with your account manager for availability and pricing.</p>

SYSTEMWIDE CAMPUS PUBLIC SAFETY RISK MITIGATION

ISSUE: CSURMA has funded at Systemwide, public safety training and equipment initiatives over the years. For FY 15/16, CSURMA funded \$100,000 towards training needs. Michael Redmond, Assistant Vice Chancellor, Strategic Initiatives & Support Services, has requested that the CSURMA Executive Committee review the attached report on Recommended Training for Police Officers of the CSU and consider increasing the training budget for FY 2016/17. The requested funding would be an amount not to exceed \$500,000. Representatives from the Chancellor's Office will be present at the meeting to discuss the request.

RECOMMENDATION: It is recommended that the CSURMA Executive Committee evaluate the requested funding and take action or provide direction to staff.

FISCAL IMPACT: CSURMA's proposed budget includes \$100,000 for Systemwide public safety training support. If additional funding is authorized, the budget would be amended and the additional amount would be drawn from retained funds.

BACKGROUND: Public Safety is asking for Systemwide support for current critical issues training that includes:

- Mental Health Training, including Interactive Video Simulation Training (IVST)
- Crowd Control or Mobile Field Force Training
- Threat Assessment Training
- Dealing With Difficult People Training

PUBLICATION: None.

ATTACHMENT(S):

- a. CSU Police Chiefs Council Report dated November, 2015

Training for Police Officers of the
California State University System (CSU)

As Recommended By

The CSU Police Chiefs Council

November, 2015

INTRODUCTION

Training has frequently been cited by law enforcement executives as one of the most crucial issues in a police department. Excellent training is at the core of proper officer incident response in a wide spectrum of situations from misdemeanor offenses to active shooter response. In these times when police departments are being held legally liable for the actions of police officers it is especially important.

Not only is the most basic training at the police academy level important for the start of a police officer's career but continuing professional development which should include refresher and remedial training is also essential. Training should be consistent with the mission, vision and values of each police department to ensure the right emphasis for effective performance.

Standards for professionalism within the law enforcement profession require that training have a clear and accountable process of development and administration. Training program development should provide for input from a variety of sources in addition to the chief executive officer and state mandates (POST). For example, input from a department training committee and department personnel in general is highly valuable.

For the development of the recommendations in this report, the CSU Chief's Council Chair appointed a training committee to develop a survey for the Chiefs and a draft of initial recommendations (prior to review by all CSU Police Chiefs). The committee included: Chief David Huerta, Fresno; Chief Earl Lawson, Monterey Bay; Chief Lamine Secka, San Diego; Chief Rick Wall, Los Angeles and Chief's Council Chair, Chief Anne Glavin, Northridge.

This report begins with a discussion of POST training starting with the most basic training for each and every CSU police officer - police academy training. The report continues with the results of the training survey sent to all CSU Police Chiefs and is followed by the recommendations of the CSU Chief's Training Committee with the endorsement of the CSU Police Chief's Council.

Commission on POST (Peace Officer Standards and Training)

State of California

Standardized, professional and continuous training is of the utmost importance when it comes to law enforcement officers. Many of the highly technical and complex skills required of today's police officers are considered "perishable" and need to be constantly updated. The California State University Police Departments (CSUPD) strive to maintain the highest possible levels of training and readiness by adhering to rigorous training requirements as set forth both by the California Commission on Peace Officer Standards and Training (POST) and by the California State University System (CSU).

Part of working to provide the "gold standard" in police service means making sure police officers are continually training. POST provides essentially four levels of training requirements for all officers within California. They are Basic Training, Perishable skills, Advanced Training and Specialized Skills Training and together provide the foundation for a California police officer from the first day of the police academy through the end of their career.

POST BASIC TRAINING

The POST Basic training includes training completed in the academy and throughout an officer's career. It provides the baseline amount of training an officer needs to remain current and provides professional certification at each of six levels of proficiency. Officers earn certificates in a similar fashion as a karate student would earn a different colored belt; based on their skill and knowledge. Police officer certifications include Basic, Intermediate, Advanced, Supervisory, Management and Executive levels of certification. Each level requires a certain amount of professional experience coupled with continuing education credits.

The most basic level of police officer certification is graduation from a POST-certified police academy. In California, officers spend six months in the police academy or about 928 hours. Instruction includes a wide variety of topics from defensive driving to community relations and provides a foundation for everything a police officer will have to do during their career. The chart below is a small sampling of the hours of instruction received during basic training:

Topic	Hours of Instruction
Leadership	9
Community Relations	24
Criminal Statutes / Criminal Justice System	8
Laws of Arrest`	18
Search and Seizure	16
Report Writing	54
Driving / Vehicle Operations	41
Use of Force	16
Crowd Control / Arrest and Control	93
Traffic Enforcement	24
Handling Crime Scenes	16
Cultural Diversity	46
Firearms	76
Emergency Management	16

PERISHIBLE SKILLS

Every two years California police officers are required to undergo perishable skills training. This is training that focuses on some of the highest liability areas of law enforcement and includes topics such as crowd control methods, mental health awareness and response training, firearms and vehicle operations. These training hours are tracked by POST in their EDI system and are subject to audit to ensure department compliance.

Furthermore, the CSU Police Departments know the importance of perishable skills training and have purchased the Interactive Video Simulator Training (IVST) system for mental health training for police which is now maintained within the system is set up to be shared amongst the 23 CSU police departments. Likewise, with the high-profile nature of public demonstrations and protests, the CSU Police

Departments have already trained, and will train again in the near future, on mobile field force or crowd control tactics and methods. This training is being conducted on a system wide basis and provides the gold standard of training to our officers.

Additionally, due to the nature of special skill training and the current changes in federal and state laws, training related to sexual assault investigation looms large as a priority for the CSU Police Chiefs. While POST offers specialized training in this area, Cal State LA Chief Rick Wall has recently worked to create more specialized training for sexual assault investigation which takes into consideration victim centered interviewing, Title IX and Clery law concerns, etc. using content experts. He is currently awaiting POST approval on this course but initial offering to all CSU departments is scheduled for December 7, 2015.

POST ADVANCED TRAINING

Throughout an officer's career in California, there are numerous opportunities for advanced, POST certified training courses. Officers who have been promoted to supervisory ranks or to detective assignments receive extensive advanced training. Before you can hold a Field Training Officer, Corporal, Sergeant or other supervisory position, you have to attend advanced training. These courses are often several days or weeks in length and prepare our law enforcement professionals for the additional challenges associated with those positions. Some of these advanced courses include:

Topic	Hours of Instruction
Field Training Officer	40
Corporal / Sergeant	40
Detective	Up to ?? Weeks (IDI)
Management (Lieutenant and above)	32
Executive (Chief of Police)	40

Each one of these advanced courses requires an additional set of skills and knowledge in order for the officer to show proficiency and meet the requirements to become POST certified. Such training courses increase the officer's professional competency, keep them current on changing trends within the profession and provide direction for the officer as they advance throughout their career.

SPECIALIZED SKILLS

There are a number of specialty positions within any law enforcement organization that require additional, intensive training in order to maximize skills and limit liability. Each one requires mastery of a highly developed skill set that ensures that the officer is performing at the top end of their given field. Some of these specialties are so rigorous that officers spend entire days every week training. Motorcycle officers, canine response and detection teams, special response teams (CRU), bicycle patrol officers, community relations officers, specialized investigations officers (sex crimes/homicide) all require additional training in order to make sure officers can perform at these higher levels of proficiency. Each of these specialties, and there are far more, require substantial time and energy investment by the officers assigned to them and their respective departments. Becoming a canine officer, for example, requires 11-weeks of training. A motorcycle officer can spend as long a month training for and obtaining his or her minimum training qualification. All of which are recognized with professional certification.

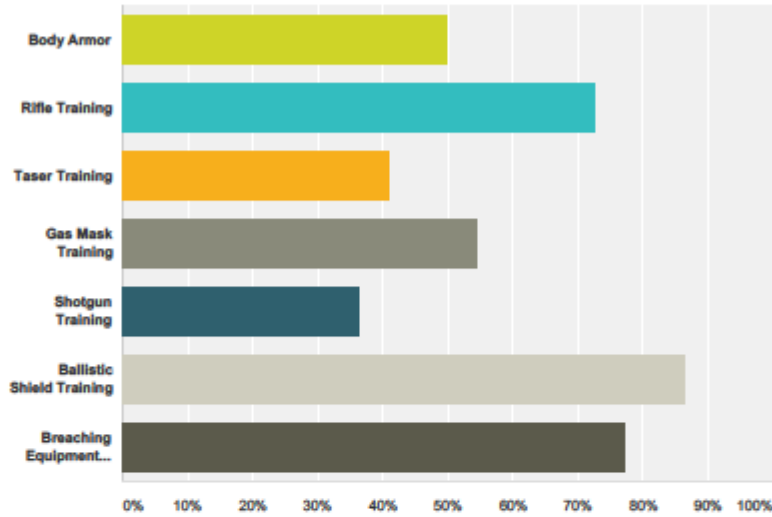
The California State University Police Departments each recruit, hire and train officers to the professional standards outlined by POST. California POST certifications are recognized and accepted by almost every other state in the country because of the high standards required to obtain them. No other states' certifications are as widely accepted as those obtained by California police officers.

CSU Police Chief's Training Survey

In an effort to obtain the most up to date information from the CSU Chiefs on the subject of training, Chief Secka from the Training Committee sent out a training survey. The questions and analysis of answers are provided next in this report. When reading electronically, double click on PDF box below. Adobe Reader will open automatically.

Q1 Specific to the new CBA equipment, what top 5 training needs does your department have?

Answered: 22 Skipped: 0



Answer Choices	Responses
Body Armor	50.00% 11
Rifle Training	72.73% 16
Taser Training	40.91% 9
Gas Mask Training	54.55% 12
Shotgun Training	36.36% 8
Ballistic Shield Training	86.36% 19
Breaching Equipment Training	77.27% 17
Total Respondents: 22	

Standard Principles for Promotion Training

Fortunately, because the CSU Police are POST police departments, there is an abundance of excellent training as officers are promoted by rank (i.e. Sergeant, Command rank, etc.). The guiding principle should be to train an officer who is promoted as soon as possible while at the same time pairing that officer with a senior person already in the same position. For example, when an officer is promoted to the rank of Sergeant, pair that officer with an experienced Sergeant in a training program similar to that of Field Training for a new officer out of the academy. At the same time, ensure the officer is sent to a POST supervisory school.

Executive training for command rank comes with many choices. Each CSU Police Chief should make the decision on what is appropriate for their respective personnel. The important issue is that each employee be provided with appropriate recognized and certified training upon achieving command rank.

High Risk, High Liability Training

Police Equipment

The guiding principle for all police equipment is to ensure that all sworn officers are trained in each piece of equipment BEFORE that equipment is issued to the officer for use. Further, the training provided on that equipment should be well documented in that officer's individual training file. Trainers must be appropriately trained themselves in order to deliver departmental training. For example, for those departments using Taser brand electronic control devices, training is available directly from Taser. Generally, firearms instructors will be trained by Taser under their own certified course and in turn will use that course to train other officers in a department. This principle should apply to all forms of police equipment. If no "certified" training exists for a particular piece of equipment, then that equipment should be demonstrated by an experienced officer who has used the equipment for a significant period of time.

Current Critical Issues Training

At the present time, there are a number of critical issues for which all CSU police must undergo training. This training should be provided to new officers and refreshed on an appropriate periodic basis. All training should be well documented in each individual officer's training file.

The CSU Police Chief's Training Committee (and as endorsed by the CSU Police Chiefs) has recommended the following training areas as central to proper training for each and every CSU sworn officer. Support from the CSU Chancellor's Office is very much needed for this training.

Mental Health Training

Interactive Video Simulation Training (IVST)

This training was offered by the CSU Office of the Chancellor to the CSU police, local police agencies, sheriff departments, and UC and CCC police departments. This interactive training helped police officers recognize symptoms of mental health illnesses and learned verbal de-escalation techniques in any situation. This training was very high on the recommended list from the CSU Chiefs. It was extremely well received and we have recommended ongoing refresher training as well as more training for new officers in our system.

Crowd Control or Mobile Field Force Training

This training was provided to all CSU Police in 2013 as a result of recommendations made to Chancellor by the CSU Police Chiefs Task Force on Protests and Demonstrations after the UC Davis pepper spray incident. Currently, a refresher training program (and new officer training) is being planned by the CSU Chief's Training Committee (led by Chief Huerta). Due to the nature of this training and the perishable skills involved, this training needs to be offered on a regular basis as recommended by the Training Committee.

Threat Assessment Training

Dealing with persons of concern who may be moving in the direction of committing a violent act is unfortunately an all too common issue on university campuses. Threat assessment is the process of gathering and assessing information about persons who may have the interest, motive, intention and capability of committing a violent act against an individual or group of individuals. By using a combination of investigative skill, corroboration and common sense, thoughtful assessments of a threat can be made by police officers so that interventions can be made and tragedies averted.

It is view of the CSU Police Chiefs that this training is extremely important and that each CSU Police Department should have designated officers trained in a recognized threat assessment training program. There are a variety of choices that each Police Chief can make (i.e. Gavin DeBecker's Advanced Threat Assessment and Management Academy, training offered by the National Behavioral Intervention Team Association, etc.) for this type of training.

Dealing with Difficult People

University Police Officers are generally known for having a greater ability for patience and tolerance with academic communities. It is a necessity for success in campus law enforcement. It is recommended that CSU Police Officers have opportunities to be trained in appropriate training classes that assist them in dealing with difficult people. There are many examples from which to choose (i.e. Verbal Judo, Conflict Management in the Workplace, etc.) and some Human Resource departments in the CSU already sponsor such training for all employees.

The CSU Police Chiefs are well aware that training is amongst the most critical of responsibilities that we have as police chiefs. We are fortunate to be POST agencies and to have access to some of the finest training for police in the country. It is important that each CSU Police Department maintain their officer's perishable

skills and be properly trained for specialty assignments and promotions. Additionally, ensuring that training be well documented is a professional standard.

It is recommended that all CSU Police Departments follow law enforcement accreditation standards for training documentation (CALEA or IACLEA) and ensure that these files are properly maintained and updated. Accredited CSU Police Departments will, no doubt, be willing to share their system formats with non-accredited departments.

EVALUATION OF CAPTIVE INSURANCE VEHICLE

ISSUE: Effective January 1, 1997, CSU formed the CSURMA with its not-for-profit auxiliary organizations. CSURMA is a California public agency joint powers authority. More recently, the University of California formed Fiat Lux as a captive insurer in 2012. CSU executive management is interested in evaluating whether CSU can benefit from forming a captive. While JPA's and captives share many similarities, two key benefits from captives are:

- Ability to invest in a broader array of instruments including equity positions with the goal of earning a higher return than is earned on investments allowed for public agencies; and,
- Ability to offer insurance products to third parties such as CSU employees and alumnae, offering the opportunity to retain profits otherwise earned by commercial insurers.

At its January 10, 2016 meeting the CSURMA Executive Committee directed Staff to engage Pinnacle Actuarial Resources to prepare an initial evaluation for CSU/CSURMA captive utilization options. Robert Walling will attend at today's meeting to deliver his initial report.

RECOMMENDATION: It is recommended that the CSURMA Executive Committee evaluate the report at today's meeting and take action or provide direction on next steps.

FISCAL IMPACT: The cost of the Phase I consulting services from Pinnacle Actuarial Consultants have been included in the proposed FY 15/16 budget amendments presented to the EC in March. The cost of FY 16/17 consulting and/or captive development services will be included in the proposed budget to be approved by the CSURMA Board at their May 6, 2016 meeting.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Pinnacle Actuarial Services Report Dated May 2, 2016.



3109 Cornelius Drive
Bloomington, IL 61704
309.807.2320
pinnacleactuaries.com
Robert J. Walling III, FCAS, MAAA, CERA
Principal and Consulting Actuary
rwalling@pinnacleactuaries.com

May 2, 2016

Zachary Gifford
Director, Systemwide Risk Management
California State University, Chancellor's Office
401 Golden Shore, 5th Floor
Long Beach, CA 90802
[delivered via email to zgifford@calstate.edu]

Re: Recommendations on the Formation of a Captive Insurance Company

Mr. Gifford,

Enclosed are copies of our report analyzing the potential benefits of adding a captive to California State University's risk financing program, particularly utilizing a protected cell within Fiat Lux, a District of Columbia domiciled captive insurance company owned by the University of California.

I am a member in good standing of the Casualty Actuarial Society (CAS) and the American Academy of Actuaries (AAA) and meet the continuing education requirements to provide this statement of actuarial opinion.

I look forward to meeting with the Executive Committee to discuss these results.

Sincerely,

A handwritten signature in black ink that reads "Robert J. Walling III".

Robert J. Walling III, FCAS, MAAA, CERA
Principal and Consulting Actuary

cc: Daniel Howell, Alliant Insurance Services

Recommendations on the Formation of a Captive Insurance Company for California State University

May 2016



3109 Cornelius Drive
Bloomington, IL 61704
309.807.2300
pinnacleactuaries.com

Commitment Beyond Numbers

Table of Contents

Section	Page
Executive Summary.....	1
Scope & Background.....	3
Project Scope	3
CSU and the CSURMA Background	4
Captive Background	7
Methodology.....	12
Recommendations and Discussion	14
Benefits of Forming a Captive to CSU.....	14
Specific Benefits of Utilizing Fiat Lux	16
Potential Risks.....	18
Financial Model Results	19
Developmental Phases.....	20
Legal Disclosures.....	21
Distribution and Use	21
Reliances and Limitations	22
Glossary of Terms & Abbreviations	1

Exhibits

Recommendations on the Formation of a Captive Insurance Company for California State University

Executive Summary

Universities throughout the United States provide a wealth of opportunity for students seeking higher education. These opportunities include not only those in the classroom, but also on the athletic field, and the recreational centers. Many of these opportunities extend to university alumni. Universities are often large employers of diverse group of professionals, owners of numerous properties, tenants to thousands of students, providers of medical care and much more. With these diverse cultures there exists significant risk that a University must manage in its daily operations, as well as significant opportunities.

Many universities use captive insurance company structures as part of their strategy to more efficiently manage and finance their insurance risks. In 1997, the California State University (CSU) and its auxiliary organizations formed a joint power authority (JPA), California State University Risk Management Authority (CSURMA) with the primary goal of developing strategies that streamline and integrate the risk management practices of the CSU system. In the last 9 years, through CSURMA, CSU and its auxiliary organizations have self-insured several coverages at varying retentions.

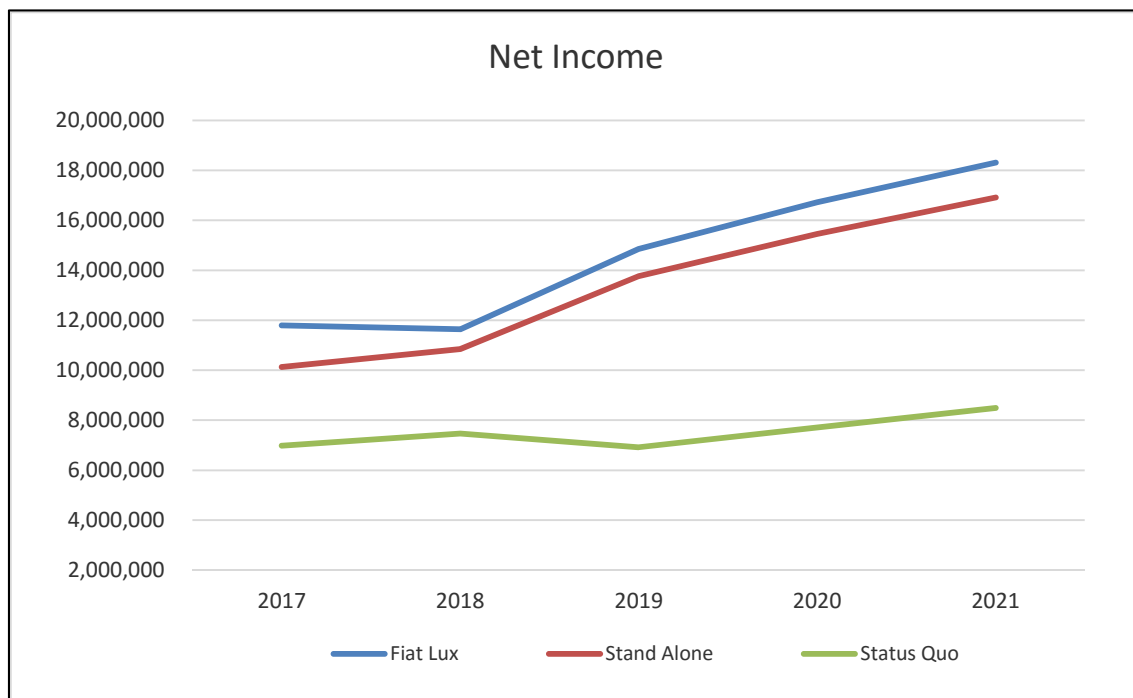
CSU and CSURMA have retained Pinnacle to assist them in investigating the advantages of adding some form of captive insurance company to their existing risk management and risk financing strategies within their insurance program. As shown in the report, Pinnacle is recommending that CSU form at least one wholly-owned cell within Fiat Lux Risk and Insurance Company (Fiat Lux), a District of Columbia domiciled captive insurance company owned by the University of California. Forming a cell within the Fiat Lux captive offers the best combination of advantages including:

- Significant cost savings
- Access to new insurance markets, lowering costs
- Aggregation of risks
- Capital to deploy in additional insurance opportunities
- Much lower formation costs
- Faster implementation and easier regulatory approval
- Existing financial reporting capabilities
- Still allow CSU to spin off into their own captive down the road

There are also some potential disadvantages to forming a captive that must be considered. These disadvantages include:

- Time Commitment
- Risk of Adverse Retained Loss Experience
- Capital Commitment
- Increased Commercial Insurance Cost
- Cost of Reinsurance
- Use of Third-Party Service Providers

Based on a series of conservatively parameterized pro forma financial statements, participation in a segregated cell within the Fiat Lux captive insurance company should reasonably be expected to produce more than \$5 million in additional revenue for CSU to deploy annually than the current risk financing model. This is shown in the following graph summarizing the model comparison:



The net income in year one (2017) is higher compare to 2018 for the Fiat Lux scenario due to the loss portfolio transfer modeled in the pro-forma. The LPT results in one time income that is not as significant in the following years.

These financial models were based on conservative assumptions in a number of ways. The property program and many of the programs with either small deductibles or no retention were not added to the captive in these models. No retentions were increased to better utilize the captive's capitalization. The expected losses for the programs migrated to the captive were conservatively set. No benefits to the insurance program's reinsurance costs were assumed. More details on the assumptions in the model are documented in the **Methodology** section of the report.

Scope & Background

Project Scope

California State University (CSU or University) and the CSU Risk Management Authority (CSURMA) have retained Pinnacle Actuarial Resources, Inc. (Pinnacle) to assist them in investigating the advantages of adding a captive insurance company to their existing risk financing and insurance program. There are three primary options under consideration:

- Status Quo - Continue financing insurable risk using largely the same tools.
- Rent – Utilize a segregated cell within the existing Fiat Lux captive of the University of California (UC)
- Build – Build a new captive insurance company to meet CSU and CSURMA's purposes.

In particular, Pinnacle will assist in evaluating a captive features including:

- Type of Captive Structure
- Coverages and coverage limits, retentions and deductibles
- Capitalization requirements
- Captive manager selection
- Reinsurance and fronting alternatives
- Domicile Selection
- Risk transfer and risk distribution assessments
- Phases

In considering the different options we will first look at the existing structure of CSURMA. We will then give some background on the captive insurance industry. In addition, we will discuss some advantages and risks of forming a captive that is specific to CSU. Finally we present the benefits of forming a protective cells with in an existing captive and the next steps. These will be quantified using five year pro forma financials for each scenario.

CSU and the CSURMA Background

General Information

On January 1, 1997, California State University and its Auxiliary Organizations formed a Joint Power Authority (CSRUMA) under California Government Code 6500, which authorizes CSURMA to establish and operate pooled coverage programs and provide risk management and insurance services, including insurance and self-insurance. The Authority was formed pursuant to California Government Code Section 6500 et seq., and, as a government entity, is not subject to federal or state income tax.

Based on its mission statement, one of the primary goals of the CSURMA is to develop a forum for the Auxiliary Organizations and the CSU to develop strategies that streamline and integrate the risk management practices of the CSU system.

Auxiliary Organizations Risk Management Alliance (AORMA) was established to provide group purchase comprehensive business insurance coverages for the CSU's non-profit Auxiliary Organizations. Participation in the programs is voluntary.

The authority assumed the losses of the University's risk pool in exchange for a commitment from the University to fund incurred losses, as well as provide sufficient cash flow to the Authority to meet its operating needs.

All post development cost of the Authority's programs are funded by annual premium charged to the Members participating in the program each policy year and by interest earnings on the accumulated funds. Premiums are based on a cost allocation plan and rating formula developed by the Authority with assistance from various qualified professionals.

CSURMA Insurance Program

CSURMA currently has two risk pools: 1) the Campus programs and 2) the AORMA programs. Tables below outline the major insurance coverage provided under the Campus and AORMA risk pools:

	Campus Liability	Campus WC ***	Campus Property	Campus IDL/NDL/UI	Campus AIME
Campus Deductible	35K-900K	N/A	100K-1M		0
Pooled Layer	5M incl. Ded.	2.5M	1M/2M	Self-Insured	90K/condition
Reinsurance Layer	N/A	N/A	up to 1B	N/A	N/A
Excess Layer	195M xs 5M	WC - Stat. xs 2.5M EL - 2.5M xs 2.5M			
Contributions *	13,514,960	37,744,986	8,000,000	13,500,000	3,577,749
Reinsurance/XS. Premium *	170,000		4,415,000		
Reserves **	20,640,679	64,050,500			2,162,199

* From 2015/2016 Budget

** From campus risk pools funding status at 6/30/2015 report

*** In 2015, CSURMA transferred the risk of the pooled and excess layer to CSAC Excess Insurance Authority

	AORMA Liability	AORMA WC ***	AORMA Property	AORMA Crime	AORMA Unemployment
Campus Deductible	EPL- 25K - 100K Other – 0	N/A	5K-50K	5K	
Pooled Layer	350K	500K	100k/250K	25K/100K	Self-insured
Reinsurance Layer	4.65M xs 350K	N/A	up to 1B	N/A	N/A
Excess Insurance	195M xs 5M	WC - Stat. xs 500K EL - 4.5M xs 500K		2M incl of Ded and Pooled Layer	
Contributions *	3,823,115	4,382,449	3,179,019	337,000	2,994,851
Reinsurance/XS. Premium *	825,000	-	1,546,476	-	-
Reserves **	2,872,044	10,699,385			

* From 2015/2016 Budget

** From "campus risk pools funding status at 6/30/2015" report"

*** In 2015, CSURMA transferred the risk of the pooled and excess layer to CSAC Excess Insurance Authority

Other than the coverages offered through the risk pool, many additional coverages can be purchased separately by the members from commercial insurers through the CSURMA. They include, but are not limited to:

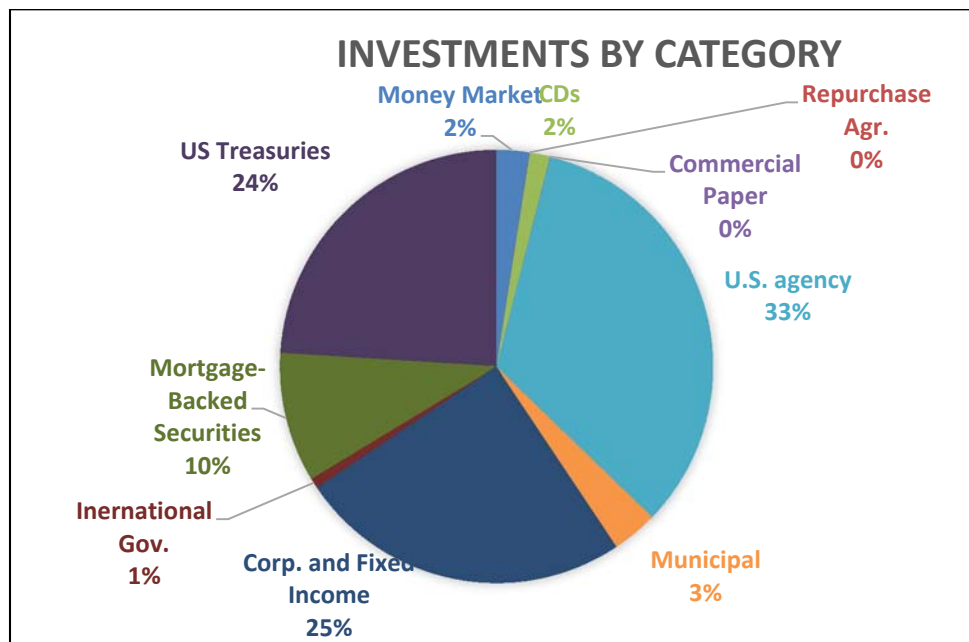
- Owner Controlled Insurance Program (OCIP)
- the Purchased Insurance Program (including the Participant Insurance Program, Auto Physical Damage, and Foreign Travel Insurance Program (FTIP))
- Student Professional Liability Insurance
- Builders Risk
- Student Travel Accident Insurance
- Cyber Liability
- Inland Marine
- CSU Rocketry
- Trustee Errors and Omissions
- Physical Damage coverage for equipment
- Medical professional liability for CSU employed physicians, and others.

Investment Policies of CSURMA

State law and regulations require that surplus monies of the Authority must be invested. The primary objective of CSURM’s investment policy is to safeguard the principal. The secondary and tertiary objectives are to meet the liquidity needs of the Authority and return an acceptable yield.

CSURMA’s investment policy authorize funds held in local trust accounts under Education Code Section 89721 and 89724 to be invested in any of the securities authorized by Government Code Section 16430 and 53601 and Education Code Section 89728, subject to certain limitations. In general, the CSURMA investment policy permits investments in obligations of the federal CA state governments, CDs, high quality domestic corporate and fixed income securities.

As of fiscal year end 6/30/2014 the total fair value of investment assets are approximately \$167M. This is broken down as shown below on the graph:



Captive Background

What is a captive insurance company, or a captive for short? First and foremost, it is essential to understand that a captive is an insurance company. Whatever else a captive may or may not be used for (tax advantages, generational wealth transfer, investment opportunities, etc.) a captive must be an insurance company first. More details on what this entails will be provided later on in this report.

Some sources oversimplify their definition of a captive to something akin to an insurance company that provides coverage to its owner. However, there are numerous captives that are owned by a party related to the insured, such as their insurance agency, industry association, a manufacturer of a product their business uses, but not owned by the insured. Further, in order to satisfy risk transfer requirements to be a valid insurance company, many captives also provide coverage to “related unrelated” risks such as franchisees, owner-operators, or even employees through health insurance and benefits insurance programs.

We will define a captive insurance company, or captive, as “an insurance company whose primary purpose is financing the risks of its owners or participants.”¹ Oftentimes, but not always, the owner of the captive is also the sole or primary insured. Captives are typically regulated under different enabling legislation and regulations than traditional admitted insurance companies. Captives tend to be owned by and provide insurance to sophisticated commercial insureds that require less policyholder protection than the general public.

There are a number of different types of captive insurers. These include:

- Single Parent or Pure Captives – A captive formed, owned, controlled and primarily insuring a company and its affiliates.
- Agency Captives – A captive formed by an insurance company or agency to provide reinsurance to their clients.
- Association Captives – A captive formed or sponsored by an industry or trade association for the purpose of insuring the risk of the association's members.
- Group Captives – A captive formed by a group of companies to provide insurance for a shared need and to pool risk. These groups may be homogeneous or heterogeneous.
- Rent-a-Captive – A captive that “rents” its facilities to other companies that may not have the resources or claims volume to form a captive of their own. The renter pays a fee to access the captive and may contractually agree to utilize services provided by the captive such as underwriting, claims or accounting.
- Protected Cell – A form of “rent-a-captive” that attempts to protect and insulate the capital and surplus from the owners of other cells in the captive.
- Risk Retention Groups (RRGs) – A risk retention group is a form of captive operating under the auspices of the Risk Retention Act (RRA) of 1986. RRGs are limited by the RRA to writing

¹ From the International Risk Management Institute, Inc. (IRMI) website, www.irmi.com/online/insurance-glossary/default.aspx.

casualty (liability) insurance coverages. However, because of the RRA, RRGs have significantly reduced state regulatory requirements, particularly as it relates to filing insurance rates.

- Series LLC Captives – A form of U.S. protected cell captive that utilizes a series of limited liability companies (LLCs). Each series, or Special Business Unit (SBU), is treated as a pure captive and can take any of the other captive forms described.
- Special Purpose Vehicles (SPVs) - A special purpose captive is owned or controlled by a parent company and may only insure the risk of its parent. SPVs are frequently used by life reinsurance companies.

A wide variety of coverages are provided through captive insurance companies. Some of the more common coverages include:

- Workers compensation, typically on a deductible reimbursement basis
- Property, sometimes including flood, earthquake or terrorism coverage.
- Professional liability including:
 - Medical professional liability;
 - Hospital professional liability; and
 - Non-medical professional liability for lawyers, accountants, insurance agents, etc.
- Liability insurance, including:
 - Products Liability;
 - Pollution liability;
 - General liability;
 - General liability coverage gaps such as contractual and intellectual property liability;
 - Errors & Omissions liability (E&O);
 - Directors and Officers liability (D&O);
 - Employers professional liability (EPLI);
 - Fiduciary liability;
 - Cyber liability
 - Product recall; and
 - Garage liability.
- Automobile insurance – both liability and physical damage.
- Group health insurance and other employee benefits.
- Non-traditional, low frequency, high severity coverages such as brand rehabilitation, loss of key employee, publisher's liability or loss of contingent business income due to causes such as loss of key supplier or labor shortage.

While a more extensive discussion of the benefits of a captive to the captive owner will be provided in a later section of this report, some of the primary benefits a captive can provide include 1) greater control over the insured's insurance program and claims, 2) ownership of underwriting profits and investment income, 3) improved coverage affordability, availability, and price stability, 4) customized and manuscript coverages, and 5) improved cash flow and tax benefits.

Captive Domicile Considerations

With many captive domiciles worldwide, there are number of consideration one should contemplate when choosing where to form a captive. Some of the considerations are outlined below:

- *Regulation:* There are differences in capitalization requirements, premium taxes, investment restrictions, discounting of reserves, reporting and meeting requirements for many domicile. There may also be different regulation regarding the type of coverages that maybe offered through a captive.
- *Tax:* Premium taxes and fees vary by domicile.
- *Logistics:* Some captive domiciles are located in places that maybe harder to travel to. Domiciles may also have varying level of infrastructure of service providers. It may be important to choose a domicile with adequate resources dedicated to the captive.
- *Perception:* Some domiciles may have a reputation for specializing in certain type of captive or industry. One should consider whether a domicile would create more scrutiny on the legitimacy of the business.

If it is determined that CSU will form a single parent captive, we will provide detailed comparisons of the captive domiciles being considered. This will include regulatory oversight and financial reporting and capitalization requirements.

The table below highlights the top 15 domiciles worldwide by the number of captives licensed as of 2014.

Number of Captives Licenses at Year End 2014			
Rank	Domicile	2014	2013
1	Bermuda	800	831
2	Cayman Island	759	759
3	Vermont	587	588
4	Utah	422	342
5	Anguilla	379	295
6	Delaware	333	298
7	Guernsey	321	318
8	Nevis	281	276
9	Barbados	271	264
10	Luxembourg	224	226
11	Hawaii	194	184
12	District Of Columbia	191	170
13	Montana	177	150
14	Nevada	160	148
15	South Carolina	158	145
Total of Top 15		5,257	4,994
<i>Source: Business Insurance Survey</i>			

Overview of Fiat Lux

Over 1,000 higher education institutions own or participate in captive insurance structured in the United States alone, both public and private schools. The diversity of risk faced by universities offers a unique opportunity to utilize captive structure in managing and funding for these risks.

In the fall of 2012, University of California (UC) successfully formed a captive insurance company, Fiat Lux Risk and Insurance Company, with the goal of enabling the University faculty, staff and students to identify, manage and finance risk associated with their activities.

Fiat Lux is a not-for-profit organization, which is a component unit of The University of California, providing insurance coverage to the UC and related entities. As such, the financials of Fiat Lux are consolidated with that of the University. The assets of Fiat Lux are intended to be irrevocably dedicated to University of California's purposes.

From the beginning, the captive provided deductible reimbursement policies for some casualty line, and property/casualty terrorism. It also underwrote University of California's excess liability program, although all net retained positions are reinsured.

Fiat Lux is also in the process of implementing programs to retain more risk throughout the insurance program in various ways, as well as findings new ways to offer insurance products to university staff, students, and alumni. These include quota share of excess layer, stop loss reinsurance, and excess layer insurance. It will soon offer insurance products to employees/students such as voluntary benefits and renters insurance.

The captive is also considering other ways to leverage the captive. Some of the initiatives being considered are offering automobile and homeowner insurance to alumni, “medical set aside” insurance to University of California, and “rent a cell” to other school districts in California.

All these changes mentioned above are expected to result in significant savings to the University of California. They believe that the captive strategy will result in savings of \$7M or more annually from their insurance program prior to the formation of the Fiat Lux.

Methodology

In order to produce comparisons of the operating results for the insurance program under the three risk financing scenarios under consideration, Pinnacle developed a set of pro forma financial statements intended to be reasonable representations of the expected balance sheets, income statements, cash flow exhibits and underwriting experience over a five year period under each scenario.

For the captive scenarios, we have assumed that three programs would move into the captive immediately – Workers Compensation (CSURMA and AORMA), Liability (CSURMA and AORMA) and the Athlete Injury Medical Expense (AIME) programs. Concurrent with this shift, we have assumed that the current unpaid claims liabilities for these programs would be transferred to the captive via a loss portfolio transfer. This approach would also transfer the assets necessary to support the transferred loss reserves and thus capitalize the captive. We have also assumed that in the third year of the captive, the Owner Controlled Insurance Program and the Industrial Disability (ID), Non-industrial Disability (NDL) and Unemployment Insurance (UI) (collectively IDL/NDL/UI Program) would be added to the captive.

Losses are assumed to start at the expected ultimate loss from the most recent actuarial studies. Future losses are then estimated assuming exposure trends of 1% to 2% depending on the exposure and loss cost (inflation) trends of 2% to 3% depending on coverage. Loss payment patterns to estimate claims payment cash flows were based on the Aon loss reserve analyses and industry loss development benchmarks for similar coverages as appropriate.

Premiums were then developed by increasing the expected losses to the 70% confidence level using a 15% risk margin, as well as provisions for fixed and variable expenses. Reinsurance costs are assumed to range from 20-23% of the gross premium for the two captive scenarios. For the status quo scenario, we have assumed reinsurance/excess insurance costs based on the fiscal year 15/16 budget. Captive operating expenses were developed based on information from Fiat Lux and our experience with the captive insurance industry. The stand-alone captive is assumed to have substantially higher formation costs based on information from Fiat Lux and Pinnacle's understanding of the captive insurance market.

The loss portfolio transfer of the existing claims liabilities has been modeled as a premium and loss transaction effective at the inception of the captive. Capitalization of the captive is assumed to be 20% of first year written premiums, i.e. a 5:1 premium to surplus ratio at inception. It is possible that less capital will be required because of the nature of the loss portfolio transfer. If this is the case, the additional capital can either be deployed to write additional coverages or remain in the JPA.

Investment income is assumed to be consistent with historical averages in the status quo scenario. In the stand alone captive a 10%/50%/40% mix of cash, bonds and equities is assumed at returns consistent with the long term performance of commonly referenced benchmarks for similar investments. For Fiat Lux, the District of Columbia Department of Insurance has approved Fiat Lux to invest in the University of California's centrally managed total return investment pool (TRIP). TRIP allows participants the opportunity to maximize return on their long term working capital by investing in large pool across a broad range of asset classes. STIP is a cash investment pool established in 1976 by the Regents of UC, its basic goal is safety of principal and liquidity. It is managed as a highly liquid portfolio. The Fiat Lux scenario assumes that if CSU forms a protected cell within Fiat Lux, they would be able to invest in STIP and TRIP.

There are a number of assumptions in the two captive models that may understate the benefits of captive formation. They include:

- No reflection of potential benefits in reinsurance pricing due to larger claims volume of Fiat Lux,
- No increases in coverage retentions, and the potential underwriting income this could produce,
- No reflection of the potential underwriting benefits that could be gained by moving the Property, Medical Professional Liability (MPL), Trustees Errors & Omissions Liability, Physical Damage, Auto Physical Damage or Travel Insurance Programs into the captive. Many of these programs are heavily insured in the commercial market and could be moved into the captive (potentially with some excess insurance) allowing the captive and CSU to retain the large expected underwriting profits these programs often produce,
- No investment income is assumed on the policyholders' surplus. This is comparable to

assuming this amount is invested in cash and cash equivalents to maintain liquidity. Some investment income will be generated on the assets supporting policyholder surplus, and

- Reflection of expected losses for the programs moved to the captive at current budgeted levels, which are estimated at 70% confidence levels and therefore include additional expected underwriting profits not reflected in the pro formas.

As a result of these assumptions, many of the key benefits of forming a captive are not modeled in the pro formas.

Recommendations and Discussion

Based on our review of available information, we find that the formation of a captive in some format (i.e. single parent or protected cell) would be beneficial to California State University. It could reduce the insurance costs relative to the current insurance program, increase the investment income realized by the University, give it greater control over the various risks for which it is responsible, and better utilize insurance program capital allowing it to be deployed for new insurance risks.

Our analysis to arrive at this conclusion focuses on several specific areas. These include:

- I. Benefits of forming some form of captive
- II. Benefits of initially utilizing a segregated within Fiat Lux
- III. Potential Risks
- IV. Next Steps and Phasing of Implementation

The following sections of the Recommendations and Discussion portion of the report address each of these items in the order they are presented above.

Benefits of Forming a Captive to CSU

A. Control: By forming a captive, CSU would have more flexibility in structuring its insurance program and investment policies and designing policies that are tailor-made to fit the individual needs of CSU. While the formation of CSURMA has helped CSU achieve some of the traditional benefits of forming a captive over pure self-insurance, there are additional benefits that can be attained through the use of a captive such as:

- Due to the regulations governing JPAs, a captive would allow a wider array of coverages to be insured, most notably third party coverages.
- Similarly, there is more control over available investment opportunities due to being outside of the regulatory restrictions of the JPA.
- A captive may allow CSU to bear risk on some of the guaranteed cost programs that are currently producing significant underwriting profits for the fronting carriers.

- B. Access to additional markets:** As a licensed insurer, a captive has the advantage of being able to access the reinsurance market directly. While currently CSURMA has access to the reinsurance market, the combined leverage of CSURMA and Fiat Lux may allow access to additional markets and increase competition, thereby reducing reinsurance costs. By having access to multiple reinsurance markets both domestic and foreign (e.g. Bermuda and Lloyd's), it often leads to lower cost of risk transfer through increased competition. Reinsurers may offer better terms and conditions than traditional insurers. In addition, reinsurance companies usually operate on a lower cost structure than direct insurers. Direct access to reinsurance can reduce frictional cost, allow for payment of ceding commissions to the captive (which leads to greater retention of underwriting profits) and lower federal exercise taxes paid on the transaction.
- C. Possible reduced cost of insuring the risk:** Captives usually benefit from lower operating expenses than a commercial insurance provider, and may not have the rate of return demand that commercial insurers typically have. This reduces the profit provision built into the insurance premiums. In particular, Pinnacle believes that many of the programs where CSU is retaining little or no risk can be insured in the captive (with reinsurance) and are likely to produce significant underwriting profits. The opportunity here is not the main insurance coverages, such as workers compensation or liability, but rather some of the smaller guaranteed cost programs that typically generate significant underwriting profits for the insurance carriers.
- D. Investment Income:** A captive earns investment income on its investible assets, including assets to support loss reserves. This differs from assets that must be posted as collateral to support self-insured coverage layers. For coverages with long claims paying lags (e.g. workers compensation, general liability or professional liability) this investment income can be significant. As described in the background section, CSURMA is more restricted in the type of investments it can make than are typically permitted by captive regulators. While each domicile has some guidelines on the types of investment a captive can make, they are less restrictive than the current restrictions CSURMA and therefore offer great investment income potential. Based on the 2015 audited financial statement CSURMA has approximately \$100M in loss reserves that could potentially be invested. Even a 50 to 100 basis point increase in investment yield would result in substantial increase in insurance-related investment income.
- E. Aggregation as a Stabilization and Diversification Tool:** A large university system such as CSU is exposed to many diverse and unique risks. This creates a need to have multiple insurance coverages such as workers compensation, professional liability, general liability, property, A&H

and other emerging risks. The underwriting results of these coverages are not perfectly correlated (i.e. bad underwriting results in one area doesn't mean bad results in the other). For captive insuring multiple uncorrelated coverages (i.e. diversification), diversification should result in smoother underwriting results for the captive as a whole.

Currently members of CSURMA make contributions to separate funds, where each fund is allocated to individual coverages in the Campus and AROMA risk pool. By forming a single captives, the results of the various funds can be combined together. The results of the combined fund would be more stable as favorable results of some coverages are offset by worse than expected results of other coverages. This reduced volatility allows the insurance program to require less capital to protect the program from adverse experience. This results in a more capital efficient insurance program. The captive can also insure the numerous other coverages that the members currently purchase through commercial insurer. All this could serve to produce smoother underwriting results for the captive as a whole.

- F. Capital Deployment:** A captive is more capital efficient and grows its surplus through increased underwriting income due to excess carrier competition and investment income through more investment options. Therefore, the captive can utilize this available capital to (1) assume more risk from CSU through higher limits or additional coverages, (2) return surplus to its owner, or (3) to offer additional insurance coverages to third parties such as students, staff or alumni.

Specific Benefits of Utilizing Fiat Lux

In the District Columbia, any type of captive insurer may form one or more protected cells to insure the risk of the captive's participants. Each protected cell is capitalized separately, and the assets and liabilities in the protected cells are legally separate from the assets and liabilities in the captive insurer and other protected cell.

There are several key benefits that are specifically related to utilizing a protected cell within Fiat Lux. These include:

- A. Accelerated Formation:** The application and approval process of a segregated cell is much faster than the set up process for a stand-alone captive. The formation of a cell within an existing captive can have dramatically lower formation costs as well. Fiat Lux estimates that their formation costs were over \$1 million, most of which can be avoided if CSU forms a cell within Fiat Lux, rather than forming their own captive insurer initially.

- B. Possible reduction on premium tax:** A captive is generally required to pay tax on the premium they receive. In many domiciles, there are maximum and minimum premium tax amounts, as well as sliding scale tax rates. For protected cells, the maximum/minimum tax is calculated based on the combined premium of all the cells in the segregated cell structure, rather than the premium of each individual cell. Based on the premium we believe would be written in the cells, CSU's cell captive could enjoy savings on premium taxes due to the maximum tax limits and sliding scale tax rates.
- C. Previously vetted captive service providers:** Fiat Lux has already established a network of very reputable captive service providers (e.g. captive managers, attorneys, auditors) that would be readily available to serve an additional protected cell. CSU's cell would also benefit from economies of scale from using the same service providers.
- D. Ease of Regulatory Approval:** Generally speaking, the approval process for a segregated cell is less rigorous as it is for a stand-alone captive.
- E. Access to insurance markets and relationships already utilized by Fiat Lux:** Fiat Lux has already established a network of insurance brokers, fronting carriers and reinsurers, which would be available to CSU. Together with Fiat Lux, CSU could gain greater leverage in negotiating for reinsurance terms/conditions and also potentially see material savings in costs of excess insurance.
- F. Existing financial reporting infrastructure and policy language:** Since both University of California and CSU are university systems in California, many of the coverage needs may be similar for both schools. CSU could benefit from policy language that is already being used by University of California for specific coverages.
- G. CSU's cell would not commingle risk, premiums or capital with the other parts of Fiat Lux.** *As a segregated cell or cells, CSU's premiums, losses, liabilities and assets and those of its related organizations would be completely separate and distinct from those of the University of California. In addition, there is no requirement that CSU purchase similar coverages or utilize the same carriers as UC.*
- H. Still allows and even facilitates CSU forming their own single parent captive in the future:** A cell captive structure offer the flexibility of transitioning away from protected cell structure into a single parent captive should CSU decide to form a pure single parent captive in the future.

Potential Risks

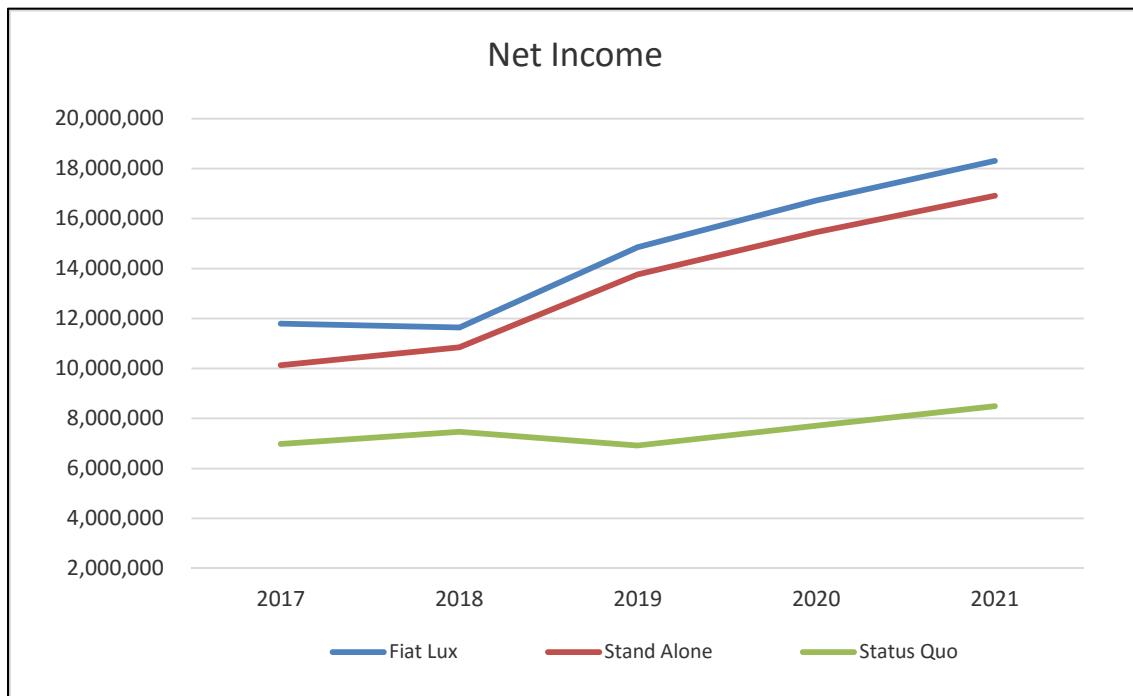
While we have outlined several significant advantages to forming a captive for CSU, it is also important that one consider the potential risks and challenges to CSU as a captive owner. In the following section we outline many of the significant risks:

- A. *Time Commitment:*** Establishing and maintaining a captive requires a significant time commitment and usage of internal resources and management.
- B. *Risk of Unprofitability:*** Due to the unknown and potentially volatile nature of insurance claims, the captive owner runs the risk that its premium payments may be inadequate to cover all claims and expense obligations. As a result, CSU may need to contribute additional capital to cover adverse underwriting results. This risk is enhanced when insuring unrelated risk. The expansion of the captive to insure additional coverage or limits from those currently contemplated also increase potential risks; however, the risk diversification effect reduces this potential somewhat.
- C. *Capital Commitment:*** The parent of the captive must contribute enough capital to establish the captive, meet the ongoing needs of the captive, maintain the necessary collateralization of its claims liabilities and fulfill the regulatory capital requirements of the District of Columbia. Again, the consolidation of elements of the insurance program into the captive increases capital efficiency.
- D. *Increased Commercial Insurance Cost:*** If the insured keeps some of its insurance lines in the commercial market, particularly excess of loss coverage or smaller less profitable coverages, and places the larger and profitable coverages in a captive, it may see increased rates for the remaining commercially insured coverages.
- E. *Service Providers:*** A captive generally requires securing the services of third-party service providers to ensure the appropriate expertise for managing a captive. The insured must be sure to retain and proactively manage high quality service providers.

Financial Model Results

Based on the pro forma financials developed for the three scenarios, several things become clear:

- The loss portfolio transfer of the unpaid claims liabilities into the captive have an immediate impact of net income.
- The use of Fiat Lux produces more net income at formation due to materially lower formation costs that forming a new captive.
- As the captive builds up loss reserves and retained earnings, the difference in expected investment income widens.



Because of the numerous conservative assumptions built into this model, we expect there is more potential for additional net income in the captive approach once some of the other opportunities (e.g. increasing retentions, taking risk on several of the purchased insurance programs, insuring the property program in the captive) are completed by the captive.

Developmental Phases

- A. Initial Coverages to be Insured by the Captive:** Traditionally, captive have insured exposures that are high frequency in nature, as the loss results are more predictable. We would recommend, in the beginning stages, the captive provide coverage for these high frequency exposures. We believe many of the coverages that are currently self-insured through the Campus and AORMA risk pool can be insured through the captive immediately upon formation. These would likely include the aviation, boiler machinery, builder's risk program, doctor's medical malpractice, inland marine, rocketry, cyber liability, fidelity/crime program, liability program, pollution liability, property, physical damage, trustee errors and omissions, and workers compensation coverages.

Some of the other coverages, especially those insuring third parties such as the athletic injury medical expense, club sports insurance, foreign travel, IDL/NDI/UI, participant accident program, SAFECLIP program, SPLIP, and student travel accident might initially retain their current structure and financing approaches. However, some of these coverages may be included in the initial implementation. The exact structure of the coverage (i.e. Limits of the coverage to be provided by the captive, and possible reinsurance purchased) can be optimized through further actuarial analysis. In addition, the ongoing role of the JPA is subject to additional evaluation based on the final captive structure and coverage determinations. It may well be that the JPA will remain in place for the time being and simply reinsure retained coverage limits to the captive.

- B. Expansion to Other Coverages:** After the captives implements these initial coverages, it can investigate the possibility of offering other coverages that are currently purchased commercially such as OCIP, medical stop loss, representations and warranties coverage and warranty insurance. Some of these additional coverages have traditionally experienced low loss ratios, which could benefit the captive's overall underwriting results. The expansion of the captive to these additional coverages would be facilitated by the increased capital efficiency of the initial captive coverages and the superior underwriting and investment performance produced by the captive.
- C. Third Party Expansion:** As mentioned previously, as the captive grows and accrue additional surplus, it can decide to branch out and provide capacity for third party risk. This could serve to diversify the risk exposure of the captive insuring exposures that belong exclusively to the university. In addition, the underwriting profits and investment income earned by these third party risk programs, for example an affinity program insuring personal auto and homeowners risks for alumni, are retained by the captive and once paid as dividends to CSU are available for capital projects or other endeavors of the University.

However, caution must be taken when insuring third party risk as to not jeopardize the tax exempt status of CSU or to present material additional risk of underwriting losses to the captive.

- D. ***Ongoing Enhancements***: The risk management process for a captive is evergreen in the sense that current coverages are constantly being evaluated, along with changes in coverage limits, excess coverage limits, and coverage exclusions. In addition, monitoring the overall risk spectrum for the University and its related organization presents an opportunity for the captive to serve as a more useful tool in managing risks presented by new or evolving coverages universities face. In the last decade, both cyber liability, active shooter related risks, and student health insurance are key examples of how risks evolve and require risk management consideration and present new opportunities for utilization of a university owned captive.

Legal Disclosures

Distribution and Use

This report is provided for the use of the California State University (CSU) and the CSU Risk Management Authority (CSURMA) who commissioned the study. It is understood that this report may also be distributed to their service providers, including Alliant Insurance Services. Distribution to these parties is granted on the conditions that the entire report be distributed rather than any excerpts and that all recipients are made aware that Pinnacle is available to answer any questions regarding the report.

In addition, CSU and CSURMA may desire to distribute the Executive Summary separately to summarize key findings for broader distribution. This distribution is also granted on the condition that Pinnacle receive attribution for their role in developing this analysis.

Third party users of any of the elements of this report should recognize that the furnishing of this report is not a substitute for their own due diligence and should place no reliance on this report or the data, computations, interpretations contained herein that would result in the creation of any duty or liability by Pinnacle to the third party.

Reliances and Limitations

Judgments as to conclusions, recommendations, and analysis contained in this report should be made only after studying the report in its entirety. Furthermore, Pinnacle is available to explain any matter presented herein; it is assumed that the user of this report will seek such explanation as to any matter in question. It should be understood that the exhibits, graphs and figures are integral elements of the report.

We have relied upon publicly available data and information, without audit or verification. Pinnacle reviewed as many elements of this data and information as practical for reasonableness and consistency with our knowledge of the insurance industry. We have not anticipated any extraordinary changes to the legal, judicial, social or economic environment which might affect the captive insurance market, such as material IRS rulings, NAIC model laws, or substantial changes in accounting standards and requirements.

Any estimates of future insurance market behavior are subject to potential errors of estimation due to the fact that the ultimate results are subject to the outcome of events yet to occur, e.g., final legislation terminology and interpretation, regulatory changes and changes in tax law or accounting standards. Pinnacle has employed techniques and assumptions that we believe are appropriate, and we believe the conclusions presented herein are reasonable, given the information currently available. It should be recognized that future insurance results will likely deviate, perhaps substantially, from our estimates.

Pinnacle is not qualified to provide formal legal interpretations of state legislation. The elements of this report that require legal interpretation should be recognized as reasonable interpretations of the available statutes, regulations, and administrative rules. State governments and courts are also constantly in the process of changing and reinterpreting these statutes.

Glossary of Terms & Abbreviations

The definitions included in this glossary are intended to be practical definitions to assist non-technical readers in understanding the key technical contents of this report. We recognize that some technical clarifications and elaborations have been omitted for the sake of clarity and brevity. We do not believe any of these omissions materially impact the reader's understanding of the report or materially misrepresent the terms. The International Risk Management Institute, Inc. glossary of insurance terms, www.irmi.com/online/insurance-glossary/default.aspx was particularly useful in developing this glossary and we would commend it to readers seeking definitions to additional captive insurance terminology.

Actuarial Funding Study – An actuarial analysis which estimates expected losses for a given set of exposures over a given period of time.

Actuary - An individual, often holding a professional designation—for example, Fellow of the Casualty Actuarial Society (FCAS)—who computes statistics relating to insurance, typically estimating loss reserves and developing premium rates.

Admitted Insurance Company, or Admitted Carrier - An insurer licensed to do business in the state or country in which the insured exposure is located.

Captive Manager - A firm specializing in accounting, underwriting and other services for captive insurance companies, usually serving as the captive's principal representative in the domicile. The management company usually handles all necessary filings and recordkeeping and deals with other captive service providers such as auditors, actuaries, investment advisers, and visiting insureds.

Cede - When a company reinsures its liability with another. The original or primary insurer, the insurance company that purchases reinsurance, is the "ceding company" that "cedes" business to the reinsurer.

Commercial Insurance – 1) Insurance lines used to cover commercial risks as opposed to personal lines, which cover personal risks. Examples include commercial general liability (CGL), workers compensation, and commercial property insurance, 2) Insurance purchased in the commercial market, that through an admitted insurance carrier as compared to a captive insurer.

Deductible - An amount the insurer will deduct from the loss before paying up to its policy limits.

Excess Coverage - A policy issued to provide limits in excess of an underlying policy.

Frequency - The likelihood that a loss will occur, often expressed as low frequency (meaning the loss event is possible, but the event has rarely happened in the past and is not likely to occur in the future), or high frequency (meaning the loss event happens regularly and can be expected to occur regularly in the future).

Insolvency – The state of an insurance company not possessing the funds to meet all of the financial obligations it is contracted to meet.

Large Deductible - A workers compensation insurance or other property casualty insurance program that allows the insured to retain a portion of each loss through a substantial deductible and to transfer onto an insurer losses in excess of that deductible. The insurer also handles losses falling below the deductible and bills back these costs to the insured.

Offshore Domicile – a non-United States captive domicile, such as the Bahamas, Bermuda, the Cayman Islands, or Nevis.

Onshore Domicile – a captive domicile within the United States, including Hawaii.

Pool – An arrangement whereby premiums, losses, and expenses from different sources are combined and shared in agreed ratios.

Premium – The amount of money an insurer charges to provide the coverage described in the insurance policy.

Reinsurance - A transaction in which one party, the "reinsurer," in consideration of a premium paid to it, agrees to indemnify another party, the "reinsured," for part or all of the liability assumed by the reinsured under a policy of insurance that it has issued. The reinsured may also be referred to as the "original" or "primary" insurer or the "ceding company."

Reserves - An amount of money earmarked for a specific purpose. Insurers establish unearned premium reserves and loss reserves indicated on their balance sheets. Unearned premium reserves show the aggregate amount of premiums that would be returned to policyholders if all policies were canceled on the date the balance sheet was prepared. Loss reserves are estimates of outstanding losses and loss adjustment expenses (LAE).

Self-Insured - An organization that has satisfied state filing requirements, met the minimum financial and size criteria, and received approval to self-insure workers compensation or automobile liability.

Each state has its own approval process, and its own restrictions on retention limits and security requirements.

Severity - The amount of damage that is (or that may be) inflicted by a loss. Sometimes quantified as a severity rate, which is a ratio relating the amount of loss to values exposed to loss during a specified period.

Underwriting - The process of determining whether to accept a risk and, if so, what amount of insurance the company will write on the acceptable risk, and at what rate.

Underwriting Profit - The profit that an insurer derives from providing insurance or reinsurance coverage, exclusive of the income it derives from investments.

INDEX OF EXHIBITS

<i>Exhibit</i>	<i>Description</i>
1	Pro Forma Financials – Fiat Lux Protected Cell Scenario
2	Pro Forma Financials – Stand Alone Captive Scenario
3	Pro Forma Financials – Status Quo Cell Scenario

For each exhibit, there are five pages:

<i>Page</i>	<i>Description</i>
1	Assumptions
2	Underwriting Exhibit
3	Balance Sheet
4	Income Statement
5	Cash Flow Exhibit

Protected Cell Scenario

	Gross Written	QS Reinsurance	Aggregate Reinsurance	Net Written	Other Income		
1. UNDERWRITING VARIABLES							
a. Gross Premiums							
LPT	69,667,807			69,667,807			
2017	87,013,143	0	21,337,182	65,675,961	0		
2018	90,707,746	0	22,242,775	68,464,971	0		
2019	115,156,793	0	22,585,740	92,571,053	0		
2020	119,930,946	0	23,489,841	96,441,105	0		
2021	124,924,289	0	24,434,679	100,489,610	0		
Earned as % of Written				100%			
Collected % in Year Written				100%			
b. Reinsurance Cost (XOL, Agg.)							
c. Expense Ratio							
i) Acquisition	0.00%						
ii) Fronting Fee	0.00%						
iii) Claims Handling	5.00%						
iv) T L & F	1.25%						
v) Federal Excise Tax	0.00%						
vi) Other Admin Expenses	2.50%						
d. Fixed Expense							
i) Actuarial Fee	28,000						
ii) Application Fee	500						
iii) process fee	300						
iv) Captive Set Up	250,000						
v) Mgmt Fee	80,000						
vi) Audit fee	28,800						
e. LPT expected loss	\$60,580,702	paid in 2017/2018 15,277,229	paid in 2018/2019 12,299,759	paid in 2019/2020 8,146,158	paid in 2020/2021 5,337,611	paid in 2021/2022 4,176,021	
f. Claim Payout Pattern (cumulative)	Campus WC	AORMA WC	Campus Liab	AORMA Liab	AIME	IDL/UDL/UI	OCIP
Year 1	14.90%	16.60%	3.30%	11.30%	49.60%		
Year 2	35.80%	35.70%	19.60%	45.20%	89.20%		
Year 3	50.60%	51.80%	58.70%	72.30%	98.10%	54.00%	11.53%
Year 4	60.70%	62.70%	82.10%	94.00%	99.50%	83.00%	34.08%
Year 5	69.80%	71.10%	92.40%	95.90%	100.00%	91.10%	58.35%
2. INVESTMENT VARIABLES							
a. Expected Asset Yields							
i) Short-Term				2.2%			
ii) Long-Term				7.5%			
iii) Combined				5.4%			
b. Non-Cash Asset Distribution							
i) Short-Term				40.0%			
ii) Long-Term				60.0%			
3. CORPORATE VARIABLES							
a. Beginning Capital				5,000,000			
b. Capital Contributions							
Year 1	-						
Year 2	-						
Year 3	-						
Year 4	-						
Year 5	-						

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Gross Written Premium	\$156,680,950	\$90,707,746	\$115,156,793	\$119,930,946	\$124,924,289
a LPT	\$69,667,807	\$0	\$0	\$0	\$0
b Direct Premium	\$87,013,143	\$90,707,746	\$115,156,793	\$119,930,946	\$124,924,289
2. Less Ceded Reinsurance Premium	21,337,182	22,242,775	22,585,740	23,489,841	24,434,679
3. Net Written Premium (1) - (2)	135,343,767	68,464,971	92,571,053	96,441,105	100,489,610
4. Net Earned Premium	135,343,767	68,464,971	92,571,053	96,441,105	100,489,610
5. Net Unearned Premium Reserve	0	0	0	0	0
6. Acquisition Costs (% of Gross Premium)					
a) Fronting	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
b) Commissions	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
c) Taxes, Licenses & Fees	1,958,512 1.25%	1,133,847 1.25%	1,439,460 1.25%	1,499,137 1.25%	1,561,554 1.25%
d) Subtotal	1,958,512 1.25%	1,133,847 1.25%	1,439,460 1.25%	1,499,137 1.25%	1,561,554 1.25%
7. Net Premium to Captive (4) - (6)	133,385,256	67,331,124	91,131,593	94,941,968	98,928,056
8. Net Incurred Loss and LAE Loss Ratio	112,573,496 83.2%	54,205,814 79.2%	74,322,796 80.3%	77,181,821 80.0%	80,163,002 79.8%
9. Administrative Costs					
a) Claims Handling	7,834,047 5.00%	4,535,387 5.00%	5,757,840 5.00%	5,996,547 5.00%	6,246,214 5.00%
b) Other Admin Expenses	3,220,346 2.06%	2,267,694 2.50%	2,878,920 2.50%	2,998,274 2.50%	3,123,107 2.50%
c) Federal Excise Tax	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
d) Other Fixed Expense	387,600	137,600	137,600	137,600	137,600
d) Subtotal	11,441,993	6,940,681	8,774,360	9,132,421	9,506,922
10. Ceding Commission Income	0	0	0	0	0
11. Dividends	0	0	0	0	0
12. Underwriting Profit/Loss (7) - (8) - (9) + (10) - (11)	9,369,766 6.9%	6,184,629 9.0%	8,034,438 8.7%	8,627,726 8.9%	9,258,132 9.2%

CSU
 Pro Forma Projection - Protected Cell Scenario
 Balance Sheet

Exhibit 1
 Page 3

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assets					
1. Short-term investments	\$17,972,567	\$40,567,630	\$50,686,585	\$60,153,427	\$67,249,397
2. Long-term investments	26,958,850	60,851,445	76,029,878	90,230,140	100,874,095
3. Real Estate	0	0	0	0	0
4. Cash	61,718,494	39,984,292	57,020,984	69,924,152	86,115,344
5. Subtotal Cash & Invested Assets	106,649,911	141,403,366	183,737,447	220,307,719	254,238,835
6. Agent's Balances	0	0	0	0	0
7. Investment Income Due & Accrued	0	0	0	0	0
8. Other Assets	0	0	0	0	0
9. TOTAL ASSETS	106,649,911	141,403,366	183,737,447	220,307,719	254,238,835
Liabilities, Surplus & Other Funds					
1. Loss & LAE Reserves	89,862,835	112,975,314	140,457,612	160,309,521	175,937,462
2. Unearned Premium Reserves	0	0	0	0	0
3. Unpaid Expenses	0	0	0	0	0
4. Dividends declared by unpaid	0	0	0	0	0
5. Other liabilities	0	0	0	0	0
6. Total Liabilities	89,862,835	112,975,314	140,457,612	160,309,521	175,937,462
7. Capital Paid Up	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
8. Paid In/Contributed Surplus	0	0	0	0	0
9. Unassigned Funds (Surplus)	11,787,076	23,428,052	38,279,835	54,998,197	73,301,373
10. Total Surplus	16,787,076	28,428,052	43,279,835	59,998,197	78,301,373
TOTAL LIABILITIES & SURPLUS	106,649,911	141,403,366	183,737,447	220,307,719	254,238,835

CSU
 Pro Forma Projection - Protected Cell Scenario
 Income Statement

Exhibit 1
 Page 4

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Underwriting Income					
1. Earned Premium	\$135,343,767	\$68,464,971	\$92,571,053	\$96,441,105	\$100,489,610
2. Loss & LAE Incurred	112,573,496	54,205,814	74,322,796	77,181,821	80,163,002
3. Operating Expenses	13,400,505	8,074,528	10,213,819	10,631,558	11,068,475
4. Underwriting Profit/Loss	9,369,766	6,184,629	8,034,438	8,627,726	9,258,132
Investment Income					
5. Net Investment Income	2,417,310	5,456,346	6,817,346	8,090,636	9,045,044
6. Net Realized Capital Gain/Loss	0	0	0	0	0
7. Net Investment Gain/Loss	2,417,310	5,456,346	6,817,346	8,090,636	9,045,044
8. Other Income	0	0	0	0	0
9. Policyholder Dividends	0	0	0	0	0
10. Federal Income Tax	0	0	0	0	0
11. NET INCOME	11,787,076	11,640,975	14,851,783	16,718,362	18,303,176
Capital & Surplus Account					
12. Beginning Surplus	5,000,000	16,787,076	28,428,052	43,279,835	59,998,197
13. Paid-In Capital	0	0	0	0	0
14. Net Income	11,787,076	11,640,975	14,851,783	16,718,362	18,303,176
15. Change in unrealized capital gains	0	0	0	0	0
16. Dividends to stockholders	0	0	0	0	0
17. Change in Surplus	11,787,076	11,640,975	14,851,783	16,718,362	18,303,176
18. Ending Surplus	16,787,076	28,428,052	43,279,835	59,998,197	78,301,373

CSU
Pro Forma Projection - Protected Cell Scenario
Cash Flow Exhibit

Exhibit 1
Page 5

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Beginning Cash Balance	\$5,000,000	\$106,649,911	\$141,403,366	\$183,737,447	\$220,307,719
Sources of Cash					
2. Premiums Collected (net of costs of acquisition)	133,385,256	67,331,124	91,131,593	94,941,968	98,928,056
3. Investment Income	2,417,310	5,456,346	6,817,346	8,090,636	9,045,044
4. Ceding Commission	0	0	0	0	0
5. Paid-In Capital	0	0	0	0	0
6. Total Sources of Cash	135,802,566	72,787,470	97,948,939	103,032,604	107,973,100
	2,417,310	5,456,346	6,817,346	8,090,636	9,045,044
Uses of Cash					
7. Losses & LAE Paid	22,710,662	31,093,334	46,840,499	57,329,912	64,535,062
8. Expenses Paid	11,441,993	6,940,681	8,774,360	9,132,421	9,506,922
9. Taxes Paid	0	0	0	0	0
10. Dividends	0	0	0	0	0
11. Total Uses of Cash	34,152,655	38,034,015	55,614,858	66,462,333	74,041,983
12. Ending Cash Balance	106,649,911	141,403,366	183,737,447	220,307,719	254,238,835

	Gross Written	QS Reinsurance	Aggregate Reinsurance	Net Written	Other Income	
1. UNDERWRITING VARIABLES						
a. Gross Premiums						
LPT	69,667,807			69,667,807		
2017	87,412,680	0	21,337,182	66,075,498	0	
2018	91,122,649	0	22,242,775	68,879,874	0	
2019	115,715,698	0	22,713,685	93,002,013	0	
2020	120,511,611	0	23,622,767	96,888,844	0	
2021	125,527,693	0	24,572,811	100,954,883	0	
Earned as % of Written				100%		
Collected % in Year Written				100%		
b. Reinsurance Cost (XOL, Agg.)						
c. Expense Ratio						
i) Acquisition	0.00%					
ii) Fronting Fee	0.00%					
iii) Claims Handling	5.00%					
iv) T L & F	1.25%					
v) Federal Excise Tax	0.00%					
vi) Other Admin Expenses	3.00%					
d. Fixed Expense						
i) Actuarial Fee	35,000					
ii) Application Fee	500					
iii) process fee	300					
iv) Captive Set Up	1,500,000					
v) Mgmt Fee	100,000					
vi) audit fee	36,000					
e. Expected Loss for LPT	60,580,702	paid in 2017/2018 15,277,229	paid in 2018/2019 12,299,759	paid in 2019/2020 8,146,158	paid in 2020/2021 5,337,611	paid in 2021/2022 4,176,021
f. Claim Payout Pattern (cumulative)	Campus WC	AORMA WC	Campus Liab	AORMA Liab	AIME	
Year 1	14.90%	16.60%	3.30%	11.30%	49.60%	
Year 2	35.80%	35.70%	19.60%	45.20%	89.20%	
Year 3	50.60%	51.80%	58.70%	72.30%	98.10%	
Year 4	60.70%	62.70%	82.10%	94.00%	99.50%	
Year 5	69.80%	71.10%	92.40%	95.90%	100.00%	
2. INVESTMENT VARIABLES						
a. Expected Asset Yields						
i) Cash & Equivalents				0.3%		
ii) Bonds				3.8%		
iii) Equities				7.0%		
Combined				4.7%		
b. Non- Cash Asset Distribution						
i) Cash & Equivalents				10.0%		
ii) Short-term				50.0%		
iii) Long-term				40.0%		
3 CORPORATE VARIABLES						
a. Beginning Capital				5,000,000		
b. Capital Contributions						
Year 1	-					
Year 2	-					
Year 3	-					
Year 4	-					
Year 5	-					

CSU
Pro Forma Projection - Stand Alone Captive Scenario
Underwriting Exhibit (GAAP)

Exhibit 2
Page 2

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Gross Written Premium	\$157,080,487	\$91,122,649	\$115,715,698	\$120,511,611	\$125,527,693
a. LPT	\$69,667,807	\$0	\$0	\$0	\$0
b. Direct Premium	\$87,412,680	\$91,122,649	\$115,715,698	\$120,511,611	\$125,527,693
2. Less Ceded Reinsurance Premium	21,337,182	22,242,775	22,713,685	23,622,767	24,572,811
3. Net Written Premium (1) - (2)	135,743,304	68,879,874	93,002,013	96,888,844	100,954,883
4. Net Earned Premium	135,743,304	68,879,874	93,002,013	96,888,844	100,954,883
5. Net Unearned Premium Reserve	0	0	0	0	0
6. Acquisition Costs (% of Gross Premium)					
a) Fronting	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
b) Commissions	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
c) Taxes, Licenses & Fees	1,963,506 1.25%	1,139,033 1.25%	1,446,446 1.25%	1,506,395 1.25%	1,569,096 1.25%
d) Subtotal	1,963,506 1.25%	1,139,033 1.25%	1,446,446 1.25%	1,506,395 1.25%	1,569,096 1.25%
7. Net Premium to Captive (4) - (6)	133,779,798	67,740,841	91,555,567	95,382,448	99,385,786
8. Net Incurred Loss and LAE Loss Ratio	112,573,496 82.9%	54,205,814 78.7%	74,322,796 79.9%	77,181,821 79.7%	80,163,002 79.4%
9. Administrative Costs					
a) Claims Handling	7,854,024 5.00%	4,556,132 5.00%	5,785,785 5.00%	6,025,581 5.00%	6,276,385 5.00%
b) Other Admin Expenses	3,667,398 2.33%	2,733,679 3.00%	3,471,471 3.00%	3,615,348 3.00%	3,765,831 3.00%
c) Federal Excise Tax	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
d) Other Fixed Expense	1,671,800	171,800	171,800	171,800	171,800
d) Subtotal	13,193,222	7,461,612	9,429,056	9,812,729	10,214,015
10. Ceding Commission Income	0	0	0	0	0
11. Dividends	0	0	0	0	0
12. Underwriting Profit/Loss (7) - (8) - (9) + (10) - (11)	8,013,080 5.9%	6,073,415 8.8%	7,803,715 8.4%	8,387,899 8.7%	9,008,769 8.9%

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assets					
1. Short-term	\$4,493,142	\$10,141,907	\$12,671,646	\$15,038,357	\$16,812,349
2. Long-term	17,972,567	40,567,630	50,686,585	60,153,427	67,249,397
3. Real Estate	0	0	0	0	0
4. Cash	82,521,983	88,230,746	116,823,738	140,298,021	163,966,572
5. Subtotal Cash & Invested Assets	104,987,691	138,940,283	180,181,969	215,489,805	248,028,318
6. Agent's Balances	0	0	0	0	0
7. Investment Income Due & Accrued	0	0	0	0	0
8. Other Assets	0	0	0	0	0
9. TOTAL ASSETS	104,987,691	138,940,283	180,181,969	215,489,805	248,028,318
Liabilities, Surplus & Other Funds					
1. Loss & LAE Reserves	89,862,835	112,975,314	140,457,612	160,309,521	175,937,462
2. Unearned Premium Reserves	0	0	0	0	0
3. Unpaid Expenses	0	0	0	0	0
4. Dividends declared by unpaid	0	0	0	0	0
5. Other liabilities	0	0	0	0	0
6. Total Liabilities	89,862,835	112,975,314	140,457,612	160,309,521	175,937,462
7. Capital Paid Up	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
8. Paid In/Contributed Surplus	0	0	0	0	0
9. Unassigned Funds (Surplus)	10,124,857	20,964,969	34,724,357	50,180,283	67,090,856
10. Total Surplus	15,124,857	25,964,969	39,724,357	55,180,283	72,090,856
TOTAL LIABILITIES & SURPLUS	104,987,691	138,940,283	180,181,969	215,489,805	248,028,318

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Underwriting Income					
1. Earned Premium	\$135,743,304	\$68,879,874	\$93,002,013	\$96,888,844	\$100,954,883
2. Loss & LAE Incurred	112,573,496	54,205,814	74,322,796	77,181,821	80,163,002
3. Operating Expenses	15,156,728	8,600,645	10,875,502	11,319,124	11,783,112
4. Underwriting Profit/Loss	8,013,080	6,073,415	7,803,715	8,387,899	9,008,769
Investment Income					
5. Net Investment Income	2,111,777	4,766,697	5,955,674	7,068,028	7,901,804
6. Net Realized Capital Gain/Loss	0	0	0	0	0
7. Net Investment Gain/Loss	2,111,777	4,766,697	5,955,674	7,068,028	7,901,804
8. Other Income	0	0	0	0	0
9. Policyholder Dividends	0	0	0	0	0
10. Federal Income Tax	0	0	0	0	0
11. NET INCOME	10,124,857	10,840,112	13,759,389	15,455,926	16,910,573
Capital & Surplus Account					
12. Beginning Surplus	5,000,000	15,124,857	25,964,969	39,724,357	55,180,283
13. Paid-In Capital	0	0	0	0	0
14. Net Income	10,124,857	10,840,112	13,759,389	15,455,926	16,910,573
15. Change in unrealized capital gains	0	0	0	0	0
16. Dividends to stockholders	0	0	0	0	0
17. Change in Surplus	10,124,857	10,840,112	13,759,389	15,455,926	16,910,573
18. Ending Surplus	15,124,857	25,964,969	39,724,357	55,180,283	72,090,856

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Beginning Cash Balance	\$5,000,000	\$104,987,691	\$138,940,283	\$180,181,969	\$215,489,805
Sources of Cash					
2. Premiums Collected (net of costs of acquisition)	133,779,798	67,740,841	91,555,567	95,382,448	99,385,786
3. Investment Income	2,111,777	4,766,697	5,955,674	7,068,028	7,901,804
4. Ceding Commission	0	0	0	0	0
5. Paid-In Capital	0	0	0	0	0
6. Total Sources of Cash	135,891,575	72,507,538	97,511,241	102,450,476	107,287,591
Uses of Cash					
7. Losses & LAE Paid	22,710,662	31,093,334	46,840,499	57,329,912	64,535,062
8. Expenses Paid	13,193,222	7,461,612	9,429,056	9,812,729	10,214,015
9. Taxes Paid	0	0	0	0	0
10. Dividends	0	0	0	0	0
11. Total Uses of Cash	35,903,884	38,554,946	56,269,554	67,142,641	74,749,077
12. Ending Cash Balance	104,987,691	138,940,283	180,181,969	215,489,805	248,028,318

Pro Forma Input Assumptions

Status Quo Scenario

	Page 2 Written	QS Reinsurance	Aggregate Reinsurance	Net Written	Other Income	
1. UNDERWRITING VARIABLES						
a. Contributions by Member						
2017	68,481,115	0	33,381,645	35,099,470	0	
2018	71,357,322	0	34,783,674	36,573,648	0	
2019	96,949,180	0	38,610,705	58,338,475	0	
2020	100,896,805	0	40,232,355	60,664,450	0	
2021	105,016,827	0	41,922,114	63,094,713	0	
Earned as % of Written				100%		
Collected % in Year Written				100%		
b. Reinsurance Cost (XOL, Agg.)						
c. Expense Ratio						
i) Program Expense	15.8%					
d. Fixed Expense						
i) General And Admin	1,033,286					
e. Expected loss of existing exposure	60,580,702	paid in 2017/2018 15,277,229	paid in 2018/2019 12,299,759	paid in 2019/2020 8,146,158	paid in 2020/2021 5,337,611	paid in 2021/2022 4,176,021
f. Claim Payout Pattern (cumulative)	Campus WC	AORMA WC	Campus Liab	AORMA Liab	AIME	
Year 1	14.90%	16.60%	3.30%	11.30%	49.60%	
Year 2	35.80%	35.70%	19.60%	45.20%	89.20%	
Year 3	50.60%	51.80%	58.70%	72.30%	98.10%	
Year 4	60.70%	62.70%	82.10%	94.00%	99.50%	
Year 5	69.80%	71.10%	92.40%	95.90%	100.00%	
2. INVESTMENT VARIABLES						
a. Expected Asset Yields						
i) Short-term				1.8%		
ii) Long-term						
iii) Combined				1.8%		
b. Non-Cash Asset Distribution						
i) Short-term	Page 3			100.0%		
ii) Long-term				0.0%		
3 CORPORATE VARIABLES						
a. Beginning Capital				5,000,000		
b. Capital Contributions						
Year 1	-					
Year 2	-					
Year 3	-					
Year 4	-					
Year 5	-					

CSU
Pro Forma Projection - Status Quo
Underwriting Exhibit (GAAP)

Exhibit 3
Page 2

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Gross Contributions	\$68,481,115	\$71,357,322	\$96,949,180	\$100,896,805	\$105,016,827
2. Less Ceded Reinsurance Premium	\$33,381,645	\$34,783,674	\$38,610,705	\$40,232,355	\$41,922,114
3. Net Written Premium (1) - (2)	35,099,470	36,573,648	58,338,475	60,664,450	63,094,713
4. Net Earned Premium	35,099,470	36,573,648	58,338,475	60,664,450	63,094,713
5. Net Unearned Premium Reserve	0	0	0	0	0
6. Direct Prog Expense (% of Gross Premium)					
a) Fronting	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
b) Commissions	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
c) Taxes, Licenses & Fees	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%
d) Subtotal	10,820,016 15.8%	11,274,457 15.8%	15,317,970 15.8%	15,941,695 15.8%	16,592,659 15.8%
7. Net Premium to Captive (4) - (6)	24,279,454	25,299,191	43,020,505	44,722,755	46,502,055
8. Net Incurred Loss and LAE Loss Ratio	17,354,853 49.4%	17,878,970 48.9%	36,223,517 62.1%	37,222,407 61.4%	38,251,374 60.6%
9. Administrative Costs					
a) Claims Handling					
b) Other Admin Expenses					
c) Federal Excise Tax					
d) Other Fixed Expense					
d) Subtotal	1,033,286	1,033,286	1,033,286	1,033,286	1,033,286
10. Ceding Commission Income	0	0	0	0	0
11. Dividends	0	0	0	0	0
12. Underwriting Profit/Loss (7) - (8) - (9) + (10) - (11)	5,891,315 16.8%	6,386,935 17.5%	5,763,701 9.9%	6,467,062 10.7%	7,217,395 11.4%

**CSU
Pro Forma Projection - Status Quo
Balance Sheet**

**Exhibit 3
Page 3**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assets					
1. Bonds	\$60,509,898	\$60,157,166	\$63,784,044	\$69,067,485	\$70,851,005
2. Stocks	0	0	0	0	0
3. Real Estate	0	0	0	0	0
4. Cash/Short-term	11,909,690	19,168,330	30,270,878	35,446,982	42,973,947
5. Subtotal Cash & Invested Assets	72,419,588	79,325,496	94,054,922	104,514,467	113,824,953
6. Agent's Balances	0	0	0	0	0
7. Investment Income Due & Accrued	0	0	0	0	0
8. Other Assets	0	0	0	0	0
9. TOTAL ASSETS	72,419,588	79,325,496	94,054,922	104,514,467	113,824,953
Liabilities, Surplus & Other Funds					
1. Loss & LAE Reserves	60,439,094	59,875,238	67,692,851	70,442,119	71,259,892
2. Unearned Premium Reserves	0	0	0	0	0
3. Unpaid Expenses	0	0	0	0	0
4. Dividends declared by unpaid	0	0	0	0	0
5. Other liabilities	0	0	0	0	0
6. Total Liabilities	60,439,094	59,875,238	67,692,851	70,442,119	71,259,892
7. Capital Paid Up	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
8. Paid In/Contributed Surplus	0	0	0	0	0
9. Unassigned Funds (Surplus)	6,980,493	14,450,257	21,362,071	29,072,348	37,565,060
10. Total Surplus	11,980,493	19,450,257	26,362,071	34,072,348	42,565,060
TOTAL LIABILITIES & SURPLUS	72,419,587	79,325,495	94,054,922	104,514,467	113,824,952

CSU
Pro Forma Projection - Status Quo
Income Statement

Exhibit 3
Page 4

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Underwriting Income					
1. Earned Premium	\$35,099,470	\$36,573,648	\$58,338,475	\$60,664,450	\$63,094,713
2. Loss & LAE Incurred	17,354,853	17,878,970	36,223,517	37,222,407	38,251,374
3. Operating Expenses	11,853,302	12,307,743	16,351,256	16,974,981	17,625,945
4. Underwriting Profit/Loss	5,891,315	6,386,935	5,763,701	6,467,062	7,217,395
Investment Income					
5. Net Investment Income	1,089,178	1,082,829	1,148,113	1,243,215	1,275,318
6. Net Realized Capital Gain/Loss	0	0	0	0	0
7. Net Investment Gain/Loss	1,089,178	1,082,829	1,148,113	1,243,215	1,275,318
8. Other Income	0	0	0	0	0
9. Policyholder Dividends	0	0	0	0	0
10. Federal Income Tax	0	0	0	0	0
11. NET INCOME	6,980,493	7,469,764	6,911,814	7,710,277	8,492,713
Capital & Surplus Account					
12. Beginning Surplus	5,000,000	11,980,493	19,450,257	26,362,071	34,072,348
13. Paid-In Capital	0	0	0	0	0
14. Net Income	6,980,493	7,469,764	6,911,814	7,710,277	8,492,713
15. Change in unrealized capital gains	0	0	0	0	0
16. Dividends to stockholders	0	0	0	0	0
17. Change in Surplus	6,980,493	7,469,764	6,911,814	7,710,277	8,492,713
18. Ending Surplus	11,980,493	19,450,257	26,362,071	34,072,348	42,565,060

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1. Beginning Cash Balance	\$65,580,702	\$72,419,588	\$79,325,496	\$94,054,922	\$104,514,467
Sources of Cash					
2. Premiums Collected (net of costs of acquisition)	24,279,454	25,299,191	43,020,505	44,722,755	46,502,055
3. Investment Income	1,089,178	1,082,829	1,148,113	1,243,215	1,275,318
4. Ceding Commission	0	0	0	0	0
5. Paid-In Capital	0	0	0	0	0
6. Total Sources of Cash	25,368,632	26,382,020	44,168,617	45,965,969	47,777,373
Uses of Cash					
7. Losses & LAE Paid	17,496,460	18,442,826	28,405,905	34,473,138	37,433,602
8. Expenses Paid	1,033,286	1,033,286	1,033,286	1,033,286	1,033,286
9. Taxes Paid	0	0	0	0	0
10. Dividends	0	0	0	0	0
11. Total Uses of Cash	18,529,746	19,476,112	29,439,191	35,506,424	38,466,888
12. Ending Cash Balance	72,419,588	79,325,496	94,054,922	104,514,467	113,824,953

INSURANCE POLICY DATABASE

ISSUE: At the March 2015 long range planning meeting, the CSURMA Executive Committee determined that CSURMA should establish a database of insurance policy records for the California State University and participating auxiliary organizations. Staff has been investigating products specifically designed for insurance policy management as well as the CSU Chancellor's Office Procurement Department software, RiskConsole

Chancellor's Office and Program Administrator Staff have been reviewing the products available and have attended vendor capability presentations. The vendor of CSURMA's liability claims management system offer the best solution for CSURMA. A capabilities and needs discussion was conducted on December 17, 2015, and a proposal is being prepared by Ventiv Technologies, the vendor of CSURMA's current claims management software to expand existing claims modules to include insurance policy management. Staff proposes a two prong solution to insurance policy data management:

- Expand current software licensing agreement with Ventiv Technologies to include insurance policy management modules for working copies of insurance policies and program structures; and,
- Discuss with Chancellor's Office Procurement Office the option of Systemwide Risk Management to obtain an additional RiskConsole license so that insurance policies may be archived in that database as a back- up.

At the March Long Range Planning meeting the Executive Committee asked staff to arrange a presentation of the software. Representatives from Ventiv Technologies will be present at today's meeting to demonstrate the software and answer questions.

RECOMMENDATION: It is recommended that CSURMA Executive Committee evaluate the presentation and consider delegation of authority to the Secretary-Auditor to negotiate and execute agreements to obtain the necessary software licenses described above.

FISCAL IMPACT: The cost of the Ventiv module will approximately \$50,000 annual with a \$25,000 of implementation fees. The budget includes funding to establish the database. CSURMA will be implementing an update to Ventiv's claims management information system, iVOS during the fall of 2016.

BACKGROUND: CSURMA purchases over 50 insurance policies per year and issues over 200 memoranda of coverage to the members. It is important that we are able to track and locate the coverage documents. Beyond document management, insurance industry vendors have developed products that can track insurer solvency, remaining limits and create graphical representations of insurance programs.

PUBLICATION: None.

ATTACHMENT(S): None.

WITT O'BRIEN CONSULTING SERVICES
CONTRACT EXTENSION

ISSUE: Witt O'Brien provides emergency services consulting for the California State University System under an agreement dated July 1, 2012 between Witt Group Holdings, LLC and CSURMA. The agreement is renewable for successive two-year periods. The current service term is July 1, 2014-16, and is renewable at this time for July 1, 2016-18. The agreement outlined Witt O'Brien's tasks as follows:

- Task A: Chancellor's Office Continuity of Operations Plan (COOP)
- Task B: CSU Presidents and Executive Leadership Training
- Task C: Chancellor's Office Tabletop Exercise
- Task D: Webinar Workshops for CSU Campuses
- Task E: CSU Systemwide Emergency Management Training & Exercise Program Guidebook
- Task F: Develop and Conduct Two Functional Exercises
- Task G: Strategic Advisory / Technical Services

At today's meeting, Witt O'Brien representatives will present a summary of their activities over the past two years and their service plan for the next two years beginning July 1, 2016.

RECOMMENDATION: The Executive Committee is asked to review Witt O'Brien's proposed service agreement for FY 2016/17 and FY 2017/18 and approve the renewal of the service agreement for another two-year period.

FISCAL IMPACT: The annual fee is included in the operating budget for FY 2016/17.

BACKGROUND: Witt O'Brien provides emergency services consulting for the California State University System under an agreement between Witt Group Holdings LLC and CSURMA. The original two-year agreement was effective July 1, 2012 and is renewable for successive two-year periods subject to adjustments of costs and fees to be agreed upon in writing.

PUBLICATION: None.

ATTACHMENT(S):

- a. Witt O'Brien's 2014-15 EOP Review
- b. Witt O'Brien's Present Projects, Future Projects
- c. Professional Services Agreement Amendment 2

Emergency Operations Plan Review – 2014/2015

WITT | O'BRIEN'S



Summary

The Chancellor's Office engaged Witt O'Brien's to conduct a review of all 23 campus Emergency Operations Plans (EOP) using standards and best practices for higher education EOP development

Guidance Used

- The Guide for Developing High-Quality Emergency Operations Plans for Institutions of Higher Education.
- CSU Executive Order 1056.
- Best practices in higher education emergency management

Analysis Tools

- Crosswalk methodology.
- 93 elements, which were marked as Addressed, Partially Addressed, and Not Addressed for each EOP.
- Element evaluation was based on if the subject matter was addressed at all in the campus EOP.

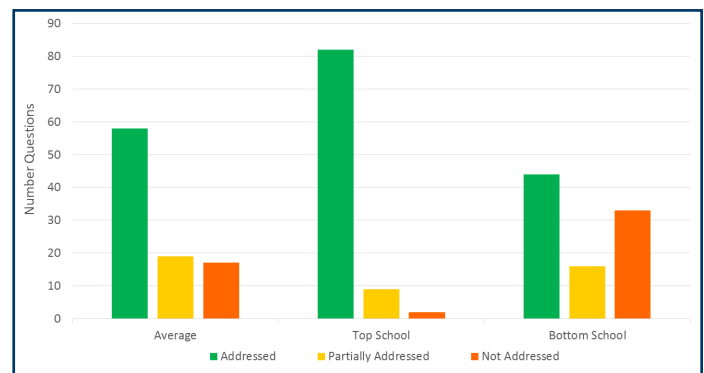
Key Strengths

- All CSU campuses have, and maintain, an EOP that is used to respond to campus emergencies.
- Compliance with CSU Executive Order 1056.
- Plans are built around objectives.
- Strong Direction, Control, and Coordination section.
- Use of the National Incident Management System (NIMS) and Incident Command System (ICS).
- Compliance with the Standardized Emergency Management System (SEMS).
- Plans were specific to the respective CSU.

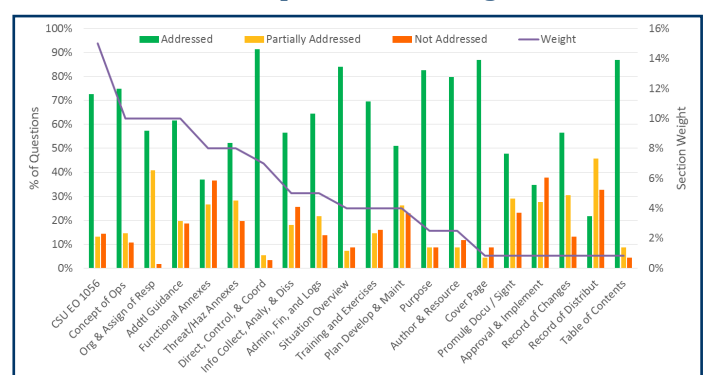
Ongoing Preparedness Improvements

- Develop and support Affinity Group committee to collect best practices in planning elements to address the commonly missed elements in CSU EO 1056.
- Enhance the roles and responsibilities descriptions throughout the EOPs.

CSU System Responses



CSU Responses and Weights



- Ensure that the CSU EOPs address the “whole community.”
- Consideration of developing functional and threat/hazard specific annexes to the EOPs.
- Ensure compliance with the Higher Education Opportunity Act, specifically developing and maintaining:
 - » Emergency notification procedures;
 - » Procedures to disseminate emergency information to the university community; and
 - » A process to annually test emergency response and evacuation procedures.

WITT | O'BRIEN'S
CONTROL THE OUTCOME®

www.wittobriens.com

Partnership Experience with The California State University

WITT | O'BRIEN'S

CSU The California State University

Witt O'Brien's has been working with The California State University (CSU) System since the company's inception in 2001. The company's long-standing relationship with the CSU System, as well as the variety of projects Witt O'Brien's has completed for CSU, has created an unparalleled partnership in higher education emergency management.

Present Projects

- Review of Emergency Operations Plans (EOP) for each of the 23 campuses to ensure compliance with the new *Guide for Developing High-Quality EOPs for Institutions of Higher Education*.
- Assistance in revising Executive Order 1014 – Business Continuity in coordination with all 23 campuses through the Business Continuity Affinity Group.
- Assistance in implementing Executive Order 1056 – Emergency Management at all 23 campuses and support to campuses with EOP revisions.
- Development of an Emergency Management Plan for the Chancellor's Office (CO) that integrates emergency operations and business continuity into one actionable plan. It includes the organizational guidance for the CO's Emergency Operations Center.
- Quarterly trainings and exercises for the Chancellor's Office to test CO emergency plans and procedures.
- Public Information Officer (PIO) training for public affairs personnel throughout the system.
- Conducted a tabletop exercise for CO leadership and response personnel to test continuity of operations procedures and ensure continuation of essential business functions critical to operations at the 23 campuses.

Future Projects

- Emergency management training for all CSU presidents and executive management personnel, focusing on Policy Group decision-making responsibilities.
- Development of a system-wide Emergency Coordination Plan, which includes exercises targeting different regions in the state to facilitate emergency coordination and communication between and among CSU campuses in an emergency.
- Provision of a Policy Group training for the Chancellor and CO executives.
- Multi-year training and exercise plan for Chancellor's Office with goals, objectives, and a schedule for ongoing training and exercises.
- Webinars for the campuses to discuss best practices in emergency operations planning and business continuity planning to promote improvement in plans and procedures system-wide.
- Support Public Information Officer personnel with updated training.



Creating a More Disaster Resilient California State University System

Working with The California State University System since 2001

Past Projects

- Provided subject matter expertise to the Campus President's Retreat and other CSU events, addressing topics related to leadership and emergency preparedness and recovery.
- Prepared relevant full-scale exercise outlines for each campus that included action planning courses, Incident Command System training, all-hazard field exercises, observation and auditing exercises, disaster response and financial training, and pandemic influenza exercises.
- Evaluated all campuses for pandemic flu preparedness and made recommendations for system-wide improvements.
- Designed and delivered Standardized Emergency Management System (SEMS) training for CSU presidents and executives, campus leadership, and public safety personnel.
- Created a pipeline incident emergency response annex template for use at all of the campuses after the San Bruno pipeline incident.
- Analyzed each campus's EOP for compliance with federal guidelines and best practices. Shared results with and provided resource materials to campuses in 2011.
- Provided a follow-up assessment of campus EOPs in 2014/2015 using updated federal guidance for EOP planning at Institutes of Higher Education. An executive summary was provided to all campuses and the Chancellor's Office. Some of the updated campus EOPs are currently being reviewed for alignment with the new guidance.
- Developed plans and procedures to activate emergency response functions at the Chancellor's Office when an emergency affects one or more of the CSU campuses in order to assist with personnel, resources, and information in response and recovery operations.
- Conducted quarterly trainings at the Chancellor's Office that included emergency operations center activation, position task assignments, and implementation of both continuity of operations and emergency operations protocols. The trainings included an exercise activity that focused on key functional responsibilities for the office internally, or that would support the system as a whole.
- Conducted drill at the Chancellor's Office to exercise the plans for evacuation of staff and internal communications protocols during a local emergency. The drill was conducted with a realistic earthquake scenario to support local hazards awareness.
- Conducted tabletop exercise at Chancellor's Office with a scenario that impacted the information technology systems. The event was designed to explore the impacts to the office and the system, and to practice continuity of operations protocols to such events.
- Provided strategic advisory and emergency management services to the Chancellor's Office and to the various campuses as requested. Provided services through support of the Affinity Groups and in direct consultation with system-wide emergency management and continuity of operations staff members.

"I just wanted to communicate that the training this week at the CO was very well received. ...everyone had fun and the Floor captains and group leaders really benefited from the encouragement that the exercise provided."

*—Rebecca Skidmore, Senior Manager, Systemwide Risk Management
California State University-CO*

WITT | O'BRIEN'S

223

PREPARE | RESPOND | COMMUNICATE | RECOVER

**Amendment #2 for Extension to Professional Services Agreement
Between Witt O'Brien's, LLC and
California State University Risk Management Authority**

This Second Amendment of the Agreement for Professional Services (this "Second Amendment") is made and entered into as of April 20, 2016, between California State University Risk Management Authority ("Client") and Witt O'Brien's, LLC ("Consultant").

Whereas, California State University Risk Management Authority and Witt O'Brien's, LLC entered into an Agreement for Professional Services on July 1, 2012 ("Agreement").

Whereas California State University Risk Management Authority and Witt O'Brien's, LLC entered into a Second Amendment for Professional Services on May 27, 2014 ("First Amendment").

Whereas, Client and Consultant desire to amend the Agreement in accordance with the terms and conditions described below.

Now, therefore, in consideration of the terms and conditions contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Client and Consultant hereby agree as follows:

1. Section 3, Period of Performance, shall be amended as follows: The period of performance under the Agreement shall be from July 1, 2016 to July 1, 2018, and shall be automatically renewed at the same terms and conditions for additional one year periods subject to amendments changing the scope or terms of the contract.
2. Appendix B, Scope of Work, shall be amended to add Appendix B-1 for additional Scope of Work.
3. Appendix C, Compensation, shall be amended to add Appendix C-1 for additional funding and expenses in the amount of \$300,000.00.
4. Other Terms and Conditions: All other terms and conditions of the basic Agreement remain in full force and effect.

IN WITNESS WHEREOF, Client and Consultant have executed this Amendment as of the date first above written:

**California State University,
Risk Management Authority**

Witt O'Brien's, LLC

Signature

Signature

Name (Typed or Printed)

Name (Typed or Printed)

Title

Title

Date

Date

APPENDIX B-1

Witt O'Brien's and CSU System Contract July 1, 2016 – June 30, 2017 Scope of Work and Project Outline

This document outlines proposed emergency management projects for both the CSU System and for the Chancellor's Office (CO) based on a continuation of successful preparedness programs, current emergency management needs, and inclusion of best practices and trends in higher education emergency management. These projects can be changed or adjusted as necessary, based on the needs of the CO and any emergency incidents that may affect the CSU System.

Witt O'Brien's will perform the following services:

Tasks specific to Chancellor's Office Emergency Management

Task 1: Chancellor's Office Emergency Plans, Training, and Exercises (\$60,000)

1.a. EOC Training – Quarterly Trainings and Exercises

Witt O'Brien's will conduct quarterly trainings and exercises for the CSU CO Emergency Operations Center (EOC) staff in coordination with the Assistant Vice Chancellor, Strategic Initiatives and Support Services. These trainings will cover emergency management plans and procedures for the CO, continuity of government plans and procedures for the CO, coordination with external partners, guest speaker presentations, and scenario-based exercises.

1.b. Emergency Management Plan: Emergency Operations and Business Continuity

Witt O'Brien's will work with the CO to provide edits and updates to the CSU CO Emergency Management Plan as needed following after action findings from exercises and trainings. The CSU CO Emergency Management Plan describes both response and continuity actions that must be taken by the CO in an emergency to protect its staff and facilities and continue its essential functions. The plan includes activation and operation of the Emergency Operations Center (EOC), building management and evacuation information, roles and responsibilities of CO staff in an emergency, and continuity plans for all critical departments at the CO. Plan updates will be provided based on After Action input following all trainings and exercises.

1.c. Policy Group Training and Tabletop Exercise

Witt O'Brien's will conduct a training workshop and tabletop exercise for the CSU CO Policy Group (i.e. Senior Executives). The focus will be concepts outlined in the CSU CO Emergency Management Plan, with a focus on Policy Group roles and responsibilities. The exercise will include the use of *Veoci* software for information collection, sharing, and planning purposes. A guidance document will be developed and provided that will support the Policy Group with implementation of their specific roles and responsibilities.

1.d. Development of the *Multi-year Training and Exercise Plan (MYTEP)*

Witt O'Brien's will lead a workshop with the CO emergency management and continuity of operations staff members to establish the priorities for training and exercising over the next three years. The MYTEP schedule includes preparedness activities that enhance identified capabilities, support response to recognized threats, identify and use existing resources, and address recommendations derived from after action reports related to previous events and exercises.

1.e *Additional plans as needed*

Witt O'Brien's will assist the CO with additional emergency plans, as needed, such as the Emergency Notification Plan, standard operating procedures, and checklists. These will be completed under the direction of the Assistant Vice Chancellor, Strategic Initiatives and Support Services.

1.f *Crisis Communications Plan*

Witt O'Brien's will work with the Assistant Vice Chancellor for Public Affairs to support her in developing and revising the CSU Chancellor's Office Crisis Communications Plan and other communications plans as needed. Witt O'Brien's will also assist with training and exercising the plans as requested.

Specific to Support of the CSU System-Wide Emergency Management

Task 2: Presidents and Senior Emergency Management Training Seminar (\$40,000)

Witt O'Brien's will work with campus emergency preparedness coordinators/directors to provide a robust, half-day emergency management training seminar for the campus Presidents and Senior Campus Management, to be conducted throughout the fiscal year (2016/2017) preferably on a regional, and/or campus by campus basis. This training will include:

- Executive Summary of the Campus Emergency Operations Plans (EOPs) Project.
- The Role of the Policy Group/Senior Executives, and Case Studies of successes and challenges.
- Crisis Communications, Reputation Management, and Public Perception.
- Tabletop Exercise.

Following this training, the CSU Presidents will have an enhanced concept of emergency management in general, their essential role in the process, the status of their specific campus emergency management program, and recent trends requiring focused attention.

Task 3: CSU System Emergency Management and Business Continuity Affinity Groups Support (\$45,000)

Witt O'Brien's will assist both the CSU System Emergency Managers Affinity Group, and the Business Continuity Coordinators Affinity Group with system-wide efforts. These may include:

- Attending Affinity Group bi-monthly meetings and providing subject matter expertise as requested.
- Support development of revised Executive Orders related to EM and BC programs.
- Conducting research and compiling information about best practices in higher education emergency management.
- Providing tools and resources to enhance the emergency management and business continuity programs at the campuses (e.g. plan templates, exercise scenarios, etc.).
- Conducting training and exercise sessions for the emergency managers and business continuity coordinators (these may be conducted via webinar or in-person regionally or at conferences).

Witt O'Brien's will serve as a resource for the Emergency Managers and Business Continuity Coordinators in order to help enhance the campus emergency management and business continuity programs and increase consistency and collaboration system-wide.

Task 4: System-Wide Coordination Resource Guide (\$50,000)

Witt O'Brien's will develop a comprehensive system-wide coordination resource guide that describes how the Chancellor's Office can assist campuses in an emergency response, how campuses should coordinate with each other in an emergency, and notification and communication requirements and recommendations between campuses, with the Chancellor's Office, and with other local or state entities in an emergency that affects one or more campuses.

Task 5: CSU System Public Information Officer Training (\$25,000)

Witt O'Brien's will work with the Assistant Vice Chancellor for Public Affairs to develop and conduct PIO training for communications and public affairs staff from all of the CSU campuses and the Chancellor's Office. These trainings may consist of Federal Emergency Management Agency (FEMA) PIO courses and/or training sessions using scenario-based discussions and exercises.

Task 6: CSU Campuses Preparedness, Response, and Recovery Program Review and Recommendations; Assistance to the CSU Chancellor's Office Workgroup on Campus Safety (\$20,000)

Witt O'Brien's will assist the CSU Chancellor's Office Workgroup on Campus Safety with its endeavors to formulate and implement recommendations to improve system-wide preparedness, response, and recovery at the 23 CSU campuses via engagement with Risk Management, campuses, and existing working groups and affinity group. . Witt O'Brien's will also assist with system-wide training and exercise initiatives associated with the preparedness efforts as requested. As an example, in 2015-2016, some program review assistance was provided to the behavioral threat assessment program

Task 7: System-Wide Emergency Management Program Review- Follow-up (\$35,000)

In 2015, Witt O'Brien's completed the comprehensive review of the campus's emergency management plans. This task will involve further support for EOP reviews, and support of individual campuses with EOP updates. Furthermore, an emergency management program review will be offered to the campuses on an individual basis, but may be initiated system-wide depending on executive leadership goals. If we are invited to conduct the emergency management program reviews, Witt O'Brien's will visit each campus being assessed in order to become familiar with the university's current emergency management program structure, plans, policies, and procedures. Additionally, Witt O'Brien's will conduct interviews / working sessions with key members of each campus's emergency management team, senior administrators, and external emergency management partners to discuss the current emergency management program, including successes and challenges, as well as potential changes necessary to enhance the program. Using the document review, site visit, and working sessions / interviews, Witt O'Brien's will conduct a gap analysis/review of each assessed campus's emergency management program structure, plans, responsibilities, authorities, and activities and evaluate them according to national best practices in higher education emergency management; current emergency management standards, laws, and authorities at the local, state, and federal levels; and the specific needs of the CSU System. Following the evaluation, Witt O'Brien's will develop an overall assessment report for each campus being assessed.

This project would span a number of years depending on the number of campus emergency management programs we review. The "initial tasks" as part of this budget will have to be determined prior to the start of the task.

Task 8: CSU Risk Management Association (CSURMA) Support (\$10,000)

Witt O'Brien's will provide assistance to CSURMA as needed and requested, including a training seminar for the CSURMA Board of Directors, regular status presentations, and yearly reports.

Task 9: Provide strategic advisory, representation, and technical services as needed
(\$15,000)

**Appendix C-1
Estimated Cost Structure**

Compensation. For the services as described above, Consultant shall be compensated as follows:

CSU Chancellors Office July 1 2016 – June 30, 2017		
Tasks related to Chancellors Office Emergency Management Program		
		BUDGET
Task 1	Chancellor’s Office Emergency Plans, Training, and Exercises	\$60,000
Tasks related to CSU System-Wide Emergency Management Program		
Task 2	Council of Presidents Emergency Management Training Seminar	\$40,000
Task 3	CSU System Affinity Groups Support	\$45,000
Task 4	System-Wide Coordination Plan	\$50,000
Task 5	CSU System Public Information Officer (PIO) Training	\$25,000
Task 6	CSU Campuses Behavioral Threat Assessment Program Review and Assistance to the CSU CO Workgroup on Campus Safety	\$20,000
Task 7	System-wide Emergency Management Program Review	\$35,000
Task 8	CSU Risk Management Association (CSURMA) Support	\$10,000
Task 9	Provide strategic advisory, representation, and technical as needed	\$15,000
	Expenses are included in the tasks	
	TOTAL	\$300,000

The above costs include Witt O’Brien’s out-of-pocket expenses reasonably associated with services performed and will be reimbursed by CSU in accordance with Witt O’Brien’s expense reimbursement policy. Hours spent traveling by Witt O’Brien’s personnel for tasks under this project will not be billed to the project, in accordance with CSU policies.

MASTER ENABLING AGREEMENT FOR TRANSPORTATION

ISSUE: At the Executive Committee's long range planning meeting on March 11, 2016, Zachary Gifford highlighted GoGround transportation management services and its benefits to members who charter bus transportation for university activities. GoGround vets all transportation carriers who must meet GoGround's safety standards and insurance levels as minimum requirements to be an approved transportation carrier. Additionally, GoGround maintains excess insurance on top of the primary insurance held by the transportation carriers. Transportation rates are lower from GoGround due to its volume of business.

The Executive Committee included as a Long Range Action Plan item the development of a Master Enabling Agreement for Transportation, using GoGround as a basis to qualify bus charters. The project includes identifying transportation carriers currently used by campuses, obtaining and reviewing contract proposals, and negotiating terms for a master transportation services enabling agreement. Representative from GoGround are in attendance today to present their service capabilities and benefits to CSU.

RECOMMENDATION: The Executive Committee is asked to review and approve the draft Master Enabling Agreement for Transportation attached herein.

FISCAL IMPACT: None. There is no fee for using GoGround services. Actual transportation cost is the responsibility of the campus organizer.

BACKGROUND: Zachary Gifford presented an overview of GoGround to the Campus Risk Managers in a meeting on October 23, 2015, which was enthusiastically received and recommended for further exploration. Also, CSURMA's insurance underwriters have been asking about the experience of transportation providers used by campuses and auxiliary organizations.

PUBLICATION: None.

ATTACHMENT(S):

- a. GoGround PowerPoint Presentation
- b. Draft Master Transportation Services Enabling Agreement (*Will be presented during the meeting as a handout*)



TRANSPORTATION SAFETY EXCHANGE

Powered by CSS, Inc.

— Expect a Higher Standard —



GOGROUND

OFFICIAL TRANSPORTATION MANAGEMENT PARTNER
WORLD MEETING OF FAMILIES 2015



CalState

March 1, 2016

© 2013 Transportation Safety Exchange, Inc. • Powered by CSS, Inc. • www.transportationsafetyexchange.com



Introduces



to

CalState

GOGROUND is a leading group and event ground transportation management firm serving large scale festivals, collegiate & professional athletics and special events.

GOGROUND is the most experienced ground transportation management specialist of its kind in North America. It is an expert at charter bus services and has the largest standing network of bus operators in the industry.

GOGROUND is the exclusive ground transportation partner of the NCAA championships and was also the “Official Transportation Partner of the World Meeting of Families”.

Expect a Higher Standard



GOGROUND Clientele




— Expect a Higher Standard — 3



Focus



GOGROUND's sole focus is ground transportation and it's mission and passion is to make every aspect of the group transportation experience for event organizers and guests the best it can be.

Both **GOGROUND** and  share the same focus and passion for safety as transporting your passengers safely is our highest priority.




Expect a Higher Standard



GOGROUND and *and*



GOGROUND and  have worked closely together over the years to bring the importance of safety to the forefront with regard to passenger ground transportation.

GOGROUND uses  carriers for charter work.

— *Expect a Higher Standard* — 5

The / **GOGROUND** / **CSU** **Transportation Safety Program**

GOGROUND will use TSX Approved operators for charter work for CSU members. If a non-approved carrier has been requested to join TSX by one of our CSU subscribers, **GOGROUND** will contact TSX to see if there are any major safety issues with this operator. If the carrier appears to be a good candidate to work with TSX, **GOGROUND** will use the carrier for charter work provided that they become TSX approved within 6 months or they no longer will be used.

Every CSU Member Institution subscriber should strive to support the **TSX / GOGROUND / CSU Transportation Safety Program** by informing their carriers this 6 month window to become TSX approved is a requirement by their university. If they don't make TSX approval by an operator mandatory, the program loses its purpose and puts these CSU member universities at much greater risk.

— *Expect a Higher Standard* — 6



Reducing CSU Liability



Once again, if CSU member institutions do not make it university policy that they will not use a carrier unless they are TSX approved, their liability substantially increases.

Carrier comment on why they will not become



“We continue to do business with the CSU’s and only one of them has asked us about TSX participation, **and did not make that a requirement.** Unless that changes, we cannot justify the additional expenditure.”

— *Expect a Higher Standard* — 7



GOGROUND

CalState



It takes between 1 and 12 hours for CSU member staff personnel to find and charter reliable passenger ground transportation. This translates to many dollars spent for this personnel to locate, negotiate price, determine risk and charter with ground transportation passenger carriers.

GOGROUND helps reduce this cost as CSU member institutions can simply contact **GOGROUND** for all their charter needs.

— *Expect a Higher Standard* — 8



Cost of Doing Business with **GOGROUND**



The cost of doing business with **GOGROUND** is approximately 5%. **GOGROUND** can either work under a blanket contract or they can set up a management fee for each individual CSU member institution.

GOGROUND can also set up a Transportation Management Portal for each individual CSU member institution.



CSU Member Institutions

Who Would Benefit from Using the *TSX / GOGROUD / CSU Transportation Program*



— Expect a Higher Standard — 10



CalState



© 2016 Transportation Safety Exchange, Inc.

• Powered by CSS, Inc. • www.transportationsafetyexchange.com

— Expect a Higher Standard —

UC CONSORTIUM AND WEB BASED TRAINING

ISSUE: During FY 14/15, the CSURMA Risk Reduction Innovation Grant program was used to fund a one-year membership for the entire CSU system to the UC Safety Training Consortium which provides online training resources and tools for laboratory safety and other relevant EH&S related topics. This web-based training has been extremely well received. The EH&S affinity group is requesting funding through CSURMA for the on-going membership fee to the UC Safety Training Consortium of \$50,000.

RECOMMENDATION: The Committee is asked to discuss membership in the UC Safety Training Consortium and provide approval for on-going CSU access, as appropriate.

FISCAL IMPACT: The annual cost for membership in the UC Safety Training Consortium is \$50,000.

BACKGROUND: Staff will be at the meeting to answer additional questions.

PUBLICATION: The EH&S affinity group will be informed of the Committee's decision.

ATTACHMENT(S):

- a. UC Training Assets Course List

Emergency

[Continuity Planning #1 and #2](#) (UCR) (Risk Summit series) [Video] 2012
[Countywide HazMat Operations Group](#) (CHOG) (UCR) 12/17/14 [Video] 2014
[Disaster Preparedness & Zone Crew](#) (UCI) [Video] 2015
[Emergency Action Plan](#) (UCR) [eLearning] 2012
[Emergency Communications System](#) [Webinar] 2014
[Emergency Notification System](#) [Webinar] 2014
[Emergency Management Policy Group](#) (UCR) [eLearning] 2010
[Emergency Procedures](#) (UCR) [eLearning] 2010
[Emergency Staff](#) (BSEC/BES) (UCR) [eLearning] 2013
[UC Ready](#) [Video] 2014 and [eLearning] 2015

Environmental Health

[Food Safety](#) (UCR) [eLearning] 2012, 2014
[Handwashing](#) (UCR) [Video] 2014

Environmental Health & Safety

[EH&S Policies: A Primer](#) [Video] 2015
[Environmental Health & Safety](#) (About Us) [Video] 2010
[Environmental Health & Safety](#) (Risk Summit series) [Video] 2012
[Faculty Needs](#) (Robert Emery) [Video] 2009
[Laboratory Safety Program](#) (About Us) [Video] 2010
[WebEx Presenter tutorial](#) [Video] 2014

Fire & Life Safety

[Alarm Response](#) (UCR) [eLearning] 2010
[Fire Extinguishers](#) (UCR) [Video and eLearning] 2010, 2012
[Fire Prevention Plan](#) (UCR) [eLearning] 2012
[Fire Safety for Residence Life](#) (UCR) [Video] 2015
[Propane Tank](#) (UCR) [Video] 2014

Laboratory & Research Safety

[B-virus](#) (UCLA) [eLearning] 2015
[Biosafety](#) (UCR) [eLearning] 2012
[Bloodborne Pathogens](#) [eLearning] 2010, 2014
[Chemical Hygiene](#) (UCR) [eLearning] 2010
[Chemical Spill Response and Cleanup](#) (UCR) [Video] 2012
[Controlled Substances](#) [eLearning] 2015 (see also [2010](#))
[Ergonomics for the Laboratory](#) (UCR) [eLearning] 2010
[Flame Resistant gloves](#) [Video and eLearning] 2016
[Flame Resistant laboratory coat](#) [Video] 2013
[Fume Hood Safety](#) (UCR) [eLearning] 2013
[Hydrofluoric Acid](#) (UCR) [Video and eLearning] 2013
[Institutional Biosafety Committee](#) NIH Guidelines (UCLA) [eLearning] 2015
[Laboratory Audits/Inspections](#) (UCR) [eLearning] 2010
[Laboratory Manual](#) (UCR) [eLearning] 2012

[Laboratory Safety Awareness for Support Personnel](#) [eLearning] 2014
[Laboratory Safety Fundamentals](#) [eLearning]
[Laboratory Safety Refresher](#) [eLearning] 2015
[Lone Workers](#) (in laboratory) (UCR) [Video] 2014
[Plant Biosafety](#) (UCD) [Video] 2015
[PPE Distribution Event](#) “promo” [Video] 2014
[PI Responsibilities](#) [Video] 2014
[Safety Orientation for laboratories](#) (UCR) [eLearning] 2013

Medical Center

[Fluoroscopy](#) [eLearning] 2015 (see also [2012](#))
[Safe Patient Handling](#) [eLearning] 2014
[Safe Patient Handling Awareness](#) [eLearning] 2015
[Workplace Violence Prevention](#) [eLearning] 2016

Occupational Safety & Industrial Hygiene

[Back Safety](#) [eLearning] 2015
[Department Safety Coordinators](#) (UCR) (IIPP series) [Webinar] 2014-2015
[Earthquake Safety](#) (UCR) [eLearning] 2010
[Electrical Safety](#) (UCB) [Video] 2015 | ([UCR](#)) [eLearning] 2010
[Ergonomics](#) (UCR) [eLearning] 2010
[Fall Protection](#) (Competent Person) [eLearning 2015] (see also class [registration](#) 2015)
[Hazard Communication](#) [eLearning] 2013 (see also [UCR 2013](#) and GHS update)
[Heat Illness](#) [eLearning] 2015-2016
[Injury & Illness Prevention Plan \(IIPP\)](#) (UCR) [eLearning] 2012
[Lockout/Tagout](#) [Video] 2015
[Motorized Cart](#) [eLearning] 2015
[Performing Arts Safety](#) “promo” [Video] 2015
[Personal Protective Equipment \(PPE\)](#) (UCR) [eLearning] 2012
[Pests](#) (ANR) [eLearning] 2009
[Pesticide Safety for Fieldworkers](#) (UCR) [eLearning] 2013
[Rigging](#) [Video] 2016
[Safety Data Sheets](#) (SDS) [Video] 2015 (see also UCR [MSDS](#) 2011)
[Safety Orientation](#) ([UCOP](#)) [eLearning] 2015 | ([UCR](#)) [eLearning] 2010, 2013
[Shop Safety](#) [eLearning] 2015
[Supervisor Safety](#) [eLearning] 2013

Radiation

[Laser Safety](#) [eLearning] 2016 (see also [UCR 2011](#))
[Radiation Safety](#) [eLearning] 2015
[Radiation Safety: Refresher](#) (UCR) [eLearning] 2010 Risk Summit 2012
[X-Ray](#) (RPM) (UCR) [eLearning] 2015

Risk Management

Risk Summit [Videos] [2012](#) | [2014](#)
[UC Travel Abroad](#) [eLearning] 2015
[Changing Safety Culture using the Power of Data](#) [Video] 2015

Security

[Campus Safety](#) (UCR) [Video] 2011, 2013

[Crisis Response "RAIN"](#) Active Shooter (UCR) [eLearning] for UCPD 2008, 2016

Training

[About Us](#) [Video] 2016

[Create training](#) (ADDIE) [Video] 2015

[LMS Instructions](#) (UCR) [eLearning] 2011

[SAM Model](#) [Video] 2015

[Screencasting](#) [Video] 2015

[Training program #1 and #2](#) (Risk Summit series) [Video] 2012

Waste

[Hazardous Waste Management](#) (UCR) [eLearning] 2009

[Online Tag Program \(OTP\)](#) (UCR) [eLearning] 2009

[WASTe tutorial](#) [Video] 2014

Wellness

[AIR Smoke & Tobacco Free](#) training [eLearning] 2015

[Smoke & Tobacco Free](#) [Videos] 2014

[Wellness program \(Risk Summit series\)](#) [Video] 2012

Other

[Skillsoft library](#)

© 2015 REGENTS OF THE UNIVERSITY
OF CALIFORNIA
ALL RIGHTS RESERVED

[About Us](#)
[Courses](#)

2016 CSURMA MEETING CALENDAR

ISSUE: A CABO meeting in San Diego has been scheduled for Friday, September 9, 2016, which conflicts with the CSURMA Executive Committee meeting scheduled for the same day. The following meeting dates are being proposed for the Committee's discussion.

- ✓ Tuesday, September 13th – South Lake Tahoe before the start of the CAJPA Conference
- ✓ Friday, September 16th – South Lake Tahoe at the end of the CAJPA Conference
- ✓ Tuesday or Wednesday, September 20th or 21st – San Diego during the URMIA Conference
- ✓ Friday, September 23rd – Location TBD

RECOMMENDATION: Staff recommends that the Committee discuss the proposed alternate meeting dates and approve a new date and location.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. 2016 CSURMA Meeting Calendar



California State University Risk Management Authority

2016 CSURMA MEETING CALENDAR

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

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

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

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

RISK MANAGEMENT INNOVATION GRANT PROGRAM

ISSUE: The Risk Management Innovation Grant Program makes funds available for Campus members in the Liability and Workers' Compensation programs to supplement Campus costs for innovative safety-related items and/or training that lead to mitigation of risk exposures, and which may also reduce risk for other campuses systemwide. A maximum of \$10,000 per campus in matching grant funds was made available for FY 2015/16.

Including today's requested action, 13 campuses submitted a total of 28 grant requests for this fiscal period. Six grants have been awarded to date, and 18 requests are presented for the Executive Committee's review and approval at today's meeting.

RECOMMENDATION: The Executive Committee is asked to review and approve the Campus' risk management grant requests as it deems appropriate.

FISCAL IMPACT: \$240,000 has been budgeted for FY 2015/16. \$31,200 has been awarded to date. The remaining balance is \$208,800.

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.

PUBLICATION: None.

ATTACHMENT(S):

- a. Summary of Applications
- b. Completed Applications Submitted by Campuses
- c. Risk Management Grant Program Description and Procedures

FY 2015-16 Campus Risk Management Innovation Grant Program

Campus	Date of Application	Provider	Description	Estimated Start Date	Estimated Completion	Estimated Cost	Requested Amount	Approved by EC	Approved Amount
Sep 11, 2015 EC									
Channel Islands	5/13/15	Briotix	Workstation Safety Ples: web-based ergo trng & assmt. 850 licenses.	Jul '15	Jun '16	\$ 20,455	\$ 10,000	YES	\$ 10,000
Long Beach	5/19/15	Future Industrial Technologies	Preventive Office Ergonomics Workstations assessment & Guidance	7/1/15	Jun '16	\$ 20,000	\$ 10,000	YES	\$ 10,000
Long Beach	6/18/15	Thermometerdurac	Chemistry Lab Alcohol Thermometers	Jul '15		\$ 1,067	\$ 600	NO	
San Jose	6/18/15	Para Technologies	Ergonomic Stretchback Software	8/1/15		\$ 2,400	\$ 1,200	YES	\$ 1,200
San Jose	6/29/15	Total Tech Int'l	Workstation & Laptop Encryption	8/1/15		\$ 14,472	\$ 7,236	NO	
Jan 10, 2016 EC									
Dominguez Hills	12/16/15	Zoll AED Plus	AED Implementation - phase 1	Feb '16	Jun '16	\$ 20,429	\$ 10,000	NO	
Los Angeles	12/4/15	BPS Tactical	14 UPD Tactical Vests	12/4/16	10/12/15	\$ 5,831	\$ 2,916	YES	\$ 2,916
Los Angeles	12/7/15	BullEx	Fire Extinguisher Simulator Training	12/7/15	Dec '16	\$ 10,221	\$ 4,194	YES	\$ 4,194
Los Angeles	12/7/15	Future Industrial Technologies	Backsafe Training	11/2/15		\$ 5,782	\$ 2,891	YES	\$ 2,891
San Francisco	12/2/15	Shoes for Crews	Slip-resistant footwear for custodians	12/2/15	Jan, Jul 16	\$ 20,000	\$ 10,000	NO	
May 6, 2016 EC									
Chico	4/13/16	Flinn Scientific	Lab safety shields for science camps for minors; purchase 5.	6/1/16		\$ 2,008	\$ 1,004		
Dominguez Hills	4/14/16	Bull Ex	Fire Extinguisher Simulator Training	10/1/16		\$ 7,923	\$ 3,962		
Dominguez Hills	4/14/16	Future Industrial Technologies	Backsafe Training	6/1/16		\$ 6,800	\$ 3,400		
Dominguez Hills	4/14/16	Various	Supplemental safety training material (to be included in ee orientations).	6/1/16		\$ 2,500	\$ 1,250		
Dominguez Hills	4/14/16	Articulate Studio Pro	Software to enhance safety training presentations.	6/1/16		\$ 700	\$ 350		
East Bay	4/14/16	Bull Ex	Fire Extinguisher Simulator Training	6/1/16		\$ 12,028	\$ 6,014		
Humboldt	6/2/15	BullEx	Laser-driven fire extinguisher digital training system.	6/29/15		\$ 15,137	\$ 7,568		
Long Beach	4/12/16	Briotix	App for 2016/17 - 200 licenses.	7/1/16	6/30/17	\$ 20,000	\$ 10,000		
Monterey Bay	3/8/16	Nick Fryou, alumni film production company	Active Shooter Survival Video Training	3/4/16		\$ 5,000	\$ 2,500		
Sacramento	4/13/16	TSI	Portable air pump calibrator for chemical exposure monitoring.	4/5/16		\$ 1,356	\$ 678		
Sacramento	4/13/16	BWS Distributors	Photoionization detector for personnel exposure monitoring.	11/10/15		\$ 2,957	\$ 1,478		
Sacramento	4/13/16	Pro Tech Machinery	Saw stop table for theater /dance scene shop.	2/18/16		\$ 5,339	\$ 2,669		
Sacramento	4/13/16	Sper Scientific	Wet bulb globe thermometer to assess risk of heat illness.	1/27/16		\$ 689	\$ 345		
San Francisco	4/8/16	Bickmore	Total Cost of Risk Analysis	9/3/15	5/31/16	\$ 15,000	\$ 7,500		
San Francisco	4/8/16	Briotix	Briotix Assessment Software. 500 licenses.	9/3/15		\$ 20,075	\$ 10,000		
San Marcos	4/6/16	Virginia Pulse	Wellness Program software. Year 1: \$39,800. Year 2: \$33,800.	4/1/16	4/1/18	\$ 39,800	\$ 2,500		
San Marcos	4/7/16	Briotix	Workstation Safety Plus. MEA: \$12,525 + @ \$5/user; 2,000 users. 500 licenses.	4/2/16	6/30/17	\$ 12,525	\$ 7,500		
Stanislaus	2/5/16	Briotix	Office rrgonomics software, system, training. 400 licenses.	4/1/16		\$ 14,575	\$ 7,500		
TOTAL AWARDED		\$31,200	<i>to date</i>			# Grants Requested		28	<i>to date</i>
Fund Balance		\$208,800	<i>to date</i>			# Grants Awarded		6	<i>to date</i>
Requested this Period		\$76,218	<i>5/6/16 EC</i>			# Grants Denied		4	<i>to date</i>
Remaining Fund Balance		\$132,582	<i>if all requests for this period are approved</i>			# To be reviewed		18	<i>today</i>
						# Campuses submitted		13	<i>to date</i>
<i>* Systemwide grants not counted in totals.</i>									

2015/16 Risk Management Innovation Grants				
Campus	Submitted	# Requests	# Approved	\$ Awarded
Bakersfield				
Channel Islands	Y	1	1	\$10,000
Chico	Y	1		
Dominguez Hills	Y	5		
East Bay	Y	1		
Fresno				
Fullerton				
Humboldt	Y	1		
Long Beach	Y	3	1	\$10,000
Los Angeles	Y	3	3	\$10,000
Monterey Bay	Y	1		
Pomona				
Northridge				
Sacramento	Y	4		
San Francisco	Y	3		
San Jose	Y	2	1	\$1,200
San Luis Obispo				
San Marcos	Y	2		
Sonoma				
Stanislaus	Y	1		
Chancellor's Office				
Total (Campuses)	13	28	6	\$31,200
Systemwide	1	1	1	\$50,000
TOTAL	14	29	7	\$81,200



California State University Risk Management Authority

Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: California State University, Chico		Date: 4/13/2016
Contact: Mike Thorpe	Phone: 530-898-6588	Email: methorpe@csuchico.edu
Grant Requested for (please describe): Our campus has seen an increase in science lab activities that involve minor spectators. The experiments performed are low risk, but still contain a potential for a spectator to become injured. This request is for the purchase of 5 safety shields that act as a barrier between the experiment and anyone spectating.		
Planned Date of Purchase (Please attach cost estimate): 6/1/2016		Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): ~\$1,000 w/tax and shipping
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
As stated above, these barriers will help to reduce the risk of injury to community members (mainly minors) observing experiments at a variety a Science Day and other community events on campus. The barriers will also afford our own students protection by providing containment.		
Signature (VP- Business & Admin, or designee): _____ (Member submission only)		
Date: 4/15/2016		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 5. Applications must be signed by the Campus VP of Business & Finance or designee. 6. Applications must be submitted during the same fiscal year that the project expense is incurred. 7. Applications must include supporting documents such as: <ol style="list-style-type: none"> a. detailed description of the proposed project b. anticipated timeline for completion of project c. estimated total cost for the proposed project 9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCs) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same. 10. <u>Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation</u> 		

to provide are not eligible for reimbursement. This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.

11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.



"Your Safer Source for Science Supplies"

Catalog No. or Keyword



\$0.00

Online Store | Alphabetical Index

Higher Education

Chemicals

Chemistry

Biology

Physical Science & Physics

Earth & Environmental Science

Apparatus & Technology

Lab Furniture & Cabinets

Safety Supplies

Middle School

Teacher Resources

Talk to a Flinn Scientist or Customer Service Rep 1-800-452-1261 M-F 7:30am-5pm CT

Teaching Chemistry Video Series

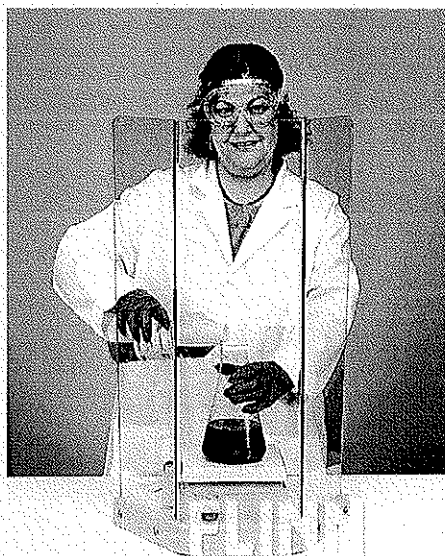
Free Laboratory Safety Courses

Home > Safety Supplies > Safety Shield > Safety Shield, 36" X 24"

Safety Shield, 36" X 24"

Quantity 4

Add to Cart



Price & Description

Resources

Catalog Number	Price/Each
SE261	\$373.50

Safety Shield, 36" X 24"

Product Description

Great and necessary safety aid to protect students or observers from dangerous demonstrations. Made of thick polycarbonate plastic. The clear shield attaches to a heavy steel base. Bent design provides good containment of fragments and splashes. Polycarbonate plastic is also an effective ultraviolet shield in ultraviolet range of 200 to 360 nanometers. Three sizes are available.

Safety Shield, SE225, etc.

Additional Resources

[Safety Shield Video](#)

[Flinn Catalog/Reference Manual Page 1206](#)

[Flinn Middle School Catalog/Reference Manual Page 762](#)

YOU MAY ALSO LIKE (10)

Similar Products

Catalog No.	Description	Height x Width	Price/Each	Qty
SE260	Safety Shield, 17-3/4" X 16"	17-3/4" x 16"	\$243.75	1
SE225	Safety Shield, 30" X 16"	30" x 16"	\$310.15	1

You May Also Like



California State University Risk Management Authority

Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: Dominguez Hills		Date: April 14, 2016
Contact: Jeff Wood	Phone: 310-243-2895	Email: jwood@csudh.edu
Grant Requested for (please describe): Project #1: BullEx Intelligent Training System Project #2: Backsafe® FIT Injury Prevention Program Project #3: Supplemental Safety Training Material Project #4: Software to Enhance Safety Training Presentations		
Planned Date of Purchase (Please attach cost estimate): By June 1, 2016 (Projects 2-4) and October 1, 2016 (Project 1) Total: \$ 17,923 Project 1: \$7923 Project 2: \$6800 Project 3: \$2500 Project 4: \$ 700		Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$8,962
This is a (check all that apply):		
<input type="checkbox"/> Service	<input checked="" type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input checked="" type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
See attached		
Signature (VP- Business & Admin, or designee): <u>Stephen J. Mastro, AVP</u> Stephen J. Mastro, Associate Vice President Administration and Finance		
Date: April 14, 2016		

Please submit your completed Grant Application to Rob Leong at:

(email) rleong@alliant.com or (fax) **415-874-4810**

1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects.
2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member.
3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year.
4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.

Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Campus: California State University, Dominguez Hills (CSUDH)

Grant Requested for:

- Project #1: BullEx Intelligent Training System
- Project #2: Backsafe® FIT Injury Prevention Program
- Project #3: Supplemental Safety Training Material
- Project #4: Software to Enhance Safety Training Presentations

Total Estimated Project Cost: \$17,923

Cost summary:

Project #	Description	Cost Summary
1	BullEx Intelligent Training System	\$ 7923
2	Backsafe® FIT Injury Prevention Program (100 employees)	\$ 6800
3	Supplemental Safety Training Material	\$ 2500
4	Training Software to Enhance Safety Training Presentations	\$ 700
T O T A L		\$ 17923

California State University, Dominguez Hills (CSUDH) is requesting approval for \$8,962 in matching CSURMA funds for the implementation of innovative safety campaigns on campus.

The projects submitted in this grant request were a collaboration between Risk Management/Environmental Health and Occupational Safety (RM/EHOS) and Human Resources Management's Workers' Compensation Unit with a goal of promoting occupational safety and health and reducing work related injuries by developing new methods of delivering safety training, information and awareness through innovating methods on campus.

How this grant will improve risk control efforts:

Project #1: BullEx Intelligent Training System

Cal/OSHA **requires**¹ training “Where the employer has provided portable fire extinguishers for employee use in the workplace, the employer shall also provide an educational program to familiarize employees with the general principles of fire extinguisher use and the hazards involved with incipient stage fire fighting.”

Additionally, the requirement states, in part, that the employer shall provide the education required **upon initial employment** and *at least annually thereafter*.

The ability to provide regular scheduled training to the campus community will ensure compliance with Cal/OSHA regulations and eliminate the cost of obtaining the training from an outside consultant. The campus would have the ability to train new employees as they are hired.

Groups that would be included in regular fire extinguisher training include:

- Art Studio Technicians
- Child Development Center
- Custodial
- Emergency Operations Center (EOC) team members
- Facilities Services Trades
- Faculty
- Floor wardens
- Grounds
- Infant Toddler Center
- Laboratory Technicians
- New Employees
- University Housing
- University Printing Services
- University Police
- University Theater
- Warehouse



¹ <http://www.dir.ca.gov/title8/6151.html>

How this grant will improve risk control efforts:

Project #2: Backsafe® FIT Injury Prevention Program

In an ongoing effort to reduce and eliminate back injuries on campus, we would like to provide the Backsafe® FIT Injury Prevention Program training to employees who are most likely to experience a back injury due to their job duties. Invited employee groups would include:

- Custodial
- Facilities Services Trades
- Grounds
- University Housing
- University Police
- University Theater
- Warehouse

This training has been successfully offered at the following CSU campuses:

- East Bay
- Long Beach
- Los Angeles
- San Marcos

The training workshops are customized based on the job tasks being performed by the employee groups. A combination of classroom instruction and hands on modules ensure that employees apply what they learn. The components of the Backsafe® FIT Injury Prevention Program include:

1. **Job Site Analysis/Pre-Assessment** – Thorough on-site observation, interviews, and surveys with employees as well as management.
2. **Design and customization of workshops** – Based on our pre-assessment, we design job specific workshops for each job description.
3. **Introduction** - Employees come to understand the personal benefits of the program and become motivated to learn from the FIT Injury Prevention Specialist.
4. **The Theory Module** - Via our job specific Backsafe® theory module employees learn how to properly use their bodies while at work and at home.
5. **Backsafe 3-minute workout®** - Employees are taught how to perform non-strenuous stretches for before and during shifts, to prepare themselves for work and for relieving physical stress throughout their day.

6. **Obstacle Course Participation** - This is a main focus of our program and is where poor biomechanics are corrected and replaced with techniques that apply to work and at home activities. Real life activities are practiced and drilled to ensure all employees can go back to work knowing how to perform their jobs more safely.
7. **Questions and answers** – Opportunity for employees to clarify and assimilate the information they have just received.
8. **Quality Control** – Course Evaluations are completed to ensure each employee experienced the benefits of the program.
9. **Commitment** – Employees confirm what they have learned and commit to start using this information for their own personal benefits.

Backsafe® Injury Prevention Specialists (IPS)

All FIT Injury Prevention Specialists are Physical Therapists or Doctors of Chiropractic that are experts in the musculoskeletal system. The IPSs go through a comprehensive credentialing and certification regimen to ensure that the Backsafe® workshops are performed with the utmost professionalism and customization.

Each workshop takes approximately two hours.



How this grant will improve risk control efforts:

Project #3: Supplemental Safety Training Material

Very little printed safety material is handed out to our employees during new employee orientation and/or regular safety training. Directing employees to a website to obtain safety material isn't always a solution for those that don't regularly use or are assigned a computer. The supplemental safety training material will be included in new employee orientation packets, provided to employees who may have had a work related incident/near miss and to supplement classroom safety training. Safety material topics would include but not be limited to the following:

Topic	Target Audience
Arranging Your Workstation to Fit You Ergonomics	Office employees New Employees Employees who request a workstation evaluation
Bloodborne Pathogens	Athletics Custodial Student Health Center University Police
Fire Safety	Employees participating in fire extinguisher training EOC Team Members Floor Wardens New Employees University Police
Hand and Power Tool Safety	Art Studios Facilities Services University Housing University Theater
Lockout/Tagout	Facilities Services University Theater
Personal Protective Equipment	Art Studios Facilities Services University Housing University Theater
Safe Lifting	Facilities Services Receiving Warehouse University Housing University Police University Theater



How this grant will improve risk control efforts:

Project #4: Software to Enhance the Development of Safety Training Presentations

The Articulate Studio Pro suite is a fast and easy way to create safety training presentation-based e-learning by transforming PowerPoint slides into an online course.

Articulate Studio Pro will allow PowerPoint safety presentations to become interactive and uploaded to the Skillport Learning Management System (LMS). Custom content can be created for CSUDH specific safety areas including Small Cart Training, Protecting Minors on Campus and Safety Tips while Traveling Abroad. Employees would be able to take the interactive training, on demand through CSU's Skillport LMS.

The Chancellor's Office and other CSU campuses use Articulate programs. Features of the software include:

PowerPoint Authoring

Ability to transform PowerPoint slides into presentation-based courses. Articulate Presenter '13 makes it even easier to author online courses, quizzes, and form-based interactions in the familiar PowerPoint environment.

Audio and Narration

Narration and sound can be added to slides by importing audio, or simply recording directly into Presenter. The built-in editor allows the ability to edit audio files.

Video

Ability to import and/or record video from a webcam or embed it from websites such as YouTube. The video editor in Presenter allows videos to be cropped and trimmed. A watermark or logo can also be added.

Quizmaker Quizzes

Quizmaker can create quizzes, surveys, and other assessments, including drag-and-drop questions.



Project #1 will ensure compliance with Cal/OSHA regulations by providing more employees to be trained in the use of portable fire extinguishers on campus on an annual basis. Having a campus training system, will reduce the overall training costs by eliminating the need to have an outside vendor provide training to the campus. Regular training will be scheduled to allow new employees and those that haven't received training to participate.

Project #2 will assist in providing training to employees who have the greatest potential to experience a work related back injury. Proper techniques will be explained and taught. A combination of classroom instruction and hands on modules ensure employees apply what they learn.

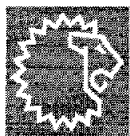
Project #3 will provide additional training materials to employees. Employees will have a "take away" from new employee orientation or safety training. The written material will serve as a safety reminder and supplement classroom training.

Project #4 will allow the campus to enhance safety presentations and upload them to the learning management system. If an employee misses a safety class or desires to increase their safety awareness the presentations will be available to them on demand.

Thank you for your consideration of the innovative projects for the California State University, Dominguez Hills campus.



Project #1
BullEx Intelligent Training System



BullEx

20 Corporate Circle
Albany, NY 12203
Ph. 518-689-2023
Fx. 518-689-2034

Quote

Quote Number:	88030
Date:	04/08/2016
Sales Person:	CJ Heinbach
Valid Until:	05/09/2016
Terms:	Net 30 Days

Bill To:	Ship To:	Contact:
CSU Dominguez Hills 1000 East Victoria Street Carson CA 90747 US	CSU Dominguez Hills 1000 East Victoria Street Carson CA 90747 US	Jeff Wood 310-243-2895

Quantity	Part Number	Product	Unit Price	Ext. Price
1	ITS004ATP	Intelligent Training System Trainer's Package Intelligent Training System Base Unit (4) SmartExtinguishers (choice of 7x or 5x sizes) Handheld Controller Sensor Guard Controller Cable Power Cable Propane Supply Kit Recharge Accessories Battery Power Pack (22 Amp hr) I.T.S. Transport Case Two SmartExtinguisher Carrying Cases (holds a total of four SmartExtinguishers) Air Compressor (6 Gal, 1.5 HP) w/ Accessories 2 Tamper Seal Packets (1,000) Tools required for cleaning and adjusting ITS Aluminum clipboard for safekeeping of training materials User Manual	\$7,600.00	\$7,600.00

Sign to Place Order X: _____

Date: _____

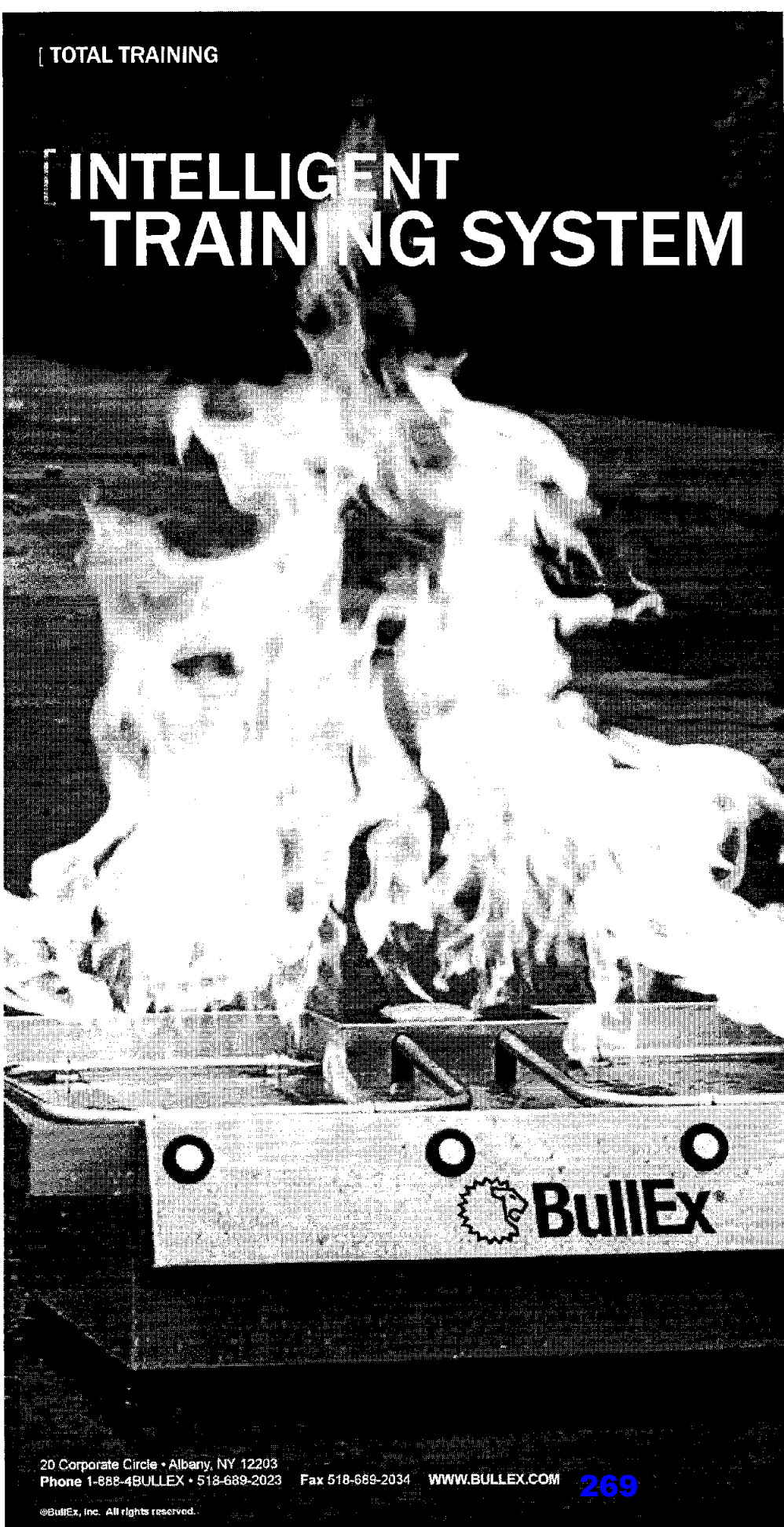
Grand Total		Subtotal:	\$7,600.00
Currency:	U.S. Dollar	Tax:	\$0.00
Tax Rate:	0.00%	Shipping & Handling:	\$323.12
Shipping Provider:	UPS Ground	Total:	\$7,923.12

Warranty Terms: The warranty covers all part defects in material or workmanship for a period of one year from date of purchase unless otherwise specified. The customer will be responsible for return shipping to nearest BullEx facility or replacing parts supplied by BullEx. The warranty does not cover damage caused by accident, neglect, or misuse by the client or its agents, servants or employees. Standard warranty excludes batteries and battery packs which have a 90 day warranty.

Payment Terms: A penalty of 1.5% per month will be charged on any invoices not paid within 30 days. Customers are responsible for all duties, taxes, and customs charges. All payments must be in US Dollars. BullEx Inc. is not responsible for any currency exchange differences. All orders will be invoiced and/or charged on the day in which the order is shipped. Terms on BullEx, Inc. quotes supersede any terms and conditions on a customer purchase order. Customer agrees to fully comply with U.S. Export Administration Regulations and all other U.S. laws and regulations concerning exports and re-exports to foreign countries.

[TOTAL TRAINING

INTELLIGENT TRAINING SYSTEM



LIVE FIRE EXTINGUISHER TRAINING SYSTEM

Through the use of innovative, patented technology, the **Intelligent Training System (I.T.S.)** provides clean, safe and cost effective extinguisher training. The **Intelligent Training System** senses where the trainee aims and sweeps the **SmartExtinguisher®** and varies the flames automatically, putting the fire out only when the extinguisher is used correctly. The **SmartExtinguishers** are recharged quickly and easily with only compressed air and water.

[INTELLIGENT TRAINING SYSTEM FEATURES

CLEAN

Eliminates the discharge of any dry-chemical or CO₂ extinguishants. I.T.S. utilizes clean burning propane.

SAFE

Has sensors that automatically shut off the flames if the system is bumped, knocked or set up improperly. Flames go out instantly when the safety switch is released.

COST EFFECTIVE

In many cases, organizations can save more than the cost of a training system in the first year alone. Quick recharge air/water training extinguishers plus reduced set-up and clean-up times mean you can train more people in less time.

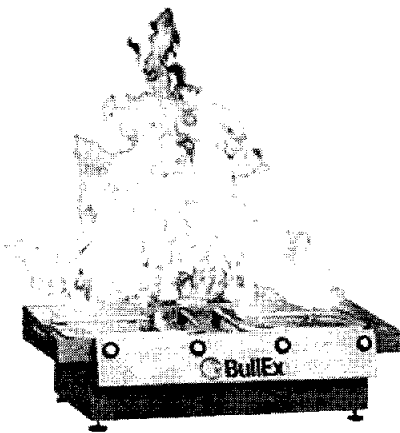
REALISTIC

Provides an effective and engaging training experience.

OVER >>

[INTELLIGENT TRAINING SYSTEM ADVANTAGES

- Safely train to OSHA requirements.
- Makes training easy and reduces costs significantly with BullEx's rechargeable training extinguishers.
- Grades users making it easy to monitor improvement and proficiency.



② FIND OUT WHY

THOUSANDS OF CORPORATIONS, UNIVERSITIES, HOSPITALS, FIRE DEPARTMENTS, AND GOVERNMENT AGENCIES ARE USING BULLEX SIMULATORS. FOR A DEMONSTRATION VIDEO AND MORE INFORMATION:

④ CALL 1-888-4BULLEX / 518-689-2023

④ ONLINE at WWW.BULLEX.COM

- ① I.T.S. responds directly to the trainee's actions
- ② SmartExtinguishers are quickly and easily recharged in the field
- ③ I.T.S. is lightweight and easy to transport
- ④ Clean, safe and cost effective extinguisher training



270

Phone 1-888-4BULLEX • 518-689-2023 | Fax 518-689-2034 | WWW.BULLEX.COM

20 Corporate Circle • Albany, NY 12203

©Bullex, Inc. All rights reserved.

INTELLIGENT TRAINING SYSTEM™ [BASE PACKAGE]

P/N: ITS004A • PRICE: \$4,995.18



A INTELLIGENT TRAINING SYSTEM (I.T.S.) BASE UNIT

The Intelligent Training System (I.T.S.) live fire extinguisher training simulator senses where the user aims and sweeps the air/water SmartExtinguisher® and automatically varies the flames in response. The system's rugged, non-corrosive stainless steel construction makes it highly portable.

B 7X SMARTEXTINGUISHER

Red, rechargeable training extinguisher with pressure gauge and Schrader recharge valve. Discharges seven times before requiring a water refill. Custom colors available.

C HANDHELD CONTROLLER & CONTROLLER CABLE

Start and stop training evolutions, select class of fire to simulate and change fire difficulty settings. Includes an LCD display that shows the status of the system and the trainee's score. Connects to I.T.S. via a cable with locking connectors.

D POWER CABLE

This yellow 12V DC power cable plugs into any standard 12V outlet.

E PROPANE SUPPLY HOSE

Propane supply hose with quick disconnect fittings and propane regulator. Connects directly to a standard 20 lb. propane tank.

F RECHARGE KIT

Funnel, measuring cup and air chuck are included to recharge the SmartExtinguishers with air and water.

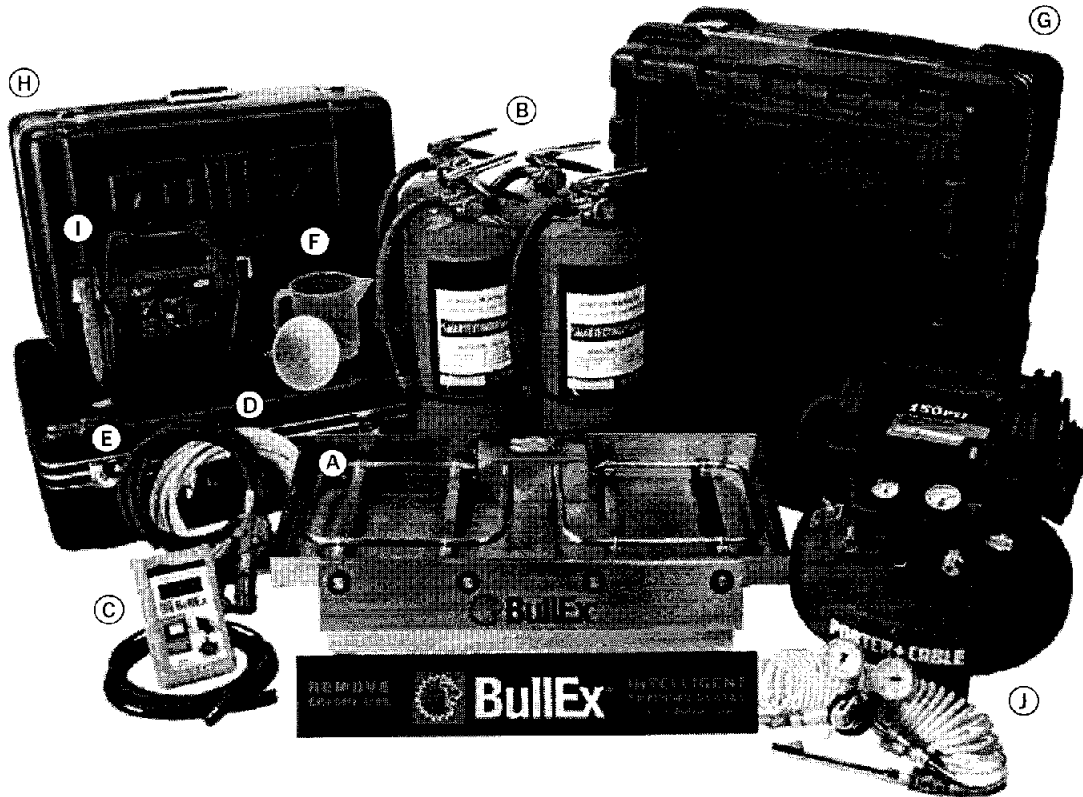
G CARRYING CASE

Foam-lined carrying case for handheld controller, cables, measuring cup, funnel and air chuck.

- 12V DC POWER CABLE
- PROPANE SUPPLY HOSE
- PROPANE REGULATOR
- RECHARGE KIT
- CARRYING CASE

INTELLIGENT TRAINING SYSTEM™ [TRAINER'S PACKAGE]

P/N: ITS004ATP • PRICE: \$7,600



A INTELLIGENT TRAINING SYSTEM (I.T.S.) BASE UNIT

The Intelligent Training System (I.T.S.) live fire extinguisher training simulator senses where the user aims and sweeps the air/water SmartExtinguisher and automatically varies the flames in response. The system's rugged, non-corrosive stainless steel construction makes it highly portable.

B FOUR 7X SMARTEXTINGUISHERS

Red, rechargeable training extinguishers with pressure gauge and Schrader recharge valve. Discharge seven times before requiring a water refill. Custom colors available.

C HANDHELD CONTROLLER & POWER CABLE

Start and stop training evolutions, select class of fire to simulate and change fire difficulty settings. Includes an LCD display that shows the status of the system and the trainee's score. Connects to I.T.S. via a cable with locking connectors.

D POWER CABLE

This yellow 12V DC power cable plugs into any standard 12V outlet.

E PROPANE SUPPLY KIT

Propane supply hose with quick disconnect fittings and propane regulator. Connects directly to a standard 20 lb. propane tank.

F RECHARGE ACCESSORIES

Funnel, measuring cup and air chuck are included to recharge the SmartExtinguishers[®] with air and water.

G TRANSPORT CARRYING CASE

This industrial grade, high impact plastic case can be used to quickly and easily transport I.T.S. to and from various sites to conduct training. Includes a retractable pull handle and built-in wheels. Locking latches provide safe and secure storage when not in use.

TRANSPORTS: I.T.S. Base Unit, handheld controller and cable, power cable, propane supply kit and recharge accessories.

H TRANSPORT CARRYING CASE FOR TWO EXTINGUISHERS

Foam-lined industrial grade carrying case for two extinguishers (any combination of 5X or 7X SmartExtinguishers). Locking latches provide safe and secure storage when not in use.

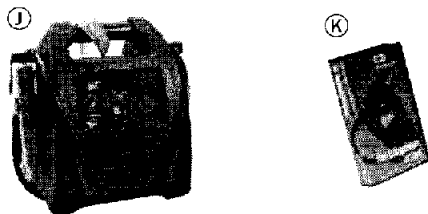
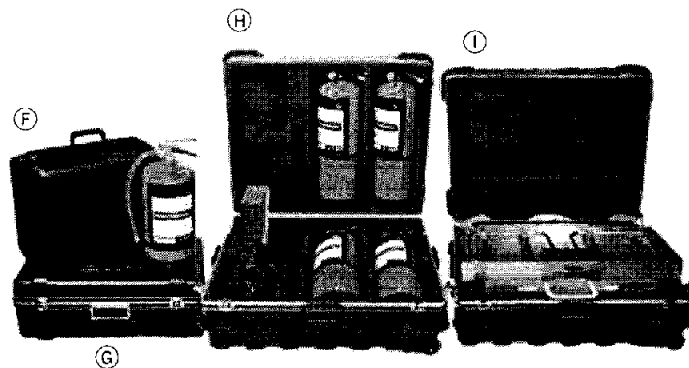
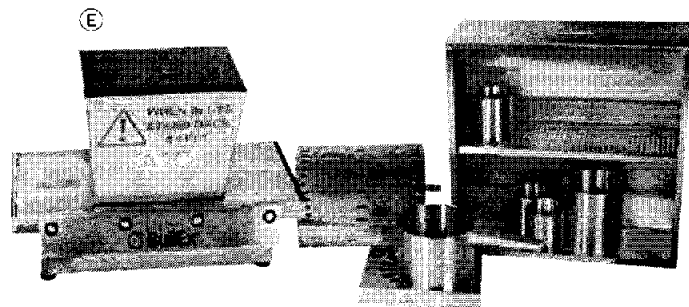
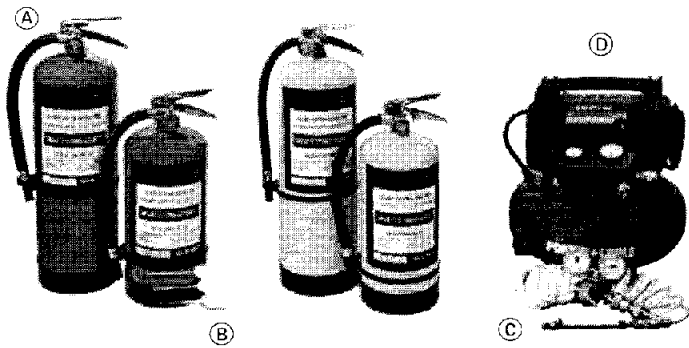
I EXTERNAL BATTERY POWER PACK

Power your extinguisher training system with this external battery power pack.

J CHARGE AND RECHARGE SMARTEXTINGUISHERS FROM AN SCBA TANK

Recharge SmartExtinguishers from an SCBA tank (2,216 or 4,500 PSI) with this premium brass, high pressure regulator assembly which includes brass fittings and a high quality coiled air hose. Or — choose a six gallon air compressor with a maximum of 150 PSI which ships with a premium air hose and brass fitting kit.

- Includes a 100-page manual and a 100-page Training CD
- Includes a 100-page manual and a 100-page Training CD



LIVE FIRE RECOMMENDED ACCESSORIES

- A** **RECHARGEABLE TRAINING EXTINGUISHERS** - P/N: 10101 • PRICE: \$149.95
 Rechargeable training extinguishers with pressure gauge and Schrader recharge valve.
 Discharges five times before requiring a water refill. Custom colors available.
 Discharges seven times before requiring a water refill. Custom colors available.
- B** **EXTINGUISHER TAMPER SEALS** - P/N: 10101 • PRICE: \$49.95
 Lock your extinguisher handles in place for a realistic training experience with these tamper seals (500 per package).
- C** **AIR REGULATOR KIT** - P/N: 10101 • PRICE: \$520.52
 Recharge SmartExtinguishers from an SCBA tank (2,216 or 4,500 PSI) with this premium brass, high pressure regulator assembly. Includes brass fittings and a high quality coiled air hose.
- D** **AIR COMPRESSOR** - P/N: 10101 • PRICE: \$360
 Six gallon air compressor with a maximum of 150 PSI which ships with a premium air hose and brass fitting kit.
- E** **PROP ASSEMBLY** - P/N: 10101 • PRICE: \$895
 Additional stainless steel props for use with the I.T.S. Xtreme™ training system to simulate different fire scenarios. A trash can (Class A), stove top (Class B), paint locker (Class B) and motor (Class C) prop are available.
 Class A Prop - Trash Can - P/N: PX01A • PRICE: \$795
 Class B Prop - Stove Top - P/N: PX01B • PRICE: \$795
 Class B Prop - Paint Locker - P/N: PX02B • PRICE: \$895
 Class C Prop - Motor - P/N: PX01C • PRICE: \$795
- F** **FOAM-LINED CARRYING CASE** - P/N: 10101 • PRICE: \$94.85
 Foam-lined carrying case for handheld controller, cables, measuring cup, funnel and air chuck.
- G** **FOAM-LINED INDUSTRIAL GRADE CARRYING CASE** - P/N: 10101 • PRICE: \$179.85
 Foam-lined industrial grade carrying case for two extinguishers (any combination of 5X or 7X SmartExtinguishers). Locking latches provide safe and secure storage when not in use.
- H** **WHEELED CARRYING CASE** - P/N: 10101 • PRICE: \$299.85
 This industrial grade, high impact plastic wheeled case can be used to conveniently transport four extinguishers (any combination of 5X or 7X SmartExtinguishers), a battery pack, toolbox and aluminum clipboard. Locking latches provide safe and secure storage when not in use.
- I** **INDUSTRIAL GRADE WHEELED CARRYING CASE** - P/N: 10101 • PRICE: \$379.85
 This industrial grade, high impact plastic case can be used to quickly and easily transport I.T.S. / I.T.S. Xtreme to and from various sites to conduct training. Includes a retractable pull handle and built-in wheels. Locking latches provide safe and secure storage when not in use.
TRANSPORTS: I.T.S. / I.T.S. Xtreme Base Unit, handheld controller and cable, power cable, propane supply kit and recharge accessories.
- J** **EXTERNAL BATTERY POWER PACK** - P/N: 10101 • PRICE: \$179.85
 Power your extinguisher training system with this external battery power pack.
- K** **PRESENTATION** - P/N: 10101 • PRICE: \$429.50 / \$469.50
 This presentation draws on the requirements in NFPA 10: Portable Fire Extinguishers, the Standard referenced by OSHA in developing its regulations. Covers everything from portable extinguisher basics to advanced strategies for workers in industrial environments. (17 min.)
 VHS P/N: NFPA01V • PRICE: \$429.50 • DVD P/N: NFPA02D • PRICE: \$469.50

*ADDITIONAL ITEMS SHOWN NOT INCLUDED.

NFPA® IS A REGISTERED TRADEMARK OF THE NATIONAL FIRE PROTECTION ASSOCIATION, INC.

273



Bullex

WWW.BULLEX.COM
 20 Corporate Circle • Albany, NY 12203 USA
 1-888-4BULLEX • 1-518-689-2023

LIVE FIRE [OPTIONAL SERVICE PACKAGES — 001

■ STANDARD CONTRACT — \$185.00/YR

- Once yearly preventative maintenance of your BullEx product. See **TABLE 1** for all service items included in maintenance.
- The cost to ship and pack the unit from BullEx to the customer (via UPS ground within the continental US).
- A 25% discount on all additional parts not included in the annual preventative maintenance. See **TABLE 2** for more detailed part pricing.
- This contract can be purchased any time. If more than two months has elapsed since the end of the warranty period, the annual maintenance needs to be performed within two weeks of the contract purchase date.

■ STANDARD PLUS CONTRACT — \$545.00/YR

- The cost to ship the unit from the customer to BullEx (via UPS ground). (*Packing materials not included.*)
- Once yearly preventative maintenance of your BullEx product. See **TABLE 1** for all service items included in maintenance.
- The cost to ship and pack the unit from BullEx to the customer (via UPS ground within the continental US).
- A 25% discount on all additional parts not included in the annual preventative maintenance. See **TABLE 2** for more detailed part pricing.
- This contract can be purchased any time. If more than two months has elapsed since the end of the warranty period, the annual maintenance needs to be performed within two weeks of the contract purchase date.

■ AVAILABLE MULTI-YEAR DISCOUNTS

- 5% discount for two (2) year contracts.
- 10% discount for three (3) year and four (4) year contracts.
- 15% discount for a five (5) year contract.



BullEx[®]

WWW.BULLEX.COM
20 Corporate Circle • Albany, NY 12203 USA
1-888-4BULLEX • 1-518-689-2023

TABLE 1. INTELLIGENT TRAINING SYSTEM ANNUAL PREVENTATIVE MAINTENANCE PRICING

Description	With Contract	Without Contract Pricing*
Visual Inspection	Included	\$0.00
New Pilot Assembly	Included	\$110.32
New Electrode Sparker	Included	\$29.80
Proportional Control Valve Cleaning/Replacement	Included	\$75.00/\$500.00
Code Upgrade (if applicable)	Included	\$98.00
Complete System Leak Test	Included	\$50.00
Diagnostic Test	Included	\$25.00
Functionality and Quality Testing	Included	\$50.00
General System Cleaning	Included	\$25.00
Shipping TO** and FROM BullEx	Included	\$100.00-\$200.00 (depending on location)

*Includes BullEx labor rate of \$55.00 per hour.

**Shipping to BullEx included with purchase of Standard Plus Contract or first service of the Premium Contract.

TABLE 2. REPLACEMENT PART PRICING

Part***	Replacement Price (Includes Labor)	Standard Contract Price
Electrode Sparker	\$29.80	\$0.00
Pilot w/Thermocouple	\$110.32	\$0.00
Proportional Control Valve	\$250.00	\$0.00
Pilot Solenoid	\$145.00	\$108.75
Electronics Box	\$900.00	\$525.30
Set of Transducers (4)	\$100.00	\$25.00
Burner Set	\$97.87	\$73.40
Sensor Shield	\$39.00	\$29.25
Controller Cable	\$110.00	\$82.50
Power Cable	\$125.00	\$93.75
Propane Hose	\$220.83	\$165.62
Controller	\$750.00	\$427.30
Burn Box Sheet Metal	\$356.00	\$356.00
Bottom Box Sheet Metal	\$375.00	\$375.00

***Any additional item not listed will be discounted 25% with purchase of Standard or Standard Plus Package.



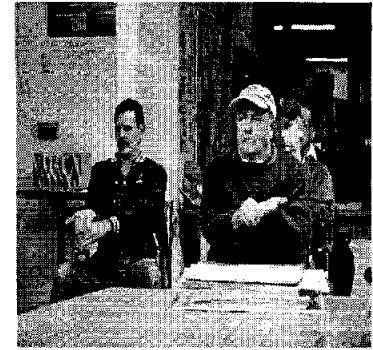
BullEx

WWW.BULLEX.COM
20 Corporate Circle • Albany, NY 12203 U.S.A.
1-888-4BULLEX • 1-518-689-2023



Project #2

Backsafe® FIT Injury Prevention Program



FIT's Injury Prevention Programs

Backsafe® and **Sittingsafe®** and Sittingsafe are Injury Prevention Programs that address workplace musculoskeletal disorders (MSD's). Sittingsafe is a practical office ergonomic workshop that teaches people how to modify any workstation in the world specifically for their body; and how to perform simple yet powerful stretches to relieve physical discomfort.

Backsafe, the subject of this proposal, is our sprain/strain injury prevention workshop for non-office job descriptions and customized for various jobs including custodial, trades, and grounds.

FIT has trained over 1 million employees over the last 24 years with significant experience within the CA university systems. FIT has a master agreement with CSU and UC that provides all campuses the benefit of our most favorable pricing as is quoted below.

We have conducted successful injury prevention training at CSU Long Beach, CSU San Marcos, CSU Los Angeles, CSU East Bay, UC Merced, UC Office of the President, UC San Diego, and other universities and campuses.

Our history of success is based on a unique training methodology. All Backsafe customized workshops include experiential training based on the employees' personal job tasks. By combining theory with practical hands-on modules we ensure that employees learn and can apply techniques vital for on the job and at home activities. Employees understand they can be responsible for their own well-being and willingly begin applying the Backsafe principles into their daily living activities.

The components of the Backsafe workshop include:

1. **Job Site Analysis/Pre-Assessment** – Thorough on-site observation, interviews, and surveys with employees as well as management.
2. **Design and customization of workshops** – Based on our pre-assessment, we design job specific workshops for each job description.
3. **Introduction** - Employees come to understand the personal benefits of the program and become motivated to learn from the FIT Injury Prevention Specialist.

4. **The Theory Module** - Via our job specific Backsafe theory module employees learn how to properly use their bodies while at work and at home.
5. **Backsafe 3-minute workout®** - Employees are taught how to perform non-strenuous stretches for before and during shifts, to prepare themselves for work and for relieving physical stress throughout their day.
6. **Obstacle Course Participation** - This is a main focus of our program and is where poor biomechanics are corrected and replaced with techniques that apply to work and at home activities. Real life activities are practiced and drilled to ensure all employees can go back to work knowing how to perform their jobs more safely.
7. **Questions and answers** – Opportunity for employees to clarify and assimilate the information they have just received.
8. **Quality Control** – Course Evaluations are completed to ensure each employee experienced the benefits of the program.
9. **Commitment** – Employees confirm what they have learned and commit to start using this information for their own personal benefits.

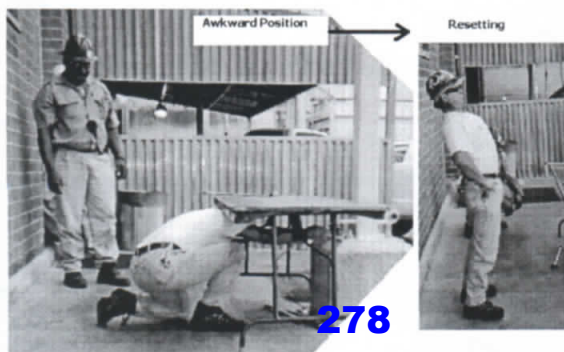
Backsafe Injury Prevention Specialists (IPS)

All FIT Injury Prevention Specialists are Physical Therapists or Doctors of Chiropractic that are experts in the musculoskeletal system. Our IPSs go through a comprehensive credentialing and certification regimen to ensure that our Backsafe and Sittingsafe workshops are performed with the utmost professionalism and customization.

Each workshop takes approximately two hours. Each workshop has a minimum of 15 and up to a maximum 20 employees.

CSU PRICING

\$65 per person includes the on-site assessment; workshop customization; 2-hour workshop; training materials; and Quality Control follow-up. Material shipping, CA sales tax on materials only and a mileage fee is additional and for up to 100 people these combined costs would be no more than \$300.





Project #3
Supplemental Safety Training Material

PRICING

Minimum Quantity	Price Per Copy
10-240	\$0.60
250-490	\$0.50
500+	\$0.45

DETAILS

FEATURES

Making Your Space Work for You.

Our single-subject brochures:

- are easy to incorporate into everyday life
- address important safety issues
- are quick to read
- and simple to understand

LANGUAGE

Available in  English

TOPICS

- Ergonomics defined
- Checklist for a workstation that fits
- Tips for improving sitting posture
- Don't ignore these symptoms
- Stretches to keep your body strong, flexible and healthy
- Ergonomic practices everyone needs
- Protect your back
- Watch out for eyestrain

CUSTOMIZATION

One of the least expensive, yet significant ways to convey your company's sense of image. Make your company name, logo, url or special message visible for your employees or customers.

Related Products



Newsletters
TopHealth®
#THEP



Newsletters
TopSafety™
#TSEP



Kits & Journals
Healthy Life Kit
#KHW18011

WSXWEBXX



Personal Best is part of Ebix Health.

Ebix Health is a leading provider of consumer health information and benefits managementsolutions for some of the world's largest insurance carriers, third party administrators (TPAs) and self-administered organizations, benefits bokers, employers, healthcare organizations, and educational institutions.

[READ MORE](#)

EBIX, a leading international supplier of On-Demand software and E-commerce services to the insurance industry, Ebix, Inc., (NASDAQ: EBIX) provides end-to-end solutions ranging from infrastructure exchanges, carrier systems, agency systems and risk compliance solutions to custom software development for all entities involved in the insurance industry.

[READ MORE](#)

- [Request a Catalog](#)



Hand Safety

NEW PHOTO FORMAT!
Provides guidelines for keeping hands injury-free.
BSF19321



Head Protection

NEW PHOTO FORMAT!
Covers common causes of head injuries and how to avoid them.
BSF11121



Lung Protection

NEW PHOTO FORMAT!
Increases awareness of occupational lung disease and measures to prevent it.
BSF11221



Emergencies and What to Do

NEW PHOTO FORMAT!
Promotes awareness of common emergencies and how to respond.
BSF10521



Put Safety First

NEW PHOTO FORMAT!
It's Your Responsibility
BSF19121



Fitness at Work

NEW PHOTO FORMAT!
Try these workspace friendly fitness tips from our *Fitness at Work* brochure.
BSF00021



Fire Safety

NEW PHOTO FORMAT!
Safety initiatives targeted at the workplace & at home continue to be the key to fire safety. Protecting your body from head to toe consists of basic principles.
BSF00521



PPE Safety Head to Toe

NEW PHOTO FORMAT!
Protecting your body from head to toe consists of basic principles.
BSF10621



Watch Out



Make It Safe

NEW PHOTO FORMAT!
Stop slips, trips and falls.

BSF00421



Make It Safe

NEW PHOTO FORMAT!
Working Outdoors

BSF19021



Safe Lifting

NEW PHOTO FORMAT!
And Other Ways to Protect Your Back

BSF12521



21 Ways to Stop Incidents

NEW PHOTO FORMAT!
Before They Happen

BSF15521

NEW PHOTO FORMAT!
Working Outdoors

BSF190E1



Don't Take Chances

NEW PHOTO FORMAT!
Safe at Home

BSF13521

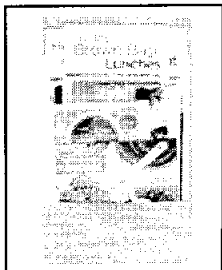


Eye Safety

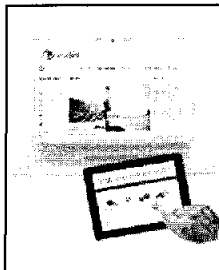
NEW PHOTO FORMAT!
Taking Care of Your Vision

BSF10821

Customer Favorites



Kits & Journals
Smart Steps to Nutrition Kit
#KHV20211



Newsletters
PersonalBest4 U Online
#4UEW

WSXWEBXX



Protect Your Back

Maintaining good posture ensures that your vertebrae are properly aligned. Your ears, shoulders and hips should be in a straight line. Without support from strong, flexible muscles, your back will begin to lose its natural alignment, which can lead to pain and strain.

Exercise strengthens your back as well as other muscles that support it. Try aerobics, walking and abdominal crunches.

It's also important to maintain a healthy weight. Excess abdominal weight can strain your lower back.



Lift It Right

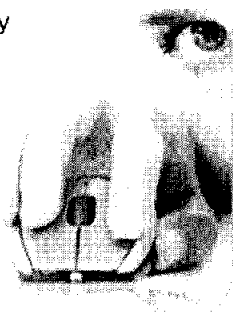
- Squat and get close to the load.
- Lift with your legs.
- Don't twist your back while carrying.
- If it's too heavy, get help.
- Never pick up objects, even light ones, by bending at the waist.



Watch Out for Eyestrain

Prolonged close work or computer viewing may not permanently damage your eyesight — but you may feel eyestrain. 8 smart moves:

1. Use adequate light for reading.
2. Close drapes or blinds to reduce glare.
3. Use a glare screen when possible.
4. Blink frequently to keep your eyes lubricated.
5. Clean your monitor screen.
6. Rest your eyes periodically by focusing on a distant object for a few seconds.
7. Increase the font size of your documents so they are easier to read.
8. Use a light screen with dark letters for contrast.



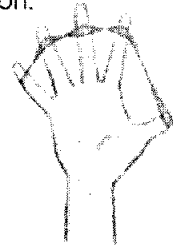
Stretches for the Working Stiff

Keeping your body flexible, strong and healthy means you're more resistant to work-related aches, pains and injury. You can do some easy stretches right at your workstation.

Smart moves:

■ FINGER FLEXER.

Twist a rubber band around all 5 fingers of one hand. Gently spread your fingers wide against the rubber band's resistance. Relax and repeat.



■ **BACK RELAXER.** Lower your head and slowly curl your spine forward toward the floor as far as you can. Hold for 10 seconds. Unwind slowly, allowing the spine to gently uncurl. Repeat several times a day.

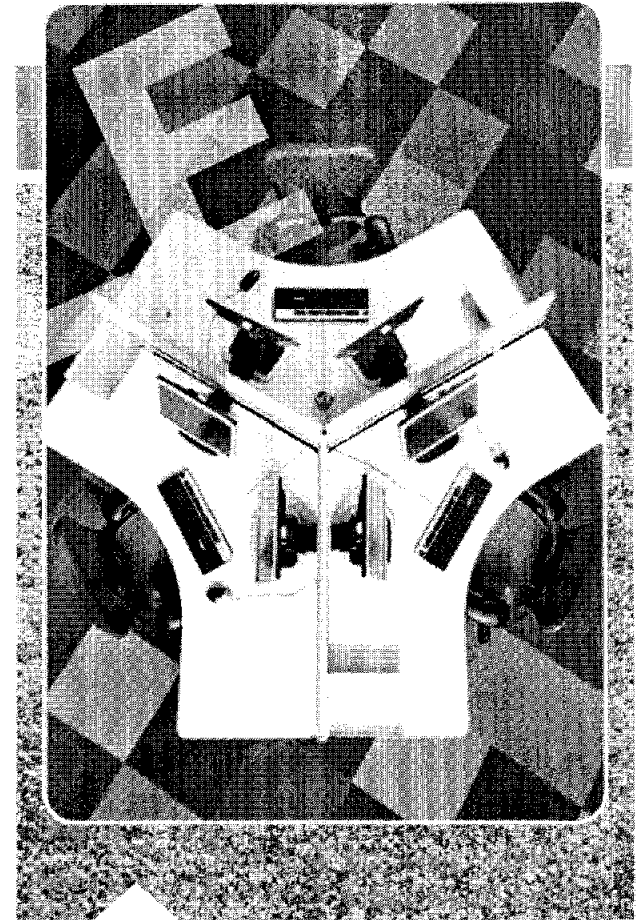
■ **NECK and SHOULDER STRETCH.** Tilt your head so your left ear is pointing toward your left shoulder and hold for a few seconds, then switch sides. Drop your chin toward your chest, then raise your head and look over each shoulder. Shrug your shoulders toward your ears and then release them.

■ **FEET and LEG FLEXER.** If you stand at work, raise yourself up on your toes for a few seconds and then lower back down. Lift each foot and circle the ankle a few times in each direction, and then flex and point your foot. Shake out your legs, and let your feet dangle loose.

Final thought: Applying ergonomics doesn't have to be complicated or costly — just paying attention to your body and not pushing beyond its limits will help you stay healthy and injury-free.

Ergonomics

Making Your Space Work for You



What Is Ergonomics?

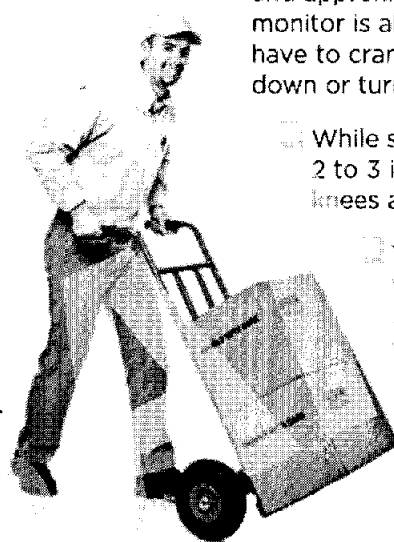
Ergonomics is the scientific study of how work affects the body. It simply means fitting the workspace and tools to the person doing the work.

An ergonomically friendly workstation improves comfort and can guard against muscle strain. For helpful how-tos, read on.



What You Can Do

- ✓ Adjust your chair, keyboard, mouse and monitor so they are positioned appropriately for you.
- ✓ Avoid overreaching and awkward working positions.
- ✓ Check your posture.
- ✓ Get 7 to 9 hours of sleep per night and reduce stress.
- ✓ Shift your position periodically and gently stretch.
- ✓ Use the right tools for the job.
- ✓ Exercise regularly.
- ✓ Don't ignore numbness or pain.



A Workstation That Fits

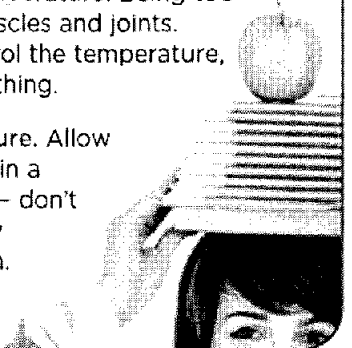
To improve comfort at your workstation, check the habits listed below that you can work on.

- ☐ Your chair is positioned so that your feet rest flat on the floor. If your chair does not have good low-back support, use a small cushion or rolled-up towel behind your lower back.
- ☐ Your keyboard and mouse are positioned so that your elbows fall comfortably at your sides at a right angle with forearms parallel to the floor and wrists straight.
- ☐ Your monitor is level with your line of vision and approximately at arm's length. The monitor is also angled so that you do not have to crane your neck up, tilt your head down or turn to the side to look at it.
- ☐ While sitting, you leave approximately 2 to 3 inches between the back of your knees and the edge of your seat.
- ☐ You rest your hands in your lap when you're not typing.
- ☐ Your desk accessories are within easy reach.

Ergonomics for Everyone

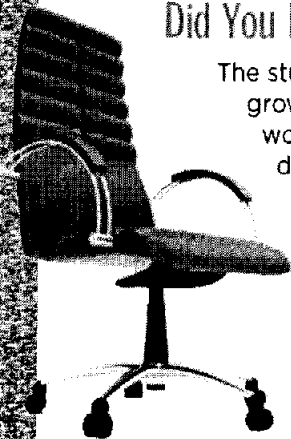
An ergonomic work environment can help you feel better, work more efficiently and avoid injury. Helpful hints for work and home:

- ✓ Keep tools in good repair. They can reduce strain on your muscles and joints.
- ✓ Use a better grip. Try to use a full-hand grip rather than a precision finger grip.
- ✓ Listen to your body. If you feel pain, numbness, stiffness or soreness in any body part, take it as a sign to adjust your work environment.
- ✓ Regulate the temperature. Being too cold stresses muscles and joints. If you can't control the temperature, wear layered clothing.
- ✓ Check your posture. Allow your spine to be in a natural position — don't sit or stand stiffly straight or slouch.



Did You Know?

The study of ergonomics has grown along with a rise in workplace musculoskeletal disorders (MSDs). MSDs refer to conditions that involve the nerves, tendons, muscles and supporting structures of the body. The neck, shoulders, elbows, hands, wrists and back are the areas most often affected.



Sitting Pretty

No other position pressures your back muscles and spine as sitting. Slouching in your chair — whether it's in a car, an airplane, a classroom, the office or your favorite recliner — can cause pain in the back, neck, shoulders, head and legs. Ease the strain with proper posture.

When sitting, keep your:

- Feet flat on the floor or resting on a footrest.
- Back flat against the chair's backrest with your lower back bolstered by a lumbar support or cushion.
- Head up, chin tucked in.
- Weight resting evenly on your upper thighs, to help support your spine.



Don't ignore these symptoms:

Pain when you grip things; numbness, tingling or a "pins and needles" feeling in one or both hands; dropping things or clumsiness when handling objects; persistent back pain or back pain that radiates down 1 or both legs; or other unusual sensations, particularly in the hands or wrists. If symptoms persist, see your health provider.



Project #4
Software to Enhance Safety Training
Presentations

Jeff Wood

From: Peter Anderson <panderson@articulate.com>
Sent: Tuesday, April 12, 2016 11:50 AM
To: Jeff Wood
Subject: Articulate pricing

Hi, Jeff -

Just wanted to get you the pricing for our different authoring tools, all of which will include our special 50% academic discount for you.

- Presenter by itself - \$349.50
- Studio Pro (which includes Presenter, Quizmaker, and Engage) - \$699
- Storyline 2- \$699

For a technical breakdown of the different tools, please see:

<https://www.articulate.com/support/storyline-2/comparing-articulate-storyline-and-articulate-studio-13>

Happy to help with any questions you have. And please let me know which tool you choose so I can get you the corresponding coupon code to purchase.

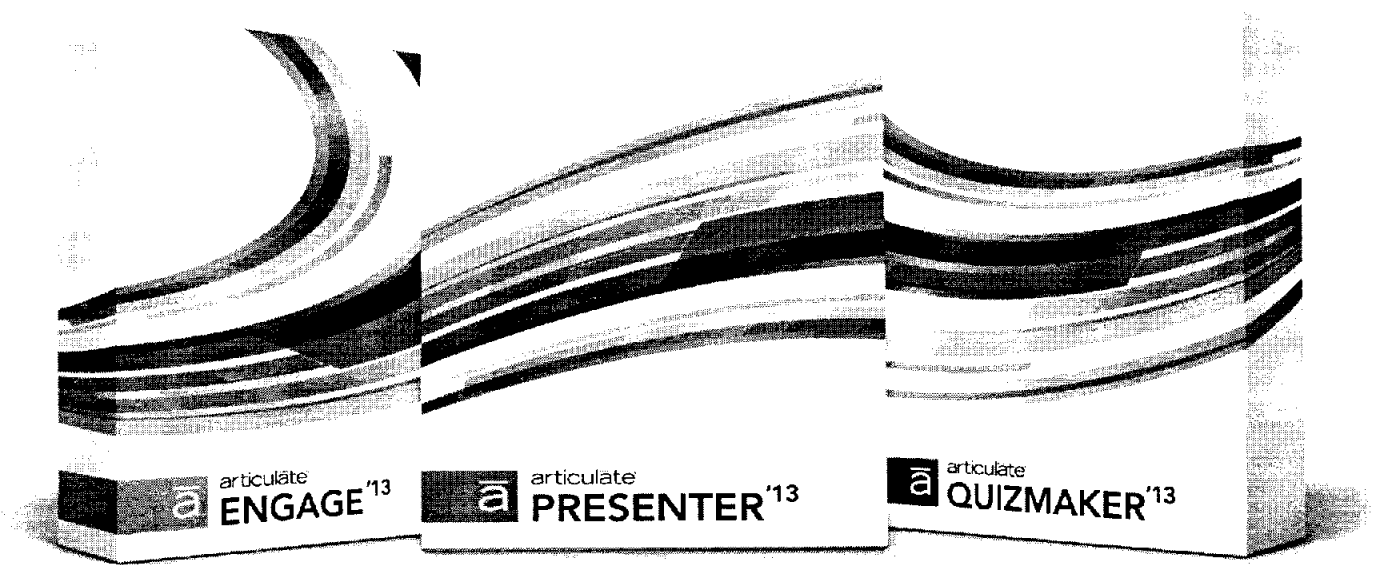
Have a great day!
Peter

Peter Anderson
Success Coach – Articulate Success Team
panderson@articulate.com - 800-861-4880

articulāte®

STUDIO '13

Author presentation-based e-learning in PowerPoint.



Create online and mobile courses with Articulate Studio, the standard in rapid authoring.

It's now easier than ever to rapidly create courses, quizzes, and other e-learning content with a tool you already know.

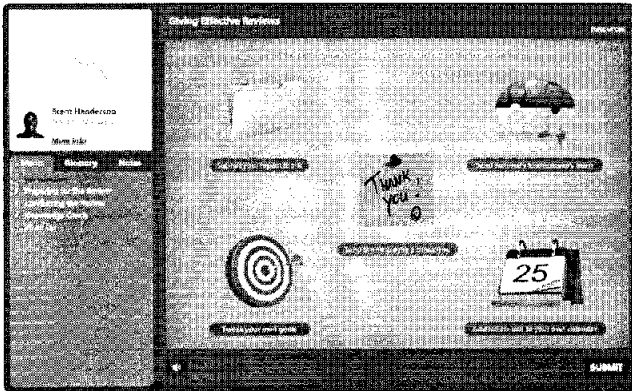


“Articulate Studio '13 and PowerPoint: an e-learning match made in heaven! I so love this new Studio!! LOVE IT, LOVE IT, LOVE IT!”

Jeff Kortenbosch, Rapid e-Learning Specialist, AkzoNobel | Serious Learning

Articulate Presenter '13

Articulate® Presenter '13 makes it even easier to transform PowerPoint slides into online courses.



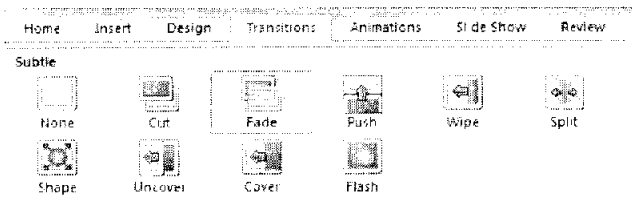
Use one set of navigation controls.

Articulate Presenter '13 shares a unified player with Articulate Quizmaker '13 and Articulate Engage '13, so learners can easily navigate using one set of controls.



Publish to HTML5, Flash, and mobile devices.

With a single click, publish to multiple formats so learners can interact with e-learning content on iPads, desktops, laptops, and other mobile devices.



Take advantage of PowerPoint transitions.

Articulate Presenter '13 supports the slide transitions you build in PowerPoint. Now you can make your Presenter slides fade, flip, dissolve, and more.



Add characters from an extensive library.

With just a few clicks, add realism to your courses with an extensive library of photographic and illustrated characters.

✓ 508

Section 508 Support

Deliver accessible content to learners with screen readers.



Turbo Publishing

Now you can publish your courses up to five times faster.



Localize Content

Translate Studio '13 content easily, even into right-to-left languages.

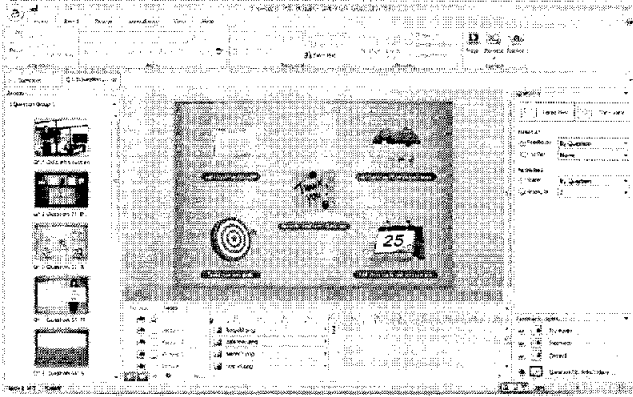


Export Narration

Create a single MP3 of course narration for learners on the go.

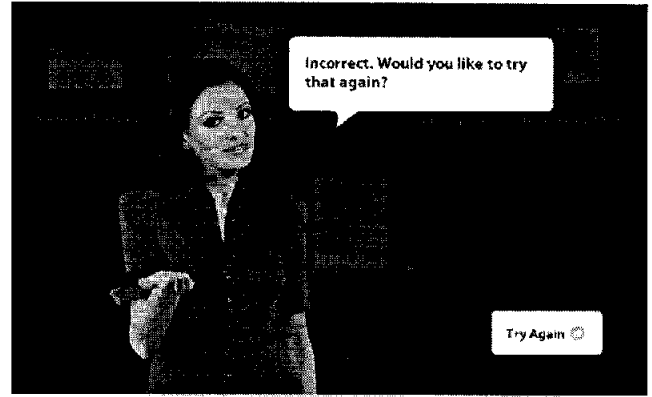
Articulate Quizmaker '13

With Articulate® Quizmaker '13, build assessments any way you want—faster than ever.



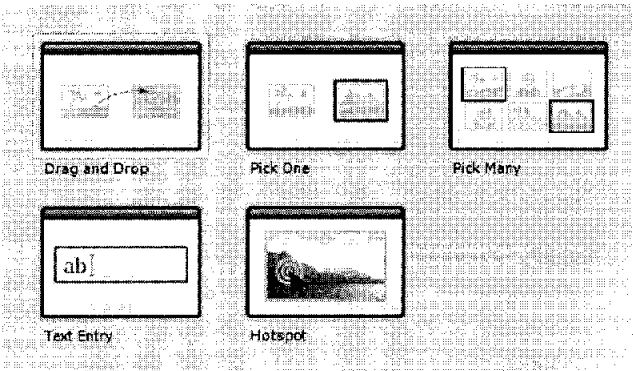
Create quizzes easily in a streamlined UI.

We've redesigned the user interface to cut down on clicks. Now you can author quizzes in one window and use tabs to switch between questions quickly.



Give learners customized feedback.

Now you have a choice. Use default feedback layers or customize them any way you want. You can even add characters, images, or multimedia.

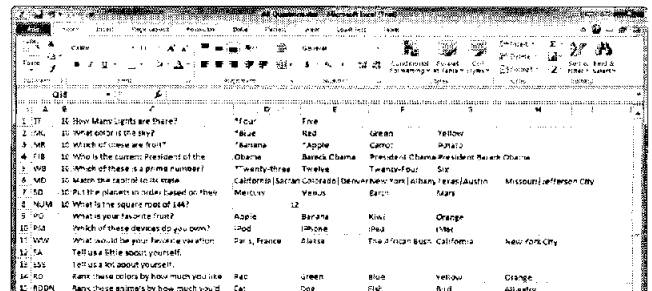


Build free-form and drag-and-drop questions.

Transform any objects on your slide into a free-form or drag-and-drop assessment with the new free-form question types in Articulate Quizmaker '13.

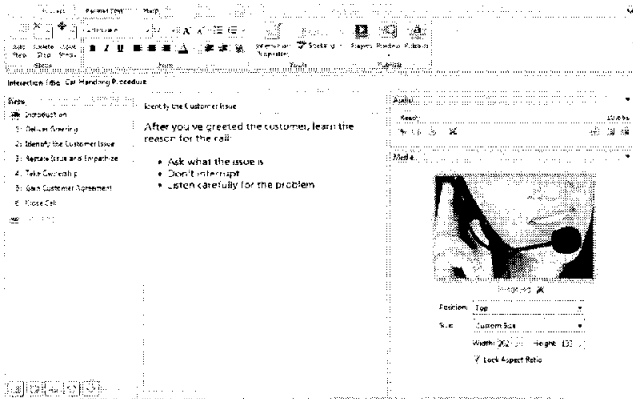
Import questions from Excel or text files.

Build assessments faster by using questions from a database or subject matter experts—just import them from an Excel or text file.



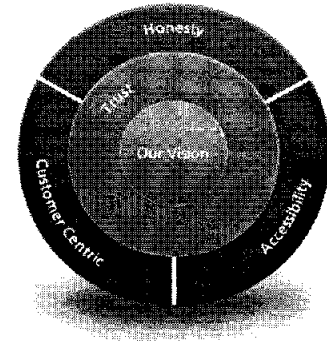
Articulate Engage '13

Experience more intuitive authoring—and more gorgeous interactions—with Articulate® Engage '13.



In this interaction, you'll learn the secret to Comstar's award-winning customer service: the Comstar Customer Service Model.

Click on the five segments to explore the model.



Build interactions faster in a streamlined UI.

We've made it even easier to create interactions. With the new user interface, you add text, multimedia, and images to your interaction in one highly simplified window.

Create even more beautiful interactions.

Every interaction in Articulate Engage '13 has been redesigned with a clean, modern look.

Take advantage of 10 new interactions.

Add even more variety to your e-learning content with 10 new interactions. Learners can tab through folders or content on an image, view content on bulletin boards, zoom on images, and more. You can even simulate an internet chat conversation.

- ✓ Accordion
- ✓ Bulletin Board
- ✓ Checklist
- ✓ Conversation
- ✓ Folders
- ✓ Image Zoom
- ✓ Labeled Panel
- ✓ Media Panel
- ✓ Quick Choice
- ✓ Tabbed Image



"Studio '13 is night and day compared to its previous version. Think about it: author in PowerPoint and publish to the iPad!"

Kevin Thorn, NuggetHead Studioz, Program Chair of The eLearning Guild's Learning Solutions Conference & Expo 2014

Learn more about Articulate Studio '13 at www.articulate.com/studio13.



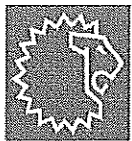
Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSU Est Bay		Date: 04-14-16
Contact: Donna Placzek	Phone: 510-885-2395	Email: donna.placzek@csueastbay.edu
Grant Requested for (please describe): Purchase of the Bullseye Fire Extinguisher Training system that utilizes a laser simulator to demonstrate and practice proper technique in extinguishing a fire. This system will be incorporated into fire extinguisher classroom training throughout the CSUEB community – staff, faculty, students. (See attached literature.)		
Planned Date of Purchase (Please attach cost estimate): 06/01/16	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): Actual cost is \$12,028.13. We are asking for \$6014.	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
Currently all fire extinguisher classes are held outdoors through the year due to the need of a fire source and hands-on demonstration. There are 3-4 classes a year. This would allow us to have more hands-on classes, have more classes indoors, and target the dorms. We can have demonstrations at events.		
Signature (VP- Business & Admin, or designee):  (Member submission only)		
Date: _____		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 5. Applications must be signed by the Campus VP of Business & Finance or designee. 6. Applications must be submitted during the same fiscal year that the project expense is incurred. 7. Applications must include supporting documents such as: <ol style="list-style-type: none"> a. detailed description of the proposed project b. anticipated timeline for completion of project c. estimated total cost for the proposed project 9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same. 		

10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or **rleong@alliant.com** if you have any questions.



BullEx

20 Corporate Circle
 Albany, NY 12203
 Ph. 518-689-2023
 Fx. 518-689-2034

Quote

Quote Number: 88096
 Date: 04/11/2016
 Sales Person: CJ Heinbach
 Valid Until: 05/11/2016
 Terms: Net 30 Days

Bill To:	Ship To:	Contact:
California State University, East Bay 25800 Carlos Bee Boulevard Hayward CA 94542 US	California State University, East Bay 25800 Carlos Bee Boulevard Hayward CA 94542 US	Ayesha Lee 510-885-4024

Quantity	Part Number	Product	Unit Price	Ext. Price
1	BE002	BullsEye Base Package- NEW The BullsEye digital fire extinguisher training system uses self-generating flames and a laser extinguisher to teach trainees how to properly extinguish incipient stage fires. The base package includes: - The BullsEye base unit - 5lb. laser extinguisher - Standard remote - Power supply - Extinguisher carrying case - Limited two year warranty - User Manual	\$9,895.00	\$9,895.00
1	BEE05 RF	5lb. BullsEye Laser Extinguisher - RF Laser-driven extinguisher which simulates a typical 5lb extinguisher.	\$900.00	\$900.00
1	BTC02	BullsEye Transport Case - New This high-impact plastic industrial grade transport case can be used to quickly and easily transport BullsEye to and from various training sites. Includes custom foam, wheels and lockable fasteners.	\$910.00	\$910.00

Grand Total		Subtotal:	\$11,705.00
Currency:	U.S. Dollar	Tax:	\$0.00
Tax Rate:	0.00%	Shipping & Handling:	\$323.13
Shipping Provider:	FedEx Ground	Total:	\$12,028.13

Warranty Terms: The warranty covers all part defects in material or workmanship for a period of one year from date of purchase unless otherwise specified. The customer will be responsible for return shipping to nearest BullEx facility or replacing parts supplied by BullEx. The warranty does not cover damage caused by accident, neglect, or misuse by the client or its agents, servants or employees. Standard warranty excludes batteries and battery packs which have a 90 day warranty.

Payment Terms:



Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: Humboldt State University		Date: 6/2/2015
Contact: Paul Vrabel & Sabrina Zink	Phone: 707-826-5711 707-826-3302	Email: Pzv1@humboldt.edu Smb73@humboldt.edu
Grant Requested for (please describe): The purchase of Laser-Driven Fire Extinguisher Training System which is time and cost effective training experience.		
Planned Date of Purchase (Please attach cost estimate): 6/5/15	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom):	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input checked="" type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
<p>The Laser-Driven Fire Extinguisher System would replace our current hands-on training portion of our current Fire Extinguisher Training. The current training performed here at Humboldt State involves the use of actual charged Fire Extinguishers, which need maintenance and refilled on a discharge basis. Training personnel can become limited due to number of extinguishers, dropping off and picking up extinguishers at a local provider, as well as cleaning up the extinguishing agent after the training occurs. Time and cost of this training system addition would be a great benefit for the Environmental Health and Safety department, but most importantly will be a more available resource to all HSU employees.</p> <p>The BullsEye Trainer's Package also comes with a 5 year warranty on the product. The whole system includes 2 rechargeable realistic Fire Extinguishers, a LED monitor to simulate a fire, an iPad Mini with technology to record training documentation, and a carrying case. The normal training process at HSU is anywhere from 10-20 employees at a time, with the BullsEye system we could train a few hundred employees at a time if necessary and those employees could have multiple opportunities putting out the simulated fire.</p> <p>Cal/OSHA requires documentation and employees be trained on an annual basis in Fire Extinguisher use, if they are expected to use extinguishers in the workplace setting. The recordkeeping can be maintained on a centralized source, the iPad and be uploaded to computers as needed. The recordkeeping could also allow HSU to send reminders or training notifications prior to a lapse of qualification.</p> <p>Training and recordkeeping are required by state and federal agencies, but the main idea of this system will be to help employees become comfortable with extinguishers in the workplace environment. Another benefit of the BullsEye would be physically bringing the system into each specific employee's normal work area for training. Custodian and office workers will normally be in the office environment if a fire were to break out, now we can set the system up in each of those locations, instead of strictly an outside environment.</p>		
Signature (VP- Business & Admin, or designee):  (Member submission only)		<i>ANGIE BLANKENEE</i> ACTING VP
Date: 7/16/15		

**Please submit your completed Grant Application to Rob Leong at:
(email) rleong@alliant.com or (fax) 415-874-4810**

1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects.
2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member.
3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year.
4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.



BullEx[®]

20 Corporate Circle Albany, NY 12203
Ph. 518-689-2023 Fx. 518-689-2034

Please Remit Payment to:
Bullex, Inc
L-3509
Columbus, OH 43260

Invoice Number: 75496
Date: 06/29/2015
Sales Person: CJ Heinbach
Purchase Order Num: 0001113333
Payment Terms: Net 30 Days

Bill To:	Ship To:	Contact:
Humboldt State University 1 Harpst St Attn: Accts Payable Arcata CA 95521 US	Humboldt State University 1 Harpst St Arcata CA 95521 US	Paul Vrable

RECEIVED
JUN 30 9 7 2015

Quantity	Part Number	Product	Unit Price	Ext. Price
1	BE002TP	BullsEye Trainer's Package - NEW The BullsEye digital fire extinguisher training system uses self-generating flames and a laser extinguisher to teach trainees how to properly extinguish incipient stage fires. The trainer's package includes: a BullsEye base unit, - Your choice of two BullsEye laser extinguishers (CHOICE IS 5lb and 10lb) - Standard remote - Power supply cable - Extinguisher carrying case - BullsEye transport case - iPad mini tablet control in a protective case with scenario customization and roster management software - NFPA Fire Extinguishers at Work DVD/VHS - Limited five year warranty - User manual	\$14,995.00	\$14,995.00
1		Summer Promotion 10% off all orders placed before June 30th, 2015.	(\$1,499.50)	(\$1,499.50)

Grand Total		Subtotal:	\$13,495.50
Currency:	U.S. Dollar	Tax:	\$0.00
Tax Rate:	0.00%	Shipping & Handling:	\$423.36
Shipping Provider:	UPS Ground	Total:	\$13,918.86

Please inspect product to ensure it is complete and is in working order. You must notify us of any order discrepancies or shipping damage within 30 days of receipt.

Warranty Terms: The warranty covers all part defects in material or workmanship for a period of one year from date of purchase unless otherwise specified. The customer will be responsible for return shipping to nearest BullEx facility or replacing parts supplied by BullEx. The warranty does not cover damage caused by accident, neglect, or misuse by the client or its agents, servants or employees. Standard warranty excludes batteries and battery packs which have a 90 day warranty.

Payment Terms:

Plus SALES TAX \$ 1217.90
TOTAL PAID \$ 15,136.76



California State University Risk Management Authority

Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSULB		Date: 12 April 2016
Contact: Peer Gerber	Phone: 562-985-8893	Email: Peer.Gerber@csulb.edu
Grant Requested for (please describe): Preventative office workstation ergonomic evaluations and guidance for new and existing employees by a private expert consulting firm		
Planned Date of Purchase (Please attach cost estimate): 01 July 2016	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$10,000	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input checked="" type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
<p>Mitigating Ergonomic Risks- CSULB will employ the services of Briotix to provide actionable intelligence to understand workplace injury risks, discomfort and lost productivity and the tools, products and programs to manage and mitigate those risks. Ergonomic evaluations will be performed on an individual basis and a detailed report will be generated to assist management in making proper modifications as necessary.</p> <p>Developing a Self-Help Culture- Technology-enabled services will be employed to reduce the cost of service provision and create a learning environment in which every employee is empowered to take responsibility for their own comfort in the workplace.</p> <p>In addition, Facilities Management employees will receive refresher Backsafe /Sitsafe training from a company that specializes in injury prevention by utilizing a wellness approach to reducing workers' compensation costs. This training program combines biomechanics, ergonomics, stretching and the behavioral sciences to help employees change their physical behavior on and off the job.</p>		
Signature (VP- Business & Admin, or designee): _____ (Member submission only)		
Date: <u>4/13/16</u>		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects.		

2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member.
3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year.
4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or **rleong@alliant.com** if you have any questions.

California State University Long Beach

Ergonomic Evaluations and Ergonomics Training Project

Project description:

1. CSULB will employ the services of Briotix to provide actionable intelligence to understand workplace injury risks, discomfort and lost productivity, and the tools, products and programs to manage and mitigate those risks.
2. CSULB will contract with Cardinus Risk Management to provide employees with an online ergonomic self-assessment resource capability with reporting features to EHS/Risk Management office.
3. Each new employee will receive a detailed ergonomics evaluation of his/her workstation by an expert ergonomics consulting firm. A detailed report will be generated with recommendations for improvement, such as modifying or replacing tools, equipment, chairs, computer accessories, etc.
4. New and existing Facilities Management personnel will receive refresher hands-on ergonomics training, including back safety, proper posture and proper lifting techniques in actual work environments, such as custodial, grounds and automotive workshops. This training will be provided to approximately 200 Facilities management trade shop employees by Future Industrial Technology (FIT), an expert consulting firm specializing in the prevention of work-related sprain/strain injuries

Anticipated timeline for completion: 01 July 2016- 30 June 2017

Estimated total cost: \$20,000



CALIFORNIA STATE UNIVERSITY
Monterey Bay
UNIVERSITY POLICE DEPARTMENT

CSUMB.EDU/POLICE

PHONE: 831-655-0268

FOR EMERGENCIES DIAL: 911

CSURMA/AORMA Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

1. Active Shooter Survival Video

The *Active Shooter Survival* awareness video was produced in collaboration with an alumni film production company to help prepare our campus community, faculty and staff members. The intention is to increase awareness, provide guidance and offer tips to survive an active shooter scenario, if one were to occur on campus. Currently, the University Police Department gives presentations to the various campus departments, by request, as well as to every new employee and this video will be used to supplement that training. Additionally, the video will be assigned through the *ilearn* learning management system to every incoming student during their on-boarding process as a required training prior to attending the University. Many of these students become employed at the University during their tenure. This video will not only increase awareness and provide an opportunity for our campus employees to be better prepared to survive an act of violence – but supplies general guidance for anyone who watches. The completed video can be viewed at <https://youtu.be/0NGBTdnRdQw>. This innovative video production has been shared with the entire CSU system and with our educational partners nationwide and can be used by other training purposes at no cost. We respectfully submit our request for matching funds for this product.



Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: California State University Monterey Bay		Date: 03/08/2016
Contact: Arianne Tucker	Phone: 831-582-4096	Email: atucker@csumb.edu
Grant Requested for (please describe): We are requesting matching funds for reimbursement for an awareness film. CSUMB's Police Department produced an active shooter survival video for the CSUMB community.		
Planned Date of Purchase (Please attach cost estimate): 09/17/2015	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$2,500	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input checked="" type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input checked="" type="checkbox"/> Other (please describe): Safety awareness public service announcement/short film	
Please describe how this will improve or enhance your risk control efforts:		
<p>The <i>Active Shooter Survival</i> awareness video was produced in collaboration with an alumni film production company to help prepare our campus community, faculty and staff members. The intention is to increase awareness, provide guidance and offer tips to survive an active shooter scenario, if one were to occur on campus. Currently, the University Police Department gives presentations to the various campus departments, by request, as well as to every new employee and this video will be used to supplement that training. Additionally, the video will be assigned through the <i>ilearn</i> learning management system to every incoming student during their on-boarding process as a required training prior to attending the University. Many of these students become employed at the University during their tenure. This video will not only increase awareness and provide an opportunity for our campus employees to be better prepared to survive an act of violence – but supplies general guidance for anyone who watches. The completed video can be viewed at https://youtu.be/0NGBTdnRdQw. This innovative video production has been shared with the entire CSU system and with our educational partners nationwide and can be used by other training purposes at no cost. We respectfully submit our request for matching funds for this product.</p>		
Signature (VP- Business & Admin, or designee): _____ (Member submission only)		
Date: 4/12/16		
Please submit your completed Grant Application to Rob Leong at: (email) rluong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 		

5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.

River Guys Productions

INVOICE

PO Box 152
Aromas, CA 95004

(831) 676-5814

SOLD TO:

CSU Monterey Bay
100 Campus Center
Seaside, CA 93955

INVOICE NUMBER | 26
INVOICE DATE | March 4, 2016
OUR ORDER NO. | 26
YOUR ORDER NO. | 26
TERMS | Net 30
SALES REP | Nick Fryou
SHIPPED VIA | Ground
F.O.B. |
PREPAID or COLLECT | COLL



QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
Active Shooter Video Invoice			
Production			
Shoot #1 @ Dispatch Center - 11/19/15			
	Nick: Directing, Cinematography, Gaffing, Setup & Strike 4 Hours	100.00	400.00
	Joshua: Directing, Cinematography, Gaffing, Setup & Strike 4 Hours	100.00	400.00
	Tom: Audio Engineering, Setup & Strike 4 Hours	20.00	80.00
	Total Shoot #1: \$880		
Shoot #2 @ Library - 12/5/15			
	Nick: Directing, Cinematography, Gaffing, Setup & Strike 6 Hours	100.00	600.00
	Joshua: Directing, Cinematography, Gaffing, Setup & Strike 6 Hours	100.00	600.00
	Tom: Audio Engineering, Setup & Strike 6 Hours	20.00	120.00
	Total Shoot #2: \$1,320		
Shoot #3 @ AVC + VO Re-recording #1 @ UPD - 12/15/15			
	Nick: Directing, Cinematography, Gaffing, Audio, Setup/Strike 4 Hours	100.00	400.00
	Joshua: Directing, Cinematography, Gaffing, Setup/Strike 4 Hours	100.00	400.00
	Tom: Audio Engineering, Setup/Strike 4 Hours	20.00	80.00
	Total Shoot #3: \$880		
VO Re-recording #2			
	Nick: Audio Engineering, Setup/Strike .5 Hours	60.00	30.00
	Total VO #2: \$30		
Post-Production			
Video Edit			
	Joshua: Media Digestion, Logging & Organizing, Assemble edit, rough cut, Fine cut, Final cut, color correction, Graphics, Credits, Export		
	Total Hours: 70 @ \$22/Hr		
		22.00	1,540.00
Original Score/Audio Mixing			
	Greg Hanson: Writing Music, Recording, Video Sync, Full Mix Of Sound		350.00
	Total Score/Mixing: \$350		
		SUBTOTAL	5,000.00
		TAX	0.00
		FREIGHT	
			\$5,000.00
			PAY THIS AMOUNT

DIRECT ALL INQUIRIES TO:
Nick Fryou
(831) 676-5814
email: riverguysproductions@gmail.com

MAKE ALL CHECKS PAYABLE TO:
Joshua Fryou
PO Box 152
Aromas, CA 95004

THANK YOU FOR YOUR BUSINESS!



Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSU, Sacramento		Date: 4/13/16
Contact: Steve Leland	Phone: (916) 278-5174	Email: sleland@csus.edu
Grant Requested for (please describe): Purchase of a portable air pump calibrator for use in exposure monitoring.		
Planned Date of Purchase (Please attach cost estimate): 4/5/16	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$678.12 (actual cost \$1356.25)	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
When exposure monitoring for airborne chemical agents is conducted, pumps must be calibrated accurately to assure flow through the media is consistent with the sample method and also for determination of actual airborne concentration of the contaminant. The TSI low flow pump calibrator is a portable primary standard and replaces the use of rotameters which need to be recalibrated frequently and are subject to fluctuations resulting in inaccurate measurement.		
Signature (VP- Business & Admin, or designee): <u>Kurtland Street</u> (Member submission only)		
Date: 4/15/16		
Please submit your completed Grant Application to Rob Leong at: (email) rluong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 5. Applications must be signed by the Campus VP of Business & Finance or designee. 6. Applications must be submitted during the same fiscal year that the project expense is incurred. 7. Applications must include supporting documents such as: <ol style="list-style-type: none"> a. detailed description of the proposed project b. anticipated timeline for completion of project c. estimated total cost for the proposed project 		

9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rluong@alliant.com if you have any questions.



500 Cardigan Road
Shoreview, MN 55126
USA
EIN 41-0843524

Tel:(651)490-2811
Fax:(651)490-3824
Web:www.TSI.com
Email:answers@TSI.com

Page 1 of 3
04/05/2016
15:54:59

Manufacturer of TSI®, Alnor®, Airflow™, and ChemLogix™ branded products

Order Acknowledgment

Sales Order No.	592439
Document Date	04/05/2016
Customer No.	12386
Purchase Order No.	CC - Janie Xiong
Purchase Order Date	04/05/2016
Incoterms	2010 CPT: Prepay & Add Consignee's Premises
Payment Terms	Credit Card Net 0
Currency	USD

Bill-To-Party
CALIFORNIA STATE UNIV SACRAMENTO 6000 J ST SACRAMENTO, CA 95819-6004 USA

Ship-To-Party
CALIFORNIA STATE UNIV SACRAMENTO ATTN: John Owen 6000 J ST SACRAMENTO, CA 95819-6004 USA

Item	Material/Description	Quantity	Unit Price	Amount
1	4146 Low Flow Pump Calibration Kit	1.00 EA	1,250.00	1,250.00
			Sub Total	1,250.00
			Tax	106.25
			Total Amount	\$ 1,356.25

These commodities, technology or software are controlled under the Export Administration Regulations. If the goods are exported or reexported, it must be in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.

Thank you for your order. We will send your Order Confirmation as soon as a firm shipping date has been assigned.

TSI Terms and Conditions apply and are incorporated by reference. See <http://www.tsi.com/tc.pdf> for details. Additional handling fees may be added if applicable.

TERMS AND CONDITIONS
TSI INCORPORATED SHALL HEREINAFTER BE REFERRED TO AS "SELLER".

1. **PAYMENT; DELIVERY.** Unless otherwise agreed, payment is due in U.S. Dollars within 30 days of the date of shipment. Charges for services are due upon receipt of invoice. Interest in the maximum amount permitted by law may be charged on past due invoices. Buyer shall reimburse Seller for all costs and expenses incurred in the collection of amounts past due, including attorneys' fees. All quoted delivery dates are approximate and shall commence when Seller has acknowledged receipt of documents required to effect shipment. Seller may require payment in advance if it believes the financial condition of Buyer does not justify shipment, or subsequent deliveries, on the payment terms originally specified. If the Buyer becomes bankrupt or insolvent, or a proceeding is brought by or against Buyer under such laws, Seller may cancel any outstanding order, and Buyer shall reimburse Seller for its cancellation charges. Seller reserves the right to ship and to make collection by sight draft.
2. **RISK OF LOSS; TITLE.** Unless otherwise agreed, the risk of loss passes to Buyer when the goods are delivered to the carrier. Where the risk of loss has passed to Buyer, or where Buyer has selected the method of shipment or delivery, Buyer must obtain redress for freight losses, shortages or damages from the carrier or its insurer. Seller is not responsible for any such losses. Notwithstanding any provision of INCOTERMS or contained herein, equitable title and accession to the goods shall, where permitted by law, remain with Seller until Buyer is paid in full. This shall be the case even if legal title to the goods shall be deemed by law to have passed to Buyer at the time of delivery and prior to performance of all of Buyer's obligations. Buyer shall grant, and by acceptance of the goods is deemed to have granted, to Seller a first security interest in all goods to secure payment of amounts owed by Buyer. Buyer agrees to execute a financing statement at Seller's request. Seller may reclaim any goods delivered or in transit if Buyer fails to make payment when due.
3. **SHIPMENT.** Unless otherwise agreed, prices are FCA Seller's factory (Reference INCOTERMS 2010) and any charges Seller may be required to pay or collect on the sale, purchase, delivery, storage, use or transportation of the goods shall be paid by Buyer. Method of shipment or delivery will be at Seller's discretion unless otherwise agreed.
4. **TAXES; RE-EXPORT.** Any government tax, fee, duty or charge on the sale, purchase, delivery or use of the goods and/or services sold hereunder shall be paid by Buyer, in addition to the purchase price, unless otherwise agreed. Certain goods are subject to international export control regulations. Buyer shall be responsible for compliance with all regulations related to the export of goods to end-users.
5. **LIMITATION OF WARRANTY AND LIABILITY.** Seller warrants the goods, excluding software, sold hereunder, under normal use and service as described in the operator's manual, to be free from defects in workmanship and material for 12 months, or if less, the length of time specified in the operator's manual, from the date of shipment to the customer. This warranty period is inclusive of any statutory warranty. **This limited warranty is subject to the following exclusions and exceptions:**
 - a. Hot-wire or hot-film sensors used with research anemometers, and certain other components when indicated in specifications, are warranted for 90 days from the date of shipment;
 - b. Pumps are warranted for hours of operation as set forth in product or operator's manuals;
 - c. Parts repaired or replaced as a result of repair services are warranted to be free from defects in workmanship and material, under normal use, for 90 days from the date of shipment;
 - d. Seller does not provide any warranty on finished goods manufactured by others or on any fuses, batteries or other consumable materials. Only the original manufacturer's warranty applies;
 - e. This warranty does not cover calibration requirements, and seller warrants only that the instrument or product is properly calibrated at the time of its manufacture. Instruments returned for calibration are not covered by this warranty;
 - f. This warranty is **VOID** if the instrument is opened by anyone other than a factory authorized service center with the one exception where requirements set forth in the manual allow an operator to replace consumables or perform recommended cleaning;
 - g. This warranty is **VOID** if the product has been misused, neglected, subjected to accidental or intentional damage, or is not properly installed, maintained, or cleaned according to the requirements of the manual. Unless specifically authorized in a separate writing by Seller, Seller makes no warranty with respect to, and shall have no liability in connection with, goods which are incorporated into other products or equipment, or which are modified by any person other than Seller.The foregoing is **IN LIEU OF** all other warranties and is subject to the **LIMITATIONS** stated herein. **NO OTHER EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR PARTICULAR PURPOSE OR MERCHANTABILITY IS MADE. WITH RESPECT TO SELLER'S BREACH OF THE IMPLIED WARRANTY AGAINST INFRINGEMENT, SAID WARRANTY IS LIMITED TO CLAIMS OF DIRECT INFRINGEMENT AND EXCLUDES CLAIMS OF CONTRIBUTORY OR INDUCED INFRINGEMENTS. BUYER'S EXCLUSIVE REMEDY SHALL BE THE RETURN OF THE PURCHASE PRICE DISCOUNTED FOR REASONABLE WEAR AND TEAR OR AT SELLER'S OPTION REPLACEMENT OF THE GOODS WITH NON-INFRINGEMENT GOODS.**
TO THE EXTENT PERMITTED BY LAW, THE EXCLUSIVE REMEDY OF THE USER OR BUYER, AND THE LIMIT OF SELLER'S LIABILITY FOR ANY AND ALL LOSSES, INJURIES, OR DAMAGES CONCERNING THE GOODS (INCLUDING CLAIMS BASED ON CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR OTHERWISE) SHALL BE THE RETURN OF GOODS TO SELLER AND THE REFUND OF THE PURCHASE PRICE, OR, AT THE OPTION OF SELLER, THE REPAIR OR REPLACEMENT OF THE GOODS. IN THE CASE OF SOFTWARE, SELLER WILL REPAIR OR REPLACE DEFECTIVE SOFTWARE OR IF UNABLE TO DO SO, WILL REFUND THE PURCHASE PRICE OF THE SOFTWARE. IN NO EVENT SHALL SELLER BE LIABLE FOR LOST PROFITS, BUSINESS INTERRUPTION, OR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES. SELLER SHALL NOT BE RESPONSIBLE FOR INSTALLATION, DISMANTLING OR REINSTALLATION COSTS OR CHARGES. No Action, regardless of form, may be brought against Seller more than 12 months after a cause of action has accrued. The goods returned under warranty to Seller's factory shall be at Buyer's risk of loss, and will be returned, if at all, at Seller's risk of loss.
Buyer and all users are deemed to have accepted this **LIMITATION OF WARRANTY AND LIABILITY**, which contains the complete and exclusive limited warranty of Seller. This **LIMITATION OF WARRANTY AND LIABILITY** may not be amended, modified or its terms waived, except by writing signed by an Officer of Seller.
6. **INSPECTION; ACCEPTANCE.** Buyer shall inspect goods delivered or repairs performed within 15 business days from the date of receipt of the goods or completion of the repairs. Within that time Buyer shall send Seller a written notice specifying any respects in which the goods or repairs are nonconforming. Failure to send a written notice shall constitute a waiver of Buyer's claims for any nonconformity that an inspection, whether or not in fact carried out, should have discovered. Buyer is deemed to have accepted delivered goods on terms set forth herein, unless within 15 business days of receipt of the goods Buyer sends a written notice of rejection that provides detailed grounds for rejection. No order may be canceled or altered by Buyer except on terms and conditions accepted in writing by the Seller. Seller may impose reasonable cancellation charges. Goods may not be returned for credit unless pre-approved in writing by Seller. A restocking charge will be applied.
7. **CAUSES BEYOND SELLER'S CONTROL.** Seller shall not be liable for any damage, loss or expense suffered by Buyer as a result of any delay or nonperformance, when the delay or nonperformance is, directly or indirectly, caused by or arises from fires, floods, accidents, riots, acts of God, war, governmental interference, embargoes, strikes, labor difficulties, shortage of labor or materials, transportation delays, acts by third parties, acts by Buyer, delay by Seller's suppliers or contractors or any other causes beyond the reasonable control of the Seller.
8. **BUYER'S SPECIFICATIONS AND USE OF GOODS.** If the goods sold are manufactured to Buyer's specifications, or if the goods are used in conjunction with products not supplied by Seller, then Buyer shall indemnify and hold Seller harmless from and against any suits, claims, losses, expenses, and other liabilities including costs and attorneys' fees, whether for loss, personal injury, infringement or otherwise, which result from Buyer's specifications or use of product not furnished by Seller. Product or equipment furnished to Seller by Buyer shall be at Buyer's sole risk and expense. Unless agreed in writing by Seller, any tools, dies, or materials used in producing goods to Buyer's specifications shall remain Seller's property.
9. **EXPRESS INDEMNIFICATION.** During the life of goods sold, Buyer agrees to use its best efforts to ensure that all safety and product information provided by Seller is provided to all users (customers, employees and independent contractors.) This may include warning labels, instruction manuals, and training users in the safe installation, use and maintenance of the goods. Buyer agrees to defend, protect, indemnify and hold Seller harmless from and against all claims, losses, expenses, damages and liabilities to the extent caused by Buyer's negligence, including Buyer's failure to comply with the aforementioned safety obligations.
10. **DESIGN OR MANUFACTURE CHANGES.** Seller in its sole discretion may change the design or manufacture of any of its goods without incurring any obligation to incorporate such changes into goods manufactured for or delivered to Buyer prior to such changes.

TERMS AND CONDITIONS
TSI INCORPORATED SHALL HEREINAFTER BE REFERRED TO AS "SELLER".

11. **SOFTWARE.** If the goods sold incorporate software or firmware containing software, Buyer is granted only a nonexclusive and nontransferable license to use one copy of the software originally installed in or supplied with the goods. Buyer acknowledges and agrees that the software is proprietary and constitutes a trade secret, copyright or patent of the Seller. The Buyer shall acquire no title or rights of ownership in the software nor have the right to copy (except for backup), modify, reverse engineer or compile, license others, transfer or disclose to any third party, all or part of the software. Software is provided and sold "AS IS" WITHOUT WARRANTY OF ANY KIND INCLUDING, BUT NOT LIMITED TO WARRANTIES OF INSTALLATION, USE OR PERFORMANCE, AND IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. Notwithstanding the foregoing, Seller will replace any defective disc within 90 days from the date of original shipment.

12. **SOLE AND EXCLUSIVE TERMS OF SALE.** Except as otherwise agreed to in writing by Seller as to each paragraph herein, Buyer agrees that this document contains the sole and exclusive terms and conditions which shall apply to the sale of the goods and/or services sold hereunder. Any additional or different terms in documents provided by Buyer in any transaction paperwork or otherwise shall not apply and are hereby expressly objected to by Seller.

13. **ARBITRATION.** Seller may bring an action for nonpayment, infringement, or equitable relief before any judicial court of competent jurisdiction without need for arbitration. Any other claim or dispute arising out of or concerning the transaction evidenced hereby shall be settled by binding arbitration in Minneapolis, MN, under the Commercial Rules and procedures of the American Arbitration Association in effect at the time of the dispute. The arbitration panel shall be comprised of one person. The language of the arbitration shall be English. The award shall be enforceable in any court having jurisdiction.

14. **GOVERNING LAW.** This document, the transactions evidenced hereby and any dispute that arises shall be governed by the laws of the State of Minnesota, U.S.A., without regard to principles of conflicts of laws. The rights and obligations of the parties hereunder shall not be governed by the United Nations Convention on Contracts for the International Sale of Goods. Buyer irrevocably consents to the jurisdiction of the State and Federal Courts of Minnesota.

15. **MISCELLANEOUS.** This document is not an acceptance of any offer. All orders are subject to acceptance by Seller. Any action arising hereunder, or concerning the transactions evidenced hereby, in contract, in tort, or otherwise, other than an action for failure to pay, must be commenced within 12 months of the date the cause of action accrues. Seller may correct any errors in the typed portion of this document at any time.



Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSU, Sacramento		Date: 4/13/16
Contact: Steve Leland	Phone: (916) 278-5174	Email: sleland@csus.edu
Grant Requested for (please describe): Purchase of a photoionization detector for personnel exposure monitoring.		
Planned Date of Purchase (Please attach cost estimate): 11/10/15	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$1362.50 (actual cost \$2725)	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
Employee exposure monitoring is completed by collecting full shift air sampling for comparison to the Permissible Exposure Limits established by Cal/OSHA. Real-time measurement of vapors and gases is measured with colorimetric tubes which have an accuracy of +/- 25%. The photoionization detector will allow EH&S to more accurately measure airborne concentrations of a wide variety of organic vapors in real time to assure controls and PPE are adequate to prevent over exposure.		
Signature (VP- Business & Admin, or designee): <u>Kirtland Stout</u> (Member submission only)		
Date: <u>4/15/16</u>		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 5. Applications must be signed by the Campus VP of Business & Finance or designee. 6. Applications must be submitted during the same fiscal year that the project expense is incurred. 7. Applications must include supporting documents such as: <ol style="list-style-type: none"> a. detailed description of the proposed project b. anticipated timeline for completion of project c. estimated total cost for the proposed project 		

9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rieong@alliant.com if you have any questions.



Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSU, Sacramento		Date: 4/13/16
Contact: Steve Leland	Phone: (916) 278-5174	Email: sleland@csus.edu
Grant Requested for (please describe): Purchase of a SawStop table saw for Theatre and Dance scene shop which will be used by trained and authorized staff and students.		
Planned Date of Purchase (Please attach cost estimate): 2/18/16	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$2669.41 (actual cost \$5,338.83)	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
The replacement was a recommendation in the 2015 department safety inspection completed by Brent Cooley, UC Arts Health & Safety Advisor. Although there have been no injuries with the existing table saw, the safety features of this saw dramatically reduce the risk cuts or amputation.		
Signature (VP- Business & Admin, or designee): <u>Kirkland Stewart</u> (Member submission only)		
Date: <u>4/15/16</u>		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 5. Applications must be signed by the Campus VP of Business & Finance or designee. 6. Applications must be submitted during the same fiscal year that the project expense is incurred. 7. Applications must include supporting documents such as: <ol style="list-style-type: none"> a. detailed description of the proposed project b. anticipated timeline for completion of project c. estimated total cost for the proposed project 		

9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.



PRO TECH MACHINERY
 4931 Finch Rd
 Fair Oaks, CA 95628
 916 534-7403

Invoice

Date	Invoice #
10/13/2015	2178

Bill To
CSUS 6000 J Street Sacramento, CA 95819-6145

Ship To
CSUS ATTEN: Steve Leland CIH, CSP 6000 J Street Sacramento, CA 95819-6145

P.O. Number	Terms	Rep	Via	F.O.B.
	100% prior to ship			

Quantity	Item Code	Description	Price Each	Amount
1	SawStop	Industrial 5HP single phase ICSS1230 52" industrial T glide fence Over arm dust collection TSA-ODC All ICS Saws include: Industrial T guide fence system assembly with rails and table Cast iron table and wings Riving knife Dust collection blade guard Tool free zero-clearance insert Standard 10" brake cartridge 60 tooth carbide tip blade	4,598.00	4,598.00T
	Shipping		350.00	350.00

While we do not offer extended warranties on the sale of used equipment we will guarantee that all major functions of this machine will be in working order upon pick up or delivery.

protechmachinery@gmail.com

Sales Tax (8.5%) \$390.83

Total \$5,338.83



Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSU, Sacramento		Date: 4/13/16
Contact: Steve Leland	Phone: (916) 278-5174	Email: sleland@csus.edu
Grant Requested for (please describe): Purchase of a Wet Bulb Globe Thermometer (WBGT) to be used in assessing the risk of heat illness.		
Planned Date of Purchase (Please attach cost estimate): 1/27/16	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$344.74 (actual cost \$689.48)	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input checked="" type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
Prevention of heat related illness is a significant concern on the Sacramento campus where summer temperatures range from the low 90s to over 100. Staff in Facilities Management, Parking Enforcement, Athletics and others are included in our existing heat illness prevention program which is compliant with Cal/OSHA regulations. The WBGT measures ambient temperature, relative humidity, and solar radiation and calculates a corrected temperature that is used to establish work/rest schedules. These work/rest schedules are established by the American Conference of Governmental Industrial Hygienists (ACGIH) as Threshold Limit Values (TLVs). Using the TLV as guidance will greatly enhance our heat illness program and reduce the risk of heat exposure.		
Signature (VP- Business & Admin, or designee): <u>Kirtland Stout</u> (Member submission only)		
Date: <u>4/15/16</u>		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. Applications must be signed by the Campus VP of Business & Finance or designee. Applications must be submitted during the same fiscal year that the project expense is incurred. Applications must include supporting documents such as: <ol style="list-style-type: none"> detailed description of the proposed project 		

- b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
 10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
 11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
 12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.

8281 E. Evans Road, Suite 103, Scottsdale, AZ 85260
United States

E: sales@sperdirect.com
V: 480-348-0278 F: 480-348-0279

Invoice Number	Date
145044	Jan 27, 2016

FOR A FREE CATALOG, VISIT WWW.SPERSDIRECT.COM

Sold To:

California State University, Sacramento
Janie Xiong
6000 J Street MS 6145
Sacramento, CA 95819

Ship to:

California State University, Sacramento
Janie Xiong
6000 J Street MS 6145
Sacramento, CA 95819

Order # or Customer PO	Shipping Method	Payment Terms	
0116-8651	Standard	Net 30	
Customer ID	Phone Number	Payment Ref.	Due Date
9162785447	916-278-5447	VISA PAID	1/27/16

Quantity	Backorder Qty	Item	Description	Origin	Unit Price	Extension
1.00		840093	Field Tripod		32.00	32.00
1.00		840090	Water Resistant Instrument Pouch		12.00	12.00
1.00		850080	Software for 800002,10,22,43,840001,02,12,20(new),22 (new),32,33,35,36,39,46,50,60,62,63,64,65 ,850008,39,71,81		57.00	57.00
1.00		840097	AC Adaptor for 800021/22/37, 850007/8, 850039/60/69, 840001, 840002, 800022		20.00	20.00
1.00		840094	RS232 to USB Adaptor Cable		24.00	24.00
1.00		840058	USB Power Cable		29.00	29.00
1.00		840057	RS232 Cable for 800043, 850071, 81, 840020 (new), 840022 (new), 12,850007,21,39,60,23,71		26.00	26.00
1.00		800037	WBGT SD Card Logger		471.00	471.00
			Shipped on: 01/27/2016 Tracking#: 1Z2W84190359395644 Service: UPS Ground			

DAMAGE CLAIMS: Must Be Made Within 10 Days.
RETURNS: Please include an explanation, invoice copy, and all original packaging with returned items.
Ship returns postage-paid to:

Sper Scientific Returns Department
8281 E. Evans Rd., Suite #103
Scottsdale, AZ 85260 USA

Subtotal	671.00
Sales Tax - Arizona Orders Only	
Freight	18.48
Total Invoice Amount	689.48
Payment Received	
Total Due	689.48



**SAN FRANCISCO
STATE UNIVERSITY**

**ENTERPRISE RISK
MANAGEMENT**

1600 Holloway Avenue, ADM 260
San Francisco, CA 94132-4260

Tel: 415/338-2565
Fax: 415/338-0597

DATE: APRIL 8, 2016

TO: ROB LEONG, CSURMA CAMPUS PROGRAMS ADMINISTRATOR

FROM: MICHAEL BEATTY, RISK MANAGER MB

SUBJECT: CSURMA RISK MANAGEMENT INNOVATIVE GRANT – TOTAL COST OF RISK ANALYSIS

SF State has engaged Bickmore Risk Services to perform an actuarial analysis of SF State's Total Cost of Risk for its three largest insurance programs – Workers' Compensation, General Liability and Property. This final product will outline the claims associated with each campus department as well as the costs those claims generate. It will also provide a sample allocation of the costs on a department-by-department basis thus providing management with a tool for holding the individual departments accountable for losses generated by their department.

We would be pleased to share the final product with the other campuses and present an overview of the project and findings at CSURMA's Fitting The Pieces Together conference in November of this year.

SF State would like the CSURMA Executive Committee to review the proposal and give consideration to the Total Cost of Risk Analysis project as a candidate for a CSURMA Risk Management Innovative Grant.

The proposed cost of the project is \$15,000 of which we hope CSURMA will award a Risk Management Innovative Grant for 50% of the costs, or \$7,500.

Bickmore

March 1, 2016

Ms. Grace Crickette
Interim AVP, Business Operations
Office of the Vice President & CFO, Administration & Finance
San Francisco State University
1600 Holloway Avenue, ADM 260C
San Francisco, CA 94132

RE: Proposal for Actuarial Services

Dear Ms. Crickette:

Thank you for the opportunity to provide actuarial services to San Francisco State University. We understand that SFSU is seeking professional analysis of the University's "Total Cost of Risk" (TCOR), which will be as comprehensive as possible in including costs associated with managing and financing property/casualty risks. This includes items such as insurance premiums, retained loss, legal costs, claims administration expense, risk control, IT, and administration. The TCOR would be estimated for each of the most recent five program years.

We also understand that SFSU is interested in receiving departmental cost allocations for its workers' compensation, general liability and property programs. Our analysis for the allocations would involve segmenting the historical exposure and loss experience by department for the purposes of projecting the upcoming year's cost. For each coverage we will provide three allocation models for SFSU to review. The data required for these reports would include the historical loss and exposure (i.e. payroll, TIV, etc.) broken out by department over the most recent five years.

We will agree to complete the scope of work discussed above for the following fees:

<u>Project Component</u>	<u>Cost</u>
Total Cost of Risk Analysis	\$ 6,000
Departmental Allocation – Workers' Comp	3,000
Departmental Allocation – General Liability	3,000
<u>Departmental Allocation - Property</u>	<u>3,000</u>
TOTAL	\$ 15,000

Should other services beyond the scope of work outlined above be required, we will bill for our time and out of pocket expenses at the rates specified below.

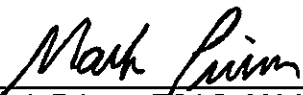
<u>Consultant</u>	<u>Hourly Rate</u>
Director	\$335
Actuarial Manager	230
Actuarial Staff	140
Administrative Staff	98

Our estimated delivery date for the draft reports is May 31, 2016, assuming we receive all the data necessary to perform the studies by the end of March 2016. Follow-up meetings to discuss the results can be scheduled after this time.

Please call me at (916) 244-1161 with any questions you may have with regard to our proposal.

Respectfully Submitted,

Bickmore



Mark Priven, FCAS, MAAA
Director, Data Analytics and Specialty Actuarial, Bickmore
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries



**ENTERPRISE RISK
MANAGEMENT**

1600 Holloway Avenue, ADM 260
San Francisco, CA 94132-4260

Tel: 415/338-2565
Fax: 415/338-0597

DATE: APRIL 8, 2016
TO: ROB LEONG, CSURMA CAMPUS PROGRAMS ADMINISTRATOR
FROM: MICHAEL BEATTY, RISK MANAGER
SUBJECT: CSURMA RISK MANAGEMENT INNOVATIVE GRANT – BRIOTIX ASSESSMENT SOFTWARE

SF State is seeking CSURMA Risk Management Innovative Grant consideration for the purchase of Briotix Assessment Software used to help identify ergonomic risks and automate our mitigation programs.

The first step to promoting a healthy, productive and injury-free workplace is to garner a deep understanding of team and individual risks. With Briotix's Assessment Software Solutions, SF State hopes to rapidly and cost-effectively understand our risk position and begin the process of mitigation. Built on a "self-assessment" metaphor, Briotix's software supports behavior change and empowers employees to take responsibility for their own comfort and safety.

Some of the benefits of the software include:

- Self-assessment engages employees and drives resolution
- Self-paced, reusable tools drive long-term behavioral changes
- At-a-glance dashboard identifies risks
- Reporting tools provide visibility to senior management
- Platform approach provides comprehensive analytics, reporting and program management

The one-time cost for the software purchase is \$15,075. SF State will assume the annual services fees going forward. Additional information can be located at: www.briotix.com/products/assessment-software.

Sincerely,


A handwritten signature in black ink, appearing to read "Michael Beatty".

Michael Beatty



Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: EHS / Workers Comp		Date: 03-22-2016
Contact: Victoria Ramos	Phone: 415-338-1545	Email: Vramos@sfu.edu
Grant Requested for (please describe): Purchase of Briotix Ergonomics Self-Assessment Software http://briotix.com/products/assessment-software/		
Planned Date of Purchase (Please attach cost estimate): \$15,075 see attached	Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$ 7537.50 (=50% of cost of Briotix Software)	
This is a (check all that apply):		
<input type="checkbox"/> Service	<input checked="" type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input checked="" type="checkbox"/> Safety Program Development	<input checked="" type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other	
Please describe how this will improve or enhance your risk control efforts:		
<p>Prevent and Reduce Cost of Loss due to ergonomic / repetitive motion injuries:</p> <p>Promote safety culture during orientation.</p> <p>Raise awareness of ergonomic hazards.</p> <p>Automatic reminder to take rest breaks during computer work to avoid repetitive motion / ergonomics injuries.</p> <p>Train employees to adjust their workstations to avoid ergonomics injuries.</p> <p>Identify employees at high risk of ergonomic injuries for early intervention by consulting ergonomist to prevent ergonomic injuries.</p> <p>Assist in identifying appropriate equipment, resources and practices to reduce ergonomic stressors and save Worker's Comp and other injury-related costs.</p>		
Signature (VP- Business & Admin, or designee): (Member submission only)		
Date: 4/7/16		
Please submit your completed Grant Application to Rob Leong at: (email) rluong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above. 		



INVOICE

Briotix, Inc.

9000 E. Nichols Ave, Suite #104
 Centennial, CO 80112
 Phone: 844-BRIOTIX (274-6849)
 Email: billing@briotix.com

INVOICE #: SI-00661
 DATE: 10/31/2015

BILL CSUSF
TO: 1600 Holloway Avenue
 ADM 350
 San Francisco, CA 94132

SHIP CSUSF
TO: 1600 Holloway Avenue
 ADM 350
 San Francisco, CA 94132

PURCHASE ORDER #	CLAIM #	PAYMENT TERMS	DUE DATE
P150145		Net 30	11/30/2015

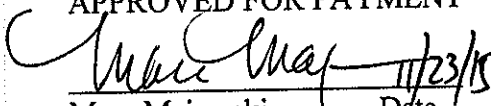
ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	AMOUNT
Item.00054	Annual Support & Upgrade License	Each	1	\$1,000.00	\$1,000.00
Item.00056	Course Customization	Each	1	\$1,815.00	\$1,815.00
Item.00055	Employee Import/Updates	Each	1	\$1,000.00	\$1,000.00
Item.00053	PACE Configuration	Each	1	\$1,815.00	\$1,815.00
Item.00050	PACE License	Each	1	\$2,000.00	\$2,000.00
Item.00052	PACE Training	Each	1	\$1,815.00	\$1,815.00
Item.00073	Project Management	Each	1	\$3,630.00	\$3,630.00
Item.00049	WorkStation Safety Plus License	Each	500	\$4.00	\$2,000.00
SUBTOTAL					\$15,075.00
Sales Tax					\$0.00
TOTAL					\$15,075.00

Message:

PAYMENT OPTIONS:

Preferred method of payment is ACH payments: Please contact billing@briotix.com for one-time setup.
 For check payment: Please make check payable to Briotix, Inc.
 Remit payment to: 9000 E. Nichols Ave., Suite #104, Centennial, CO 80112

Thank you for being our customer - we appreciate your business!

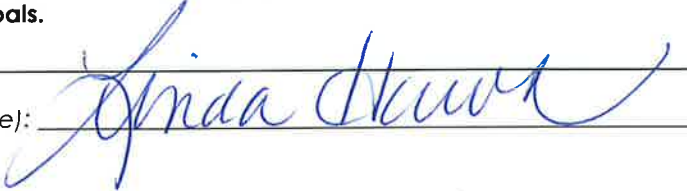
APPROVED FOR PAYMENT

 Marc Majewski Date 11/23/15



California State University Risk Management Authority

Campus Risk Pools Grant Application
Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: California State University San Marcos		Date: 4/6/2016
Contact: Gabriel Barriga	Phone: 760-750-4433	Email: gbarriga@csusm.edu
Grant Requested for (please describe): Employee Wellness Program		
Planned Date of Purchase (Please attach cost estimate): April 2016		Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$2,500
This is a (check all that apply):		
<input checked="" type="checkbox"/> Service	<input checked="" type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input checked="" type="checkbox"/> Other (please describe): Program	
Please describe how this will improve or enhance your risk control efforts:		
<p>Wellness Program:</p> <p>Research shows that a successful program should support all areas of an employee's well-being. The power of a holistic program can lead to a better quality of life for employees and higher productivity and performance for the University.</p> <p>Proposed Solution:</p> <p>The CSUSM wellness program will be based on four pillars that will support all areas of an employee's well-being:</p> <ul style="list-style-type: none"> • Nutrition • Physical • Emotional • Financial <p>The CSUSM wellness program will be built on daily engagement which encompasses physical activity tracking, incentives, challenge events and social interaction. An important and critical component of the wellness program is the Virgin Pulse Wellness platform. The platform is highly configurable to meet our needs as a University and also provides a varied and personalized experience to every employee which can help drive engagement and support programmatic goals.</p>		
Signature (VP- Business & Admin, or designee): (Member submission only)		
Date: 4/12/16		
Please submit your completed Grant Application to Rob Leong at: (email) rluong@alliant.com or (fax) 415-874-4810		
1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects.		

2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member.
3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year.
4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.



CSUSM Pricing Proposal

Term length: 24 months

Effective Date: 3/31/16

Eligible Lives: 1300

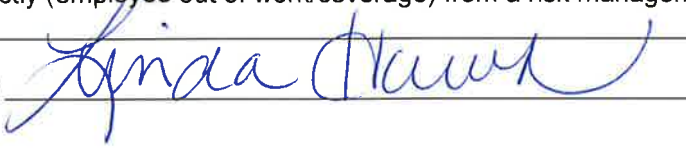
Software and Services Bundle	PEPY (per eligible per yr)	Annual Fee
Virgin Pulse Enterprise & Health Assessment	Included	
Activity, Nutrition, Healthy Habits, Personal Goal Setting	Included	
Device & App Integrations	Included	
Challenges: Personal, Team, System-wide, No Smoking Pledge	Included	
Customizable Daily To-Do Cards	Included	
Custom Events Calendar, Branding & Configuration, Vouchers	Included	
Custom Rewards/Gamification	Included	
Nutrition Module	Included	
Sleep Module	Included	
Customized Program Design, Communications Strategy	Included	
Flexible, custom Incentive Administration	Included	
Dedicated Account Management	Included	
Standard Enterprise Pricing	\$50.00	\$65,000
Discount	(\$24.00)	(\$31,200)
Total with Discount	\$26.00	\$33,800
One-Time Fees		
Health Stations (Bio-measurement with iPad, scale & blood pressure cuff, privacy screen)	\$699 each	optional
MAX tracking devices	\$24.99 + S&H	optional
Implementation Package, Basic		\$12,000
Single Sign-On	\$10,000	optional
Total with 50% Implementation Discount		\$6,000
Grand Total		
Software & Services Fee		\$33,800
One-Time Fees		\$6,000
Year 1 Total Fees		\$39,800
Year 2 Total Fees		\$33,800



Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: CSUSM- Safety, Risk & Sustainability		Date: 4/7/2016
Contact: Regina Frasca	Phone: 760-750-4502	Email: rfrasca@csusm.edu
Grant Requested for <i>(please describe)</i> : Workstation Safety Plus , a browser-based application designed to comprehensively manage EH&S workstation ergonomic programs efficiently and effectively.		
Planned Date of Purchase <i>(Please attach cost estimate)</i> : 04/02/2016	Amount Requested <i>(Up to \$10,000 per fiscal year - please see guidelines at the bottom)</i> : \$7500.00	
This is a <i>(check all that apply)</i> :		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input checked="" type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input checked="" type="checkbox"/> Other <i>(please describe)</i> : web-based application	
Please describe how this will improve or enhance your risk control efforts:		
<p>Workstation Safety Plus is a browser-based program designed to manage ergonomic risk effectively and comprehensively. By utilizing a number of unique features Workstation Safety Plus will assist us with compliance of future regulations, reduce injuries and injury related costs and improve overall efficiency. The system comes with modules that include customized individual/user training, risk assessments, user action reports, and a dashboard management system (PACE). PACE provides the administrative user interface to service the Ergonomist and EH&S office that is overseeing the program. The features of this system include the following: The ability to track and view training and risk assessment data and to monitor program activities and data from anywhere, anytime and from any computer that has a compatible web browser and an internet connection. Robust and customizable reports, statistics, and charts for prioritizing corrective actions based on risk scores. Ability to create, view, and modify, send and schedule automated email messages and activity reminders. Pre-designed Email templates that are fully customizable. A Task Manager to help you keep up on what's happening and what's <i>not</i> happening. Allows tracking the cost of equipment, modifications, etc. Please see attached for more information. CSUSM has one ergonomist for 1600+ employees and the demand for in-person ergonomic assessments has been very challenging to sustain. This program fulfills our office's vision of providing our clients the tools they need to take control of their own health and safety. This program is being utilized by the UC system successfully and the CSU will be partnering with them for EH&S user resources and support. In a 2015 presentation, the UC has reported that by using this program they have realized a return on investment of 5:1. This innovative request is based on proven results that ergonomics is highly preventable and an injury may result in significant losses by the institution directly (Fiscal/Workers Compensation) and indirectly (employee out of work/coverage) from a risk management and wellness lens.</p>		
Signature <i>(VP- Business & Admin, or designee):</i> <i>(Member submission only)</i>		
Date: 04/12/2016		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects.		

2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member.
3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year.
4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. **This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.***
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.

Workstation Safety Plus Details/Logistics

Detailed description of the proposed project:

See attachments

<http://testnew.briotix.com/software/assessment-software/>

Timeline for completion:

April 2016

Procure Workstation Safety Plus (WSP).

May 2016

Procurement Process and Implementation.

June 2016

Launch to beta users for testing.

July 2016

Launch to all affected users. 500 Licenses will be procured for Administrative Assistants and appropriate/selected IITS staff.

Estimated total cost for the proposed project:

Per the MEA implementation should not exceed \$12,525.00.

Each license will cost \$4.00. To initially accommodate 500 employees. This would be a total \$2000.00

Amendments to contract \$475.00

Total estimated cost for the program is\$ 15,000.00

Total requested from CSURMA Grant program \$7,500.00

MASTER ENABLING AGREEMENT

AGREEMENT NUMBER 140223	AM. NO.
CONTRACTOR IDENTIFICATION NUMBER	

THIS AGREEMENT, made and entered into this 16th day of September 2014 in the State of California, by and between the Trustees of the California State University, which is the State of California acting in a higher education capacity, through its duly appointed and acting officer, hereinafter called CSU and

CONTRACTOR'S NAME

Cardinus Risk Management, hereafter called Contractor,

This is a Master Enabling Agreement (MEA) whereby campuses may procure the following service without competition.

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulation of the University hereinafter expressed, does hereby agree to furnish to the University services and materials as follows:

Contractor shall provide ergonomic training via a software based risk management service utilizing an online training module called Workstation Safety Plus, in accordance with the attached Riders, which are hereby incorporated by reference and made a part of this Agreement. To the extent that any provision of any rider may conflict with this CSU Agreement or any riders herein, the order of precedence shall first be the CSU Agreement and documents in the order listed below:

Rider A – CSU General Provisions for Service Acquisitions, consisting of eleven (11) pages,

Rider B – Quotation for Office ergonomics @ risk management solutions, dated August 29, 2014, consisting of fourteen (14) pages.


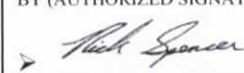
Rider C – Voluntary Product Accessibility Template, consisting of two (2) pages

The term of this Agreement shall be October 10, 2014 through June 30, 2017.

A one-time, single site set up fee not to exceed Twelve Thousand Five Hundred Seventy Five Dollars (\$12,525.00) shall be applied to each campus utilizing this MEA. However, campuses may share in these fees if jointly collaborative in the training and project management sessions. Each campus will be charged \$4.00 per user per license and a \$1.00 ASL per user annual fee. Each campus shall be financially responsible for costs incurred under this MEA.

Contractor shall report to Verna Ale Paniani, Contract Manager, Contract Services & Procurement, 562 951-4667. Campuses shall contact Cardinus Risk Management, Attn: Rick Spencer, 884 274-6849, ext. 103.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

UNIVERSITY		CONTRACTOR	
Trustees of the California State University		Cardinus Risk Management	
BY (AUTHORIZED SIGNATURE)	DATE	BY (AUTHORIZED SIGNATURE)	DATE
			October 15, 2014
PRINTED NAME AND TITLE OF PERSON SIGNING		PRINTED NAME AND TITLE OF PERSON SIGNING	
Tom Roberts, Director		Rick Spencer, Head of Prevention and Optimization	

**CSU GENERAL PROVISIONS
FOR
SERVICE ACQUISITIONS
Revised 8/1/14**

1. Commencement of Work	3
2. Contract Alterations & Integration.....	3
3. Severability	3
4. Independent Status	3
5. Governing Law	3
6. Contractor's Power and Authority	3
7. Assignments	3
8. Personnel.....	3
9. Waiver of Rights	3
10. Time	3
11. Entire Contract	3
12. Appropriation of Funds	3
13. Cancellation	4
14. Termination for Default	4
15. Rights and Remedies of CSU for Default	4
16. Warranty	4
17. Safety and Accident Prevention	4
18. Insurance Requirements	4
19. General Indemnity.....	6
20. Invoices	6
21. Document Referencing.....	6
22. Use of Data	6
23. Confidentiality of Data.....	6
24. Information Security Requirements	7
25. Patent, Copyright, and Trade Secret Indemnity	7
26. Rights in Work Product.....	7
27. Examination and Audit	8
28. Dispute	8
29. Conflict of Interest	8
30. Follow-On Contracts.....	8
31. Endorsement	8
32. Covenant Against Gratuities	9
33. Nondiscrimination.....	9
34. Compliance with NLRB Orders.....	9
35. Drug-Free Workplace Certification	9
36. Forced, Convict, Indentured and Child Labor.....	9
37. Recycled Content Certification	9
38. Child Support Compliance Act	10
39. Americans With Disabilities Act (ADA)	10
40. Expatriate Corporations	10
41. Citizenship and Public Benefits	10
42. Loss Leader	10
43. DVBE and Small Business Participation	10
44. Contractor's Staff.....	11

1. Commencement of Work

Contractor shall not commence work under the Contract until Contractor has received a fully executed Contract and been given written approval to proceed. Any work performed by Contractor prior to the date of approval shall be considered as having been performed at Contractor's own risk and as a volunteer.

2. Contract Alterations & Integration

No alteration or variation of the Contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated in writing in the Contract shall be binding on any of the parties hereto.

3. Severability

Contractor and CSU agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either party having knowledge of such term or provision shall promptly inform the other of its presumed non-applicability of such provision. Should the illegal or unenforceable provision be a material or essential term of the Contract, [the Contract shall be terminated in a manner commensurate with the interests of both parties, to the maximum extent reasonable.

4. Independent Status

Contractor and its employees and agents, and subcontractors, in the performance of this Contract, shall act in an independent capacity and not as officers, employees or agents of CSU or the State of California. While Contractor may be required by this Contract to carry Worker's Compensation Insurance, in no event shall Contractor and its employees and agents be entitled to unemployment or workers' compensation benefits from CSU.

5. Governing Law

To the extent not inconsistent with applicable federal law, this Contract shall be construed in accordance with and governed by the laws of the State of California

6. Contractor's Power and Authority

Contractor warrants it has full power and authority to enter into this Contract and will hold CSU harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor shall not enter into any arrangement, agreement or contract with any third party that might abridge any rights of the CSU under this Contract.

7. Assignments

Contractor shall not assign this Contract, either in whole or in part, without CSU's written consent, which will not be unreasonably withheld.

8. Personnel

Contractor shall give its personal attention to the performance of the Contract and shall make every effort consistent with sound business practices to honor CSU's requests regarding Contractor's assignment of its employees. However, Contractor maintains the sole right to determine the assignment of its employees in order to keep all phases of work under its control. If an employee of Contractor is unable to perform due to illness, resignation or other factors beyond Contractor's control, Contractor shall use its best effort to provide suitable substitute personnel.

9. Waiver of Rights

Any action or inaction by CSU or the failure of CSU on any occasion to enforce any right or provision of this Contract shall not be a waiver by CSU of its rights hereunder and shall not prevent CSU from enforcing such provision or right on any future occasion. CSU's rights and remedies provided in this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law.

10. Time

Time is of the essence in the performance of this Contract.

11. Entire Contract

This Contract sets forth the entire agreement between the parties with respect to the subject matter hereof and shall govern the respective duties and obligations of each party.

12. Appropriation of Funds

(a) If the term of this Contract extends into fiscal years subsequent to that in which it is approved such continuation of the Contract is subject to the appropriation of funds for such purpose by the Legislature. If funds to effect such continued

payment are not appropriated, Contractor agrees to take back any commodities furnished under the Contract and not yet paid for by CSU, terminate any future services and commodities to be supplied to the CSU under the Contract, and relieve the CSU of any further obligation therefore.

- (b) CSU agrees that if provision (a) above is involved, commodities shall be returned to Contractor in substantially the same condition in which they were delivered, subject to normal wear and tear. CSU further agrees to pay for packing, crating, transportation to Contractor's nearest facility and for reimbursement to Contractor for expenses incurred for its assistance in such packing and crating.

13. Cancellation

CSU has the right to cancel this Contract at any time and without future financial obligation upon thirty (30) days written notice to Contractor.

14. Termination for Default

CSU may terminate the Contract and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, the CSU may proceed with the work in any manner deemed proper by the CSU. The cost to the CSU shall be deducted from any sum due the Contractor under the Contract, and the balance, if any, shall be paid the Contractor upon demand.

15. Rights and Remedies of CSU for Default

- (a) In the event any Deliverables furnished or services provided by Contractor in the performance of this Contract should fail to conform to the requirements herein, or to the sample submitted by Contractor, CSU may reject the same, and it shall thereupon become Contractor's duty to forthwith reclaim and remove all nonconforming deliverables and correct the performance of services, without expense to the CSU, and to immediately replace all such rejected items with others conforming to the specifications or samples. Should Contractor fail, neglect, or refuse to do so, CSU shall thereupon have the right, but not the obligation, to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct the cost of such cover from any moneys due or that may thereafter become due to Contractor.
- (b) In the event Contractor fails to make prompt delivery of any item as specified in the Contract, the same conditions as to CSU's right, but not obligation, to purchase in the open market and receive reimbursement from Contractor, as set forth in (a), above shall apply.
- (c) In the CSU terminates this Contract, either in whole or in part, for Contractor's default or breach, Contractor shall compensate CSU, in addition to any other remedy CSU may have available to it, for any loss or damage sustained and cost incurred by the CSU in procuring any items that Contractor agreed to supply.
- (d) CSU's rights and remedies provided above shall not be exclusive and shall be in addition to any other rights and remedies provided by law, equity or this Contract.

16. Warranty

Contractor warrants that

- (i) deliverables and services furnished hereunder will conform to the requirements of this Contract (including, without limitation, all descriptions, specifications, and drawings identified in the Statement of Work, if any), and
- (ii) the deliverables will be free from defects in materials and workmanship. Where the parties have agreed to design specifications in the Statement of Work directly or by reference, Contractor warrants the deliverables shall provide all functionality required thereby.

17. Safety and Accident Prevention

In performing work under this Contract on CSU premises, Contractor shall conform to all specific safety requirements contained in this Contract or as required by law or regulation. Contractor shall take all additional precautions as the CSU may reasonably require for safety and accident prevention purposes. Contractor's violation of such rules and requirements, unless promptly corrected, shall constitute a material breach of this Contract.

18. Insurance Requirements

The Contractor shall not commence Work until it has obtained all the insurance required in this Contract, and such insurance has been approved by the CSU.

(a) Policies and Coverage.

- (1) The Contractor shall obtain and maintain the following policies and coverage:
 - (i) Comprehensive or Commercial Form General Liability Insurance, on an occurrence basis, covering Work done or to be done by or on behalf of the Contractor and providing insurance for bodily injury, personal injury, property damage, and contractual liability. The aggregate limit shall apply separately to the Work.
 - (ii) Business Automobile Liability Insurance on an occurrence basis, covering owned, hired, and non-owned

automobiles used by or on behalf of the Contractor and providing insurance for bodily injury, property damage, and contractual liability. Such insurance shall include coverage for uninsured and underinsured motorists

(iii) Worker's Compensation including Employers Liability Insurance as required by law.

(2) The Contractor also may be required to obtain and maintain the following policies and coverage:

(i) Environmental Impairment Liability Insurance should the Work involve hazardous materials, such as asbestos, lead, fuel storage tanks, and PCBs.

(ii) Other Insurance by agreement between the Trustees and the Contractor.

(b) Verification of Coverage.

The Contractor shall submit original certificates of insurance and endorsements to the policies of insurance required by the Contract to the Trustees as evidence of the insurance coverage. Renewal certifications and endorsements shall be timely filed by the Contractor for all coverage until the Work is accepted as complete pursuant to Article 8.01, Acceptance. The Trustees reserve the right to require the Contractor to furnish the Trustees complete, certified copies of all required insurance policies.

(c) Insurance Provisions.

Nothing in these insurance provisions shall be deemed to alter the indemnification provisions in Article 4.07. The insurance policies shall contain, or be endorsed to contain, the following provisions.

(1) For the general and automobile liability policies, the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents are to be covered as additional insureds.

(2) For any claims related to the Work, the Contractor's insurance coverage shall be primary insurance as respects the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents. Any insurance or self-insurance maintained by the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents shall be in excess of the Contractor's insurance and shall not contribute with it.

(3) Each insurance policy required by this Article shall state that coverage shall not be canceled by either the Contractor or the insurance carrier, except after thirty (30) Days prior written notice by certified mail, return receipt requested, has been given to the Trustees.

(4) The State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents shall not by reason of their inclusion as additional insureds incur liability to the insurance carriers for payment of premiums for such insurance.

(d) Amount of Insurance.

(1) For all projects, the insurance furnished by Contractor under this Article shall provide coverage in amounts not less than the following, unless a different amount is stated in the Supplementary General Conditions:

(i) Comprehensive or Commercial Form General Liability Insurance--Limits of Liability

\$2,000,000 General Aggregate

\$1,000,000 Each Occurrence--combined single limit for bodily injury and property damage.

(ii) Business Automobile Liability Insurance--Limits of Liability

\$1,000,000 Each Accident-- combined single limit for bodily injury and property damage to include uninsured and underinsured motorist coverage.

(iii) Workers' Compensation limits as required by law with Employers Liability limits of \$1,000,000.

(2) For projects involving hazardous materials, the Contractor shall provide additional coverage in amounts not less than the following, unless a different amount is stated in the Supplementary General Conditions:

(i) Environmental Impairment (pollution) Liability Insurance--Limits of Liability

\$10,000,000 General Aggregate

\$ 5,000,000 Each Occurrence-- combined single limit for bodily injury and property damage, including cleanup costs.

(ii) In addition to the coverage described in 4.06-d (1) (b), Business Automobile Liability Insurance, the Contractor shall obtain for hazardous material transporter services:

(a) MCS-90 endorsement

(b) Sudden & Accidental Pollution endorsement--Limits of Liability*

\$2,000,000 Each Occurrence

\$2,000,000 General Aggregate

*A higher limit on the MCS-90 endorsement required by law must be matched by the Sudden & Accidental Pollution Insurance.

With the Trustees' approval, the Contractor may delegate the responsibility to provide this additional coverage, as described in this Article 4.06-d (2) (b) above, to its hazardous materials subcontractor. When the Contractor returns its signed project construction phase agreement to the Trustees, the Contractor shall also provide the Trustees with a letter stating that it is requiring its hazardous materials subcontractor to provide this additional coverage, if applicable. The Contractor shall affirm in this letter that the hazardous materials subcontractor's certificate of insurance shall also adhere to all of the requirements

in Article 4.06-b: Verification of Coverage and 4.06-c: Insurance Provisions. Further, this letter will provide that the subcontractor's certificate of insurance will be provided to the Trustees as soon as the Contractor fully executes its subcontract with the hazardous materials subcontractor, or within 30 Days of the Notice to Proceed, whichever is less.

(e) Acceptability of Insurers.

Insurers shall be licensed by the State of California to transact insurance and shall hold a current A.M. Best's rating of A:VII, or shall be a carrier otherwise acceptable to the University.

(f) Subcontractor's Insurance.

Contractor shall ensure that its subcontractors are covered by insurance of the types required by this Article, and that the amount of insurance for each subcontractor is appropriate for that subcontractor's Work. Contractor shall not allow any subcontractor to commence Work on its subcontract until the insurance has been obtained. Only the Contractor and its hazardous materials subcontractor(s) shall have the coverage for projects involving hazardous materials as required in Article 4.06-d, Amounts of Insurance, subdivision (2).

(g) Miscellaneous.

- (1) Any deductible under any policy of insurance required in this Article shall be Contractor's liability.
- (2) Acceptance of certificates of insurance by the Trustees shall not limit the Contractor's liability under the Contract.
- (3) In the event the Contractor does not comply with these insurance requirements, the Trustees may, at its option, provide insurance coverage to protect the Trustees. The cost of the insurance shall be paid by the Contractor and, if prompt payment is not received, may be deducted from Contract sums otherwise due the Contractor.
- (4) If the Trustees are damaged by the failure of Contractor to provide or maintain the required insurance, the Contractor shall pay the Trustees for all such damages.
- (5) The Contractor's obligations to obtain and maintain all required insurance are non-delegable duties under this Contract.
- (6) The Contractor's liability for damages proximately caused by acts of God (as defined in Public Contract Code section 7105) and not involving Contractor negligence shall be limited to five percent of the Contract.

19. General Indemnity

Contractor shall indemnify, defend, and hold harmless the State of California, Board of Trustees of the California State University, CSU, and their respective officers, agents and employees from any and all claims and losses accruing or resulting to any other person, firm or corporation furnishing or supplying work, service, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation related to, arising out of or resulting from Contractor's performance of this Contract.

20. Invoices

Invoices shall be submitted, in arrears, to the address stipulated in the Contract. The Contract number must be included on the invoice. Final invoice shall be marked as such.

- (a) In the event that additional services are required, the Contractor shall submit invoices in accordance with provisions herein.
- (b) For work of a continuing nature, the Contractor shall submit invoices in arrears, upon completion of each phase. Contractor shall be reimbursed for travel, subsistence and business expenses necessary for the performance of services pursuant to the Contract in accordance with CSU policy.
- (c) Unless otherwise specified, the CSU shall pay properly submitted invoices not more than 45 days after
 - (i) the performance completion date of services; or
 - (ii) receipt of an undisputed invoice, whichever is later. Late payment penalties shall not apply to this Contract.
- (d) The consideration to be paid Contractor, as described within the Contract, shall be in full compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

21. Document Referencing

All correspondence, invoices, bills of lading, shipping memos, packages, etc., must show the Contract number. If factory shipment, the factory must be advised to comply. Invoices not properly identified with the Contract number and Contractor identification number may be returned to Contractor and may cause delay in payment.

22. Use of Data

Contractor shall not utilize any non-public CSU information it may receive by reason of this Contract, for pecuniary gain not contemplated by this Contract, regardless whether Contractor is or is not under contract at the time such gain is realized. CSU specific information contained in the report, survey, or other product developed by Contractor pursuant to this Contract is the property of CSU, and shall not be used in any manner by Contractor unless authorized in writing by CSU.

23. Confidentiality of Data

- (a) Contractor acknowledges the privacy rights of individuals to their personal information that are expressed in the Information Practices Act (California Civil Code Section 1798 et seq.) and in California Constitution Article 1, Section 1. Contractor shall maintain the privacy of personal information and protected data as confidential information. Contractor shall not use, disclose, or release confidential information contained in CSU records without full compliance with applicable state and federal privacy laws, and this Contract. Contractor further acknowledges and agrees to comply with Federal privacy laws, such as the Gramm-Leach-Bliley Act (Title 15, United States Code, Sections 6801(b) and 6805(b)(2)) applicable to financial transactions, and the Family Educational Rights and Privacy Act (Title 20, United States Code, Section 1232g) applicable to student education records and information from student education records. Contractor shall maintain the privacy of confidential information and shall be financially responsible for any notifications to affected persons (after prompt consultation with CSU) whose personal information is disclosed by any security breach relating to confidential information resulting from Contractor's or its personnel's acts or omissions. Further, If so requested by CSU, Contractor shall be administratively responsible for providing such notification in the most expedient time possible consistent with the methods prescribed in California Civil Code 1798.29g and 1798.82g.
- (b) Contractor further agrees that all financial, statistical, personal, technical and other data and information relating to CSU's operation designated "confidential" by CSU, and not otherwise subject to disclosure under the California Public Records Act, and made available to Contractor to perform this Contract or which become available to Contractor while performing this Contract, shall be protected by Contractor using the same level of care it takes to protect its own information of a similar nature, but in no event less than reasonable care. If required by a court of competent jurisdiction or an appropriate administrative body with legal authority to order the disclosure of confidential information or protected data, Contractor will notify CSU in writing prior to any such disclosure to give CSU an opportunity to oppose any such disclosure. Prior to any disclosure of confidential information as required by legal process, Contractor shall:
- (1) Notify CSU of any actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure, immediately upon becoming so obligated; and
- (c) Contractor shall cooperate with any litigation or investigation proceedings concerning protected data loss or other breach of Contractor's obligations under this Contract. Any access, transmission, or storage of protected data outside the United States must be approved in writing by CSU in advance. Contractor's failure to comply with any provision of this Section shall constitute a material breach of the Contract.

24. Information Security Requirements

(a) Contractor acknowledges that its contract/purchase order with the California State University ("the CSU") may allow the Contractor access to CSU Protected Data including, but not limited to, personal information, student records, health care information, or financial information. This data may be transferred in various forms, notwithstanding the manner in which or from whom it is received by Contractor subject to state laws that restrict the use and disclosure of such information, including the California Information Practices Act (California Civil Code Section 1798 et seq.) and the California Constitution Article 1, Section 1. Contractor represents and warrants that it will keep CSU Protected Data confidential both during the Term and after the termination of the Agreement.

(b) Information Security Plan

Contractor agrees that it will protect CSU Protected Data according to published information security policy and standards and no less rigorously than it protects its own confidential information but in no case less than reasonable care. Contractor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures, which may include but not be limited to encryption techniques, to preserve the confidentiality, integrity and availability of all such Protected Data.

(c) Personal Security Requirements

Contractor shall require all its affiliates and subcontractors, as a condition to their engagement, to agree to be bound by provisions substantially the same as those included in this Agreement related to information security matters only. Contractor shall not knowingly permit a representative or subcontractor to have access to CSU records, confidential data, or premises of the CSU when such representative or subcontractor has been convicted of a felony.

In addition, Contractor represents and warrants that in performing the Services, it will comply with all applicable privacy and data protection laws and regulations of the United States including, as applicable, the provisions in the Gramm-Leach-Bliley Act, 15 U.S.C. Section 6801 et seq., the Family Education Rights and Privacy Act ("FERPA"), 20 USC Section 1232(g) et seq., and of any other applicable non-U.S. jurisdiction, including the European Union Directives, and that it will use best efforts, consistent with Federal Trade Commission and other applicable guidance, to protect CSU's Protected Information from identity theft, fraud and unauthorized use.

Failure by Contractor to comply with any provision of this Section shall constitute a default subject to Paragraph 14 of the CSU General Provisions for Service Acquisitions.

25. Patent, Copyright, and Trade Secret Indemnity

- (a) Contractor shall indemnify, defend, and hold harmless the State of California, Board of Trustees of the California State University, CSU, and their respective officers, agents, and employees (collectively referred to as CSU), from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement or violation of any Intellectual Property Right, domestic or foreign, by any product or service provided hereunder. With respect to claims arising from computer Hardware or Software manufactured by a third party and sold by Contractor as a reseller, Contractor will pass through to CSU, in addition to the foregoing provision, such indemnity rights as it receives from such third party ("Third Party Obligation") and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the Third Party Obligation, Contractor will provide CSU with indemnity protection.
- (i) CSU will notify Contractor of such claim in writing and tender its defense within a reasonable time; and
 - (ii) Contractor will control the defense of any action on such claim and all negotiations for its settlement or compromise, except when substantial principles of government or public law are involved, when litigation might create precedent affecting future CSU operations or liability, or when involvement of the CSU is otherwise mandated by law. In such case no settlement shall be entered into on behalf of CSU without CSU's written approval.
- (b) Contractor may be required to furnish CSU a bond against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
- (c) Should the Deliverables or Software, or the operation thereof, become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a Intellectual Property Right, whether domestic or foreign, CSU shall permit Contractor at its option and expense either to procure for CSU the right to continue using the Deliverables or Software or to replace or modify the same so they become non-infringing, provided they comply with Contract and performance requirements and/or expectations. If neither option can reasonably be practiced or if the use of such Deliverables or Software by CSU shall be prevented by injunction, Contractor agrees to take back such Deliverables or Software and use its best effort to assist CSU in procuring substitute Deliverables or Software at Contractor's cost and expense. If, in the sole opinion of CSU, the return of such infringing Deliverables or Software makes the retention of other Deliverables or Software acquired from Contractor under this Contract impracticable, CSU shall then have the option of terminating this Contract, or applicable portions thereof, without penalty or termination charge. Contractor agrees to take back such Deliverables or Software and refund any sums CSU paid Contractor less any reasonable amount for use or damage.
- (d) Contractor certifies it has appropriate systems and controls in place to ensure State funds will not be used in the performance of this Contract for the acquisition, operation or maintenance of computer Software in violation of copyright laws.

26. Rights in Work Product

All inventions, discoveries, intellectual property, technical communications and records originated or prepared by Contractor pursuant to this Contract, including papers, reports, charts, computer programs, and other Documentation or improvements thereto, and including Contractor's administrative communications and records relating to this Contract (collectively, the "Work Product"), shall be Contractor's exclusive property. The provisions of this section may be revised in a Statement of Work. The provisions of this sub-section a) may be revised in a Statement of Work. However, all finished product or deliverables required under this contract shall be the exclusive property of the CSU and may be used at CSU's discretion.

27. Examination and Audit

For contracts in excess of \$10,000, Contractor shall be subject to the examination and audit by

- (a) the Office of the University Auditor, and
- (b) the Bureau of State Audits, for a period of three (3) years after final payment under the Contract. The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the Contract. Note: Authority Cited: Government Code Section 8546.7; Education Code Section 89045(c&d), respectively.

28. Dispute

Any dispute arising under or resulting from this Contract that is not resolved within 60 days of time by authorized representatives of Contractor and CSU shall be brought to the attention of Contractor's Chief Executive Officer (or designee) and CSU's Chief Business Officer (or designee) for resolution. Either Contractor or CSU may request that the CSU Vice Chancellor, Business and Finance (or designee) participate in the dispute resolution process to provide advice regarding CSU contracting policies and procedures. If this informal dispute resolution process is unsuccessful, the parties may pursue all remedies not inconsistent with this Contract. Despite an unresolved dispute, Contractor shall continue without delay in performing its responsibilities under this Contract. Contractor shall accurately and adequately document all service it has performed under this Contract.

29. Conflict of Interest

CSU requires a Statement of Economic Interests (California Form 700) to be filed by any Consultant (or Contractor) who is involved in the making or participation in the making of decisions which may foreseeably have a material effect on any CSU financial interest.

30. Follow-On Contracts

No person, firm, or subsidiary thereof who has been awarded a contract for Consulting Services or providing Direction (as provided below) may submit be awarded a contract for the provision of services, or any other related action that is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract.

- (a) If Contractor or its affiliates provides Consulting and Direction, Contractor and its affiliates:
- (i) shall not be awarded a subsequent Contract to supply the service or system, or any significant component thereof, that is used for, or in connection with, any subject of such Consulting and Direction; and
 - (ii) shall not act as consultant to any person or entity that does receive a Contract described in sub-section (i). This prohibition will continue for one (1) year after termination of this Contract or completion of the Consulting and Direction, whichever is later.
- (b) "Consulting and Direction" means services for which Contractor received compensation from CSU and includes:
- (i) development of, or assistance in the development, of work statements, specifications, solicitations, or feasibility studies;
 - (ii) development or design of test requirements;
 - (iii) evaluation of test data;
 - (iv) direction of or evaluation of another Contractor;
 - (v) provision of formal recommendations regarding the acquisition of products or services; or
 - (vi) provisions of formal recommendations regarding any of the above. For purposes of this Section, "affiliates" are employees, directors, partners, joint venture participants, parent corporations, subsidiaries, or any other entity controlled by, controlling, or under common control with Contractor. Control exists when an entity owns or directs more than fifty percent (50%) of the outstanding shares or securities representing the right to vote for the election of directors or other managing authority.
- (c) Except as prohibited by law, the restrictions of this Section will not apply:
- (i) to follow-on advice given by vendors of commercial off-the-shelf products, including Software and Hardware, on the operation, integration, repair, or maintenance of such products after sale; or
 - (ii) where CSU has entered into a Contract for Software or services and the scope of work at the time of Contract execution expressly calls for future recommendations among the Contractor's own products.
- (d) The restrictions set forth in this Section are in addition to conflict of interest restrictions imposed on public Contractors by California law ("Conflict Laws"). In the event of any inconsistency, such Conflict Laws override the provisions of this Section, even if enacted after execution of this Contract.

31. Endorsement

Nothing contained in this Contract shall be construed as conferring on any party, any right to use the other party's name as an endorsement of product/service or to advertise, promote or otherwise market any product or service without the prior written consent of the other party. Furthermore nothing in this Contract shall be construed as endorsement of any commercial product or service by the CSU, its officers or employees.

32. Covenant Against Gratuities

Contractor shall warrant that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of CSU with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, CSU shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by CSU in procuring on the open market any items that Contractor agreed to supply shall be borne and paid for solely by Contractor. CSU's rights and remedies provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under the Contract.

33. Nondiscrimination

- (a) During the performance of this Contract, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition, age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- (b) Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title

2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

- (c) Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Contract.

34. Compliance with NLRB Orders

Contractor declares under penalty of perjury under the laws of the State of California that no more than one final, unappeasable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a federal court to comply with an order of the National Labor Relations Board. Note: Cite Authority: PCC 10296

35. Drug-Free Workplace Certification

Contractor certifies that Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 and shall provide a drug-free workplace by taking the following actions:

- (a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations
- (b) Establish a Drug-Free Awareness Program to inform employees about all of the following:
 - (i) the dangers of drug abuse in the workplace;
 - (ii) the person's or organization's policy of maintaining a drug-free workplace;
 - (iii) any available counseling, rehabilitation and employee assistance programs; and,
 - (iv) penalties that may be imposed upon employees for drug abuse violations.
- (c) Provide that every employee who works on the proposed or resulting Contract:
 - (i) will receive a copy of the company's drug-free policy statement; and,
 - (ii) will agree to abide by the terms of the company's statement as a condition of employment on the Contract. Note: Authority Cited: Government Code Section 8350-8357

36. Forced, Convict, Indentured and Child Labor

By accepting a contract with CSU, Contractor:

- (a) certifies that no equipment, materials, or supplies furnished to CSU pursuant to this Contract have been produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Contractor further certifies it will adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at <http://www.dir.ca.gov/>, and Public Contract Code Section 6108.
- (b) agrees to cooperate fully in providing reasonable access to its records, documents, agents or employees, or premises if reasonably required by authorized officials of the State, the Department of Industrial Relations, or the Department of Justice to determine Contractor's compliance with the requirements under paragraph (A).

37. Recycled Content Certification

To the extent that services involve the supply of post-consumer materials (see below) Contractor shall certify in writing the minimum, if not exact, percentage of post-consumer material, as defined in Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to CSU regardless whether the product meets the requirements of Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (PCC 12205).

38. Child Support Compliance Act

For any contract in excess of \$100,000, Contractor acknowledges in accordance with Public Contract Code Section 7110, that:

- (a) Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
- (b) Contractor, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

39. Americans With Disabilities Act (ADA)

Contractor warrants that it complies with California and federal disabilities laws and regulations. (Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq). Contractor hereby warrants the products or services it will provide under this Contract comply with the accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, Part 1194. Contractor agrees to promptly respond to and resolve any complaint regarding accessibility of its products or services. Contractor further agrees to indemnify and hold harmless CSU from any claims arising out of Contractor's failure to comply with the aforesaid requirements. Failure to comply with these requirements shall constitute a material breach of this Contract.

40. Expatriate Corporations

Contractor declares and certifies that it is not an expatriate corporation, and is not precluded from contracting with CSU by The California Taxpayer and Shareholder Protection Act of 2003, Public Contract Code Section 10286, et seq.

41. Citizenship and Public Benefits

If Contractor is a natural person, Contractor certifies he or she is a citizen or national of the United States or otherwise qualified to receive public benefits under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193; 110 STAT.2105, 2268-69).

42. Loss Leader

Contractor certifies and declares it is not engaged in business within this State of California to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. Note: Authority Cite: (PCC 12104.5(b).)

43. DVBE and Small Business Participation

- (a) If Contractor has committed to achieve small business (SB) participation it shall, within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract), report to CSU: (1) the name and address of the SB(s) who participated in the performance of the Contract; (2) the total amount the prime Contractor received under the Contract; and (3) the amount each SB received from the prime Contractor. (Govt. Code § 14841.)
- (b) If Contractor has committed to achieve disabled veteran business enterprise (DVBE) participation, it shall, within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract), report to CSU:
 - (1) the name and address of the DVBE(s) who participated in the performance of the Contract;
 - (2) the total amount the prime Contractor received under the Contract; and
 - (3) the amount each DVBE received from the prime Contractor. The Contractor shall also certify that all payments under the Contract have been made to the DVBE. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

44. Contractor's Staff

Contractor warrants that its staff assigned to performing work under this Contract are legally able to perform such duties in the country where the work is being performed.

Office ergonomics & risk management solutions

Quotation for the provision of software-based risk management services

Workstation Safety Plus

Proposal prepared for: Kevin Brady

Proposal submitted to: California State University System

Date: August 29, 2014

Prepared by: Joe Oliveri
Briotix.com
325 E. Rolling Oaks Dr, Suite 105
Thousand Oaks, CA 91361
(866) 966-3420 x 110
Joe.Oliveri@briotix.com



1.0 Introduction

Cardinus Risk Management (a member company of AmWINS Group, Inc.) have been producing and supplying risk management software since 1995. During this time our products have evolved in line with best practices and have been embraced by Fortune 500 companies, government agencies, and organizations that recognize the immediate opportunity to reduce risk and increase productivity.

In partnership with Britoix Inc, we offer implementation and management services using a consulting team with experience in risk management, industrial engineering, psychology and physical therapy. Currently over 800 corporate customers use Cardinus' products to manage their ergonomics risk.

Our US customers include HP, Yahoo!, Dell, Cisco, Marathon Oil, Travelers, Juniper Networks, Parsons and many others.

The success of the Cardinus and the Briotix team is the result of:

- Our willingness to work with each client to design and produce a customized solution that meets the individual needs of that company.
- Our desire to create a culture of "safety self-awareness" with employees empowered to identify and manage their own risk.
- Our understanding of how our clients evolve with solutions that are adaptable, scalable and sustainable.
- Our grasp of global cultural, legislative and insurance requirements.
- Our commitment to research and validation of our industry. (A recent paper published by Cardinus considered the link between stress and ergonomic discomfort).
- Our passion for exceptional service that is supported by our 97% renewal rate.

Cardinus Risk Management Ltd www.cardinus.com
Briotix, Inc. www.Briotix.com

www.ergonomics-experts.com



2.0 Our understanding of your needs

It is our understanding that the California State University System has a requirement to provide ergonomics training and self-assessment tools for 33,000 employees across multiple sites. At this stage the preferred delivery method is hosted.

What is Workstation Safety Plus?



Workstation Safety Plus is a browser-based program designed to help you manage your ergonomic risk effectively and with ease. By utilizing a number of unique features Workstation Safety Plus will help you to comply with the all future regulations, reduce injuries and injury related costs and improve overall efficiency.

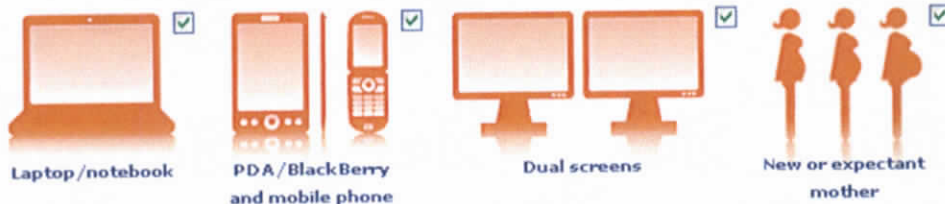
Course modules include:

Training:

Workstation Safety Plus provides award-winning training that takes between 30 and 45 minutes to complete. However, the course is divided into six short modules to allow for flexibility.

As described earlier in this document we rarely take a 'one size fits all' approach. Our consultants work with you to produce a version of Workstation Safety Plus that exactly meets your specific requirements.

Prior to starting Workstation Safety Plus your employees will specify their circumstances. The training will then adapt to meet their exact needs.



Introduction:

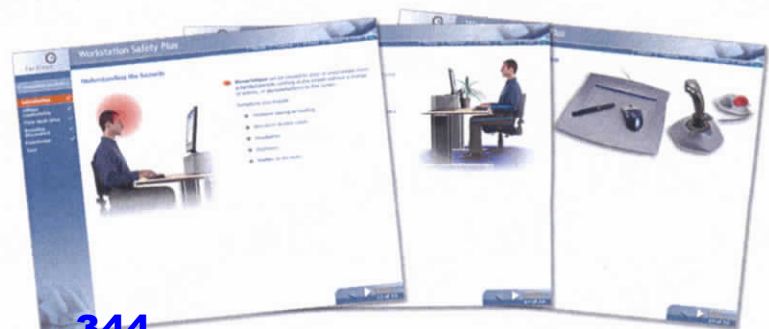
Provides employees an overview of the training modules. It identifies health risks associated with computer usage, body warnings, and factors that contribute to injuries.

Sitting Comfortably:

Provides guidance and education in proper sitting postures and behaviors in order to help increase productivity and decrease potential injuries. Customization of this section with chair specific information will enhance this training and add value to employees.

Your desk area:

Provides education on how to set up workstations and maintain a safe working environment. It addresses body postures as well as equipment adjustments. With proper adjustments



Agreement 140223, Rider B

an employee will work safer and be more productive.

Avoiding discomfort:

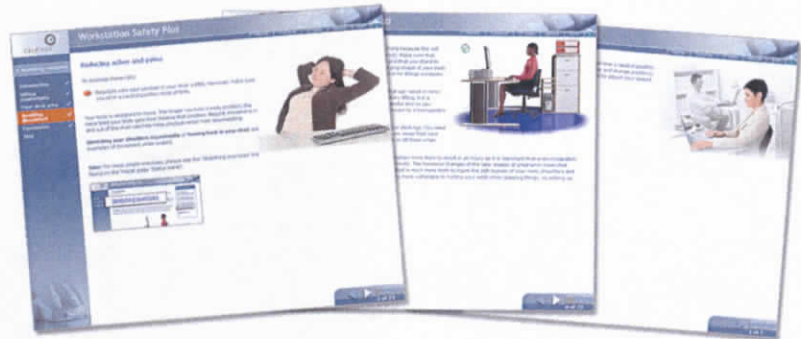
Provides guidance in proper workstation behavior which will in turn, decrease discomfort. By understanding how to avoid discomfort the employee can reduce fatigue, avoid aches and pains, and increase their overall effectiveness.

Conclusion:

Reviews and highlights all modules with suggestions on how to change behavior, environment, and work safer and smarter.

Test:

Assesses employee's awareness of concepts developed in order to promote safe work habits, lower risk levels and help improve productivity.



Risk Assessment:

At the end of the training each employee is led into a self-risk assessment. As with the educational module, the risk assessment is configurable to meet your needs. In fact, a variety of risk assessments can be used to account for pregnant employees or those with differing risk factors.

It is worth noting that employees who move workstations regularly can complete more than one risk assessment. This will ensure you can produce a risk profile for the user across each of their working locations.

User Action Report:

Finally, the User Action Report empowers your employees to take direct responsibility for any issues they may be experiencing (or for those issues you wish them to take ownership of). The exact way the feedback is deployed is completely configurable to suit their immediate working environment.

Some of our clients empower the users to tackle some issues directly, others to take a lead and discuss the feedback with their line manager or supervisor. Each site administrator controls the content and advice; this ensures that your employees are empowered in line with your policy objectives.

Additional features:

In addition to the training and risk assessment sections we offer further tools to encourage behavior change and ergonomic understanding. These include:

Stretching Exercises – an easily accessed section which users are encouraged to use whenever they feel any physical stress symptoms.

Ergo spot-check – for users who 'migrate' regularly (call center staff, etc.). A user is able to access this module when they sit at a new desk and within a few minutes are guided through the



Agreement 140223, Rider B

workstation setup process.

"How to report issues" - removes any doubt over how an employee informs you of their concerns, this will ensure you can take preventative measures before the issue escalates into a more serious injury.

PACE, Cardinus, Management module

Supporting your training and risk assessment program is PACE.

Administrators can quickly establish those users who have completed their training. Those users who have not completed the training are also identified and their progress seen. Administrators can ascertain each employee's level of ergonomics understanding and whether a need is present for further training or advice.

Risk assessment data can also be easily tracked. Users are prioritized depending upon their level of risk. This ensures that administrators can target their resources to those users who are most at risk and take action to reduce exposure to postural risk or otherwise.

Other features include:

- The ability to track and view training and risk assessment data and to monitor program activities and data from anywhere, anytime and from any computer that has a compatible web browser and an internet connection.
- Robust and customisable reports, statistics, and charts for prioritising corrective actions based on risk scores.
- Ability to create, view and modify tasks and user history.
- Ability to create, view, and modify, send and schedule automated email messages and activity reminders. Pre-designed Email templates that are fully customisable.
- A Task Manager to help you keep up on what's happening and what's *not* happening.
- Allows tracking the cost of equipment, modifications, etc.

On-site intervention report:

Our onsite intervention report put you squarely in control of your risk assessment data.

For the first time ergonomists, assessors, external consultants and other administrators can record their observations in a formal, assessment-driven way.

Workstation Safety Plus in conjunction with PACE now enables your administrators to store textual and photographic information in one place, together with the self-assessment data.



Records may be entered using the normal web browser interface or via a mobile devices.

Workstation Safety Plus is the only product that provides a true-end-to-end Global process.

Cardinus Smartphone Application



Cardinus' stretching exercises are available via a free download application available on the Apple, Android and Blackberry networks. Simply search 'Cardinus'

Agreement 140223, Rider B

Safety for Homeworkers

This comprehensive e-learning and self-assessment course provides you with a complete solution that covers many aspects of safety law including; ergonomics, fire, electrical safety and many other subjects providing online employee training and risk assessment in one easy to use package.

At the end of the training your employees will understand:

- How health and safety law (where appropriate) applies to homeworkers. They will be aware of where to seek further information and assistance.
- The hazards that could lead to slipping, tripping or falling and how to avoid these hazards.
- The risks associated with the use of electricity and learn what actions to take to avoid electrical shocks and fires.
- Issues surrounding workstation safety and how to minimise any health risks associated with computer use.
- Poor handling and techniques to reduce the risks.
- Correct ways to record, report and investigate accidents. Your employees will also understand basic first-aid arrangements and fire escape planning.
- How to identify and minimize the risk of violence or aggressive behavior, how to drive more safely and safe working procedures when visiting customers.

Safety for Homeworkers also includes a self-assessment to help you comply with regulatory standards or to reduce Workers' Compensation costs. The data from this assessment is saved into the management module PACE, allowing you to quickly identify employees who require further help.

Laboratory Ergonomics Plus

Our newest course, Laboratory Ergonomics Plus provides each employee with a comprehensive e-learning suite covering the ergonomic risks associated with the laboratory. As the risks can be fundamentally different between different laboratory environments this engaging course is adaptable to meet the requirements of each employee. Optional learning material includes:

Bench work, biosafety cabinets, microscopes, pipettes, and fume hoods and the risks associated with new or expectant mothers.

As with all courses Laboratory Ergonomics Plus is fully audited through the powerful management module, PACE.

Language variants

We currently provide Workstation Safety Plus in a number of language variants including:

English UK, US and Irish variants, Chinese, Dutch, French, German, Italian, Japanese, Portuguese, Russian, Spanish. A Hindi version will be available shortly.



3.0 Quote

QUOTATION — (Sample, single campus scenario needing 2,000 licenses)

California State University System

August 29, 2014

One-time, Single Site Set-up fee

PACE Admin System	1 License	\$2,000.00
Course Customization	1 Day	\$1,815.00
Training on Cardinus products	1 Day	\$1,815.00
Project Management	2 Days	\$3,630.00
PACE configuration	1 Day	\$1,815.00
Employee Import/Updates	1 License	\$1,000.00
Annual Support and Upgrade License (ASL)	1 Year	\$500.00
Total:		\$12,575.00

License Count (variable per campus)

Workstation Safety Plus	\$4.00 per user	2000 Licenses	\$8,000.00
ASL	\$1.00 per user	2000 Licenses	\$2,000.00
Total			\$10,000.00

Grand total for customized variant with a campus needing 2000 licenses \$22,575.00

• All costs are one-time except for the for the two Annual Support and Upgrade License (ASL) line items and the Employee Import/Update fee which combined is \$3,500 for this sample campus utilizing 2,000 licenses of Workstation Safety Plus. Therefore, 12 months after the customized product is created and delivered the year two fee of \$3,500 will be due. Subject to standard price increase of up to 5%.

• Based on standard milestones and deliverables after receiving the purchasing approval, a campus can expect a delivered product at a minimum of 6 to 8 weeks.

• This program represents each campus having their own PACE Management system. Campuses that choose to purchase at the same time can split the one time fees associated with Training on Cardinus products and Project Management.

• Additional course customization, LMS Integration, Procurement implementation, Single Sign-on and further admin configuration is quotable as one-time fees.

4.0 An overview of your quotation

As a leading provider of risk management software we have extensive experience in deploying and measuring the success of your program. To ensure you achieve the very best results your quote includes a number of optional services designed to help setup, launch and monitor your program. Your quotation includes:

User licenses:

Each product is purchased on a 'per user' basis. If you select our perpetual license each user will have unrestricted access to your course(s) for an indefinite period of time. If you select our 12-month license your users will have access to your course(s) for one year. Licenses are subject to the terms of the Cardinus software license.

PACE Management module:

A server license is required for PACE. There is no restriction on the number of administrators who have access to this module.

PACE Training

At least one day of training is recommended for 'Master Administrators' who will be responsible for managing PACE. Training can be delivered on-site or remotely depending upon your requirements.

Project Management

Prior to the launch of your course(s) your dedicated Project Manager will help you to create a formal roll-out and management policy. Project management covers the analysis of evaluation data, resource planning, scheduling, internal marketing, training, issue planning and a range of other topics to help you manage long-term risk.

PACE configuration

PACE configuration includes, but is not limited to, a personnel import, population of locations and departments and inclusion of your company logo. For a comprehensive list of services included within the PACE configuration day please refer to our Customer Requirements Form (CRF).

Quarterly/Monthly Import /Update Fee

Employee details can be added, deleted or amended manually in PACE. However, some organizations prefer to undertake this process electronically. Employee data imports can be undertaken on an as needed, quarterly or monthly basis. Your quote will show the number of imports anticipated in the first year and the total cost.

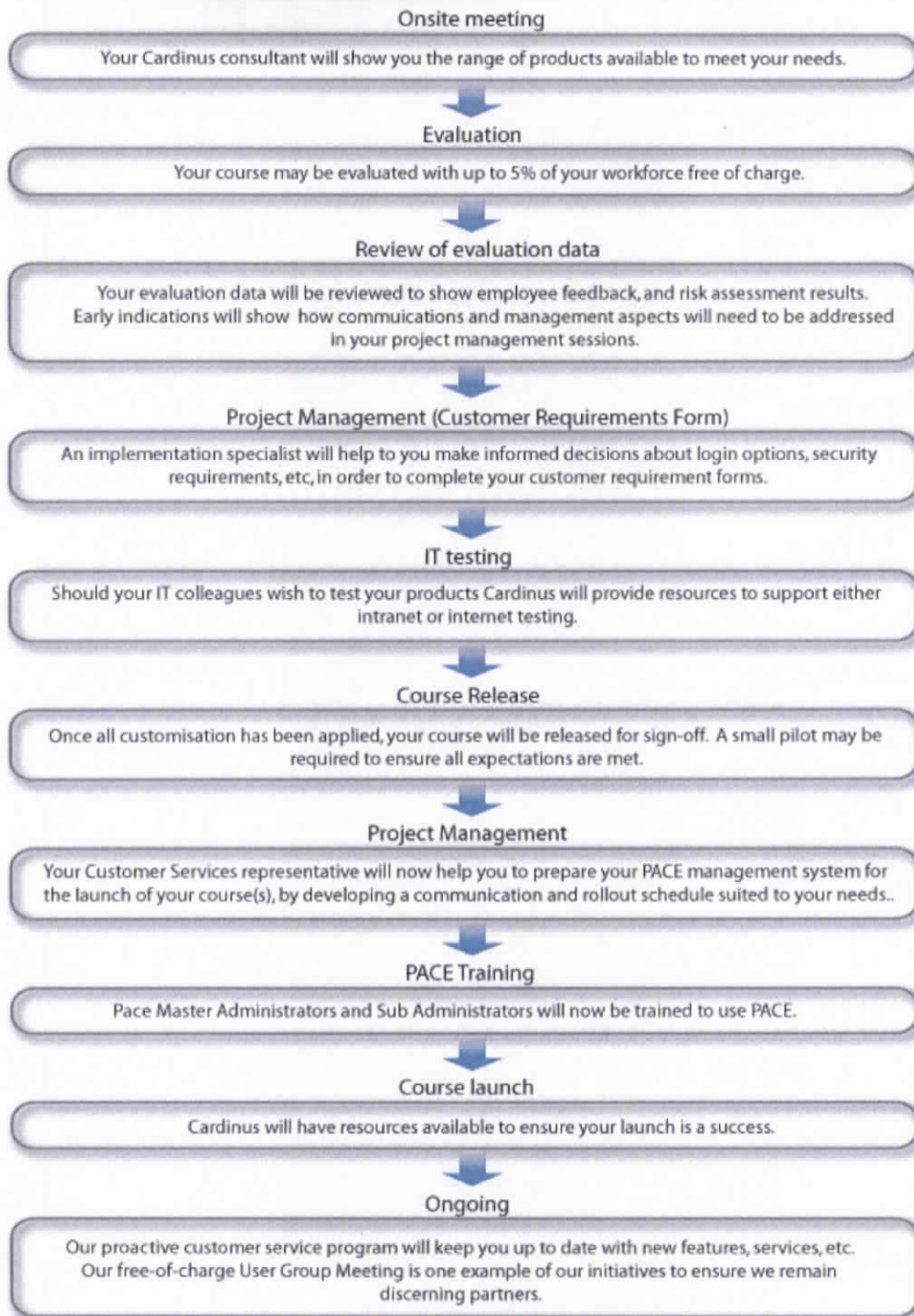
Course configuration

Charges relating to any course customization you may require.

Annual Support License/Annual Hosting Fee

Depending upon how you choose to host your course(s) you will select one of the above. Annual Support License applies if you choose to host your course(s) on your own server and an Annual Hosting Fee will apply if the course is hosted on Cardinus' servers. Both options are subject to the terms & conditions detailed in our annual support or annual hosting contracts.

5.0 Implementation pathway



6.0 What can you expect as a Cardinus customer?

We believe in delivering "excellence as standard". This philosophy has ensured we attract and work with some of the worlds' most influential organizations. Our clients expect the highest standards; here are some of our initiatives to meet these standards.

Proactive technical support

Cardinus' dedicated technical support team is committed to helping you manage an effective software program that delivers results. Using the latest technologies we are able to resolve issues quickly with the minimum of disruption.



"I would like to take this opportunity to let you know that the service I have received from the support desk has been excellent, both Geoff and Barbara are extremely helpful, efficient and knowledgeable." Accenture

Annual system reviews

Each year you will receive a scheduled one-to-one meeting with your Project Manager. During this session we will work with you to analyze your risk data, compare your training information against your expected goals and provide recommendations.



Annual User Group Meeting

Cardinus' annual User Group Meeting is a fantastic opportunity to network with other clients. Throughout the day you will have the opportunity to participate in a conference schedule delivered by industry experts, undertake training sessions and challenge Cardinus with 'Q&A' sessions.



Focus Group Meetings

Whether you participate directly, provide comments pre or post meetings or simply read the regular updates you have the opportunity to directly influence Cardinus' development schedule.



Customer Satisfaction Survey

Each year Cardinus undertake a Customer Satisfaction Survey. Unlike many surveys we ensure we do not look for a positive slant on the results, we want to know what you really think! The results of this survey feed into our Focus Group meetings so we can continue to improve our services.



7.0 Appendix A

Cardinus work with many hundreds of customers in the public and private sectors.

We have extensive experience deploying our products and services throughout organizations with few employees to many hundreds of thousands of employees. Our clients have an opportunity to cancel their contract annually however due to Cardinus' impressive service program we boast exceptional retention rates. Our clients include:

Utilities

BG Group , Direct Energy, Indianapolis Power & Light , Minnesota Power , Nebraska Public Power District , Scottish Water , Severn Trent , Southern Water, Sutton & East Surrey Water, United Utilities , Welsh Water , Yorkshire Water

Finance

Accenture, Alliance Bernstein, AVIVA, Bank of Ireland, Bank of Montreal, Bank of New York, Bank of Tokyo-Mitsubishi, Baring Investment Management, BNP Paribas , Camelot Group, Cazenove Capital Management, Chaucer Insurance, Commerzbank, Ernst & Young, HSBC, Leaseplan, London Clearing House, Lloyds of London, LloydsTSB Asset Finance, London Stock Exchange, Mizuho Corporate Bank, OneBeacon Insurance, PriceWaterhouseCoopers, Robert W. Baird, Santander, Travelers, VocaLink

Charities

Age UK, Cancer Research, Institute of Cancer Research, Oxfam, RNLI, RSPCA,

Telecommunications / Technology

ATOS Origin, Bloomberg, Channel 4 , Capula, Cisco, DELL, EMC, Electronic Arts, Getronics, Honeywell, HP, LinkedIN, LogicaCMG, Microsoft, Novell, O₂ Airways, Tibco, Trend Micro, Twitter, Yahoo,

Oil/Gas/Fuel

Britannia Operators, CNR International, ConocoPhillips, Delphi Diesel, Halliburton, JP Kenny Caledonia, Marathon Oil, Petrofac, PSN, SHELL International, Statoil, Talisman Energy, TotalFinaElf , Wood Group

Transport

BAA, Bombardier Transportation, BMW, Civil Aviation Authority), GNER, Group Lotus, Honda, London Midland Trains, McClaren, Network Rail, Maersk, SouthWest Trains, Southern Railways, Toyota, Transport for London, Volkswagen Group

Pharmaceutical

Abbott Laboratories, Aesica, Amersham International, Astra Zeneca, Cobra BioManufacturing, Eli Lilly, Genzyme Therapeutics, GlaxoSmithKline, Mead Johnson, Medical Research Council, Millennium Pharmaceuticals, Parexel, Pfizer, Procter & Gamble, Quintiles

Property

Freehold Managers, Countrywide Property Managers, Belgarum, County Estates, Peverel, Grays Inn Estates

Partner companies

GE Fleet Services, Hitachi Capital, RAC, Omega Health Systems, Forum of Private Business

Public Entities

Cabinet Office, Care Quality Commission, County of Napa., Department for Children, Schools and Families, Department of Health, Department for International Development, Health & Safety Executive, Health & Safety laboratories, Health Protection Agency, Hennepin County, HM Prison Service, Homes & Communities Agency, Land Registry, National Health Service Litigation Authority, Ministry of Justice, OFSTED, The Crown Estate, The Prime Ministers Office

8.0 Terms & Conditions

STANDARD TERMS

Prices

Prices quoted are valid for 90 days and exclude regional, state or value added taxes. Orders accepted will be subject to the following terms and conditions and subject to Cardinus standard license, annual support and hosting agreements. Any changes made to our Standard Terms will be chargeable.

Network/intranet licenses

Network/intranet licenses provide for training a given number of staff. The price quoted includes compilation of a master CD-ROM, files from which may be copied onto servers and workstations covered by the license. Free email/telephone support is provided for 1 month from date of purchase, except where Cardinus has been advised in writing of a later installation date.

On-site installation and training

On-site installation and training are optional and if required will be inclusive of expenses (England and Wales) and exclusive of expenses (other areas). Installation includes installing on one server i.e. making the software accessible for users/supervisors. It does not include configuration or importing of users. If these services are required, please discuss with Cardinus prior to installation. A charge may be payable.

Customization

Estimated charges quoted for customization will be based on information received from the client are intended as a guideline and will only be normally confirmed on sight of all customization material. Once quoted, any additions/amendments thereafter will be subject to re-costing.

Annual Support License/Annual Hosting Fee

Provided at an additional charge as specified on the quote. Both services offer email and telephone technical support and upgrades as specified in the Annual Support License/Annual Hosting Fee agreement terms. Please note that support applies to one nominated contact or team in one location for one PC or server and is effective from date of invoice. If a course has been customized there may be an additional fee for adding the customized information to each new version. Customization for each upgrade will be charged at the prevailing rate.

Invoicing

Following receipt of an order, any software required will be dispatched to the client or installed on the Cardinus server and an invoice will be raised to cover the complete order including any customization, training and installation requested. Training and/or installation requirements will then be arranged at a mutually convenient time. Invoices are payable within 30 days.

Variance of terms

Any variance from Cardinus standard terms, software license, annual support or hosting agreements will attract a minimum additional fee to cover legal and administrative costs.

Exclusions and restrictions

The software may not be resold or used for any external or commercial training/risk assessments. See the standard license sheet for full information on exclusions and restrictions.

I confirm our order for the products/ licenses/services quoted and agree to the standard terms above.

Name:

Signature:

Position:

Date:

Voluntary Product Accessibility Template

Within 90 days of the Effective Date of the Agreement, Vendor will complete and return a VPAT as specified in the requirements stated below:

1. Voluntary Product Accessibility Template(s)
 - a. Submit a Voluntary Product Accessibility Template (VPAT) for each unique product/service offered (i.e. applications running on multiple platforms). See [CSU Guide to Completing the Voluntary Product Evaluation Template \(VPAT\)](#). Follow instructions 1-8 under *Typical Scenario for Completing a Voluntary Product Evaluation Template (VPAT)* on page 5. **Briotix has two versions of the product so a separate VPAT needs to be filled out for each version.**
 - i. **Regular Version (these sections are required: 1194.21, 1194.22, 1194.31, and 1194.41)** – please read all directions on the VPAT, for each criteria use the appropriate supporting feature status levels (supports, does not support, etc.) and use the remarks/explanation column to explain the supporting feature assigned to the criteria. For example, if the application has images with no alternative text then the supporting feature would be “does not support” and the remark/explanation would read “all images in the application lack alternative text and content conveyed by the images is not available to users who are blind or visually impaired.”
 - ii. **Text-Only Version** (required sections 1194.22 (done), (need) **1194.31**, and (need) **1194.41**) repeat the same process as is explained above. Additionally we will need know what functionality is left out of the text-only version. Please explain what functions are missing (e.g. interactive activities that are activated by buttons throughout the app that prevent the user from moving forward until they have reviewed the concept). You can add that explanation to the summary portion of the VPAT.

Accessibility Roadmap

Within 90 days of the Effective Date of the Agreement, Vendor will complete and return a CSU Accessibility Roadmap document which addresses all accessibility gaps identified in VPAT. The Accessibility Roadmap shall follow the requirements stated below:

The Roadmap should describe the timelines by which these accessibility gaps will be remediated as well as recommendations regarding interim workarounds.

1. Accessibility Roadmap(s)
 - a. Submit a [CSU Accessibility Roadmap](#) for each unique product/service. This information is used by CSU campuses to prepare Equally Effective Alternate Access Plans (EEAAPs) that ensure University programs and services are usable by the entire CSU community.
 - b. Accessibility Roadmaps submitted should provide the following information:
 - i. A list of known accessibility gaps
 - ii. The specific steps and timelines by which known these gaps will be remediated
 - iii. A list of any workarounds for product accessibility gaps including:
 1. Use of alternative business processes (e.g. offering phone support until your web-based support tools are accessible)
 2. Use of a third-party product to replace or supplement functionality in your product (e.g. providing a programming interface which allows other applications to interact with content in your product)

Accessibility Statement

The Accessibility Statement will help CSU campuses effectively serve all the users who will utilize the application, Within 90 days of the Effective Date of the Agreement, Vendor will publish an accessibility statement linked to each page of the application. The accessibility statement will include, a clear statement of commitment to ensuring equal access for all users; a summary of the overall level of compliance with accessible technology standards; Information for users with disabilities regarding product accessibility features and gaps; and clear instructions for accessing user support.

Ongoing Product Accessibility Documentation and Remediation

Vendor agrees to continue its ongoing efforts to remediate remaining product accessibility gaps.



Campus Risk Pools Grant Application

Safety & Risk Control, Employee Health & Wellness

Please Complete All Fields

Campus/Working Group: Stanislaus State Safety & Risk Management		2/5/2016
Contact: Amy Thomas	Phone: 209-667-3035	Email: althomas@csustan.edu
Grant Requested for (please describe): Project will address the risk of ergonomic related injuries such as (no limited to): repetitive motion injury, video display terminal fatigue, sit/stand safety, as well as stress and morale consequences of ergonomic-related injury/illness. The funding would be for the one-time license and start-up cost to contract with an online ergonomic & risk management solution. Annual maintenance fees have been identified through ongoing budget at Safety & Risk Management.		
Planned Date of Purchase (Please attach cost estimate): 4/1/16		Amount Requested (Up to \$10,000 per fiscal year - please see guidelines at the bottom): \$7,500.00
This is a (check all that apply):		
<input type="checkbox"/> Service	<input checked="" type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input checked="" type="checkbox"/> Training	<input checked="" type="checkbox"/> Safety Program Development	<input checked="" type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other (please describe):	
Please describe how this will improve or enhance your risk control efforts:		
<p>The software/web-based risk management service of ergonomic assessment for computer workstations meets injury and illness prevention program standards for training and self-assessment for employees. Customized self-assessment with access to reports and data is a cost-effective solution to maximize the staff of one (1) ergonomist for over 1,000 employees at Stanislaus State. The user-friendly tool will empower and help employees to understand ergonomics, good body mechanics, and gain control over safety and wellness in their day-to-day environment. The current ergo program has excellent results, but we cannot meet the demand with in-person ergo assessments. We believe the results will be even better when employees can be trained and implement immediate improvements without waiting for an appointment or report to address their concerns or discomfort. The capacity to address ergo needs will be greatly increased through this system.</p> <p>This program will improve employee well-being, reduce risk of injury, and will become a sustainable system for addressing frequent needs. Stanislaus State will be able to exponentially expand employee access to a health and wellness program for the employees to whom it applies. We believe this is an excellent application for the use of the innovation grant funds because it addresses a high-frequency, high-risk problem, promotes safety through education and practice, and promotes employee well-being through timely attention to needs.</p>		
Signature (VP- Business & Admin, or designee): _____ <i>Darlene Dawa</i> _____ (Member submission only)		
Date: <i>2/8/16</i>		
Please submit your completed Grant Application to Rob Leong at: (email) rleong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. CSURMA grants are available to all CSU campuses to supplement member costs for Safety & Risk Control and/or Employee Health & Wellness projects. 2. This is a "matching" grant program. CSURMA pays 50% of member's costs that have been approved by CSURMA. The maximum payable by CSURMA for all approved projects is \$10,000 total per member. 3. If member has more than one project, member may submit an application for each project under consideration. No more than \$10,000 total is payable per member for all projects during the fiscal year. 		

4. Applications may be submitted for pre-approval by CSURMA prior to member incurring costs for project described above.
5. Applications must be signed by the Campus VP of Business & Finance or designee.
6. Applications must be submitted during the same fiscal year that the project expense is incurred.
7. Applications must include supporting documents such as:
 - a. detailed description of the proposed project
 - b. anticipated timeline for completion of project
 - c. estimated total cost for the proposed project
9. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups (CSUWERCS) may complete a Grant Application for unencumbered funds that would be applicable to systemwide risk mitigation endeavors. Other than item 5, the requirements remain the same.
10. *Equipment, trainings, personal protective equipment, etc. that employers are required by law or regulation to provide are not eligible for reimbursement. This program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.*
11. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA.
12. Please contact **Rob Leong** at 415.403.1441 or rleong@alliant.com if you have any questions.

Office ergonomics & risk management solutions

Quotation for the provision of software-based risk management services

Workstation Safety Plus

Proposal prepared for: Kellie Marshall

Proposal submitted to: CSU Stanislaus

Date: February 1, 2016

Prepared by: Ron Marquez
Briotix.com
1767 Tribute Rd. Suite C
Sacramento, CA 95815
(866) 966-3420 x 110
Ron.Marquez@briotix.com



1.0 Introduction

Cardinus Risk Management (a member company of AmWINS Group, Inc.) have been producing and supplying risk management software since 1995. During this time our products have evolved in line with best practices and have been embraced by Fortune 500 companies, government agencies, and organizations that recognize the immediate opportunity to reduce risk and increase productivity.

In partnership with Briotix Inc, we offer implementation and management services using a consulting team with experience in risk management, industrial engineering, psychology and physical therapy. Currently over 800 corporate customers use Cardinus' products to manage their ergonomics risk.

Our US customers include HP, Yahoo!, Dell, Cisco, Marathon Oil, Travelers, Juniper Networks, Parsons and many others.

The success of the Cardinus and the Briotix team is the result of:

- Our willingness to work with each client to design and produce a customized solution that meets the individual needs of that company.
- Our desire to create a culture of "safety self-awareness" with employees empowered to identify and manage their own risk.
- Our understanding of how our clients evolve with solutions that are adaptable, scalable and sustainable.
- Our grasp of global cultural, legislative and insurance requirements.
- Our commitment to research and validation of our industry. (A recent paper published by Cardinus considered the link between stress and ergonomic discomfort).
- Our passion for exceptional service that is supported by our 97% renewal rate.



Cardinus Risk Management Ltd www.cardinus.com
Briotix, Inc. www.Briotix.com

www.ergonomics-experts.com

2.0 Our understanding of your needs

It is our understanding that the California State University System has a requirement to provide ergonomics training and self-assessment tools for 33,000 employees across multiple sites. At this stage the preferred delivery method is hosted.

What is Workstation Safety Plus?



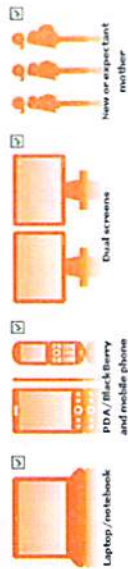
Workstation Safety Plus is a browser-based program designed to help you manage your ergonomic risk effectively and with ease. By utilizing a number of unique features Workstation Safety Plus will help you to comply with the all future regulations, reduce injuries and injury related costs and improve overall efficiency.

Course modules include:

Training: Workstation Safety Plus provides award-winning training that takes between 30 and 45 minutes to complete. However, the course is divided into six short modules to allow for flexibility.

As described earlier in this document we rarely take a 'one size fits all' approach. Our consultants work with you to produce a version of Workstation Safety Plus that exactly meets your specific requirements.

Prior to starting Workstation Safety Plus your employees will specify their circumstances. The training will then adapt to meet their exact needs.



Introduction:

Provides employees an overview of the training modules. It identifies health risks associated with computer usage, body warnings, and factors that contribute to injuries.

Sitting Comfortably:

Provides guidance and education in proper sitting postures and behaviors in order to help increase productivity and decrease potential injuries. Customization of this section with chair specific information will enhance this training and add value to employees.

Your desk area:

Provides education on how to set up workstations and maintain a safe working environment. It addresses body postures as well as equipment adjustments. With proper adjustments an employee will work safer and be more productive.



Avoiding discomfort:

Provides guidance in proper workstation behavior which will in turn, decrease discomfort. By understanding how to avoid discomfort the employee can reduce fatigue, avoid aches and pains, and increase their overall effectiveness.

Conclusion:

Reviews and highlights all modules with suggestions on how to change behavior, environment, and work safer and smarter.

Test:

Assesses employee's awareness of concepts developed in order to promote safe work habits, lower risk levels and help improve productivity.



Risk Assessment:

At the end of the training each employee is led into a self-risk assessment. As with the educational module, the risk assessment is configurable to meet your needs. In fact, a variety of risk assessments can be used to account for pregnant employees or those with differing risk factors.

It is worth noting that employees who move workstations regularly can complete more than one risk assessment. This will ensure you can produce a risk profile for the user across each of their working locations.

User Action Report:

Finally, the User Action Report empowers your employees to take direct responsibility for any issues they may be experiencing (or for those issues you wish them to take ownership of). The exact way the feedback is deployed is completely configurable to suit their immediate working environment.

Some of our clients empower the users to tackle some issues directly, others to take a lead and discuss the feedback with their line manager or supervisor. Each site administrator controls the content and advice; this ensures that your employees are empowered in line with your policy objectives.

Additional features:

In addition to the training and risk assessment sections we offer further tools to encourage behavior change and ergonomic understanding. These include:

Stretching Exercises – an easily accessed section which users are encouraged to use whenever they feel any physical stress symptoms.

Ergo spot-check – for users who 'migrate' regularly (call center staff etc.). A user is able to access this module when they sit at a new desk and within a few minutes are guided through the workstation setup process.



'How to report issues' - removes any doubt over how an employee informs you of their concerns, this will ensure you can take preventative measures before the issue escalates into a more serious injury.

PACE, Cardinus, Management module

Supporting your training and risk assessment program is PACE.

Administrators can quickly establish those users who have completed their training. Those users who have not completed the training are also identified and their progress seen. Administrators can ascertain each employee's level of ergonomics understanding and whether a need is present for further training or advice.

Risk assessment data can also be easily tracked. Users are prioritized depending upon their level of risk. This ensures that administrators can target their resources to those users who are most at risk and take action to reduce exposure to postural risk or otherwise.

Other features include:

- The ability to track and view training and risk assessment data and to monitor program activities and data from anywhere, anytime and from any computer that has a compatible web browser and an internet connection.
- Robust and customisable reports, statistics, and charts for prioritising corrective actions based on risk scores.
- Ability to create, view and modify tasks and user history.
- Reminders. Pre-designed Email templates that are fully customisable.
- A Task Manager to help you keep up on what's happening and what's not happening
- Allows tracking the cost of equipment, modifications, etc.

On-site intervention report:

Our onsite intervention report put you squarely in control of your risk assessment data.

For the first time ergonomists, assessors, external consultants and other administrators can record their observations in a formal, assessment-driven way.

Workstation Safety Plus in conjunction with PACE now enables your administrators to store textual and photographic information in one place, together with the self-assessment data.

Records may be entered using the normal web browser interface or via a mobile device.

Workstation Safety Plus is the only product that provides a true-end-to-end Global process.

Cardinus Smartphone Application

Cardinus' stretching exercises are available via a free download application available on the Apple, Android and Blackberry networks. Simply search 'Cardinus'



Safety for Homeworkers

This comprehensive e-learning and self-assessment course provides you with a complete solution that covers many aspects of safety law including, ergonomics, fire, electrical safety and many other subjects providing online employee training and risk assessment in one easy to use package.

At the end of the training your employees will understand:

- How health and safety law (where appropriate) applies to homeworkers. They will be aware of where to seek further information and assistance.
- The hazards that could lead to slipping, tripping or falling and how to avoid these hazards.
- The risks associated with the use of electricity and learn what actions to take to avoid electrical shocks and fires.
- Issues surrounding workstation safety and how to minimise any health risks associated with computer use.
- Poor handling and techniques to reduce the risks.
- Correct ways to record, report and investigate accidents. Your employees will also understand basic first-aid arrangements and fire escape planning.
- How to identify and minimize the risk of violence or aggressive behavior, how to drive more safety and safe working procedures when visiting customers.

Safety for Homeworkers also includes a self-assessment to help you comply with regulatory standards or to reduce Workers' Compensation costs. The data from this assessment is saved into the management module PACE, allowing you to quickly identify employees who require further help.

Laboratory Ergonomics Plus

Our newest course, Laboratory Ergonomics Plus provides each employee with a comprehensive e-learning suite covering the ergonomic risks associated with the laboratory. As the risks can be fundamentally different between different laboratory environments this engaging course is adaptable to meet the requirements of each employee. Optional learning material includes:

Bench work, biosafety cabinets, microscopes, pipettes, and fume hoods and the risks associated with new or expectant mothers.

As with all courses Laboratory Ergonomics Plus is fully audited through the powerful management module, PACE.

Language variants

We currently provide Workstation Safety Plus in a number of language variants including:

English UK, US and Irish variants, Chinese, Dutch, French, German, Italian, Japanese, Portuguese, Russian, Spanish. A Hindi version will be available shortly.



3.0 Quote

QUOTATION – (single campus, 400 licences)

CSU Stanislaus

February 1, 2016

PACE Admin System	1 License	\$2,000.00
Course Customization	1 Day	\$1,815.00
Training on Cardinus products	1 Day	\$1,815.00
Project Management	2 Days	\$3,630.00
PACE configuration	1 Day	\$1,815.00
Employee Import/Updates	1 License	\$1,000.00
Annual Support and Upgrade License - PACE	1 Year	\$500.00
LMS Integration	0 Days	\$0.00
Total:		\$12,575.00
License Count (variable per campus)		
Workstation Safety Plus	\$4.00 per user	400 Licenses
ASL	\$1.00 per user	400 Licenses
Total		\$2,000.00

Grand total for customized variant with a campus needing 400 Licenses **\$14,575.00**

*asking for
1/2 from
grant*

- All costs are one-time except for the for the two Annual Support and Upgrade License (ASL) line items and the Employee Import/Update fee which combined is \$1900 for this sample campus utilizing 400 licenses of Workstation Safety Plus. Therefore, 12 months after the customized product is created and delivered the year two fee of \$1900 will be due. Subject to standard price increase of up to 5%.
- Based on standard milestones and deliverables after receiving the purchasing approval, a campus can expect a delivered product at a minimum of 6 to 8 weeks.
- This program represents each campus having their own PACE Management system. Campuses that choose to purchase at the same time can split the one time fees associated with Training on Cardinus products and Project Management.
- Additional course customization, Procurement implementation, Single Sign-on and further admin configuration is quotable as one-time fees.

4.0 An overview of your quotation

As a leading provider of risk management software we have extensive experience in deploying and measuring the success of your program. To ensure you achieve the very best results your quote includes a number of optional services designed to help setup, launch and monitor your program. Your quotation includes:

User licenses:

Each product is purchased on a 'per user' basis. If you select our perpetual license each user will have unrestricted access to your course(s) for an indefinite period of time. If you select our 12-month license your users will have access to your course(s) for one year. Licenses are subject to the terms of the Cardinus software license.

PACE Licence:

A server license is required for PACE. There is no restriction on the number of administrators who have access to this module.

PACE Training

At least one day of training is recommended for 'Master Administrators' who will be responsible for managing PACE. Training can be delivered on-site or remotely depending upon your requirements.

Project Management

Prior to the launch of your course(s) your dedicated Project Manager will help you to create a formal roll-out and management policy. Project management covers the analysis of evaluation data, resource planning, scheduling, internal marketing, training, issue planning and a range of other topics to help you manage long-term risk.

PACE configuration

PACE configuration includes, but is not limited to, a personnel import, population of locations and departments and inclusion of your company logo. For a comprehensive list of services included within the PACE configuration day please refer to our Customer Requirements Form (CRF).

Quarterly/Monthly Import /Update Fee

Employee details can be added, deleted or amended manually in PACE. However, some organizations prefer to undertake this process electronically. Employee data imports can be undertaken on an as needed, quarterly or monthly basis. Your quote will show the number of imports anticipated in the first year and the total cost.

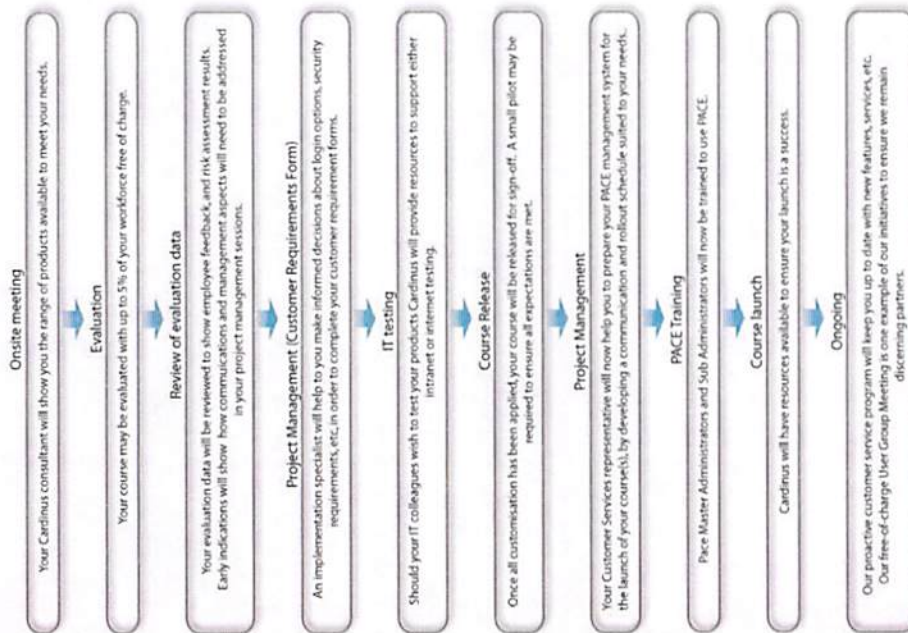
Course configuration

Charges relating to any course customization you may require.

Annual Support License/Annual Hosting Fee

Depending upon how you choose to host your course(s) you will select one of the above. Annual Support License applies if you choose to host your course(s) on your own server and an Annual Hosting Fee will apply if the course is hosted on Cardinus' servers. Both options are subject to the terms & conditions detailed in our annual support or annual hosting contracts.

5.0 Implementation pathway



6.0 What can you expect as a Cardinus customer?

We believe in delivering "excellence as standard". This philosophy has ensured we attract and work with some of the world's most influential organizations. Our clients expect the highest standards; here are some of our initiatives to meet these standards.

Proactive technical support

Cardinus' dedicated technical support team is committed to helping you manage an effective software program that delivers results. Using the latest technologies we are able to resolve issues quickly with the minimum of disruption.



"I would like to take this opportunity to let you know that the service I have received from the support desk has been excellent, both Geoff and Barbara are extremely helpful, efficient and knowledgeable." - Accenture

Annual system reviews

Each year you will receive a scheduled one-to-one meeting with your Project Manager. During this session we will work with you to analyze your risk data, compare your training information against your expected goals and provide recommendations.



Annual User Group Meeting

Cardinus' annual User Group Meeting is a fantastic opportunity to network with other clients. Throughout the day you will have the opportunity to participate in a conference schedule delivered by industry experts, undertake training sessions and challenge Cardinus with 'Q&A' sessions.



Focus Group Meetings

Whether you participate directly, provide comments pre or post meetings or simply read the regular updates you have the opportunity to directly influence Cardinus' development schedule.



Customer Satisfaction Survey

Each year Cardinus undertake a Customer Satisfaction Survey. Unlike many surveys we ensure we do not look for a positive slant on the results, we want to know what you really think! The results of this survey feed into our Focus Group Meetings so we can continue to improve our services.



7.0 Appendix A

Cardinus work with many hundreds of customers in the public and private sectors.

We have extensive experience deploying our products and services throughout organizations with few employees to many hundreds of thousands of employees. Our clients have an opportunity to cancel their contract annually however due to Cardinus' impressive service program we boast exceptional retention rates. Our clients include:

Utilities

BG Group, Direct Energy, Indianapolis Power & Light, Minnesota Power, Nebraska Public Power District, Scottish Water, Severn Trent, Southern Water, Sutton & East Surrey Water, United Utilities, Welsh Water, Yorkshire Water

Finance

Accenture, Alliance Bernstein, AVIVA, Bank of Ireland, Bank of Montreal, Bank of New York, Bank of Tokyo-Mitsubishi, Baring Investment Management, BNP Paribas, Camelot Group, Cazenove Capital Management, Chaucer Insurance, Commerzbank, Ernst & Young, HSBC, Leaseplan, London Clearing House, Lloyds of London, LloydsTSB Asset Finance, London Stock Exchange, Mizuho Corporate Bank, OneBeacon Insurance, PriceWaterhouseCoopers, Robert W. Baird, Santander, Travelers, VocaLink

Charities

Age UK, Cancer Research, Institute of Cancer Research, Oxfam, RNLI, RSPCA,

Telecommunications / Technology

ATOS Origin, Bloomberg, Channel 4, Capula, Cisco, DELL, EMC, Electronic Arts, Getronics, Honeywell, HP, LinkedIn, LogicaCMG, Microsoft, Novell, O2 Airways, Tibco, Trend Micro, Twitter, Yahoo,

Oil/Gas/Fuel

Britannia Operators, CNR International, ConocoPhillips, Delphi Diesel, Halliburton, JP Kenny Caledonia, Marathon Oil, Petrofac, PSN, SHELL International, Statoil, Talisman Energy, TotalFinaElf, Wood Group

Transport

BAA, Bombardier Transportation, BMW, Civil Aviation Authority, GNER, Group Lotus, Honda, London Midland Trains, McClaren, Network Rail, Maersk, SouthWest Trains, Southern Railways, Toyota, Transport for London, Volkswagen Group

Pharmaceutical

Abbott Laboratories, Aesica, Amersham International, Astra Zeneca, Cobra BioManufacturing, Eli Lilly, Genzyme Therapeutics, GlaxoSmithKline, Mead Johnson, Medical Research Council, Millennium Pharmaceuticals, Parexel, Pfizer, Procter & Gamble, Quintiles

Property

Freehold Managers, Countrywide Property Managers, Belgarum, County Estates, Peveler, Grays Inn Estates

Partner companies

GE Fleet Services, Hitachi Capital, RAC, Omega Health Systems, Forum of Private Business

Public Entities

Cabinet Office, Care Quality Commission, County of Napa, Department for Children, Schools and Families, Department of Health, Department for International Development, Health & Safety Executive, Health & Safety Laboratories, Health Protection Agency, Hennepin County, HM Prison Service, Homes & Communities Agency, Land Registry, National Health Service Litigation Authority, Ministry of Justice, OFSTED, The Crown Estate, The Prime Ministers Office

8.0 Terms & Conditions

STANDARD TERMS

Prices

Prices quoted are valid for 90 days and exclude regional, state or value added taxes. Orders accepted will be subject to the following terms and conditions and subject to Cardinus standard license, annual support and hosting agreements. Any changes made to our Standard Terms will be chargeable.

Network/intranet licenses

Network/intranet licenses provide for training a given number of staff. The price quoted includes compilation of a master CD-ROM, files from which may be copied onto servers and workstations covered by the license. Free email/telephone support is provided for 1 month from date of purchase, except where Cardinus has been advised in writing of a later installation date.

On-site installation and training

On-site installation and training are optional and if required will be inclusive of expenses (England and Wales) and exclusive of expenses (other areas). Installation includes installing on one server i.e. making the software accessible for users/supervisors. It does not include configuration or importing of users. If these services are required, please discuss with Cardinus prior to installation. A charge may be payable.

Customization

Estimated charges quoted for customization will be based on information received from the client are intended as a guideline and will only be normally confirmed on sight of all customization material. Once quoted, any additions/amendments thereafter will be subject to re-costing.

Annual Support License/Annual Hosting Fee

Provided at an additional charge as specified on the quote. Both services offer email and telephone technical support and upgrades as specified in the Annual Support License/Annual Hosting Fee agreement terms. Please note that support applies to one nominated contact or team in one location for one PC or server and is effective from date of invoice. If a course has been customized there may be an additional fee for adding the customized information to each new version. Customization for each upgrade will be charged at the prevailing rate.

Invoicing

Following receipt of an order, any software required will be dispatched to the client or installed on the Cardinus server and an invoice will be raised to cover the complete order including any customization, training and installation requested. Training and/or installation requirements will then be arranged at a mutually convenient time. Invoices are payable within 30 days.

Variance of terms

Any variance from Cardinus standard terms, software license, annual support or hosting agreements will attract a minimum additional fee to cover legal and administrative costs.

Exclusions and restrictions

The software may not be resold or used for any external or commercial training/risk assessments. See the standard license sheet for full information on exclusions and restrictions.

I confirm our order for the products/ licenses/services quoted and agree to the standard terms above.

Name:

Signature:

Position:

Date:

NEW CAL OSHA REGULATIONS FOR HEALTHCARE FACILITIES

ISSUE: The Division of Occupational Safety and Health within the State of California's Department of Industrial Safety (aka Cal OSHA) sets and enforces workplace health and safety regulations. It has come to the attention of CSURMA General Counsel, William Hsu, that there are pending Cal OSHA regulations which would potentially extend the workplace violence prevention and response regulations applicable to healthcare facilities to a number of activities. These activities might include counseling centers, audiology labs and a wide variety of clinical activities that would not have been thought of as "healthcare facilities" in the past. If the regulations are effected, the facilities would have to have an enhanced Injury Illness and Prevention Plan (IIPP) suitable for a healthcare facility.

RECOMMENDATION: It is recommended that the CSURMA Executive Committee evaluate authorizing a consulting project to develop a master IIPP suitable for tailoring to each campus' needs and delegate authority to the CSURMA Secretary-Auditor to engage a consultant to perform the work.

FISCAL IMPACT: CSURMA's Program Administrator projects that the cost of risk study will not exceed \$25,000. This amount would be paid from the Campus Risk Pool Workers' Compensation Program fund loss control contingency fund in the proposed CSURMA budget.

BACKGROUND: None.

PUBLICATION: The IIPP template would be delivered to the campuses for customization and publication.

ATTACHMENT(S): None.

AIME PROGRAMS UPDATE

ISSUE: The Athletic Injury Medical Expense (AIME) program continues to address the insurance and risk management needs of its members.

The Executive Committee Liaison for AIME, will report on the activities of the AIME Committee.

RECOMMENDATION: This item is for information only; no action is required on this item at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: AIME is designed to cover medical expenses arising from injuries to student athletes while practicing or competing in inter-collegiate sports programs of the university.

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 Auxiliary Organizations in Good Standing purchase insurance coverage through the AORMA.

The 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 86 members, and represents 100% participation.

PUBLICATION: None.

ATTACHMENT(S): None.

ALLIANT SERVICE TEAM UPDATE

ISSUE: Alliant is pleased to report that it has added Amy Souissi, Vice President, to the CSURMA service team effective April 18, 2016. Amy will be performing various duties, including working with the AORMA program members.

Amy comes to Alliant from a leading international insurance company. Amy was underwriter for a worldwide book of major property insurance placements for Fortune 1,000 clients. Prior to that assignment, Amy served in various capacities as a property and casualty underwriter. She will bring her underwriting and risk management expertise to benefit CSURMA's various programs.

RECOMMENDATION: This is an information item. No action is requested.

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

BACKGROUND: None.





PUBLICATION: The Alliant Service Team organization chart is included on the CSURMA web site.

ATTACHMENT(S):

- a. Alliant CSURMA Service Team Organization Chart.

CSURMA CORE SERVICE TEAM – ORGANIZATIONAL CHART – AS OF APRIL 18, 2016



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

CONCUSSIVE MITIGATION LMS TRAINING PROGRAM STATUS

ISSUE: The Best Practices in University-Wide Concussion Management has been completed and has been uploaded onto the CSU learning management system. Staff will be present at today's meeting to report on additional training efforts and expected timing of deliverables.

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

FISCAL IMPACT: None.

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 (NFL) exceeds \$700 million. Class actions are pending in professional hockey and soccer as well. Further, litigation is pending against the NCAA.

A needs assessment survey among CSU campuses was conducted by Dr. Justus Ortega, Associate Professor / Director, Biomechanics Lab at Humboldt State University, regarding concussive injury management. Additionally, a meeting with CSU's lead excess liability underwriters was arranged at CSU Fresno on October 3, 2014 to discuss CSU's concussive injury management practices, meetings with CSUF Athletic Department representatives, and attendance at an athletic event with CSU officials.

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

ATTACHMENT(S): None.

CSURMA ADMINISTRATIVE SERVICE CALENDAR

ISSUE: This item is provided as information 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.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Administrative Service Calendar

CSURMA AORMA SERVICE CALENDAR

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

CSURMA AORMA SERVICE CALENDAR

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

CSURMA AORMA SERVICE CALENDAR

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

CSURMA AORMA SERVICE CALENDAR

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

CSURMA AORMA SERVICE CALENDAR

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

CSURMA AORMA SERVICE CALENDAR

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

2016 CSURMA MEETING CALENDAR

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

RECOMMENDATION: No action is requested on this item.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. 2016 CSURMA Meeting Calendar



California State University Risk Management Authority

2016 CSURMA MEETING CALENDAR

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

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

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

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

CSURMA EXECUTIVE COMMITTEE AND STAFF CONTACT LIST

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

RECOMMENDATION: It is recommended that members review the list at each meeting for accuracy, making revisions as appropriate. If there are any changes, please contact Tevea Him at thim@alliant.com.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee and Staff Contact List

CSURMA EXECUTIVE COMMITTEE MEMBERS
Effective at July 1, 2015

Seat	Member	Position	Campus	Organization	E-Mail	Telephone Number
Chair	Linda Hawk	Vice President, Finance & Administrative Services	San Marcos	California State University San Marcos	lhawk@csusm.edu	760-750-4950
Vice Chair	Ming Tung (Mike) Lee	Vice President, Administration and Chief Financial Officer	Sacramento	California State University Sacramento	mikelee@csus.edu	916-278-6312
CSU Seat #1	Lisa Chavez	Vice-President, Administration and Chief Financial Officer	Los Angeles	California State University Los Angeles	lisa.chavez@calstatela.edu	323-343-3500
CSU Seat #2	Jody Van Leuven	Executive Director	San Bernardino	California State University San Bernardino	jody.vanleuven@csusb.edu	909-537-3939
CSU Seat #3	Scott Apel	Associate Vice President	Long Beach	California State University Long Beach	scott.apel@csulb.edu	562-985-8716
CSU Seat #4	Kevin Saunders	VP Administration & Finance	Monterey Bay	California State University Monterey Bay	kesaunders@csumb.edu	831-582-3397
AORMA Seat #5 - Chair	Frank Mumford	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	fmumford@fullerton.edu	657-278-4101
AORMA Seat #6 - V Chair	Guy Dalpe	Managing Director	San Francisco	Associated Students, Inc., San Francisco State University	gdalpe@sfsu.edu	415-338-1044
Treasurer	Robert Eaton	Assistant Vice Chancellor, Financing, Treasury, and Risk Management	Chancellor's Office	California State University, Office of the Chancellor	reaton@calstate.edu	562-951-4572
Secretary Auditor	Zachary Gifford	Director of Systemwide Risk Management and Public Safety	Chancellor's Office	California State University, Office of the Chancellor	zgifford@calstate.edu	562-951-4580

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 Amy Souissi Van Rin Hsan Htein Daniel Howell	rleong@alliant.com amy.souissi@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1457 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810 415-874-4810
General AORMA Coverage Questions	Mimi Long Amy Souissi Van Rin Hsan Htein Daniel Howell	mlong@alliant.com amy.souissi@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1457 415-403-1408 415-403-1452 415-403-1426	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 Amy Souissi	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com amy.souissi@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426 415-403-1457	415-874-4810 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	Tevea Him Myron Leavell	thim@alliant.com mleavell@alliant.com	415-403-1416 415-403-1404	415-874-4810 415-874-4810

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
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
	Robert Eaton	reaton@calstate.edu	562-951-4572	562-951-4971
	Audra Reed	areed@calstate.edu	562-951-4564	562-951-4971
	William Hsu	whsu@calstate.edu	562-951-4500	562-951-4956
	Steve Relyea	srelyea@calstate.edu	562-951-4600	562-951-4971
	Martha Guiditta	mguiditta@calstate.edu	562-951-4557	562-951-4859
	Michael Clements	mclements@calstate.edu	562-951-4091	
	Jessica Liu	jliu@calstate.edu	562-951-4621	
	Cindi Le	cle@calstate.edu	562-951-4651	
Daisy Thompson	dthompson@calstate.edu	562-951-4567		

Coverage	Contact	E-Mail Address	Office	Fax
Loss Control Consultants – Alliant Risk Control				
Alliant Risk Control Consulting	Brent Escoubas	bescoubas@alliant.com	949-260-5013	

Coverage	Contact	E-Mail Address	Office	Fax
Online Training - TargetSolutions				
Business Manager	Jennifer Jones	jennifer.jones@targetsolutions.com	858-376-1632	858-487-8762
Account Manager	Stacy L. Schaefer	stacy.schaefer@targetsolutions.com	858-376-1610	

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
Unemployment Insurance Claims Administrator – Employers Edge				
Client Services	Angie Hansen	ahansen@employersedge.com	720-891-4900 x116	720-420-7356
Unemployment Claims Operations, Claim Specialist	Reina Gonzales	rgonzales@employersedge.com	720-891-4900 x139	720-420-7390
Tax Analyst	Larry Blankenship	lblankenship@employersedge.com	720-891-4900 x108	720-420-7430
Appellate Level	Jen Venable Jamie Clark	jvenable@employersedge.com jclark@employersedge.com	720-891-4900 x114 720-891-4900 x122	720-420-7354 720-420-7396
Account Management	Steve Bell	sbell@employersedge.com	720-891-4900 x101	720-420-7431

Coverage	Contact	E-Mail Address	Office	Fax
Human Resources Consulting – Employers Group				
Helpline	Mark Nelson	mnelson@employersgroup.com	213-765-3952 or 800-748-8484	
Client Service	Bill Stephens	bstephens@employersgroup.com	805-807-9922	213-226-0216
Reference Library	Robert Campbell	rcampbell@employersgroup.com	800-748-8484 Ext. 3430	
Unemployment Questions	Mark Nelson	mnelson@employersgroup.com	213-765-3952	
Affirmative Action Plans	Suzanne Oliva	soliva@employersgroup.com	213-765-3918	
Leave Management	Helpline	helpline@employersgroup.com	800-748-8484	
Research and Surveys	Juan Garcia	jgarcia@employersgroup.com	213-765-3969	
Employee Opinion Survey	Megan Vallone	mvallone@employersgroup.com	213-765-3920	
Training Services	Somaly Heng	sheng@employersgroup.com	213-765-3962	
Employer Advocacy	Ken Tiratira	ktiratira@employersgroup.com	213-765-3915	

CSU IIPP WORKGROUP

ISSUE: “Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses”. A really good read with practical ideas on how to incorporate movement into a desk jockey’s day. The suggestions for movement can be very self-directed and without adverse impact to production. The following can be directly related:

- Training
- Providing the argument toward ergonomic movement in the workplace or
- Pure edification of an alternative ergonomic philosophy and equipment.

RECOMMENDATION: No action is requested on this item.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses

Movement Motivation: The Case for Promoting Movement in Office Workers at CSU Campuses

Kellie Marshall, CSU Stanislaus
 Jill Millican, CSU East Bay
 Adell Seibles, CSU Sacramento
 Thomas Sneed, CSU East Bay

INTRODUCTION

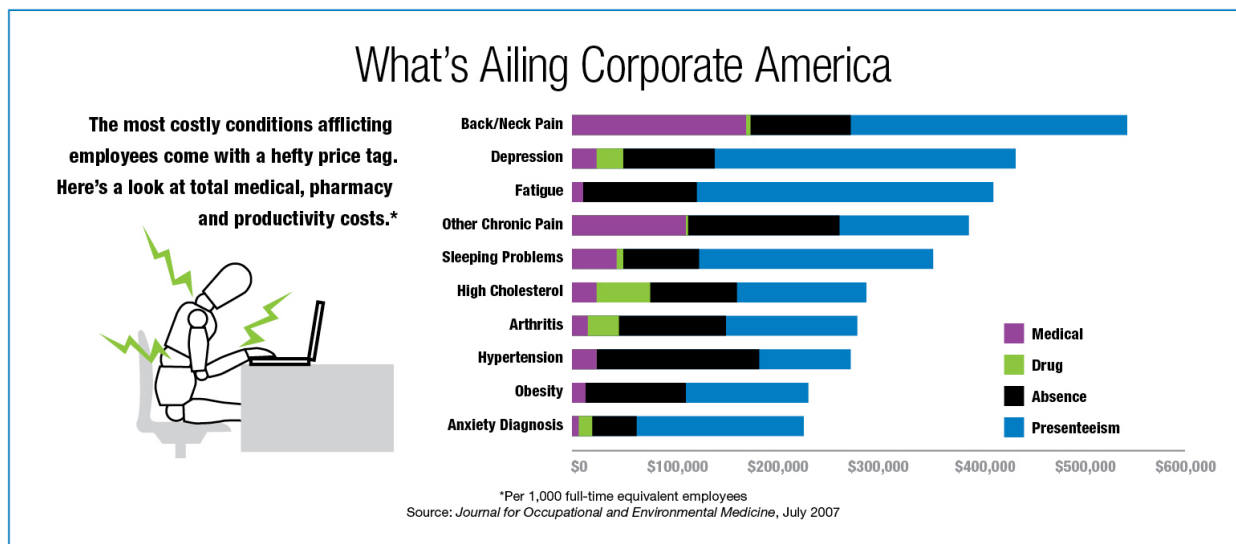
For decades sitting at a desk has been the norm. But thanks to science and research we now know that sedentary behavior causes a host of health and wellness problems – from poor circulation to premature spinal disc degeneration – and is detrimental to our long term well-being. An estimated 70% of the U.S. workforce sits in offices each day and the average American spends around 95% of the workday seated.

Is sitting the problem and standing the solution? Short answer: NO! Prolonged standing is linked to foot pain, varicose veins and static muscle fatigue. It causes joints in the hips and knees to become temporarily immobilized in turn causing damage to tendons and ligaments. People who have sedentary jobs, even those who exercise for an hour or more several times per week, still have a higher risk for developing these illnesses or even dying prematurely.(1) Movement is the key! We need movement, and more of it. Researchers recommend factoring more breaks into the workday and striking a balance between seated and standing positions.(2, 3) Standing for 10-15 minutes every hour boosts circulation, takes pressure off the spine, and balances muscle use. Rebooting the body and mind regularly also enhances productivity and reduces fatigue.

"Today, our bodies are breaking down from obesity, high blood pressure, diabetes, cancer, depression, and the cascade of health ills and everyday malaise that come from what scientists such as myself have named sitting disease."

~ James A. Levine, MD, PhD. *Move a Little, Lose A Lot*, 2009

Fig. 1



This paper will detail the problems with sedentary work habits and its associated costs. It will also outline multiple solutions that can be incorporated to improve our employees' situations, thus lessening the risks, improving attitudes and productivity, and positively affecting the aforementioned costs.

PROBLEM

We have grown to realize that office workers, bolstered by recent research, sit for too long throughout the day. Add to that long commute times, sitting at meals, and engaging in sedentary activities at home, it becomes easy to see how cultural and lifestyle choices can be a negative force on our health status. Research shows that the average American spends an estimated 80% of time sitting while on a computer, on a portable device, watching TV, eating and/or commuting to work, etc.

Fig. 2



As pointed out in the introduction the risk of chronic diseases increases greatly for those who have these sedentary lifestyle habits. By some estimates, over 50% of the US population will become obese or diabetic by 2020. The economic costs associated with sedentary habits both to workers and their employers can be staggering.

Many times, efforts to promote more movement throughout the day and decrease sedentary habits have largely been lacking or ineffective. A survey was taken in 2013 of the various California State University Campuses about whether there was a program in place to teach stretching for employees. The majority of campuses had no formalized stretching, exercise, or movement program in place for employees.

This has likely changed to some extent since then, but we could all probably strive to do more. Even when classes or software is made available, participation and retention rates tend to be marginal at best.(4, 5) When it comes to software solutions, some find that they are too busy when prompted or it pops up at an inconvenient time and they bypass the session. For classes, convenience, flexible time to participate during the work day, and waning interest can all impact participation and retention. We also used to have a false sense of security when it came to exercising regularly. It used to be thought that regular exercise was a buffer against the consequences of working at a desk job. While people who exercise regularly tend to be more fit and healthy than those that do none, exercising outside of the work day does not mitigate or prevent the effects of sedentary work.(1, 6)

The costs associated with sedentary habits in healthcare dollars, absenteeism, presenteeism, and decreased productivity add up to thousands of dollars for individual employees and tens of billions of dollars for all workers in the United States every year. Also, a RAND study from 1989 determined that the lifetime subsidy from others to those with a sedentary life style is \$1900.00.(7) Studies performed from 2005-2007 that looked at data from the populations of Maine, California, and other states showed that the costs for medical care, workers' compensation, and lost productivity, were the higher for those who were inactive when compared to obesity and being overweight.(8, 9) In the table below, which reflects data from California workers, losses from physical inactivity were roughly 40% higher than losses from obesity and overweight combined. One thing that is apparent from these studies and others like them is that the costs incurred as a result of both lifestyle, workplace culture, and workplace environment affect

us all in tangible economic ways. Whether we individually make healthy choices in the workplace or not, the actions of our colleagues also affect us. It follows that this effect is also translated to the organizations that we work for.

Fig. 3

Direct, Indirect, and Total Costs for Physical Inactivity, Obesity, and Overweight in California Adults (in Year 2000 Dollars).

	<i>Medical Care Cost</i>		<i>Workers' Compensation Cost</i>	<i>Lost Productivity Cost</i>		<i>Total Cost</i>
	Treatment	Cost of Prescription Drugs		Absenteeism, Presenteeism, and Short-term	On-the-job Injury	
Physical Inactivity						
Direct	\$241,985,581	\$1,065,943,038	\$50,005,040	\$7,528,629,764	\$274,983,844	\$9,161,574,267
Indirect	\$725,956,744	\$3,197,829,114	\$200,020,159	0	0	\$4,123,806,017
Total Physical Inactivity Cost						\$13,285,353,284
Obesity						
Direct	\$135,520,641	\$595,514,095	\$17,658,344	\$3,364,013,159	0	\$4,112,706,239
Indirect	\$406,561,922	\$1,786,542,286	\$70,633,376	0	0	\$2,263,737,584
Total Obesity Cost						\$6,376,443,823
Overweight						
Direct	\$93,509,242	\$410,605,609	0	0	0	\$504,114,851
Indirect	\$280,527,726	\$1,231,816,827	0	0	0	\$1,512,344,553
Total Overweight Cost						\$2,016,459,404
Total Cost of Physical Inactivity, Obesity, and						\$21,678,256,511

SOLUTION

Generally speaking we need to stand more and we need to move more. Not one or the other, but both. How much we should stand and move is up for scholarly debate, but recent consensus in the UK is for office workers to move for about 2 hours out of an 8 hour work day.(2) Canadian physician, Dr. David Alter, recommends cutting sitting time by 2-3 hours for those sitting at least 12 hours per day.(10) It seems like a lot, that it may interfere with an employee's work day and reduce their productivity. However, if we think about it and take a multicomponent approach to the problem, the guidelines outlined above are approachable.

Strategies for increasing movement.

First off, it is obvious that the goal of 2 hours of movement per work day should be divided into smaller segments throughout the day. There is also no evidence that suggests that one approach or time frame has any advantage over another. There may be some workers where it's feasible to be out of their chair moving to some degree for 15 minutes for every hour worked, adding up to 2 hours. For most workers, that is probably not the case. Depending on the duties being performed, there may be 5 minutes one hour and 30 minutes another. Also, some aspects of an employee's work might be more conducive to standing, such as talking on the phone, for example. Dr. Alan Hedge at Cornell University suggests that for each 30 minutes an employee sit for 20 minutes, stand for 8 minutes, and walk around for 2 minutes. That adds up to more than 2.5 hours per day out of the chair.(3) Is it too much? For some perhaps it is. However, we could all probably stand more than we think if we look at the many ways we can work and conduct our days besides just sitting in a chair. Even if someone thinks that they can't, they probably can still move more. NASA research shows that standing for 2 minutes 16 times per day is enough to at least

maintain bone and muscle density. The following table lists many of those ways we can incorporate movement along with a brief discussion for each.(1, 10, 11)

Fig. 4

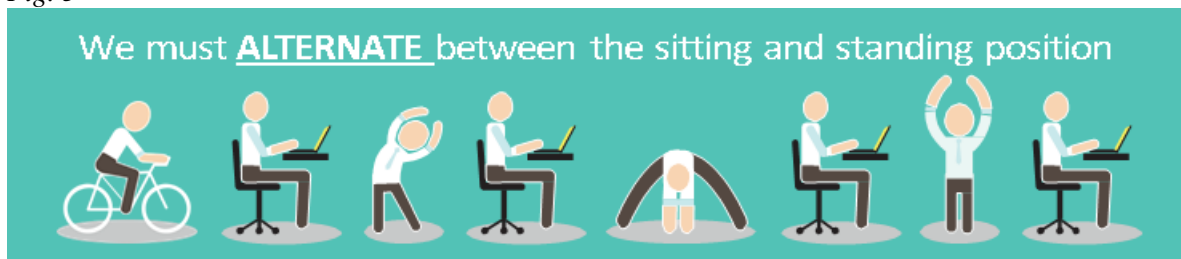
Possible solutions to decrease sedentary time in the office.

Method	Comments
Use a workstation or device that allows work to be done either sitting or standing.	Allows a great deal of flexibility for how long and frequently one could stand or sit. Though an initial cost may be associated with it, it tends to pay for itself over time when used correctly. Some types of furniture may not support this type of equipment and it may interfere with jobs that require personal interaction with others. Caution should be taken with individuals that have conditions aggravated by weight bearing postures.
Use a software solution that reminds employees to take breaks and/or guides them through brief movement or stretching routines.	Can conveniently be added to the individual's computer and usually customized to their needs. Some lose interest and bypass the reminders over time. A cost is typically involved, such as a licensing fee.
Send work to a remote printer.	Makes you take more steps unless this option is not be available or you don't print your work. No cost is associated.
Use a restroom on another floor or in another area.	Makes you take more steps unless multiple restrooms do not exist in the area. No cost is associated.
Visit someone instead of sending an email or text message.	Makes you take more steps. Face to face interaction can have social benefits and allow for easier discussion and dialogue. No cost is associated.
Take a walk during breaks or at lunch.	Makes you take more steps. Also, it provides a mental break from the tasks of the day. No cost is associated.
Take stairs instead of an elevator.	Makes you take more steps and you are working different muscles than walking unless stairs are not present. No cost is associated.
Take a mini break to stretch.	You can work on areas of the body that feel most stressed. It is a gentle and easy activity that costs nothing and can be practiced in any environment.
Hold small group meetings while walking.	Makes you take more steps. There is also evidence that walking stimulates the mind. It may not be practical for larger groups or if the meeting involves materials/technology. No cost is associated.
Conduct or participate in department sanctioned exercise sessions.	It can be a fun, focused, and work on areas of the body that feel most stressed. It can build rapport with co-workers. At least initially, more personal instruction and guidance needs to be given. Costs may or may not be associated based upon how this is implemented.

Strategically alternate tasks that require standing or moving. Alternatively, designate certain tasks as "standing tasks", such as talking on the phone.	This is a way to break up the repetition associated with certain work. Modification of some work tasks may be required. No cost is associated.
Use a device that tracks movement.	Gives biometric data to the user regarding activity and fitness. They can be fun to use. Cost for more technologically advanced devices can be a factor, but there are less expensive alternatives. (i.e. Fitbit vs. pedometer)

Most employees probably can't do all of these. Some might only be able to do a few. But when you look at what is possible, 2 hours of movement doesn't seem so insurmountable. Also, it should be noted that the majority of the actions outlined above are low or no cost to implement.

Fig. 5



Strategies for compliance and retention.

Motivation, compliance, and long term retention have been and will continue to be challenges that we all encounter when attempting to implement and administer movement programs. More people will want to participate in a program if they deem the exercise or activity as an achievable benefit to them, regardless of routine or complexity.(4, 12) Self-efficacy also increases the levels of compliance and adherence to a program over the long term.(12, 13, 14) Additionally, group cohesion, social support, and management involvement have proven to be morale boosters that increase rates of adherence to an exercise program.(13, 15) Conversely, poor psychosocial work environments and low self-efficacy have the opposite effect.(16) The following list contains some suggestions on how adopt and encourage an office activity program.

1. Encourage management buy-in and participation. This is extremely important for the goal of changing the organization's long term culture. It demonstrates leadership from the top, shows the value of your program to employees, and it's good for the managers' health too.
2. Have a fun name or tag line for the activity. Possibly incorporate a mascot or cartoon-like character as a symbol for the program.
3. Advertise the program – Keep the idea in front of staff. One might even be able to partner such a program with other safety or employee policy initiatives that are currently in place.
4. Have department schedule regular task break times.
5. Share information about the benefits of movement during the workday from multi-media sources. There has been a plethora of information recently in both print and visual media.
6. Solicit feedback from the employees about what they would like to do. Allow them to participate in the development or evolution of your program.
7. Train the employees and managers initially with preset, guided routines. This can also be reinforced with brochures, videos, PowerPoint presentations, etc.
8. Keep the activities and movements simple and easy to duplicate, especially in the beginning. Mimic some of the movements that people instinctively do to stretch and move. Encourage them to do them more frequently, beyond any group sessions. Additional complexity can be added once the program is established.

9. Provide department incentives or awards when possible, either for participation or for reaching certain milestones.

Like the methods of movement outlined above, one might not be able to incorporate all of these suggestions. For example, employees at a busy customer service counter can't just stop and all take a break together. They might have to focus on individual task breaks or maybe work with a partner instead. There is no "one" best or only way to promote and maintain a program. A multi-faceted approach is best...consistent and persistent.

CONCLUSION

The data in the workers' compensation column of *Figure 3* shows that approximately 73% of the total costs listed were related to physical inactivity. Internal data from all the CSU campuses show an expenditure of over 14 million dollars for workers' compensation from FY2011-FY2015. That amounts to a potential pool of over 10 million dollars that could have been positively impacted by efforts to encourage workers to move more.

Changing the culture and attitudes of our workplaces in regards to movement and exercise will have a positive effect on employee participation and ultimately their health and well-being. The suggestions outlined above are not meant to replace any efforts that may be in place, but to augment them. The more tools we can give, along with the encouragement and acknowledgement of achievements, the more it will help to move employees toward the positive end of a wellness continuum. Programs should be fluid and ever-changing as new ideas and information become available. They can also be customizable. No two initiatives need be exactly the same, though they should be constructed with the goal of increasing participation and adherence through an institutional and culture shift. Positive changes have the potential for improving employee morale, health, and productivity, which can lead to substantial cost savings for the employer over time.

REFERENCES

1. Biswas, Aviroop, Paul I. Oh, Guy E. Faulkner, Ravi R. Bajaj, Michael A. Silver, Marc S. Mitchell, and David A. Alter. "Sedentary Time and Its Association With Risk for Disease Incidence, Mortality, and Hospitalization in Adults." *Annals of Internal Medicine Ann Intern Med* 162.2 (2015): 123-32. Print.
2. Buckley, John P, Alan Hedge, Thomas Yates, Robert J Copeland, Michael Loosemore, Mark Hamer, Gavin Bradley, and David W Dunstan. "The Sedentary Office: An Expert Statement on the Growing Case for Change towards Better Health and Productivity." *British Journal of Sports Medicine Br J Sports Med* (2015). Print.
3. "Cornell University Ergonomics Web." <http://www.ergo.human.cornell.edu/>
4. Waikar, Avinash M., and Martha E. Bradshaw. "Exercise in the Workplace? Employee Preferences." *International Journal of Manpower*: 16-30.
5. Pressler, Axel, Uta Knebel, Sebastian Esch, Dominik Kölbl, Katrin Esefeld, Johannes Scherr, Bernhard Haller, Arno Schmidt-Trucksäss, Helmut Krcmar, Martin Halle, and Jan Marco Leimeister. "An Internet-delivered Exercise Intervention for Workplace Health Promotion in Overweight Sedentary Employees: A Randomized Trial." *Preventive Medicine*: 234-39.
6. "Too Much Sitting Can Be Deadly—even If You Exercise Regularly." 26 Jan. 2015. <http://americablog.com/2015/01/sitting-can-deadly-even-exercise-regularly.html>
7. Keeler, E B, W G Manning, J P Newhouse, E M Sloss, and J. Wasserman. "The External Costs of a Sedentary Life-style." *American Journal of Public Health* 79.8: 975-81. Print.
8. "The Economic Costs of Physical Inactivity, Obesity, and Overweight in California Adults: Health Care Workers' Compensation, and Lost Productivity." 1 Apr. 2005. <https://www.cdph.ca.gov/HealthInfo/healthyliving/nutrition/Documents/CostofObesityToplineReport.pdf>
9. "Cost of Excess Weight and Sedentary Lifestyles Is Enormous." 23 May 2007. https://www.anthem.com/wps/portal/ahpfooter?content_path=shared/noapplication/f0/s0/t0/pw_ad091614.htm&label=Press%20Room%20Archives%20-%202007
10. "Experts Offer Little Tips to Make Big Changes in Work Health ..." 23 June 2015. <http://www.he.k-state.edu/news/2015/06/23/experts-offer-little-tips-to-make-big-changes-in-work-health/>
11. Loffler, D., B. Wallmann-Sperlich, J. Wan, J. Knott, A. Vogel, and J. Hurtienne. "Office Ergonomics Driven by Contextual Design." *Ergonomics in Design: The Quarterly of Human Factors Applications* 23.3 (2015): 31-35. Print.
12. Rhodes, Ryan E, and Bonnie Fiala. "Building Motivation and Sustainability into the Prescription and Recommendations for Physical Activity and Exercise Therapy: The Evidence." *Physiotherapy Theory and Practice*: 424-41.
13. Chen, C.-Y., P. S. Neufeld, C. A. Feely, and C. S. Skinner. "Factors Influencing Compliance With Home Exercise Programs Among Patients With Upper-Extremity Impairment." *American Journal of Occupational Therapy*: 171-80.

14. Pedersen, Mette Merete, Mette Kreutzfeldt Zebis, Henning Langberg, Otto Melchior Poulsen, Ole Steen Mortensen, Jette Nygaard Jensen, Gisela Sjøgaard, Thomas Bredahl, and Lars Louis Andersen. "Influence of Self-Efficacy on Compliance to Workplace Exercise." *International Journal of Behavioral Medicine*: 365-70.
15. Fraser, Shawn, and Kevin Spink. "Examining the Role of Social Support and Group Cohesion in Exercise Compliance." *Journal of Behavioral Medicine* 25.3: 233-49.
16. Andersen, Lars L. "Influence of Psychosocial Work Environment on Adherence to Workplace Exercise." *Journal of Occupational and Environmental Medicine*: 182-84.