



- |     |   |   |       |
|-----|---|---|-------|
| 2.  | <b>AORMA Officers' Retreat Recap</b><br><i>The Committee will receive a verbal report on the recent AORMA Officers' Retreat.</i>  | I | p. 23 |
| 3.  | <b>FY 19/20 AORMA Long Range Action Plan</b><br><i>The Committee will be asked to review and discuss the items included on the draft FY 19/20 Long Range Action Plan.</i>   | I | p. 37 |
| 4.  | <b>Contracts with Third Parties Involving Activities with Minors</b><br><i>The Committee will be asked to discuss the new Youth Protection Toolkit being developed.</i>   | A | p. 38 |
| 5.  | <b>Establish a Retainer with an Attorney for Complicated Contract Questions</b><br><i>The Committee will be asked to discuss whether a retainer with an attorney should be established to answer Members' complex contract questions.</i> | A | p. 39 |
| 6.  | <b>CSURMA AORMA Benefits Program</b><br><i>The Committee will be asked to discuss executive oversight of the CSURMA AORMA Benefits Program and to approve revisions to Policy and Procedure A-2.</i>                                      | A | p. 40 |
| 7.  | <b>Volunteer Coverage</b><br><i>The Committee will hear a report regarding an alternative coverage to workers' compensation for Members' volunteers.</i>  | I | p. 41 |
| 8.  | <b>AORMA Historical Premium Payments, Dividends and Loss Ratios Report</b><br><i>The Committee will review the AORMA Historical Premium Payments, Dividends and Loss Ratios exhibit and may provide direction to Staff.</i>               | I | p. 49 |
| 9.  | <b>Discussion of AORMA's Continuity Plan</b><br><i>The Committee will discuss the plan for filling all of the Committee seats for the FY 20/21 term and the proposed changes to Policy and Procedure A-1.</i>                             | A | p. 55 |
| 10. | <b>Adoption of CSURMA AORMA 2020 Meeting Calendar</b><br><i>The Committee will be asked to the 2020 AORMA Committee Meeting Dates</i>   | A | p. 65 |
| 11. | <b>ID Fraud Coverage</b><br><i>The Committee will be asked to discuss the continuation of the ID Fraud Coverage</i>   | A | p. 67 |



**F. GENERAL ADMINISTRATION**

- |           |  |          |               |
|-----------|--|----------|---------------|
| <b>1.</b> | <b>Amendments to the AORMA Liability Program Memorandum of Coverage</b><br><i>The Committee will be asked to review revisions to the MOC and delegate authority to the Secretary-Auditor to finalize the coverage form to be used effective July 1, 2020.</i>                            | <b>A</b> | <i>p. 69</i>  |
| <b>2.</b> | <b>Employment Practices Liability Member Deductibles for FY 20/21</b><br><i>The Committee will be asked to approve the mandatory minimum EPL deductibles for FY 20/21 as well as proposed revisions to Policy &amp; Procedure L-7.</i>   | <b>A</b> | <i>p. 125</i> |
| <b>3.</b> | <b>Excess Insurance Renewals Report</b><br><i>The Committee will receive a report on the completion of insurance renewal negotiations.</i>   | <b>I</b> | <i>p. 135</i> |
| <b>4.</b> | <b>AORMA Liability and Workers' Compensation Program Actuarial Reports Valued at June 30, 2019</b><br><i>The Committee will review and accept the liability and workers' compensation actuarial reports.</i>   | <b>A</b> | <i>p. 137</i> |
| <b>5.</b> | <b>Estimated Pool Layer Funding Exhibit</b><br><i>The Committee will review the estimated fund balance at June 30, 2019 for both the liability and workers' compensation programs.</i>   | <b>I</b> | <i>p. 152</i> |
| <b>6.</b> | <b>Target Retained Funds Analysis Report and Dividend Calculation</b><br><i>The Committee will review the Target Retained Funds Analysis and Dividend Calculations based on June 30, 2019 financials, and will discuss the historical funding of those programs with a pooled layer.</i> | <b>A</b> | <i>p. 157</i> |
| <b>7.</b> | <b>Total Program Funding for FY 20/21 for all Pooled Programs</b><br><i>The Committee will be asked to approve the total FY 20/21 funding costs for the AORMA Programs:</i>  | <b>A</b> |               |
|           | a. Liability Program   |          | <i>p. 168</i> |
|           | b. Workers' Compensation Program   |          | <i>p. 171</i> |
|           | c. Property Program  |          | <i>p. 174</i> |
|           | d. Crime Program   |          | <i>p. 177</i> |
| <b>8.</b> | <b>Approval of the AORMA Long Range Action Plan Items for FY 2019/20</b><br><i>The Committee will review and approve the items to be included on AORMA's long range plan for FY 19/20.</i>   | <b>A</b> | <i>p. 180</i> |

**G. CLOSED SESSION Pursuant to California Government Code Section 11126(e)(1) & 11126(f)(1)**  
*Action may be taken per Government Code Section 11126(e)(1) & 11126(f)(1).*



*Please refer to the below list of claims that may be discussed. The Committee may assess and evaluate pending claims and related issues and take action or provide direction to Staff regarding the litigation described below.*

1. Martin Ramirez v. Forty-Niner Shops, Inc., CSU Long Beach
2. Bennett v. San Diego Associated Students
3. Katagiri v. San Diego State Research Foundation
4. DeBellis v. Sacramento Associated Students
5. Littles v. Chico Research Foundation
6. Fleischman v. San Diego Research Foundation
7. Richardson v. Los Angeles Univ. Auxiliary Services
8. Saucedo v. Long Beach Associated Students, Inc.
9. Davis v. Long Beach Associated Students, Inc
10. Espinoza v. SLO Associated Students
11. Stickney v. Forty-Niner Shops, Inc., CSU Long Beach

#### **H. INFORMATION ITEMS**

- |   |          |               |
|---|----------|---------------|
| 1. CSURMA AORMA 2019 Meeting Calendar                 | <b>I</b> | <i>p. 181</i> |
| 2. CSURMA AORMA Program Administrator's Contact Lists | <b>I</b> | <i>p. 183</i> |
| 3. AORMA's Travel Reimbursement Policy                | <b>I</b> | <i>p. 197</i> |
| 4. AORMA Committee Members - Effective 7/01/19        | <b>I</b> | <i>p. 200</i> |
| 5. CSURMA Administrative Service Calendar             | <b>I</b> | <i>p. 203</i> |

#### **I. ADJOURNMENT**

*The next meeting is scheduled for December 5, 2019 at 10:00 AM in San Francisco, CA. Please contact Mimi Long [mlong@alliant.com](mailto:mlong@alliant.com) or Tevea Him [thim@alliant.com](mailto:thim@alliant.com) with questions.*

**APPROVAL OF THE AGENDA**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**APPROVAL OF MINUTES – MAY 2, 2019**

**ISSUE:** The Committee will be asked to review and approve the draft minutes from its May 2, 2019 meeting.

**RECOMMENDATION:** It is recommended that the Committee approve the minutes from its May 2, 2019 meeting, including corrections as necessary.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA AORMA Committee Meeting Minutes – May 2, 2019

**MINUTES OF THE  
CSURMA AORMA COMMITTEE MEETING**

**MAY 2, 2019**

**CSU CHANCELLOR'S OFFICE, MUNITZ ROOM  
401 GOLDEN SHORE • LONG BEACH, CA**

**10:00 AM**

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**MEMBERS PRESENT**

Dwayne Brummett, Associated Students, Inc. at San Luis Obispo  
Chuck Kissel, CSU Fullerton Auxiliary Services Corporation  
Trina Knight, University Enterprises, Inc., CSU Sacramento (*via Teleconference*)  
Starr Lee, The University Corporation at Monterey Bay  
Leslie Levinson, San Diego State Research Foundation  
Dave Nakamura, Humboldt State University Center (*via Teleconference*)  
Bella Newberg California State University San Marcos Corporation  
Bill Olmsted, University Union Operation of CSU Sacramento  
Cecilia Ortiz, Loker Student Union, CSU Dominguez Hills  
Russ Wittmeier, The CSU, Chico Research Foundation (*via Teleconference*)

**MEMBERS ABSENT**

None

**STAFF, GUESTS AND CONSULTANTS**

Katie Brant, Sedgwick CMS (*via Teleconference*)  
Patricia Daniels, Sedgwick CMS (*via Teleconference*)  
Zachary Gifford, CSU Office of the Chancellor – Systemwide Risk Management  
Tevea Him, Alliant Insurance Services, Inc.  
Daniel Howell, Alliant Insurance Services, Inc.  
William Hsu, CSU Office of General Counsel  
Susan Leung, Alliant Insurance Services  
Mimi Long, Alliant Insurance Services, Inc.  
Tom Quirk, Alliant Insurance Services, Inc.  
Brandon Schlenker, Carl Warren and Company (*via Teleconference*)  
Robin Webb, CSU Office of General Counsel

**A. CALL TO ORDER**

The meeting was called to order by the Chair, Dwayne Brummett at 10:02 AM. Russ Wittmeier, Dave Nakamura and Trina Knight agreed to abstain from voting on all action items.

**A1. Approval of the Agenda**

Dwayne Brummett noted that Items F.1 and F.2 will be discussed after item F.9.

A motion was made to approve the revised agenda order as discussed above.

Motion: Bill Olmsted  
Second: Cecilia Ortiz

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**B. PUBLIC COMMENTS**

There were no comments from members of the public.

**C. CONSENT CALENDAR**

**C1. Approval of Minutes - March 7, 2019**

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

Motion: Bella Newberg  
Second: Starr Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			

Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**D. CLOSED SESSION**

1. Emma Gutierrez v. The University Corporation, CSUN
2. Wattenburg v. Chico Research Foundation
3. Bennett v. San Diego Associated Students
4. Katagiri v. San Diego State Research Foundation
5. DeBellis v. Sacramento Associated Students
6. Littles v. Chico Research Foundation
7. Fleischman v. San Diego Research Foundation
8. Richardson v. Los Angeles Univ. Auxiliary Services
9. Saucedo v. Long Beach Associated Students, Inc.
10. Davis v. Long Beach Associated Students, Inc
11. Espinoza v. SLO Associated Students

A motion was made to enter closed session at 10:07 A.M.

Motion: Bill Olmsted  
Second: Leslie Levinson

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

The Committee came out of closed session at 10:33 AM. The Chair reported that action was taken on Emma Gutierrez v. The University Corporation, CSU Northridge during closed session.

**E. GENERAL ADMINISTRATION**  
**E3. Policy and Procedure Review**

Mimi Long explained that Policy and Procedure A-5, requires the AORMA Committee to review its policies and procedures at least every two years. Eight policies and procedures were reviewed by Staff. Most of the proposed changes are minor and intended to establish formatting, terminology and definition consistency. Long reviewed the proposed changes.

1. A-4 Dividends and Assessments. The Declaration of Dividends section was amended to confirm that dividends can be retained on account and used to lower contributions for the upcoming fiscal year, but not for the current fiscal year.
2. C-1 Crime Program Member Allocation Formula. All references to the Programs Committee were removed.
3. L-3 Legal Counsel Selection. The numbers referenced in the Policy and Procedure were amended to reflect the correct sections.
4. L-5 Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations. All references to the Programs Committee were removed.
5. L-8 Liability Program Member Allocation Formula. All references to the Programs Committee were removed as well as the listing of Basic Rates, which is described elsewhere in the Policy and Procedure.
6. P-1 Property Program Member Allocation Formula. All references to the Programs Committee were removed.
7. W-1 Workers' Compensation Member Allocation Formula. All references to the Programs Committee were removed. The Declaration of Dividends section was amended to confirm that dividends can be retained on account and used to lower contributions for the upcoming fiscal year, but not for the current fiscal year. Wording was added to confirm that audit refunds can be used to lower the upcoming contributions, but not the current contributions.
8. W-2 Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less. The procedure that requires members with EMF's above 1.25 to work with Staff to develop and plan to reduce losses has been revised. Alliant Risk Control Consulting reviews all EMF's and provides assistance to members. Some smaller members have high EMF's simply because they had one or two large losses which caused their EMF to spike. In this case it's not a pattern of similar losses; therefore, a formal plan isn't necessarily appropriate. All references to Programs Committee were removed. A definition of EMF was added.

A motion was made to approve the suggested revisions to the Policies and Procedures as describe above.

Motion: Chuck Kissel  
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		

Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**F4. Carl Warren & Company Third Party Liability Claims Administrator Contract Renewal**

Mimi Long stated that the current contract with Carl Warren & Company for third party liability claims administration has a three-year contract term and two one-year options. The three-year term expires on June 30, 2019. The Committee was asked to exercise the two one-year options to extend the contract to June 30, 2021.

A motion was made to delegate authority to the CSURMA Secretary-Auditor to exercise the two one-year options to extend the contract to June 30, 2021.

Motion: Cecilia Ortiz  
Second: Bella Newberg

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**F5. AOA Annual Conference – Risk Management Sessions**

The AOA Annual Conference Planning Committee will provide a deadline of June 30, 2019 to submit session proposals for the 2020 AOA Annual Conference.

The Committee reviewed the AOA Session Topics proposed for the 2020 AOA Conference:

1. CSURMA Tools Available to Respond to Critical Events
2. The In’s and Out’s of Scooters on Campus

- 3. CSURMA AORMA 101
- 4. Insurance Requirements in Contracts (IRIC) Overview
- 5. Cyber Liability, Phishing, Funds Transfer Fraud

**F6. CSURMA AORMA Committee Election Results**

Dwayne Brummett let the Committee know that Bella Newberg, Cecilia Ortiz, Trina Knight and Bill Olmsted have been reelected to the AORMA Committee each for an additional two-year term beginning on July 1, 2019.

**F7. Workers’ Compensation Coverage for Volunteers**

Staff has been working with CSAC-EIA to obtain approval to expand the AORMA workers’ compensation program to include as named insureds those members with no employees but who may have volunteers. CSAC EIA agreed to add those members to the existing workers’ compensation program for an additional \$1,000 per member.

The AORMA Committee had previously discussed the allocation of costs to members based on annual number of volunteers and the percentage breakdown between physical and non-physical activities.

A motion was made to delegate authority to the Secretary-Auditor to finalize a rating plan for those auxiliary organizations with no employees who choose to join the AORMA workers’ compensation program.

Motion: Starr Lee  
Second: Cecilia

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**F8. SportRisk Recreation Center Best Practices Assessment**

At its last meeting in March, the Committee directed Staff to obtain a formal proposal from SportRisk to conduct a systemwide Recreation Center best practices risk assessment. The Committee reviewed the SportRisk proposal which includes the following deliverables:

- Core Program Services – Action recommendations, benchmarking and comparison graphs, ScorePlus and survey breakdown by category.
- Add-On Services - Top five issues by survey type, key concerns identified within specific categories, strategic recommendations, and a list of the top three scoring locations.

The total cost for the Core Program Services only is \$675 per campus, or \$950 per campus for the Core Program Services and the Add-On Services. The Committee directed Staff to negotiate a “not to exceed” total cost with SportRisk in case some campuses choose not to participate in the assessment.

A motion was made to approve the SportRisk proposal for the Core Program Services and the Add-On Services and delegate to authority to the Secretary-Auditor to finalize and execute the agreement.

Motion: Leslie Levinson  
Second: Starr Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Chuck Kissel	X			
Trina Knight		X		
Starr Lee	X			
Leslie Levinson	X			
Dave Nakamura		X		
Bella Newberg	X			
Bill Olmsted	X			
Cecilia Ortiz	X			
Russell Wittmeier		X		

**MOTION CARRIED**

**F9. FY 2018/19 AORMA Long Range Action Plan**

Staff provided an update of the items within the FY 28/19 Long Range Action Plan. It was suggested that Staff should update some of the due dates.

**E1. Excess Insurance Renewals and Underwriter Meetings Report**

Daniel Howell provided an overview of the recent meetings with Excess Liability’s underwriters. Staff anticipates the major programs will renew as shown in Table 1 below.

**Table 1**

<b>Projected Renewal Cost Change Estimates</b>		
<b>Program</b>	<b>AORMA % Change</b>	<b>Campus % Change</b>
Excess Liability	+10%	+10%
Property	+15%	+15%
Worker’s Compensation	Flat to 5% Increase	Flat to 5% Increase
Builder’s Risk	N/A	Flat Rate
Fine Arts	N/A	+10%
SPLIP & SAFECLIP	Flat Rate or Decrease	Flat Rate or Decrease
FTIP	Flat Rate or Decrease	Flat Rate or Decrease
Aviation	Flat Rate or Decrease	Flat Rate or Decrease
Medical Malpractice	N/A	Flat Rate to 10% Increase
Fidelity	-5%	-5%

The excess liability program has seen loss development in the first excess layers for both the AORMA and Campus programs. Staff anticipates rate increases in the lower layers and possibly rate increases in the excess layers due to catastrophic losses impacting the entire marketplace. Property losses to both the AORMA and Campus programs have increased in the past three years. While CSU performed well in the wet winter and recent wildfires, related losses and other losses continue to mount. Significant rate decreases in recent years will likely be again partially eroded by increases this coming renewal. CSURMA previously approved a new two-year rate agreement with CSAC EIA for workers’ compensation. Staff is actively marketing the programs and negotiating renewal terms.

**F2. Target Surplus Ratios**

The FY 18/19 Long Range Action Plan includes a goal to review and, if appropriate, adopt additional target surplus analysis ratios. Using the December 31, 2018, financial information, the Committee reviewed the three adopted financial benchmarking ratios as well as three additional ratios that are commonly used by pooled programs.

Currently adopted financial benchmarking ratios:

- Gross Premium to Equity Ratio
- Equity to Pool Retention Ratio
- Outstanding Losses to Equity Ratio

Proposed financial benchmarking ratios:

- Reserves to Equity Ratio
- Change in Equity
- Change in Outstanding Liabilities

Staff was directed to table this item to the September meeting and to present the final benchmarking ratios for the Committee’s consideration. The Committee also agreed to change the

term “Surplus” or “Equity” to “Retained Funds” so that the terminology matches the terminology used within the CSURMA financial statements.

**G. INFORMATION ITEMS**

- G1. CSURMA AORMA 2019 Meeting Calendar**
- G2. CSURMA AORMA Program Administrator Contact Lists**
- G3. CSURMA AORMA Committee Contact List**
- G4. AORMA Travel Reimbursement Policy**

**H. ADJOURNMENT**

The meeting was adjourned at 12:51 PM.

**CSURMA AORMA BENEFITS PROGRAM REPORT**

**ISSUE:** The Committee Members will hear a verbal report on recent activities.

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

## **AOA EXECUTIVE COMMITTEE REPORT**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

## **FY 18/19 AORMA LONG RANGE ACTION PLAN**

**ISSUE:** The AORMA Committee will be asked to review the items on the FY 18/19 Long Range Action Plan and move any open items to the FY 19/20 Long Range Action Plan.

**RECOMMENDATION:** It is recommended that the Committee members review the FY 18/19 Long Range Action Plan, taking action as appropriate.

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. FY 18/19 AORMA Long Range Action Plan

**FY 2018/19 CSURMA AORMA LONG RANGE ACTION PLAN**

<b>Goal</b>	<b>#</b>	<b>Action / Task</b>	<b>Responsible Entity</b>	<b>Deadline</b>	<b>Status</b>
<b>LRP-1 Workers' Compensation Program Growth</b>					
	1	Obtain underwriting information to finalize coverage and/or funding options for Members	PA	Jan-19	N/A
	2	Present Member funding options to AORMA Committee for approval	PA, AORMA	Feb-19	N/A
	3	Present final quotes to Members	PA	Mar-19	N/A
	4	Provide underwriting information to CSAC EIA for approval	PA	Apr-19	N/A
	5	Bind coverage within the AORMA Workers' Compensation Program	PA	Jun-19	N/A
<b>LRP-2 Creation of Fully Insured Primary Liability Program</b>					
	1	Discuss concept with AORMA Committee	PA, AORMA	Sep-18	Completed
	2	Compile information for those auxiliary organizations that are paper entities only or have no or very few employees	PA	Nov-18	Completed
	3	Identify potential insurers for this coverage program and request coverage forms	PA	Nov-18	N/A
	4	Provide update to AORMA Committee, as appropriate	PA	Dec-18	N/A
	5	Prepare marketing specifications	PA	Jan-19	N/A
	6	Submit marketing specifications to the commercial insurers	PA	Feb-19	N/A
	7	Provide coverage comparison for the AORMA Committee's review	PA, AORMA	Mar-19	N/A
	8	Send out quotes to interested auxiliary organizations	PA	May-19	N/A
	9	Bind coverage	PA	Jun-19	N/A
<b>LRP-3 Evaluation of Participation in the CSU Captive Vehicle</b>					
	1	Oversee formation of captive	PA, SRM	Continuous	In Process
	2	Determine which insurance products can be marketed by the auxiliary organizations	PA, SRM, EC, AORMA	Sep-19	N/A
	3	Design marketing plan	PA, SRM, AORMA	Dec-19	N/A
<b>LRP-4 Development of Recreation Center Good Practices</b>					
	1	Survey Campus and Auxiliary members to see what is currently in place	PA	Nov-17	Completed
	2	Research standards and guidelines published by industry experts	PA	Nov-17	Completed
	3	Identify Recreation Center Good Practices	PA, PC	Jun-18	Completed
	4	Send out another request to all AORMA members to obtain copies of rec center practices currently in place - Staff will provide a detailed explanation as to why the information is being requested	PA	Nov-18	Completed
	5	Inventory all information obtained	PA	Feb-19	Completed
	6	Obtain the Rec Center Directors affinity group directory	PA	Feb-19	Completed

## FY 2018/19 CSURMA AORMA LONG RANGE ACTION PLAN

Goal	#	Action / Task	Responsible Entity	Deadline	Status
	7	Compile a complete directory of auxiliary and campus staff which shows who is overseeing the different Rec Center functions	PA	Mar-19	In Process
	8	Provide additional information regarding the Rec Center risk assessments available through SportRisk (Ian McGregory's Company)	PA	Mar-19	In Process
	9	Chair to appoint ad hoc committee to review good practices providing input for updates as appropriate	PA, AORMA	May-19	N/A
	10	Approval of final Recreation Center Good Practices	AORMA	Sep-19	N/A
	11	Disseminate information to all Campus and Auxiliary Members	PA	Oct-19	
	12	Upload information onto the CSURMA website	PA	Oct-19	
<b>LRP-5 Formation of the CSURMA AORMA Benefits Program</b>					
	1	Authorize formation of AORMA Benefits Program	AORMA, EC	Sep-17	Completed
	2	Authorize formation of AORMA Benefits Program	BOD	Oct-17	Completed
	3	Secure underwriting information and prepare renewal specifications	PA	Jun-18	Completed
	4	Submit underwriting information for a quote through the CSAC EIA benefits program	PA	Jun-18	Completed
	5	Approve CSURMA AORMA Benefits Program Participation Agreement	PA, AORMA	Sep-18	Completed
	6	Approve accounting procedures with CSU Accounting	PA, AORMA, CSU Accounting	Jan-19	Completed
	7	Approve amendments to brokerage agreement with Alliant	PA, AORMA, EC	Sep-18	Completed
	8	Forward benefits pricing to the existing members as well as those members not participating in the AOA Benefits Program	PA	Nov-18	Completed
<b>LRP-6 Theatre Inspection Common Findings Report</b>					
	1	Receive copies of all theatre inspection reports completed	PA	Aug-19	Completed
	2	Review reports for common findings and distribute to members and post on CSURMA website	PA	Oct-19	
<b>LRP-7 Verify and/or Place Coverage for CSU Alumni Associations</b>					
	1	Gather information for all CSU Alumni Associations to confirm that they are all insured appropriately	PA	Oct-18	In Process
	2	Provide applications for coverage under the Special Liability Insurance Program (SLIP)	PA	Dec-18	In Process
	3	Obtain quotes and forward to Alumni Associations	PA	Feb-19	In Process
<b>LRP-8 Formation of a Medical Expense Coverage Program to Cover Human Subjects Participating in Sponsored Programs</b>					
	1	Obtain information regarding the different federal program classifications	PA	Sep-18	Completed

**FY 2018/19 CSURMA AORMA LONG RANGE ACTION PLAN**

<b>Goal</b>	<b>#</b>	<b>Action / Task</b>	<b>Responsible Entity</b>	<b>Deadline</b>	<b>Status</b>
	2	Request for the AOA Research Administration Committee (RAC) additional information regarding the number of AO's involved in research projects with human subjects	PA	Oct-18	Completed
	3	Confirm if excess insurers can schedule the primary PAI policy as an underlying policy within the liability program	PA	Oct-18	Completed
	4	Confirm if excess insurers can schedule the primary PAI policy as an underlying policy within the liability program	PA	Nov-18	Completed
<b>LRP-9 Review and Adopt Updated Target Surplus Analysis Ratios</b>					
	1	Review all target surplus analysis ratio as recommended by CAJPA	PA	Jan-19	Completed
	2	Present recommendations for change to the AORMA Committee	PA, AORMA	May-19	Completed
	3	Revise and approve changes to Policy and Procedure A-2 Target Surplus Funding Policy accordingly	PA, AORMA	Sep-19	Completed
	4	Receive the revised Target Surplus Funding presentation and review the new ratios.	PA, AORMA	Sep-19	Completed
<b>LRP-10 Address the Issue of Workers' Compensation Coverage for the Members' Volunteers</b>					
	1	Confirm with all members within the AORMA workers' compensation program their current decision on file regarding workers' compensation coverage for volunteers	PA	Nov-18	Completed
	2	Provide to members the reasoning to cover and/or not to cover volunteers for workers' compensation	PA	Nov-18	Completed
	3	Discuss with the AORMA Committee coverage options for those members with no employees and therefore no workers' compensation coverage	PA, AORMA	Dec-18	Completed
	4	Provide coverage options for those members with no employees and therefore no workers' compensation coverage	PA	Jan-19	Completed
<b>LRP-11 Explore the Option of Expanding the AORMA Liability Program to include non-CSU higher education entities</b>					
	1	Review CSURMA JPA Agreement and Bylaws to see if the expansion of the program to non-CSU entities is allowed	PA	Oct-18	Completed
	2	Obtain an inventory of other entities who may be candidates to join the program	PA	Nov-18	In Process
	3	Provide update to the AORMA Committee	PA, AORMA	Dec-18	In Process
	4	<i>If AORMA Committee approval to move forward is received, the following steps will be completed:</i>	AORMA	Dec-18	In Process
	5	Discuss change with excess reinsurers/insurers	PA	Jan-19	N/A

**FY 2018/19 CSURMA AORMA LONG RANGE ACTION PLAN**

<b>Goal</b>	<b>#</b>	<b>Action / Task</b>	<b>Responsible Entity</b>	<b>Deadline</b>	<b>Status</b>
	<b>6</b>	Modify the CSURMA JPA Agreement and Bylaws, the AORMA Participation Agreement, and the AORMA Liability Program Participation Agreement	PA, AORMA, EC, BOD	May-19	N/A
	<b>7</b>	Update AORMA Liability Memorandum of Coverage as appropriate	PA	May-19	N/A
	<b>8</b>	Send out program information to the identified candidates and request underwriting information	PA	May-19	N/A
	<b>9</b>	Complete rating process and send out quotes	PA	Jun-19	N/A

**BOD:** CSURMA Board of Directors

**PC:** AORMA Programs Committee

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

**CO:** Chancellor's Office

**AORMA:** AORMA Committee

**EC:** CSURMA Executive Committee

**OGC:** CSU Office of General Counsel

**PA:** CSURMA Program Administrator

**SRM:** CSU Systemwide Risk Management

## **AORMA OFFICERS' RETREAT RECAP**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

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



## CSURMA AORMA OFFICERS RETREAT

### “This is an Open Public Meeting”

*In accordance with the requirements of the Bagley-Keene Open Meeting Act, notice of this meeting must be posted in a publicly accessible place, including the internet, at least ten days in advance of the meeting. This meeting agenda shall also be posted at the address of the teleconference location with access for the public via phone/speaker phone.*

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

**Thursday, August 1, 2019**  
11:30 AM – 4:00 PM (Est.)

**Friday, August 2, 2019**  
8:00 AM – 11:00 (Est.)

**Allegretto Vineyard Resort**  
2700 Buena Vista Drive  
Paso Robles, CA 93446

#### TOPICS FOR DISCUSSION

		<i>Page No.</i>
A.	<b>1. Long Range Action Plans</b> <b>AORMA Committee – FY 18/19</b> <b>CSURMA Executive Committee – FY 19/20</b> <i>The Committee will hear a report on the tasks within the AORMA and Executive Committee long range action plans</i>	I pg. 5
	<b>2. On-Line Training</b> <i>The Officers will be asked to discuss the online training platforms available to AORMA members via SumTotal (CO) and TargetSolutions (CSAC EIA)</i>	I pg. 12
	<b>3. Running Camps on Campus Checklist</b> <i>The Officers will be asked to review and discuss the attached checklist for Camps on Campus</i>	I pg. 13
	<b>4. Insurance Requirements in Contracts (IRIC)</b> <i>The Officers will be asked to discuss new topics to be added to the IRIC</i> <ul style="list-style-type: none"> <li>▪ <i>Activities involving minors</i></li> <li>▪ <i>Concerts on and off campus</i></li> </ul>	I pg. 23
	<b>5. Special Events Resource Guide (SERG)</b> <i>The Officers will be asked to discuss new topics to be added to the SERG</i> <ul style="list-style-type: none"> <li>▪ <i>Activities involving minors</i></li> <li>▪ <i>Concerts on and off campus</i></li> <li>▪ <i>Food safety</i></li> <li>▪ <i>Activities involving watercraft</i></li> </ul>	I pg. 24

6. **RFP Requirements for CSURMA Vendors** I pg. 25  
*The Officers will be asked to review the list of CSURMA vendors and to discuss their current contract terms as well as the needs to send out an RFP*
  7. **Loss Control Vendor Utilization Reports** I pg. 27  
*The Officers will be asked to review the utilization reports from the loss control vendors*
    - *Alliant Risk Control Consulting (Term: 7/01/19 to 6/20/22)*
    - *Presidium (Term: 7/01/17 to 6/30/20)*
    - *Employer Group (Term: 7/01/17 to 6/30/20)*
  8. **AORMA Workers' Compensation Program** I pg. 34  
*Workers' compensation coverage for AORMA members with no employees*
  9. **Pooled Programs Loss Reports** I pg. 39  
*The Committee will review loss reports for each AORMA pooled program*
    - *Review of loss leaders*
    - *Discussion of loss control / risk management techniques*
  10. **Rating Plans for the AORMA Pooled Programs** I pg. 44  
*The Committee will be asked to review the member allocation formulas for the pooled programs*
  11. **Estimated Fund Balance Exhibits** I pg. 68  
*The Committee will review the AORMA Estimated Fund Balance Exhibits*
  12. **Historical information on AORMA's Funding Philosophy** I pg. 73  
*The Committee will be asked to discuss AORMA's historical funding philosophy for all of AORMA's pooled programs*
  13. **AOA Conference – Session Topics** I pg. 75  
*The Committee will review the session topic which have been proposed for the 2020 AOA Conference*
- B. AORMA COMMITTEE AND STAFFING**
1. **CSURMA AORMA Communication** I pg. 78  
*The Committee will discuss CSURMA's current communication strategies*
  2. **AORMA Committee Succession Planning** I pg. 84  
*The Committee will review the current CSURMA AORMA Committee roster and discuss future open seats*
  3. **CSURMA AORMA Program Staff** I pg. 94  
*The Committee will review the current JPA Administration staffing roster*
- C. NEW PROGRAMS / SERVICES**  
*The Officers will be asked to discuss new program and/or services that may benefit the AORMA members*

1.	<b>Recap of Ideas for Creation or Modification of CSURMA AORMA Programs and/or Services</b>	I	pg. 100
	<i>The Committee will be asked to discuss ideas for creation or modification of CSURMA AORMA programs and/or services</i>		
2.	<b>Recap of Projects to be Included on the FY 19/20 AORMA Long Range Action Plan</b>	I	pg. 102
	<i>The Committee will be asked to finalize the recommendation of projects to be included on the FY 19/20 AORMA long range action plan</i>		
<b>D.</b>	<b>APPENDICES</b>		pg. 103
1.	Liability Program	I	
	a. List of member EPL deductibles		
	b. Total funding report for FY 19/20		
	c. Policy & Procedure L-1 – Claims Reporting		
	d. Policy & Procedure L-2 – Liability Claims Administration and Litigation Management		
	e. Policy & Procedure L-3 – Legal Counsel Selection		
	f. Policy & Procedure L-4 – Employee Driving Standards		
	g. Policy & Procedure L-5 – Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations		
	h. Policy & Procedure L-6 – Requirement to Purchase PAI for all Activities Involving Minors		
	i. Policy & Procedure L-7 – Employment Practices Deductible		
	j. Policy & Procedure L-8 – Liability Program Member Allocation Formula		
2.	Workers’ Compensation Program	I	
	a. Total funding report for FY 19/20		
	b. W-1 - Workers' Compensation Member Allocation Formula		
	c. W-2 - Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less		
	d. W-3 - Claims Handling Procedures and Guidelines		
	e. W-4 - Workers' Compensation Coverage Claims Settlement Authority		
	f. W-5 - Volunteer Coverage		
3.	Property Program	I	
	a. Total funding report for FY 19/20		
	b. P-1 – Property Program Member Allocation Formula		
4.	Crime Program	I	
	a. Total funding report for FY 18/19		
	b. C-1 – Crime Program Member Allocation Formula		
5.	Unemployment Insurance Program	I	
	a. UI-1 - Formula for Determining Unemployment Insurance Program Annual Contributions		

- |     |  |   |
|-----|--|---|
| 6.  | Target Surplus Funding Policy / Dividends                                  | I |
|     | a. Policy & Procedure A-3 – Target Surplus Funding Policy                  |   |
|     | b. Target surplus funding report   |   |
|     | c. History of dividends declared   |   |
|     | d. Policy & Procedure A-4 – Dividends and Assessments                      |   |
| 7.  | AORMA Policies and Procedures  | I |
|     | a. Schedule for review of AORMA’s policies and procedures                  |   |
| 8.  | CSURMA Financial Statement @ March 31, 2019                                | I |
| 9.  | CSURMA Financial Audit @ June 30, 2018                                     | I |
| 10. | CSURMA AORMA Policies and Procedures                                       | I |
|     | a. Policy & Procedure A-5 – Annual Calendar of Reports, Audits and Filings |   |
|     | b. Policy & Procedure A-6 – Risk Reduction Matching Grant Program          |   |
|     | c. Policy & Procedure A-7 – Travel Reimbursement Policy                    |   |
|     | d. Policy & Procedure A-8 – CSURMA AORMA Closed Session Policy             |   |
| 11. | CSURMA Joint Powers Authority Agreement                                    | I |
| 12. | CSURMA Bylaws  | I |
| 13. | AORMA Participation Agreement  | I |

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

**MINUTES OF THE CSURMA AORMA  
OFFICERS RETREAT**

**AUGUST 1 – 2, 2019**

**ALLEGRETTO VINEYARD RESORT  
2700 Buena Vista Drive  
Paso Robles, CA 93446**

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**MEMBERS PRESENT**

Dwayne Brummett, Associated Students, Inc., California Polytechnic State University at San Luis Obispo  
Starr Lee, The University Corporation at Monterey Bay  
Dave Nakamura, Humboldt State University Center Board of Directors

**STAFF, GUESTS AND CONSULTANTS**

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

The AORMA Officers meet on August 1 and 2, 2019, to discuss the long term goals of AORMA.

The meeting of the AORMA Officers Committee was called to order on August 1, 2019 at 11:34 AM by the Chair Dwayne Brummett.

**A1. Long Range Action Plan**

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

**AORMA Long Range Action Plan 2018/2019**

- LRP-1 **Workers' Compensation Program Growth.** Do not add to the 19/20 LRP. This item is ongoing but the tasks for 18/19 have been completed.
- LRP-2 **Creation of Fully Insured Primary Liability Program.** Do not add to the 19/20 LRP. Staff provided an update of recent activities. After researching the concept of creating a fully insured primary liability program, it didn't appear to provide more advantage than disadvantage to the AORMA members, so the Officers agreed to halt further action.

- LRP-3 **Evaluation of Participation in the CSU Captive Vehicle.** There will be no further development on this project as it has been shut down by the CO.
- LRP-4 **Development of Recreation Center Good Practices.** This project is ongoing and will be added to the 19/20 LRP. *The Officers directed Staff to work with the CO, Campus RM and AORMA members to develop a reliable list of contacts for completion of the surveys.*
- LRP-5 **Formation of the CSURMA AORMA Benefits Program.** This Project is complete. *The Officers directed Staff work with the AOA EC Committee and AOA HR BUG Committee to establish the necessary executive oversight of the CSURMA AORMA Benefit Program. Future action could be that the AORMA Committee passes a resolution granting executive oversight to a standing committee of the AOA.*
- LRP-6 **Theatre Inspection Common Findings Report.** This project is ongoing and will be added to the 19/20 LRP. *Staff (Andrew Gaspari) will review the reports and create a matrix which shows the commons findings. ARCC (John Owen) will then be asked to provide additional information based on the findings in the matrix.*
- LRP-7 **Verify and/or Place Coverage for CSU Alumni Associations. This project is ongoing.** *Staff (Amy Lightner) will work with the Club Liability Insurance Program (CLIP) underwriters to see if the CSU campus alumni associations can be added to the CLIP program.*
- LRP-8 **Formation of a Medical Expense Coverage Program to Cover Human Subjects Participating in Sponsored Programs.** This project is complete.
- LRP-9 **Review and Adopt Updated Target Surplus Analysis Ratios.** This project will be completed at the AORMA meeting in September, 2019 and should not be added to the FY 19/20 LRP.
- LRP-10 **Address the Issue of Workers' Compensation Coverage for the Members' Volunteers.** This item is ongoing. Staff discussed the idea of offering Accidental Medical Expense and Accidental Death & Dismember coverage as an option to adding those auxiliary members with no employees to the workers' compensation program. *Staff was directed to offer coverage to members reviewing optional limits of \$25K, \$50K and \$100K.*
- LRP-11 **Explore the Option of Expanding the AORMA Liability Program to include non-CSU higher education entities.** Do not add to the 19/20 LRP. Staff provided an update of recent activities. After researching the concept of expanding the liability program to include non-CSU entities, it didn't appear to

provide more advantage than disadvantage to the AORMA members, so the Officers agreed to halt further action.

### **CSURMA Long Range Action Plan 2019/2020**

- LRP-1 Creation of a Formal Process to Regulate and Approve Financing of Risk Programs through CSURMA
- LRP-2 Further Development of Youth Protection Programs
- LRP-3 CSURMA Review of its Digital Compliance
- LRP-4 Development of a CSURMA Critical Events Toolkit
- LRP-5 Liability Program Memorandum of Coverage Review with Coverage Counsel
- LRP-6 Foreign Travel Program Review
- LRP-7 CSURMA Master Calendar for Upcoming Trainings, Conferences and Events
- LRP-8 Master Enabling Agreement for Environmental Sampling Services

### **A2. Online Training**

The Officers discussed the current online training available to the AORMA members through Systemwide Professional Development (SumTotal). Systemwide Professional Development (SPD) is currently addressing the AOA HR Committee's concerns regarding online training offered through SumTotal. SPD is working to address all concerns. SPD is granting administrative privileges to the auxiliary members upon request, rather than having Campus IT process the request. SPD notes that all of the completion data for all auxiliaries at the campus is grouped together and needs to be sorted. SPD is working to resolve this issue. Staff noted that many members are still using TargetSolutions through the contract with EIA.

*The Officers directed Staff to;*

1. *Send out information to all AORMA members letting them know that online training through TargetSolutions is still available.*
2. *Request periodic updates from SPD on upgrades to the SumTotal platform.*

### **A3. Running Camps on Campus Checklist**

The Officers reviewed the Camps on Campus safety checklist which is available through United Educators. *The Officers directed Staff to research if CSURMA can use this checklist through its online training contract with UE and add to the AORMA Committee's September meeting agenda.*

### **A4. Insurance Requirements in Contracts (IRIC)**

The Officers discussed ideas for additional topics to be added to the CSURMA IRIC manual. Staff proposed the following:

- Activities involving minors

- Performance contracts
- Vehicles chartered with a driver

*Staff was directed to;*

1. *Design a “white paper” to aid members in developing;*
  - a. *Performance contracts - including CSURMA’s desired insurance requirements, hold harmless agreement as well as loss control techniques.*
  - b. *Contracts involving minors – including CSURMA’s desired insurance requirements, hold harmless agreement as well as practices the entity should confirm that they follow regarding youth safety.*
2. *Add a separate exhibit within the IRIC for*
  - a. *Vehicles chartered with a driver.*
  - b. *Chartering watercraft (charters legal liability)*
3. *Design a “white paper” for youth protection, to include FAQ, usage, contract wording, as shown above.*
4. *Create a watercraft matrix which clearly outlines the difference between coverage available through the CSURMA watercraft program vs. coverage through the liability / workers’ compensation / property programs.*

#### **A5. Special Events Resource Guide (SERG)**

The Officers were asked to discuss additional and/or expansion of topics in the CSURMA SERG manual.

- Activities involving minors
- Concerts on and off campus
- Activities involving watercraft
- Catering Services

See Item A4 above. *Staff was directed to create white papers for activities involving minors and performance contracts.*

*Staff was directed to request a copy of the Praesidium Guardian workshop survey for review.*

#### **A6. RFP Requirements for CSURMA Vendors**

The Officers were asked to discuss the RFP Requirements for CSURMA Vendors listing.

*Staff was directed to update the vendor listing exhibit as follows:*

1. *Add a check box to indicate if the vendor is a “sole source” for this particular type of service, i.e., Praesidium for Prevention of Sexual Abuse of Minors.*
2. *Show the contract extensions available.*
3. *Separate the contracts between contracts entered into and signed by Chancellors Office or CSURMA.*

#### **A7. Loss Control Vendor Utilization Reports**

The Officers reviewed the Utilization Reports from the Loss Control Vendors.

- Alliant Risk Control Consulting (Term: 7/01/19 to 6/20/22)
- Presidium (Term: 7/01/17 to 6/30/20)
- Employer Group (Term: 7/01/17 to 6/30/20)

*Staff was directed to;*

1. *Ask to AOA HR Committee, as its next meeting, to discuss the Employers Group contract and to provide a recommendation for the AORMA Committee to either send out an RFP or extend the current contract. The term will end June 30, 2020.*
2. *Ask Praesidium to provide the participant’s survey of the Certified Praesidium Guardian workshop.*

#### **A8. AORMA Workers’ Compensation Program**

At its meetings on May 2, 2019, the AORMA Committee agreed to expand the workers’ compensation program to those CSU Auxiliary Organization members with no employees but who wished to cover their board members and volunteers as employees for workers’ compensation. CSAC EIA will charge AORMA \$1,000 for each new member joining the program. AORMA decided to charge each new member, for the first year, \$1,000, or \$500 if they have no volunteers other than board members. To date, three new members have joined the workers’ compensation program for board members only - \$500 additional premium each. As an option, Staff discussed the idea of offering Accidental Medical Expense and Accidental Death & Dismember coverage as an option to add those auxiliary members with no employees to the workers’ compensation program.

*Staff was directed to offer coverage to members reviewing optional limits of \$25K, \$50K and \$100K.*

#### **A9. Pooled Programs Loss Reports**

The Officers reviewed and discussed the AORMA loss data reports for the AORMA liability, workers’ compensation, property, and crime programs.

#### **A10. Rating Plans for the AORMA Pooled Programs**

The Officers reviewed and discussed the allocation formulas for the AORMA coverage programs with a pooled layer. AORMA's policy and procedure requires that a detailed review of each allocation formula be completed every three years. The last review was completed in February, 2017. The AORMA Committee chair will be asked to appoint a Rating Plan Task Group to review all of the allocation formulas in the Spring of 2020. All revisions will be incorporated into the rating allocations for FY 21/22.

#### **A11. Estimated Fund Balance Exhibits**

The Committee reviewed the estimated fund balance exhibits for both the Liability and Workers' Compensation Programs. These reports show a comparison of the program assets, outstanding liabilities and estimated fund balances at March 31, 2019, as well as historical estimated fund balances and dividend information.

#### **A12. Historical information on AORMA's Funding Philosophy**

The officers reviewed and discussed the AORMA Committee's historical funding for both liability and workers' compensation program.

#### **A13. AOA Conference – Session Topics**

The Officers discussed the proposed sessions for the 2020 AOA Conference. CSURMA AORMA has been assigned two Risk Management Session topics:

1. AOA Services through AORMA (AORMA 101) – Amy Lightner and Mimi Long will present.
2. Cyber Incidents: Prevention and Response – Susan Leung and a Beazley representative will present.

The meeting was adjourned for the day at 3:56 PM. The meeting was called to order at 8:02 AM on August 2, 2019.

### **B. AORMA COMMITTEE AND STAFFING**

#### **B1. CSURMA AORMA Communication**

The Officers discussed the communication strategies that have been implemented by CSURMA AORMA.

1. Quarterly AORMA Updates to all AOA Members (via AOA distribution list)
2. AOA Executive Committee AORMA Updates
3. January Budgeting Letter

4. September Pre-Budgeting Letter
5. Annual Invoices including Coverage Summary (for major programs)
6. CSURMA Website
7. AOA Annual Conference Presentations
8. AOA Annual Conference Booth
9. Campus Visits

The Officers reviewed an expanded coverage summary that includes all of the CSURMA policies that are applicable to the members as well as an AORMA matrix which indicates the timing of all program requests from Staff.

*The Officers directed Staff to;*

1. *Provide the expanded coverage summary to all members as part of the annual binders sent in July.*
2. *Update the AORMA matrix to be generic and forward it to all members indicating that it can be tailored to their programs as desired.*

## **B2. AORMA Committee Succession Planning**

The Officers reviewed the current AORMA Committee roster and discussed the six members who are up to reelection for the new term of July 1, 2020 to June 30, 2022, in April, 2020.

Member	Position	Type of Auxiliary	Term	1st, 2nd or Final Term
Dwayne Brummett	Associate Executive Director	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	7/1/18 - 6/30/20	First
Dave Nakamura	Executive Director	Humboldt State University Center	7/1/18 - 6/30/20	First
Starr Lee	Director of Administration & Legal /Associate Executive Director	The University Corporation at Monterey Bay	7/1/18 - 6/30/20	First
Chuck Kissel	Executive Director	CSU Fullerton Auxiliary Services Corporation	7/1/18 - 6/30/20	First
Russell Wittmeier	Human Resources Director	The CSU, Chico Research Foundation	7/1/18 - 6/30/20	First
Leslie Levinson	Chief Financial Officer	San Diego State University Research Foundation	7/1/18 - 6/30/20	First

*The Officers directed Staff to;*

1. *Prompt the AORMA Committee Chair at the September, 2019 meeting to*
  - a. *Appoint a nominating committee to poll the six current members who are up for reelection to see if they will run for reelection, and.*
  - b. *If there are open seats, provide nominations to fill those seats.*

2. *Create an email to be sent from the AORMA Committee Chair stressing the importance of in-person participation at the committee meetings.*
3. *Tighten up the wording when polling members for attendance at Committee and Board meetings stressing the importance of verifying that there will be a quorum.*

### **B3. CSURMA AORMA Program Staff**

Staff will provide a basic overview of the current staffing on the CSURMA AORMA Programs.

### **C. New Programs / Services**

The next two items were discussed together.

#### **C1. Recap of Ideas for Creation or Modification of CSURMA AORMA Programs and/or Services**

#### **C2. Recap of Projects to be Included on the FY 19/20 AORMA Long Range Action Plan**

The Officers discussed ideas for new AORMA coverage programs and/or services to be offered to the Members in FY 19/20 and beyond.

*The Officers directed Staff to add the following items to the FY 19/20 Long Range Action Plan:*

1. *CSU Auxiliary Organizations contract attorney. Create an agreement with an experienced attorney as a reference for AORMA members when they have contract questions (other than insurance questions that Staff can answer.)*
2. *Additional Insured Process. Review and evaluate CSURMA's additional insured issuance process.*
3. *Youth Protection. Create a youth protection whitepaper, to include FAQ, usage, CSURMA's desired insurance requirements, hold harmless agreement as well as practices the contracting entity should confirm that they follow regarding youth safety.*
4. *Performance Contracts. Designed a whitepaper to aid members in developing performance contracts. Include CSURMA's desired insurance requirements, hold harmless agreement as well as loss control techniques.*
5. *Watercraft Exposures. Create a watercraft matrix which clearly outlines the difference between coverage available through the CSURMA watercraft program vs. coverage through the liability / workers' compensation / property programs. Create a separate exhibit within the IRIC for Chartering Watercraft (charters legal liability). Send out the information to all members with watercraft exposures.*
6. *CSURMA AORMA Benefits Standing Committee. Work with the AOA EC, AOA HR BUG Committee and the Alliant Benefits Team to finalize the executive oversight practice for the AORMA benefits program.*
7. *Volunteer Coverage. Continue to offer workers' compensation coverage for the members' volunteers, but also provide an option of purchased Accidental Medical Expense and Accidental Death & Dismember coverage.*

8. *Amend the Club Liability Insurance Program (CLIP) to include all of the CSU Alumni Associations.*
9. *Create a Theatre Inspection Common Findings Report.*

The meeting was adjourned at 10:40 AM.

## **FY 19/20 AORMA LONG RANGE ACTION PLAN**

**ISSUE:** During the AORMA Officers Retreat in August, the following items were discussed and suggested to be added to the FY 19/20 AORMA Long Range Action Plan:

1. Establish a retainer with an attorney for complicated contract questions
2. Audit/review the Members' current additional insureds
3. Create a whitepaper to aid Members in developing contracts involving minors
4. Create a whitepaper to aid Members in developing performance contracts
5. Update the IRIC manual to include an exhibit for chartering watercraft
6. Create watercraft matrix which clearly outlines the difference between coverage available through the CSURMA Watercraft Program vs. coverage through the liability, property and workers' compensation programs
7. Develop the executive oversight policies and procedures for the CSURMA AORMA Benefits Program
8. Expand coverage opportunities for the Members' to cover their volunteers
9. Expand the Club Liability Insurance Program (CLIP) to include all of the CSU Alumni Associations
10. Create a Theatre Inspection Common Findings Report

**RECOMMENDATION:** The Committee will be asked to discuss the above proposed items to be added to the FY 19/20 Long Range Action Plan.

**FISCAL IMPACT:** This item is for information only. When the Committee approves and takes action on the individual items within this suggested list, Staff will provide information on the fiscal impact.

**BACKGROUND:** None.

**PUBLICATION:** The approved Long Range Action Plan will be included in each agenda packet.

**ATTACHMENT(S):** None.

## **CONTRACTS WITH THIRD PARTIES INVOLVING ACTIVITIES WITH MINORS**

**ISSUE:** One of the items proposed to be included on the FY 19/20 Long Range Action plan is to *create a whitepaper to aid Members in developing contracts involving minors*. As a start, Staff has put together the following items which Members can add to their contract template when the activity includes minors:

1. **Insurance:** Require the entity to maintain Abuse and Molestation Coverage in the amount of \$2MM per occurrence.
2. **Screening:** Require the entity to confirm that all individuals responsible for minors have undergone screening such as a national criminal background check and/or national sex offender registry check.
3. **Training:** Require the entity to confirm that it requires individuals to immediately notify their supervisor or program administrator if they are arrested or convicted of a crime while they are employed by or volunteering with the entity.
4. **Supervision:** Require the entity to confirm that it has defined supervision procedures in place for monitoring its minor to adult ratio, and managing high-risk times and high-risk activities.
5. **Reporting:** Require the entity to report immediately, to you, any incidents or allegations of sexual misconduct involving adults or minors.

**RECOMMENDATION:** The Committee will be asked to discuss the above recommendations and to provide direction to Staff as appropriate.

**FISCAL IMPACT:** No fiscal impact is anticipated.

**BACKGROUND:** None.

**PUBLICATION:** Once the whitepaper is finalized, Staff will send it to all AORMA Members.

**ATTACHMENT(S):** None.

**ESTABLISH A RETAINER WITH AN ATTORNEY FOR COMPLICATED  
CONTRACT QUESTIONS**

**ISSUE:** One of the items proposed to be included on the Long Range Action plan is to *establish a retainer with an attorney for complicated contract questions*. Staff is able to answer the majority of the members' contract questions. This resource is for those questions that go beyond Staff's area of expertise.

**RECOMMENDATION:** The Committee will be asked to discuss this recommended long term goal and if appropriate delegate authority to the Secretary-Auditor to execute an agreement.

**FISCAL IMPACT:** For the first year, Staff recommends negotiating an hourly fee and a maximum annual fee to get an idea of usage. The fees paid to the attorney will be allocated to the AORMA liability program which means all AORMA members will share in the cost.

**BACKGROUND:** Staff is able to answer the majority of the members' contract questions. This resource is only for those questions that go beyond Staff's area of expertise.

**PUBLICATION:** Once the retainer is finalized, Staff will send a notice to all Members and will be specific about the intended services.

**ATTACHMENT(S):** None.

## **CSURMA AORMA BENEFITS PROGRAM**

**ISSUE:** The AOA Executive Committee has requested that the executive oversight of the CSURMA AORMA Benefits Program move from the AOA Executive Committee and BUG Committee to the AORMA Committee.

**RECOMMENDATION:** Staff recommends that the AORMA Committee approve the formation of an AORMA Benefits Committee, and that the AORMA Committee Chair appoint the Benefits Committee Chair and the Members to serve on the Benefits Committee.

**FISCAL IMPACT:** No fiscal impact is expected from action taken.

**BACKGROUND:** The Benefits Committee will be asked to work with Staff to finalize its roles and responsibilities which will be added to Policy and Procedure A-2 – Committee Roles and Responsibilities.

**PUBLICATION:** Staff will notify members as appropriate of the formation of this new standing committee and will post on the CSURMA website policies and procedures as they are revised.

**ATTACHMENT(S):** None.

## **VOLUNTEER COVERAGE**

**ISSUE:** At its meetings on May 2, 2019, the AORMA Committee agreed to expand the workers' compensation program to those CSU Auxiliary Organization members with no employees but who wished to cover their board members and volunteers as employees for workers' compensation. CSAC EIA will charge AORMA \$1,000 for each new member joining the program. AORMA decided to charge each new member, for the first year, \$1,000, or \$500 if they have no volunteers other than board members. To date, three new members have joined the workers' compensation program for board members only - \$500 additional premium each.

During the AORMA Officers Retreat, Staff proposed an option to the workers' compensation program - Accident Medical Expense, and Accident Death and Dismemberment. This program is not a substitute for workers' compensation as it does not provide all of the same benefits. As example, it caps the total medical expense coverage and is in excess of the coverage maintained by the volunteer. Also, it does not provide accident indemnity coverage for loss of wages.

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. VIP Brochure
- b. VIP Enrollment Form
- c. Volunteer losses for the past 10 years (covered under workers' compensation)

# VOLUNTEER INSURANCE PROGRAM (VIP)

Covering those who serve



Volunteers are the engine that drives your organization. Their selflessness and dedication propels you forward in your mission to serve. While they are not employees, they face many of the same risks. We'll ensure they receive the adequate coverage while they're in your care.

# VOLUNTEER INSURANCE PROGRAM (VIP)

Alliant Insurance Services designed the Volunteer Insurance Program (VIP) to help volunteers pay for medical costs if they are injured in the field of service. This best-in-class program offers multiple plan options to meet your organization's unique needs, covering a broad array of individuals and activities. Your organization was built to serve. VIP is designed to shield you and your volunteers from risk while you strive for the greater good.

## ACCESS TO POWER

VIP is the most powerful program of its kind. Since it is a group purchase program with no risk sharing and no possibility of future assessments, you will have access to outstanding coverage at consistent, competitive rates that remain stable even in volatile market conditions. VIP also provides great freedom to its members. The program mimics individual placements, meaning that each member has its own limits.

## CUSTOM SOLUTIONS DESIGNED FOR YOUR ORGANIZATION

VIP is a low-cost solution custom-built to protect both your volunteers and the reputation of your organization. The program was designed with the strength and flexibility to cover a broad array of organizations and public entities, including:

- Not-for-profit foundations and organizations
- Risk-sharing pools
- Joint powers authorities (JPAs)
- States, counties, cities, and townships
- Native American tribes
- Special districts
- Transportation authorities
- Private and public universities
- K-12 schools and their foundations
- Hospitals



## BROAD COVERAGE FOR A BROAD RISK PROFILE

Volunteerism has a broad spectrum of risks. VIP has the reach to cover a volunteer's work at a sponsored activity as well as direct transportation from the volunteer's home to the activity location. The coverage includes medical and dental costs within the following benefits:

- Accidental medical expense benefit: Covers an injury that, within 90 days of the accident, requires treatment by a physician.
- Accidental death and dismemberment benefit: Paid as a result of a death or loss incurred during a volunteer activity.
- Coma benefit: Paid if an individual is rendered comatose as a result of an injury sustained during a volunteer activity.

## ALLIANT INSURANCE SERVICES: THE PARTNER YOU DESERVE.

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant provides property and casualty, workers' compensation, employee benefits, surety, and financial products and services to more than 26,000 clients nationwide.

[www.alliant.com](http://www.alliant.com)

### CONTACT

Chris Tobin  
Senior Vice President  
**949 660 8143**  
[ctobin@alliant.com](mailto:ctobin@alliant.com)

## VIP (Volunteer Insurance Program)

Blanket Accident Insurance Enrollment Form

Participating Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_

Name

Title

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Additional Facilities or Subsidiaries: \_\_\_\_\_

(Include Name and Location)

Description of duties for volunteers \_\_\_\_\_

Benefits:	Limits: Plan 1	Limits: Plan 2
Accidental Death & Dismemberment:	\$50,000	\$100,000
Incurral Period:	365 Days	365 Days
Accidental Death & Dismemberment Aggregate Limit:	\$1,000,000 Per Accident	\$1,000,000 Per Accident
Accident Medical Expense (Excess):	\$100,000	\$250,000
Deductible:	\$0	\$0
Weekly Accident Indemnity Benefit (Benefit not available in CA)	Weekly Maximum Amount: Lessor of: 1) \$200 per week or 2) 75% of weekly earnings	Weekly Maximum Amount: Lessor of: 1) \$200 per week or 2) 75% of weekly earnings
Coma:	\$50,000	\$100,000
Minimum Premium:	\$250.00	\$350.00

### Rates

	Plan 1	Plan 2
Rate per volunteer per year:	\$5.00	\$8.00
Include Weekly Accident Indemnity (Not Available in CA) Add \$1.00	\$6.00	\$9.00

**Premium Calculation:**

Plan Selected: \_\_\_\_\_ Number of Volunteers: \_\_\_\_\_ x Rate: \_\_\_\_\_ = \$ \_\_\_\_\_  
*Note: Subject to Minimum Premium Stated Above*

Requested Effective Date: \_\_\_\_\_

The undersigned declares that to the best of their knowledge and belief that statements set forth herein are true and not fraudulent. Although the signing of this application does not bind the undersigned on behalf of the Company, to effect insurance, the undersigned on behalf of the Company, agrees that this form and said statements shall be the basis of any quotations, which may be submitted.

Authorized Representative: \_\_\_\_\_  

Name
Title
Date

**Please return completed application via:**

**Mail:** Alliant Insurance Services, Inc.      **Fax:** 619.699.0902 or      **E-mail:** pdewitt@alliant.com  
 Attn: Penny DeWitt-Holdren  
 1301 Dove Street, Suite 200  
 Newport Beach, CA 92660

**This is a Group Accident Insurance Policy and it provides accident coverage only.  
 This policy does not provide coverage for sickness  
 This policy is not intended as a substitution for workers' compensation coverage.  
 Policy underwritten by AIG American International Group**

**AORMA Workers' Compensation Program  
10 Years - Volunteers Claims  
Sorted by Total Incurred**

Date of Loss	Clm Stat Desc	Acct Name	Source Desc	Cause Cd Desc	Nature/Result Desc	Tot Inc
01-29-2013	Closed	Cal Poly Corporation	Struck By	Collision with Another Vehicle	Fracture	\$110,425.39
09-26-2016	Closed	Capital Public Radio, Inc., CSU Sacramento	Slip and Fall	Fall/Slip From a Different Level	Dislocation	\$16,530.24
10-21-2010	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Slip and Fall	Fall, Slip or Trip, NOC	Fracture	\$13,185.00
07-05-2015	Closed	The Cal Poly Pomona Foundation, Inc.	Overexertion	Lifting	Strain	\$2,270.61
10-24-2015	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$1,431.03
09-05-2012	Closed	California State University San Marcos Corporation	Overexertion	Lifting	Strain	\$924.18
06-28-2012	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	Multiple Injury Inc. Physical & Psychological	\$819.28
07-25-2013	Closed	Associated Students, San Diego State University	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$796.10
01-22-2011	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$667.51
01-17-2011	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Overexertion	Strain or Injury By, NOC	Multiple Physical Injury Only	\$653.61
02-11-2012	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$624.85
10-12-2014	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Not Provided/NOC /Insufficient Data	Unclassified, Insufficient Data	Unclassified, Insufficient Data	\$489.19
10-12-2011	Closed	Associated Students of California State University, Chico	Overexertion	Strain or Injury By, NOC	Fracture	\$411.70
10-02-2010	Closed	Associated Students of California State University, Chico	Overexertion	Jumping	Strain	\$362.80
07-31-2015	Closed	Associated Students, San Diego State University	Not Provided/NOC /Insufficient Data	Other Injury NEC	Unclassified, Insufficient Data	\$308.66
11-30-2009	Closed	Spartan Shops, Inc., San Jose State University	Overexertion	Running and Training	Multiple Physical Injury Only	\$298.45
07-17-2013	Closed	The University Corporation, CSU Northridge	Not Provided/NOC /Insufficient Data	Other Injury NEC	Sprain	\$288.57
07-28-2009	Closed	Cal Poly Corporation	Rubbed or Abraded	Bitten	All Other (Specific) Injuries, NOC	\$278.48
08-20-2012	Closed	Associated Students, San Diego State University	Overexertion	Lifting	Strain	\$271.20
01-29-2015	Closed	Cal Poly Corporation	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$269.46
07-30-2009	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	All Other (Specific) Injuries, NOC	\$248.63
09-14-2010	Closed	Cal Poly Corporation	Rubbed or Abraded	Bitten	All Other (Specific) Injuries, NOC	\$215.96
09-23-2013	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Not Provided/NOC /Insufficient Data	Other Injury NEC	Contusion (Bruise, Skin Surface)	\$201.40
07-28-2009	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	All Other (Specific) Injuries, NOC	\$148.86
02-05-2015	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	Dermatitis	\$132.49
08-25-2009	Closed	Associated Students, San Diego State University	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$108.12

**AORMA Workers' Compensation Program  
10 Years - Volunteers Claims  
Sorted by Total Incurred**

Date of Loss	Clm Stat Desc	Acct Name	Source Desc	Cause Cd Desc	Nature/Result Desc	Tot Inc
09-17-2013	Closed	Associated Students of California State University, Chico	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$70.10
03-16-2011	Closed	Associated Students of California State University, Chico	Overexertion	Strain or Injury By, NOC	Strain	\$0.00
10-14-2011	Closed	Associated Students of California State University, Chico	Not Provided/NOC /Insufficient Data	Unclassified, Insufficient Data	No Physical Injury	\$0.00
05-03-2012	Closed	Associated Students of California State University, Chico	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$0.00
10-27-2016	Closed	Associated Student, San Jose State University	Assault	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$0.00

**AORMA Workers' Compensation Program  
10 Years - Volunteers Claims  
Sorted by Date of Loss**

Date of Loss	Clim Stat Desc	Acct Name	Source Desc	Cause Cd Desc	Nature/Result Desc	Tot Inc
07-28-2009	Closed	Cal Poly Corporation	Rubbed or Abraded	Bitten	All Other (Specific) Injuries, NOC	\$278.48
07-28-2009	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	All Other (Specific) Injuries, NOC	\$148.86
07-30-2009	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	All Other (Specific) Injuries, NOC	\$248.63
08-25-2009	Closed	Associated Students, San Diego State University	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$108.12
11-30-2009	Closed	Spartan Shops, Inc., San Jose State University	Overexertion	Running and Training	Multiple Physical Injury Only	\$298.45
09-14-2010	Closed	Cal Poly Corporation	Rubbed or Abraded	Bitten	All Other (Specific) Injuries, NOC	\$215.96
10-02-2010	Closed	Associated Students of California State University, Chico	Overexertion	Jumping	Strain	\$362.80
10-21-2010	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Slip and Fall	Fall, Slip or Trip, NOC	Fracture	\$13,185.00
01-17-2011	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Overexertion	Strain or Injury By, NOC	Multiple Physical Injury Only	\$653.61
01-22-2011	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$667.51
03-16-2011	Closed	Associated Students of California State University, Chico	Overexertion	Strain or Injury By, NOC	Strain	\$0.00
10-12-2011	Closed	Associated Students of California State University, Chico	Overexertion	Strain or Injury By, NOC	Fracture	\$411.70
10-14-2011	Closed	Associated Students of California State University, Chico	Not Provided/NOC /Insufficient Data	Unclassified, Insufficient Data	No Physical Injury	\$0.00
02-11-2012	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$624.85
05-03-2012	Closed	Associated Students of California State University, Chico	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$0.00
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09-17-2013	Closed	Associated Students of California State University, Chico	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$70.10
09-23-2013	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Not Provided/NOC /Insufficient Data	Other Injury NEC	Contusion (Bruise, Skin Surface)	\$201.40
10-12-2014	Closed	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Not Provided/NOC /Insufficient Data	Unclassified, Insufficient Data	Unclassified, Insufficient Data	\$489.19
01-29-2015	Closed	Cal Poly Corporation	Contact With	Cut, Punctured, Scraped, NOC	Laceration	\$269.46
02-05-2015	Closed	Cal Poly Corporation	Exposure To	Unclassified, Insufficient Data	Dermatitis	\$132.49
07-05-2015	Closed	The Cal Poly Pomona Foundation, Inc.	Overexertion	Lifting	Strain	\$2,270.61

**AORMA Workers' Compensation Program  
10 Years - Volunteers Claims  
Sorted by Date of Loss**

Date of Loss	Clm Stat Desc	Acct Name	Source Desc	Cause Cd Desc	Nature/Result Desc	Tot Inc
07-31-2015	Closed	Associated Students, San Diego State University	Not Provided/NOC /Insufficient Data	Other Injury NEC	Unclassified, Insufficient Data	\$308.66
10-24-2015	Closed	Associated Students Inc., California State Polytechnic University, Pomona	Struck By	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$1,431.03
09-26-2016	Closed	Capital Public Radio, Inc., CSU Sacramento	Slip and Fall	Fall/Slip From a Different Level	Dislocation	\$16,530.24
10-27-2016	Closed	Associated Student, San Jose State University	Assault	Struck or Injury By, NOC	Contusion (Bruise, Skin Surface)	\$0.00

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

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

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

**ATTACHMENT(S):**

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

**CSURMA AORMA**  
**Workers' Compensation Insurance Program**  
**Member Loss Ratios**  
**Loss Valuation Date - June 30, 2019**

		FY 15/16 - FY 19/20				
Campus	Auxiliary Organization	Premium	Dividends	# of Claims	Claims	Loss Ratio
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 61,501	\$ 7,391	3	\$ 3,382	5%
Bakersfield	California State University, Bakersfield Foundation	\$ 12,514	\$ 12,080	0	\$ -	0%
Channel Islands	University Auxiliary Services, Inc. ( <i>University Glen Corp</i> )	\$ 305,098	\$ 30,597	15	\$ 43,322	14%
Chico	Associated Students of California State University, Chico	\$ 813,307	\$ 122,006	51	\$ 86,048	11%
Chico	The CSU, Chico Research Foundation	\$ 569,970	\$ 87,976	10	\$ 68,518	12%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 31,111	\$ 2,579	2	\$ -	0%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 255,316	\$ 49,025	10	\$ 73,118	29%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 105,545	\$ 6,680	8	\$ 10,466	10%
East Bay	Associated Students, California State University, East Bay ( <i>University Union</i> )	\$ 12,344	\$ 15,615	2	\$ 86	1%
East Bay	California State University, East Bay Foundation, Inc.	\$ 4,212	\$ 18,458	0	\$ -	0%
Fresno	California State University, Fresno Association, Inc.	\$ 435,262	\$ 81,757	29	\$ 37,547	9%
Fresno	The California State University, Fresno Athletic Corporation	\$ 462,431	\$ 57,176	7	\$ 97,785	21%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 455,010	\$ 58,003	30	\$ 13,348	3%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 616,096	\$ 122,423	29	\$ 126,471	21%
Humboldt	Associated Students, Humboldt State University	\$ 7,733	\$ 808	1	\$ 105	1%
Humboldt	Humboldt State University Center Board of Directors	\$ 625,503	\$ 63,303	65	\$ 311,945	50%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 515,120	\$ 79,837	15	\$ 105,313	20%
Long Beach	Associated Students, California State University, Long Beach	\$ 561,380	\$ 58,405	48	\$ 96,023	17%
Long Beach	California State University, Long Beach Research Foundation	\$ 374,945	\$ 74,294	11	\$ 43,981	12%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 1,175,526	\$ 112,202	54	\$ 304,432	26%
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 613,474	\$ 95,175	17	\$ 141,043	23%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 212,215	\$ 24,341	4	\$ 4,815	2%
Monterey Bay	The University Corporation at Monterey Bay	\$ 387,867	\$ 68,461	15	\$ 70,571	18%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 333,502	\$ 37,006	23	\$ 178,137	53%
Northridge	The University Corporation, CSU Northridge	\$ 1,213,940	\$ 199,391	76	\$ 382,383	31%
Northridge	University Student Union of California State University, Northridge	\$ 627,282	\$ 58,205	30	\$ 121,607	19%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 560,828	\$ 46,464	32	\$ 80,173	14%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 1,747,912	\$ 185,743	161	\$ 482,120	28%
Sacramento	Associated Students of California State University, Sacramento	\$ 375,257	\$ 48,452	20	\$ 42,080	11%
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 68,954	\$ 1,905	2	\$ 17,031	25%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 1,179,879	\$ 137,087	88	\$ 434,086	37%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 9,393	\$ 1,515	1	\$ 871	9%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 195,925	\$ 22,202	7	\$ 3,360	2%
San Bernardino	University Enterprises Corporation at CSUSB / ( <i>Foundation</i> )	\$ 429,249	\$ 56,048	31	\$ 125,361	29%

**CSURMA AORMA  
Workers' Compensation Insurance Program  
Member Loss Ratios  
Loss Valuation Date - June 30, 2019**

		FY 15/16 - FY 19/20				
Campus	Auxiliary Organization	Premium	Dividends	# of Claims	Claims	Loss Ratio
San Diego	Associated Students, San Diego State University	\$ 986,375	\$ 125,371	81	\$ 336,482	34%
San Diego	Aztec Shops, Ltd., San Diego State University	\$ 700,920	\$ -	40	\$ 84,756	12%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 215,660	\$ 26,805	8	\$ 7,551	4%
San Francisco	The University Corporation, San Francisco State	\$ 101,299	\$ 18,926	2	\$ 1,964	2%
San Jose	Associated Student, San Jose State University	\$ 184,167	\$ 29,950	8	\$ 4,820	3%
San Jose	San Jose State University Research Foundation	\$ 681,978	\$ 146,373	14	\$ 97,349	14%
San Jose	Spartan Shops, Inc., San Jose State University	\$ 894,978	\$ 102,342	153	\$ 121,425	14%
San Jose	The Student Union of San Jose State University	\$ 390,972	\$ 28,284	15	\$ 247,722	63%
San Jose	The Tower Foundation, San Jose State University	\$ 50,872	\$ 13,776	1	\$ 678	1%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 594,573	\$ 64,822	34	\$ 20,922	4%
San Luis Obispo	Cal Poly Corporation	\$ 2,574,663	\$ 290,765	170	\$ 399,609	16%
San Marcos	California State University San Marcos Corporation	\$ 268,429	\$ 45,746	17	\$ 19,028	7%
Sonoma	Associated Students of Sonoma State University	\$ 39,898	\$ 6,692	1	\$ 1,380	3%
Sonoma	Sonoma State Enterprises, Inc.	\$ 30,985	\$ 1,787	0	\$ -	0%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 10,003	\$ 2,362	0	\$ -	0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 22,639	\$ 2,989	2	\$ 2,285	10%
<b>Total:</b>		<b>\$ 23,104,012</b>	<b>\$ 2,949,603</b>	<b>1443</b>	<b>\$ 4,851,501</b>	<b>21%</b>

CSURMA AORMA

Liability Insurance Program

Member Loss Ratios / Capped at Pooled Layer

Loss Valuation Date - June 30, 2019

Campus	Auxiliary Organization	FY 15/16 - FY 19/20				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 28,026	\$ 7,376	0	\$ -	0%
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 37,165	\$ 4,336	0	\$ -	0%
Bakersfield	California State University, Bakersfield Foundation	\$ 52,651	\$ 12,312	0	\$ -	0%
Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 26,230	\$ 10,952	0	\$ -	0%
Chancellor's Office	California State University Foundation	\$ 16,313	\$ 2,104	0	\$ -	0%
Chancellor's Office	California State University Institute	\$ 13,392	\$ 2,637	0	\$ -	0%
Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 15,998	\$ 2,237	0	\$ -	0%
Channel Islands	California State University Channel Islands Foundation	\$ 13,130	\$ 2,607	0	\$ -	0%
Channel Islands	University Auxiliary Services, Inc. (University Glen Corporation)	\$ 109,439	\$ 26,586	1	\$ 475	0%
Chico	Associated Students of California State University, Chico	\$ 575,905	\$ 149,389	4	\$ 7,839	1%
Chico	The CSU, Chico Research Foundation	\$ 597,039	\$ 129,506	6	\$ 282,754	47%
Chico	The University Foundation, California State University, Chico	\$ 57,425	\$ 11,477	0	\$ -	0%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 26,312	\$ 6,690	1	\$ 2,601	10%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 226,230	\$ 34,573	3	\$ 77,863	34%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 81,841	\$ 19,971	2	\$ 687	1%
Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation	\$ 7,471	\$ 423	0	\$ -	0%
East Bay	Associated Students, California State University, East Bay	\$ 81,595	\$ 26,599	0	\$ -	0%
East Bay	Cal State East Bay Educational Foundation	\$ 11,544	\$ 1,563	0	\$ -	0%
East Bay	California State University, East Bay Foundation, Inc.	\$ 173,475	\$ 49,927	0	\$ -	0%
Fresno	Associated Students, Inc. of California State University, Fresno	\$ 28,781	\$ 5,147	0	\$ -	0%
Fresno	California State University, Fresno Association, Inc.	\$ 926,230	\$ 216,910	7	\$ 23,955	3%
Fresno	California State University, Fresno Foundation	\$ 446,702	\$ 61,519	3	\$ 16	0%
Fresno	Fresno State Programs for Children, Inc.	\$ 39,960	\$ 9,927	0	\$ -	0%
Fresno	The Agricultural Foundation of California State University, Fresno	\$ 91,510	\$ 24,269	3	\$ 12,627	14%
Fresno	The California State University, Fresno Athletic Corporation	\$ 875,700	\$ 223,660	8	\$ 35,401	4%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 244,469	\$ 42,424	3	\$ 59,397	24%
Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 42,129	\$ 8,654	0	\$ -	0%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 627,577	\$ 75,172	2	\$ 18,450	3%
Humboldt	Associated Students, Humboldt State University	\$ 27,970	\$ 7,252	0	\$ -	0%
Humboldt	Humboldt State University Advancement Foundation	\$ 19,167	\$ 2,162	0	\$ -	0%
Humboldt	Humboldt State University Center Board of Directors	\$ 235,561	\$ 62,636	3	\$ 8,363	4%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 204,828	\$ 36,246	4	\$ 4,143	2%
Long Beach	Associated Students, California State University, Long Beach	\$ 373,944	\$ 89,608	4	\$ 86,743	23%
Long Beach	California State University, Long Beach Research Foundation	\$ 723,131	\$ 176,542	2	\$ 190,437	26%
Long Beach	CSULB 49er Foundation	\$ 23,486	\$ 3,078	2	\$ 739	3%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 328,566	\$ 54,974	9	\$ 11,649	4%
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 29,734	\$ 7,620	0	\$ -	0%

**CSURMA AORMA**

**Liability Insurance Program**

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

**Loss Valuation Date - June 30, 2019**

Campus	Auxiliary Organization	FY 15/16 - FY 19/20				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 261,260	\$ 40,613	2	\$ 338,334	130%
Los Angeles	California State University, Los Angeles Foundation	\$ 16,093	\$ 4,268	0	\$ -	0%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 130,670	\$ 31,499	0	\$ -	0%
Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 15,004	\$ 3,981	0	\$ -	0%
Maritime Academy	The Associated Students of the California Maritime Academy	\$ 15,027	\$ 3,862	0	\$ -	0%
Monterey Bay	Foundation of California State University, Monterey Bay	\$ 16,888	\$ 4,317	0	\$ -	0%
Monterey Bay	The University Corporation at Monterey Bay	\$ 720,946	\$ 84,472	14	\$ 13,430	2%
Monterey Bay	Otter Student Union at CSU Monterey Bay	\$ 5,319	\$ 110	0	\$ -	0%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 121,670	\$ 20,229	1	\$ 234	0%
Northridge	California State University, Northridge Foundation	\$ 50,403	\$ 12,850	0	\$ -	0%
Northridge	North Campus University Park Development Corporation	\$ 22,955	\$ 6,083	0	\$ -	0%
Northridge	The University Corporation, CSU Northridge	\$ 542,464	\$ 100,446	8	\$ 6,891	1%
Northridge	University Student Union of California State University, Northridge	\$ 543,168	\$ 102,944	2	\$ 6,841	1%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 351,628	\$ 82,757	6	\$ 173,071	49%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 1,053,778	\$ 187,939	24	\$ 344,360	33%
Pomona	The Cal Poly Pomona Philanthropic Foundation	\$ 2,845	\$ -	0	\$ -	
Sacramento	Associated Students of California State University, Sacramento	\$ 432,543	\$ 112,144	7	\$ 288,095	67%
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 101,419	\$ 10,936	2	\$ 36,755	36%
Sacramento	The University Foundation at Sacramento State	\$ 23,980	\$ 6,359	1	\$ -	0%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 898,877	\$ 184,187	4	\$ 5,035	1%
Sacramento	University Union Operation of CSUS, Inc.	\$ 179,819	\$ 32,565	2	\$ 109	0%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 41,485	\$ 11,003	0	\$ -	0%
San Bernardino	CSUSB Philanthropic Foundation	\$ 19,861	\$ 3,215	0	\$ -	0%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 141,930	\$ 19,499	2	\$ 30,429	21%
San Bernardino	University Enterprises Corporation at CSUSB	\$ 270,221	\$ 60,503	1	\$ 963	0%
San Diego	Associated Students, San Diego State University	\$ 784,796	\$ 197,997	10	\$ 140,252	18%
San Diego	Aztec Shops, Ltd., San Diego State University	\$ 792,971	\$ 152,020	15	\$ 30,875	4%
San Diego	San Diego State University Research Foundation	\$ 1,457,609	\$ 267,512	29	\$ 599,050	41%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 112,017	\$ 19,162	3	\$ 5,647	5%
San Francisco	San Francisco State University Foundation	\$ 15,671	\$ 4,321	0	\$ -	0%
San Francisco	The University Corporation, San Francisco State	\$ 133,353	\$ 38,616	0	\$ -	0%
San Jose	Associated Student, San Jose State University	\$ 96,876	\$ 14,827	1	\$ 2,498	3%
San Jose	San Jose State University Research Foundation	\$ 352,480	\$ 41,623	4	\$ 10,010	3%
San Jose	Spartan Shops, Inc., San Jose State University	\$ 370,382	\$ 95,785	3	\$ 9,853	3%
San Jose	The Student Union of San Jose State University	\$ 541,491	\$ 138,565	2	\$ 72,638	13%
San Jose	The Tower Foundation, San Jose State University	\$ 28,499	\$ 3,155	0	\$ -	0%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 410,161	\$ 104,716	1	\$ 158	0%

**CSURMA AORMA**

**Liability Insurance Program**

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

**Loss Valuation Date - June 30, 2019**

Campus	Auxiliary Organization	FY 15/16 - FY 19/20				
		Premium	Dividends	# of Claims	Claims	Loss Ratio
San Luis Obispo	Cal Poly Corporation	\$ 786,819	\$ 194,932	2	\$ 16,669	2%
San Luis Obispo	California Polytechnic State University Foundation	\$ 19,167	\$ 2,096	0	\$ -	0%
San Marcos	California State University San Marcos Foundation	\$ 23,385	\$ 5,994	0	\$ -	0%
San Marcos	The Associated Students of California State University, San Marcos	\$ 41,263	\$ 10,943	1	\$ 637,090	1544%
San Marcos	California State University San Marcos Corporation	\$ 258,973	\$ 45,256	3	\$ 98,760	38%
Sonoma	Associated Students of Sonoma State University	\$ 66,752	\$ 17,704	0	\$ -	0%
Sonoma	Sonoma State Enterprises, Inc.	\$ 155,075	\$ 40,207	2	\$ 50,704	33%
Sonoma	Sonoma State University Foundation, Inc.	\$ 64,834	\$ 16,878	0	\$ -	0%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 28,220	\$ 7,371	0	\$ -	0%
Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 67,318	\$ 17,856	0	\$ -	0%
Stanislaus	California State University, Stanislaus Foundation	\$ 100,831	\$ 26,742	0	\$ -	0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 21,859	\$ 4,345	1	\$ -	0%
Chico	Auxiliary Organization Associations c/o CSU Chico Research Foundation	\$ 11,471	\$ 1,944	0	\$ -	0%
<b>Total:</b>		<b>\$ 20,151,680</b>	<b>\$ 4,204,471</b>	<b>220</b>	<b>\$ 3,742,893</b>	<b>19%</b>

**DISCUSSION OF AORMA’S CONTINUITY PLAN**

**ISSUE:** As shown on the attached AORMA Committee roster, all members on the AORMA Committee are on either their first or second term; therefore, no members will term out on June 30, 2020. In April, 2020, the following six incumbent members will be up for reelection for the new term of July 1, 2020 to June 30, 2022:

Member	Position	Type of Auxiliary	Term	1st, 2nd or Final Term
Dwayne Brummett	Associate Executive Director	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	7/1/18 - 6/30/20	First
Dave Nakamura	Executive Director	Humboldt State University Center	7/1/18 - 6/30/20	First
Starr Lee	Director of Administration & Legal /Associate Executive Director	The University Corporation at Monterey Bay	7/1/18 - 6/30/20	First
Chuck Kissel	Executive Director	CSU Fullerton Auxiliary Services Corporation	7/1/18 - 6/30/20	First
Russell Wittmeier	Human Resources Director	The CSU, Chico Research Foundation	7/1/18 - 6/30/20	First
Leslie Levinson	Chief Financial Officer	San Diego State University Research Foundation	7/1/18 - 6/30/20	First

**RECOMMENDATION:** Staff recommends that the AORMA Committee Chair appoint a nominating committee to;

- Poll the six current members whose current terms will end on June 30, 2020 to see if they will run for reelection for the new term July 1, 2020 to June 30, 2022, and
- Provide nominations to fill any impending open seats.

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

**BACKGROUND:** None.

**PUBLICATION:** None at this time.

**ATTACHMENT(S):**

- a. AORMA Committee Roster
- b. Policy and Procedure A-1
- c. Policy and Procedure A-2

**AORMA Committee  
Effective at July 1, 2019**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	E-Mail	Telephone Number	Location	Size of Campus	Type of Campus	Term	Seat Term	Ist, 2nd or Final Term	Date Appointed
AORMA	Chair	Dwayne Brummett	Associate Executive Director	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	dbrummet@calpoly.edu	805-756-5768	Central	Medium	Suburban	7/1/18 - 6/30/20	Even	First	3/1/2017
AORMA	First Vice Chair	Dave Nakamura	Executive Director	Humboldt	Humboldt State University Center	dave.nakamura@humboldt.edu	707-826-4878	North	Large	Rural	7/1/18 - 6/30/20	Even	First	7/1/2015
AORMA	Second Vice Chair	Starr Lee	Director of Administration & Legal /Associate Executive Director	Monterey Bay	The University Corporation at Monterey Bay	stlee@csumb.edu	831-582-3000	Central	Medium	Suburban	7/1/18 - 6/30/20	Even	First	3/1/2017
AORMA	Seat 1	Bella Newberg	Associate Vice President, Business Development & Executive Director	San Marcos	California State University San Marcos Corporation	newberg@csusm.edu	760-750-4700	South	Small	Suburban	7/1/19 - 6/30/21	Odd	Second	12/20/2016
AORMA	Seat 2	Chuck Kissel	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	ckissel@fullerton.edu	657-278-4990	South	Large	Urban	7/1/18 - 6/30/20	Even	First	2/22/2018
AORMA	Seat 3	Cecilia Ortiz	Director	Dominguez Hills	Loker Student Union	cortiz@csudh.edu	310-243-3854	South	Medium	Urban	7/1/19 - 6/30/21	Odd	First	3/5/2018
AORMA	Seat 4	Russell Wittmeier	Human Resources Director	Chico	The CSU, Chico Research Foundation	rwittmeier@csuchico.edu	530-898-5731	North	Small	Suburban	7/1/18 - 6/30/20	Even	First	3/12/2018
AORMA	Seat 5	Trina Knight	Human Resources Director	Sacramento	University Enterprises, Inc., CSU Sacramento	trinak@csus.edu	916-278-7003	North	Large	Urban	7/1/19 - 6/30/21	Odd	Second	7/1/2017
AORMA	Seat 6	Leslie Levinson	Chief Financial Officer	San Diego	San Diego State University Research Foundation	llevinson@mail.sdsu.edu	619-594-8941	South	Large	Urban	7/1/18 - 6/30/20	Even	First	3/12/2018
AORMA	Seat 7	Bill Olmsted	Interim Executive Director	Sacramento	University Union Operation of CSUS, Inc.	olmsted@csus.edu	916-278-6744	North	Large	Urban	7/1/19 - 6/30/21	Odd	Second	7/1/2017

Size of Campus: small - less than 10,000 FTE; medium - between 10,000 and 20,000 FTE; large - more than 20,000 FTE

<b>SUBJECT:</b>	<b>AORMA COMMITTEE COMPOSITION, ELECTIONS &amp; TERM LIMITS</b>
<b>ADOPTED:</b>	<b>APRIL 18, 2003</b>
<b>EFFECTIVE:</b>	<b>JULY 1, 2003</b>
<b>AMENDED:</b>	<b>JANUARY 15, 2005 OCTOBER 27, 2005 JANUARY 16, 2008 OCTOBER 29, 2009 JANUARY 11, 2010 SEPTEMBER 16, 2010 DECEMBER 8, 2011 SEPTEMBER 13, 2012 MARCH 20, 2014 DECEMBER 10, 2015 MARCH 9, 2017 SEPTEMBER 6, 2018</b>

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**PURPOSE:**

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

**POLICY:**

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

**PROCEDURE:**

The following steps will be taken to affect the policy:

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

to the role of Chair, First Vice Chair or Second Vice Chair. Terms are staggered to create a rotation of the at-large Committee members each year.

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

***AORMA Committee Chair and / First Vice Chair Qualifications***

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

***AORMA Committee Representative***

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

***October/November***

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

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

***January***

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

***February***

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

***March***

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

***April***

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

***May***

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



**SUBJECT:** **AORMA COMMITTEE AND STANDING COMMITTEE ROLES AND RESPONSIBILITIES**

**ADOPTED:** **AUGUST 19, 2003**

**EFFECTIVE:** **JULY 1, 2003**

**AMENDED:** **DECEMBER 7, 2005**  
**MAY 14, 2009**  
**OCTOBER 29, 2009**  
**JANUARY 11, 2010**  
**SEPTEMBER 16, 2010**  
**SEPTEMBER 13, 2012**  
**MAY 8, 2014**  
**DECEMBER 10, 2015**  
**SEPTEMBER 8, 2016**  
**SEPTEMBER 7, 2017**  
**SEPTEMBER 6, 2018**

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

**PURPOSE:**

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

**POLICY:**

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

**PROCEDURE:**

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

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

1. In person attendance at regularly scheduled AORMA COMMITTEE meetings is preferred. While teleconference attendance can be arranged, the Committee business is best conducted at in-person meetings. Any Committee member or Officer who is not present, either in person or via teleconference, at two or more AORMA COMMITTEE meetings in any one fiscal year, may be removed from the AORMA COMMITTEE upon a majority vote of the AORMA Officers unless that AORMA Officer is the subject of the vote and then that AORMA Officer will be recused.
2. AORMA COMMITTEE at-large member terms are for two years, with a maximum of three terms served before a member is either elected as the Chair, First Vice Chair or Second Vice Chair or termed out and must wait one year before again serving on the Committee. It is expected that members be prepared to serve for at least one complete term because the learning curve on CSURMA's coverage programs is steep.
3. Reasonable travel expenses associated with participation on the AORMA COMMITTEE are reimbursable as provided under CSURMA AORMA's Policy and Procedure A-7 Travel Reimbursement Policy.
4. Representatives elected to the AORMA COMMITTEE are individually elected, not as direct representatives of their respective auxiliary organizations. It is expected that AORMA COMMITTEE members will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization's benefit.
5. AORMA COMMITTEE members are expected to attend two (2) CSURMA Board of Directors meetings annually (one in the fall; one in the spring). State law requires timely completion of appropriate paperwork, such as Fair Political Practices Commission Form 700.
6. Develop recommendations for the AORMA COMMITTEE and take action within delegated authority.

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

1. Representative of the AORMA Committee to the AOA Executive Committee and attendance at AOA Executive Committee meetings.
2. Attendance and participation in CSURMA Executive Committee meetings (approximately four times per year).

3. Availability for regular communication with, and direction of CSURMA Program Administrator staff.
4. Availability to respond to CSURMA Auxiliary Organizations member questions and concerns.
5. A commitment toward professional development in the area of risk management and representation of CSURMA at conferences and meetings, such as the AOA Annual Conference, the CSURMA Fitting the Pieces Together Conference and other conferences as appropriate.
6. Authority to appoint an at-large AORMA Committee member or the First Vice Chair or Second Vice Chair if that seat on the AORMA Committee is vacated mid-term.
7. Authority to establish task groups / ad hoc committees as necessary.
8. Authority to appoint the Standing Committee Chair, members of the AORMA Standing Committee and task groups (in consultation with the AORMA Standing Committee Chair).
9. Service on Standing Committee, task groups and ad hoc committees as appropriate.
10. Attend and present at CSURMA Board of Directors meetings.
11. Authority to call meetings from time to time and in compliance with applicable open meeting regulations to conduct business and planning for the AORMA program including an AORMA Officer's Retreat.
12. Authority to invite additional attendees to meetings as the Chair deems appropriate and to authorize reimbursement of invitee travel expenses provided the expenses are within amounts budgeted for AORMA expenses and in compliance with AORMA travel expense reimbursement Policy and Procedure.
13. In accordance with Policy and Procedure L-2 and W-4, if time is of the essence in a specific matter, the AORMA COMMITTEE Chair, First Vice Chair and Second Vice Chair, on the advice of the liability or workers' compensation third party claims administrator, shall have authority to determine the terms of an emergency settlement up to the Pooled Layer Limit upon the agreement of a majority consisting of at least two officers, provided that no officers involved in the specific matter may participate in the determination.

**AORMA Committee First Vice Chair** - In addition to items 1 thru 5 and items 9 and 13 of the roles and responsibilities of the AORMA Committee Chair, it is expected that the AORMA Committee First Vice Chair will also;

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

**AORMA Committee Second Vice Chair** - In addition to items 1 thru 5 and items 9 and 13 of the roles and responsibilities of the AORMA Committee Chair, it is expected that the AORMA Committee Second Vice Chair will also;

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

**AORMA Standing Committees**

1. The AORMA Committee reserves the right to create and dissolve any or all Standing Committees at any time. The AORMA Committee shall appoint Standing Committees to provide support to the AORMA Committee. These Standing Committees are as follows:
  - a. Executive Officers
2. Standing Committee membership will be as follows:
  - a. Executive Officers – The AORMA Committee Chair, First Vice Chair and Second Vice Chair.
3. Reasonable travel expenses associated with participation on AORMA Standing Committees are reimbursable as provided in CSURMA’s travel reimbursement policy.
4. Representatives are individually appointed, not direct representatives of their respective auxiliary organizations. It is expected that representatives will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization’s benefit.
5. Standing Committee(s) shall develop recommendations for the AORMA Committee and take action within delegated authority.
6. Standing Committee(s) shall be responsible for overseeing the completion of special projects as determined by the AORMA Committee. Standing Committees will be asked to present recommendations for discussion and approval by the full AORMA Committee.
7. Any Standing Committee member who is not present, either in person or via teleconference, at two or more Standing Committee meetings in any one fiscal year, may be removed from the Standing Committee upon a majority vote of the AORMA Officers unless that AORMA Officer is the subject of the vote and then that AORMA Officer will be recused.

## **ADDENDUM**

### **AORMA STANDING COMMITTEE DESCRIPTIONS**

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

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

#### **Executive Officers Committee**

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

**ADOPTION OF CSURMA AORMA 2020 MEETING CALENDAR**

**ISSUE:** Noted below are the proposed 2020 AORMA Committee meeting dates.

~~March 5, 2020 at 10:00 AM..... AORMA Committee~~  
May 7, 2020 - 1:30 PM to 4:30 PM..... AORMA Committee  
*May 8, 2020 – 10:30 AM to 12:30 PM ..... CSURMA Board of Directors*  
September 9, 2020 - 10:00 AM to 11:00 AM.... AORMA Committee new member orientation  
September 9, 2020 - 11:00 AM to 3:00 PM..... AORMA Committee long range planning session  
September 10, 2020 - 9:00 AM to 12:00 PM..... AORMA Committee  
~~October 22, 2020 at 10:00 AM..... AORMA Committee~~  
*October 23, 2020 – 10:30 AM to 12:30 PM..... CSURMA Board of Directors*  
December 3, 2020 - 10:00 AM to 1:00 PM ..... AORMA Committee

**RECOMMENDATION:** Staff recommends approving the proposed 2020 AORMA Committee meeting dates, with changes as appropriate.

**FISCAL IMPACT:** None.

**BACKGROUND:** The meeting locations will be established at a later date.

The March and October meetings have been cancelled. If action by the AORMA Committee cannot wait until a scheduled in-person meeting, a separate teleconference meeting can be arranged.

The CSURMA Board of Directors meeting dates are shown as well since the AORMA Committee members also serve on the Board.

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

**ATTACHMENT(S):**

- a. Draft 2020 CSURMA Meeting Calendar

## 2020 CSURMA MEETING CALENDAR

JANUARY				FEBRUARY				MARCH			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
12	10:30 AM	AIME						5	10:00 AM	AORMA	TBD
12 - 15	3:30 PM	EC (AOA Conference)	Coronado, CA					5	2:30 PM	EC	TBD
		AOA Annual Conference	Coronado, CA					6	8:30 AM	EC LRP	TBD
APRIL				MAY				JUNE			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
					2:00 PM	BOD Orientation	Teleconference	TBD		AOA EC	TBD
				7	1:30 PM	AORMA	Long Beach				
				8	8:30 AM	EC	Long Beach				
				8	10:30 AM	BOD	Long Beach				
					10:30 AM	AIME					
JULY				AUGUST				SEPTEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
TBD	11:00 AM	AORMA Officers Retreat	TBD	TBD		AOA EC	TBD	9	10:00 AM	AORMA New Member	TBD
								9	11:00 AM	AORMA LRP	TBD
								10	9:00 AM	AORMA	TBD
								11	4:00 PM	EC Orientation	TBD
								11	8:30 AM	EC	TBD
OCTOBER				NOVEMBER				DECEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
	10:30 AM	AIME	TBD	TBD		AOA EC	TBD	3	10:00 AM	AORMA	TBD
22	2:00 PM	BOD Orientation	Teleconference					4	8:30 AM	EC	TBD
22	10:00 AM	AORMA	Long Beach								
23	8:30 AM	EC	Long Beach								
23	10:30 AM	BOD	Long Beach								

*AORMA = Auxiliary Organizations Risk Management Alliance Committee*  
*AIME = Athletic Injury Medical Expense Committee*  
*AORMA LRP = AORMA Long Range Planning Meeting*

*AOA = CSU Auxiliary Organizations Association*  
*BOD = CSURMA Board of Directors*  
*EC = CSURMA Executive Committee*

*EC LRP = EC Long Range Planning Meeting*

## **IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE**

**ISSUE:** Beginning on July 1, 2009 ID Fraud coverage was purchased through Travelers to cover the employees of the CSU Auxiliary Organizations. To date, five claims have been file; however, Travelers paid \$0.

**RECOMMENDATION:** Staff is recommending that the coverage be non-renewed when the policy expires on July 1, 2020.

**FISCAL IMPACT:** The premium is based on number of employees. For FY 19/20 the premium is \$27,705.

**BACKGROUND:** The ID Fraud coverage is intended to reimburse identity theft victims up to a total cost of \$10,000 for the following:

- Lost wages as a result of time taken off from work to deal with the fraud, including wrongful incarceration – up to \$500 per week for four weeks
- Notary and certified mail charges for completing and delivering fraud affidavits
- Fees to re-apply for loans that were denied as a result of erroneous credit information due to the identity theft
- Long distance telephone charges for calling merchants, law enforcement agencies or credit grantors to discuss an actual identity theft
- Attorney fees incurred.

**PUBLICATION:** None at this time.

**ATTACHMENT(S):**

- a. Loss Run from Travelers for the ID Fraud coverage

This Loss Run report presents claims associated with each applicable coverage OR may indicate that no claim has been reported. If you have questions regarding this report, please contact your underwriter. The report is based on data available on or about 8/16/2019.

The report is filtered for the following coverages: ID FRAUD

Agent: ALLIANT INS SERVICES INC 0TA480

**Coverage: ID FRAUD**

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105960479	Members of CSURMA AORMA	7/1/2019	7/1/2020			No Claims					
105960479	Members of CSURMA AORMA	7/1/2018	7/1/2019			No Claims					
105960479	Members of CSURMA AORMA	7/1/2017	7/1/2018			No Claims					
105960479	Members of CSURMA AORMA	7/1/2016	7/1/2017			No Claims					
105960479	Member of CSURMA AORMA	7/1/2015	7/1/2016	8/12/2015	T1510747	Not Available	\$0.00	\$0.00	Not Available	Claim	Closed 2/26/2016
105960479	Member of CSURMA AORMA	7/1/2014	7/1/2015			No Claims					
105960479	Members of CSURMA AORMA	7/1/2013	7/1/2014	7/25/2013	T1311614	Not Available	\$0.00	\$0.00	Not Available	Claim	Closed 2/5/2014
105306583	Members of CSURMA AORMA	7/1/2012	7/1/2013	4/4/2013	T1305713	Not Available	\$0.00	\$0.00	Not Available	Claim	Closed 10/14/2013
				6/27/2013	T1310243	Not Available	\$0.00	\$0.00	Not Available	Claim	Closed 12/18/2013
105306583	Members of CSURMA AORMA	7/1/2011	7/1/2012			No Claims					
105306583	Members of CSURMA AORMA	7/1/2010	7/1/2011	8/27/2010	T1014768	Not Available	\$0.00	\$0.00	Not Available	Claim	Closed 2/2/2011
105306583	Members of CSURMA AORMA	7/1/2009	7/1/2010			No Claims					

**AMENDMENTS TO THE AORMA  
LIABILITY PROGRAM MEMORANDUM OF COVERAGE**

**ISSUE:** Coverage provided under the AORMA Liability Program is governed by a memorandum of coverage (MOC) that serves in place of an insurance policy. Effective July 1, 2016, the AORMA Committee adopted revisions to the current MOC. In July, 2019, CSURMA contracted with Byrne Conley from Gibbons & Conley to review all of CSURMA's liability MOC's and provide recommends for amendments based on his experience working with numerous JPA's and public entities in California.

The recommended revisions to the MOC have been added in redline. Staff will be present at today's meeting to report on the proposed changes.

**RECOMMENDATION:** The AORMA Committee may take action or provide direction to staff as appropriate.

**FISCAL IMPACT:** There is no cost expected from the recommended action at today's meeting.

**BACKGROUND:** The letter dated July 26, 2019, from Gibbons & Conley is attached and provides a summary of the recommended revisions. Each revision will be discussed at the meeting. Any changes made to the MOC will not go into effect until July 1, 2020.

**PUBLICATION:** The approved Memorandum of Coverage will uploaded to the CSURMA website.

**ATTACHMENT(S):**

- a. Legal Review of AORMA Liability MOC
- b. DRAFT AORMA Liability Program Memorandum of Coverage

A. Byrne Conley  
Peter A. Urhausen  
Sean C. Conley  
  
Austin R. Gibbons, retired

**GIBBONS & CONLEY**  
**ATTORNEYS AT LAW**

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July 26, 2019

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

Re. *CSURMA MOC review*

Dear Rob:

I reviewed the CSURMA Memoranda of Coverage for potential updates. Overall, of course, the MOC language is in good shape. So my comments are confined to added language that I have seen used elsewhere, or identifying issues CSURMA might want to discuss internally.

**CSURMA MEMBER MOC**

- At page 4, Definition 5, CSURMA defines “Bodily Injury” more broadly than the ISO CGL form in that “pure” emotional distress is covered even absent physical injury to the person. In the 1991 case *AIM v. Culcasi*, the court decided that pure emotional distress claims are not covered. CSURMA’s approach is fine, but is broader than typical CGL coverage. Most pools do this. I mention this here only because part of the “Personal Injury” definition duplicates this and I have a comment on that duplication, below.
- At page 4, Definition 4, I am not sure whether a DFEH or EEOC claim is considered to be within the definition, before a right to sue letter is issued. Many pools treat this as an administrative expense rather than a covered defense cost. Since CSURMA Members have deductibles of \$35,000 or more, it may not come up very often. But I have seen agencies incur \$30,000 or more in investigation costs solely in investigating a claim and responding to FEHA. If this is to be excluded from coverage, you could add the following to the “Claim” definition: “Claim does not include and administrative claim filed with the Equal Opportunity Employment Commission, the California Department of Fair Employment and Housing, Public Employment Relations Board or other similar state or federal administrative agency.”
- At page 6, Definition 11, Damages, I would add “pre-judgment interest and” before “interest on judgments” because I think it is included in “those sums determined to be owed” and is clearer as an item of Damages rather than Loss Adjustment Expenses. (Also you have a couple of “defense only” items in the declarations page, so I think pre-judgment interest should be considered part of Damages and not Loss Adjustment Expenses.)
- At page 6, Definition 11, Damages, second paragraph, after “retroactive or prospective benefits,” I would add “severance payments” which is already excluded by the language,

but I think puts the reader on more express notice. I would also add “Damages shall also not include any wages, salary or benefits owed for work actually performed.” The point is that lost wages because of wrongful termination would be covered Damages, but a court order that workers be paid additional amounts (either retrospective or prospective), for example under an equal pay claim or a wages and hours claim, should be considered an administrative expense, not an insurance pool coverage expense. This comes up, for example, where police officers sue for extra compensation for time putting on their uniforms or attending pre-shift briefings. It has come up in meal break or rest break disputes. If it is salary for work performed, the Member should pay it as an administrative expense.

- Also at page 6, Definition 11, Damages, you might consider: “Damages with respect to Employment Practices Liability shall not include amounts awarded under a labor grievance or arbitration pursuant to a collective bargaining agreement.”
- At page 8, Definition 21, “Loss Adjustment Expense” I would delete “post-judgment interest, pre-judgment interest (unless included as part of an award)” since these should be under the “Damages” definition. I would also eliminate “costs and expenses in connection with coverage questions and legal actions and other associated costs and expenses” since those are typically outside of either covered Damages or Defense Costs. If the Member retains coverage counsel, the Member should pay for it, and if CSURMA retains coverage counsel, it should not be counted against the Member’s Deductible or Limit of Liability.
- Page 9, Definition 24, Mold, is OK but if you want to make it clearer, it could be defined as “Any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to mold, mildew, mycotoxins, spores, bacterial pathogens, or any biogenic aerosols.” The existing sentence could follow this.
- Page 9, Definition 26, Personal Injury, part B “Shock, mental anguish, mental injury, or humiliation” appears to duplicate part of the Bodily Injury definition, mentioned above, and is really a type of damage, not an offense as are the other subparts of the Personal Injury definition. It could be deleted as duplicative. One difference between Bodily Injury coverage and Personal Injury coverage is that the Occurrence definition normally requires an “accident” for Bodily Injury while Personal Injury requires an “offense,” but CSURMA employs a broader definition including “or event” so intentional conduct causing damages neither expected nor intended is already covered. So, I believe you could eliminate the duplication without narrowing Member coverage.
- Page 9, Definition 27, Pollutants, consider adding: “Pollutants includes any material defined as hazardous in Sections 66261.10 through 66261.126 of Title 22 of the California Code of Regulations.” This helps in the event of a dispute re what is a pollutant.
- Page 10, Definition 33, Ultimate Net Loss, in the second sentence I would delete “includes defense attorney fees and costs of the Member in defense of the Claim and also includes court Costs,” and instead would have it simply say “Ultimate Net Loss includes Loss Adjustment Expenses.” Then delete “, and other associated costs and expenses, but does not include any salaries of the Member’s regular Employees.” I would delete the

next sentence regarding back wages as well, since it is addressed above. I would then keep the last sentence indicating that UNL applies only to covered claims. .

- At page 13, and of Section III – Defense and Settlement, consider adding the following at the end: “If CSURMA assumes the control of the handling of a claim, the Member shall be obligated to pay at the direction of CSURMA any sum necessary for the settlement of a claim, or to satisfy liability imposed by law, up to the applicable Deductible.”
- At page 13, Section IV, sixth paragraph, I would add “to all Covered Parties” after “one Limit of Liability Coverage will apply.”
- I also think the paragraph starting “For the purpose of determining...” might fit better if moved two paragraphs down, to start in front of “An Occurrence or Wrongful Act with a duration...” There is nothing wrong with the current form but since the two deal with duration of a continuous occurrence, they would fit better together.
- Page 14, Exclusion 1, Aircraft, I would add “Aircraft does not include Small Unmanned Aircraft as defined in 14 Code of Federal Regulations section 107.3.” (I.e., drones.)
- Page 14, Exclusion 3, Automobiles, I was not clear on why there is an exception for parking vehicles that are not owned, rented or loaned to the Member when all autos owned, operated by, rented or loaned to the Member are already excluded. Also these exclusions typically say “Use includes loading and unloading.” I presume there is separate auto coverage. Is the intent to exclude auto coverage but provide coverage for parking valets, only?
- Page 15, Exclusion 8, Breach of Contractual Obligations, we do not refer specifically to the fact that this does not apply to contractually assumed liability arising from the Member’s operations. I am not sure it is necessary, if you want the broadest coverage possible, but usually we list this as an exception; indicating that contractual assumption of liability is covered but the agreement must arise out of or be incidental to the Member’s operations, must be in place before the Occurrence, and does not extend to professional liability of engineers. Contractually assumed liability is covered per Section I – Coverages, part 1 in the current form. (See also Exclusion 4 at page 8 of the excess liability form.)
- Page 16, Exclusion 13, Land Use, is fine as is, but often I see this combined with language excluding condemnation and inverse condemnation. Such exclusions in turn may make exceptions to ensure coverage for accidental property damage caused by flooding or subsidence, and in turn may or may not include coverage for a plaintiff’s attorney fees and expert witness costs. This might not be relevant for CSURMA’s members, but I can supply sample language if needed. Exclusion 7 in the AORMA form and Exclusion 7 in the excess form accomplish this, and are good as far as they go, but without any exception bringing back in coverage for flooding or land subsidence claims (which may be intentional). Keep in mind that when a property damage claim based on flooding or subsidence occurs, and there are causes of action for nuisance and dangerous condition combined with an inverse condemnation cause of action, the tort based damages may be covered, depending on how the case is tried.
- Page 18, Exclusion 16, section “B” at the bottom of the pollution exclusion, I believe should refer to “Bodily Injury” rather than “Personal Injury.”

- Page 19, Exclusion 16, section “E” of the “nothing contained in” part should read “currently owns, rents or occupies or owned, rented or occupied at the time of the actual discharge....”
- Page 20, Exclusion 19, I would add: “Refund or restitution of taxes, fees, or assessments.” The AORMA form and excess form, each at Exclusion 15, do this.
- In the Exclusions, here is one that I normally recommend: “Bid Specifications/Cost Overruns (a) Claims arising out of estimates of probable cost or cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans. (b) Mechanic’s lien claims, stop notice claims, change order claims, or similar claims by contractors for the value of services or materials provided; this exclusion extends to such claims however denominated, including claims of breach of oral or written contract, third-party beneficiary claims, *quantum meruit* claims, and/or open account claims.” These are not claims for compensatory damages, but rather contract claims. I think the intent is to exclude these under Exclusion 8, but this language makes it clear that it applies to subcontractors with which the Member has no contract, as well.
- In several pools I have added a specific exclusion for citizen suits under the Clean Water Act. However it does not appear that exposure applies to our Members.
- Here is another exclusion to consider: “Claims by any Member against its own past or present elected or appointed officials, employees or volunteers, where such claim seeks damages or restitution payable to the Member.”
- Exclusion 27.A. in the excess form regarding written publication of known false material could be considered for the Member form. Of course the exclusion would not apply to the Member unless the Member directed it.
- Page 20, Section VII – Conditions, part 1, I suggest adding: “Under no circumstances shall CSURMA be liable for consequential damages, ‘bad faith’ damages, or any sums beyond the amounts due under Section I – Coverages, plus interest at the same rate as the Authority earned on investments for the time period involved.” This is based on a bad faith suit filed by a Southern California city against its pool, where the city sought consequential damages over and above the coverage itself.
- Page 20, Section VII – Conditions, Section 2 – since arbitration, when requested, is a condition precedent to suit, is the arbitration non-binding?
- Page 22, Section VII – Conditions, Section 10, consider adding: “CSURMA shall be entitled to complete access to the Member’s claim file, the defense attorney’s complete file, and all investigation material and reports, including all evaluations and information on negotiations. The Member shall be responsible to report on the progress of the litigation and any significant developments at least quarterly to the Authority, and to provide the Authority with simultaneous copies of all correspondence provided to the covered party by its defense attorneys and/or agents.
- There is a Medical Professional Liability Coverage form attached. Exclusions are referenced but I did not see the language of them. The part of the form I saw looks fine.

Again, overall the form looks good to me, and I hope these suggestions are helpful.

### **AORMA MEMORANDUM OF COVERAGE**

It appears the Definitions are the same with minor adjustments. Definition 21 does not have the additional paragraph re minimum qualifications of counsel, which is not needed as this is a primary form with a defense duty. Definition 24 is alphabetically out of order, compared to the CSURMA Members' form. Definition 26 does not include the assault portion of the Personal Injury definition, but includes civil rights coverage, so I see no difference in coverage. There is no Products Hazard definition, not needed because the AORMA form has no such exclusion. Definition 34 for Unmanned Aerial Vehicle is not in the CSURMA Members' form (consider the suggestion made above for the Aircraft exclusion; I am not sure "designed for the transport of equipment" is a limitation we should use in the definition). The Wrongful Act definition is a little different, focusing on the Member rather than the Covered Individual, but seems to have the same effect for coverage purposes.

The comments made above for Definitions above would apply to the AORMA Form definitions as well. The Comments regarding Section IV – Limitations would apply as well. Comments re the Exclusions would apply where the Exclusions are the same, so I will comment only on the differences in the forms.

At page 17, we do not exclude Auto Physical Damage, as we do in the Member's MOC form. Presumably there is a separate APD policy. Presumably physical damage to owned autos is excluded by the more general Exclusion 23 for Owned Property.

At page 17, Exclusion 4, do we want to exclude drones? Does the definition of Unmanned Aerial Vehicles exclude drones unless they are designed for the transport of equipment?

Page 19, Exclusion 13 for intentional conduct, does not have the first part of Exclusion 11 from the Members' form, relating to "liability based on the Member's obtaining of financial gain to which the Member was not legally entitled." Is this a deliberate omission? We might want to make it conform with Exclusion 11 in the Members' form.

Page 24, Exclusion 25, the Subsidence Exclusion is good, it follows the leading case, exclusionary language found effective by the Court of Appeal in the case of *ICSOP v. Carlsbad*.

I did not have any changes for Conditions other than those suggested above for the Members' form.

I did not have any changes to suggest in the Uninsured Motorist form (it was a little hard to follow regarding limits being reduced by available insurance, but clearly that is how the form applies). I did not have any changes to suggest in the Fiduciary Liability endorsement.

### EXCESS FORM

As Mimi Long indicated, this form has been reconciled to the two mentioned above. So my notes on this are limited.

Exclusion 16.C at page 15, relating to cost of modifying a building to accommodate people, should be a separate exclusion for all coverages, not just EPL. The cost of upgrading facility access in response to a suit by a member of the public would similarly not be covered. We may want to add similar language to Exclusion 14 of the Member form – just to reinforce that the pool does not pay to upgrade Member property.

Section VIII – Conditions, part 3, has a binding arbitration clause. It varies from the underlying forms in that it is a single arbitrator rather than a panel, is done under the laws of Minnesota, and apparently is binding. Presumably this is negotiated with reinsurers, but I think it might be preferable to use a three person panel and the arbitration rules of the California Code of Civil Procedure, just for uniformity.

Please let me know if I can be of further assistance, or if you want me to attend any committee meetings to go into further detail on these items. Also, I can put out a red line, strikeout version of proposed changes if you would like.

Very truly yours,

GIBBONS & CONLEY

  
A. BYRNE CONLEY



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
 AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
 LIABILITY PROGRAM**

**MEMORANDUM OF COVERAGE  
 MOC # AORMALIAB~~2021~~1920**

**DECLARATIONS**

This Memorandum of Coverage is issued under and pursuant to the terms, conditions, covenants and stipulations of the California State University Risk Management Authority (CSURMA) Joint Powers Agreement, Bylaws, and CSURMA and CSURMA Auxiliary Organizations Risk Management Alliance (CSURMA AORMA) Policies and Procedures. All terms and conditions of these documents are incorporated herein by reference. In the event that any provision of this Memorandum of Liability Coverage is in conflict with or is inconsistent with these documents, the terms and conditions of such documents shall prevail and take precedence to the extent of such conflict or inconsistency. CSURMA AORMA agrees with the **Member**, in consideration of the payment of contribution and in reliance upon statements in the Declarations and subject to the limits of liability, exclusions, conditions, and other terms of this memorandum and the abovementioned documents, to provide the coverage as stated in this memorandum.

**Item 1: Member**

See the **Member** listing attached.

**Item 2: Coverage Period:**

July 1, ~~2019-2020~~ to July 1, ~~2020~~2021

**Item 3: Limits of Liability:**

1. Any one Occurrence or Wrongful Act or series of continuous, repeated or related Occurrences or Wrongful Acts ..... \$5,000,000
2. Aggregate Policy Limit during each Policy Period..... \$20,000,000 - each Member
3. Non-Salaried Employees (of the California State University) Auto Liability ..... \$5,000,000 - each occurrence
4. Mold ..... \$600,000 - each occurrence for each Member
5. Mold ..... \$850,000 - annual aggregate for each Member

**Item 4: Sub-Limits / Coverage Extensions** *(Provided through the CSURMA AORMA Liability Program pooled layer):*

1. Medical Payments ..... \$5,000 - per any one person
2. California Uninsured or Underinsured Motorists (bodily injury only): ..... \$250,000 - bodily injury only

3. Domestic Hired Automobile Physical Damage..... \$50,000 - each accident
4. Fiduciary Liability Coverage (Claims Made Basis):.....\$350,000 - each occurrence
5. Funds, Grants or Appropriations (defense only).....\$250,000 - each occurrence
6. Land Use (defense only).....\$250,000 - each occurrence
7. Nuclear Materials (limited coverage):.....\$250,000 - each occurrence

**Item 5: Member’s Deductible**

1. Any one Occurrence or Wrongful Act or series of continuous, repeated or related Occurrences of Wrongful Acts (*except Employment Practices Liability*): ..... \$0
2. Employment Practices Liability (*all Members except as noted below*): .....\$25,000 - each occurrence
3. Employment Practices Liability .....\$50,000 - each occurrence
  - a. California State University, Dominguez Hills Foundation
  - b. Associated Students, California State University, Long Beach
  - c. The Cal Poly Pomona Foundation, Inc.
  - d. Associated Students, San Diego State University
  - e. California State University, San Marcos Corporation
4. Employment Practices Liability .....\$100,000 - each occurrence
  - a. San Diego State University Research Foundation
  - b. San Jose State University Research Foundation
5. Non-Salaried Employees (of the California State University) Auto Liability ..... \$1,000,000 - each occurrence/accident
6. Domestic Hired Automobile Physical Damage – Comprehensive and Collision ..... \$1,000 - each accident
7. Domestic Hired Automobile Physical Damage – Comprehensive and Collision (*when the use of the hired vehicle on a non-paved road violates the rental car agreement*) ..... \$5,000 - each accident

**Item 6: Retroactive Dates:**

**Fiduciary Liability, including Employee Benefits Liability Coverage:**

1. Associated Students of California State University, Chico..... July 1, 2005
2. California State University, Long Beach Research Foundation..... July 1, 2008
3. Associated Students, California State University, Los Angeles, Inc. .... July 1, 2007
4. The University Corporation, CSU Northridge ..... October 1, 1991
5. University Student Union of California State University, Northridge..... October 1, 1999
6. Capital Public Radio, Inc., CSU Sacramento .....April 14, 2010
7. San Jose State University Research Foundation ..... July 1, 2002
8. Spartan Shops, Inc., San Jose State University .....February 1, 1998
9. Auxiliaries Multiple Employer VEBA..... July 1, 2010
10. All other Named Members ..... July 1, 2010



**Item 7: Claims Administrator:**

Carl Warren & Company  
CSURMA@carlwarren.com

To be valid, this agreement must be signed by our Program Administrator.

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Authorized Signature

**Item 1: Member**

**Member Listing**

#	Campus	Auxiliary Organization
1.	Bakersfield	Associated Students, California State University, Bakersfield, Inc.
2.	Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration
3.	Bakersfield	California State University, Bakersfield Foundation
4.	Bakersfield	California State University, Bakersfield Student Union, Inc.
5.	Chancellor's Office	California State University Foundation
6.	Chancellor's Office	California State University Institute
7.	Channel Islands	Associated Students of California State University, Channel Islands, Inc.
8.	Channel Islands	California State University Channel Islands Foundation
9.	Channel Islands	CI University Auxiliary Services, Inc.
10.	Chico	Associated Students of California State University, Chico
11.	Chico	Chico State Enterprises
12.	Chico	The University Foundation, California State University, Chico
13.	Dominguez Hills	Associated Students, California State University, Dominguez Hills
14.	Dominguez Hills	California State University, Dominguez Hills Foundation
15.	Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation
16.	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated
17.	East Bay	Associated Students, Inc., California State University East Bay
18.	East Bay	Cal State East Bay Educational Foundation
19.	East Bay	California State University, East Bay Foundation, Inc.
20.	Fresno	Associated Students, Inc. of California State University, Fresno
21.	Fresno	California State University, Fresno Association, Inc.
22.	Fresno	California State University, Fresno Foundation
23.	Fresno	Fresno State Programs for Children, Inc.
24.	Fresno	The Agricultural Foundation of California State University, Fresno
25.	Fresno	The California State University, Fresno Athletic Corporation
26.	Fullerton	Associated Students California State University, Fullerton, Inc.
27.	Fullerton	Cal State Fullerton Philanthropic Foundation
28.	Fullerton	CSU Fullerton Auxiliary Services Corporation
29.	Humboldt	Associated Students of Humboldt State University
30.	Humboldt	Humboldt State University Center Board of Directors
31.	Humboldt	Humboldt State University Foundation
32.	Humboldt	Humboldt State University Sponsored Programs Foundation

#	Campus	Auxiliary Organization
33.	Long Beach	Associated Students, California State University, Long Beach
34.	Long Beach	California State University, Long Beach Research Foundation
35.	Long Beach	CSULB 49er Foundation
36.	Long Beach	Forty-Niner Shops, Inc.
37.	Los Angeles	Associated Students, California State University, Los Angeles, Inc.
38.	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
39.	Los Angeles	California State University, Los Angeles Foundation
40.	Los Angeles	University-Student Union at California State University, Los Angeles
41.	Maritime Academy	California Maritime Academy Foundation, Inc.
42.	Maritime Academy	The Associated Students of the California Maritime Academy
43.	Monterey Bay	Foundation of California State University, Monterey Bay
44.	Monterey Bay	University Corporation at Monterey Bay
45.	Monterey Bay	Otter Student Union at CSU Monterey Bay
46.	Northridge	Associated Students, California State University, Northridge, Inc.
47.	Northridge	California State University, Northridge Foundation
48.	Northridge	North Campus University Park Development Corporation
49.	Northridge	The University Corporation
50.	Northridge	University Student Union of California State University, Northridge
51.	Pomona	Associated Students Inc., California State Polytechnic University, Pomona
52.	Pomona	The Cal Poly Pomona Foundation, Inc.
53.	Pomona	The Cal Poly Pomona Philanthropic Foundation
54.	Sacramento	Associated Students of California State University, Sacramento
55.	Sacramento	Capital Public Radio, Inc.
56.	Sacramento	The University Foundation at Sacramento State
57.	Sacramento	University Enterprises, Inc.
58.	Sacramento	University Union Operation of CSUS, Inc.
59.	San Bernardino	Associated Students, California State University, San Bernardino
60.	San Bernardino	CSUSB Philanthropic Foundation
61.	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
62.	San Bernardino	University Enterprises Corporation at CSUSB
63.	San Diego	Associated Students, San Diego State University
64.	San Diego	Aztec Shops, Ltd.
65.	San Diego	San Diego State University Research Foundation
66.	San Diego	The Campanile Foundation
67.	San Francisco	Associated Students of San Francisco State University
68.	San Francisco	San Francisco State University Foundation, Inc.

#	Campus	Auxiliary Organization
69.	San Francisco	The University Corporation, San Francisco State
70.	San Jose	Associated Students San Jose State University
71.	San Jose	San Jose State University Research Foundation
72.	San Jose	Spartan Shops, Inc.
73.	San Jose	The Student Union of San Jose State University
74.	San Jose	The Tower Foundation of San Jose State University
75.	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
76.	San Luis Obispo	Cal Poly Corporation
77.	San Luis Obispo	California Polytechnic State University Foundation
78.	San Marcos	Associated Students, Inc. of California State University San Marcos
79.	San Marcos	California State University San Marcos Corporation
80.	San Marcos	The California State University San Marcos Foundation
81.	Sonoma	Associated Students of Sonoma State University
82.	Sonoma	Sonoma State Enterprises, Inc.
83.	Sonoma	Sonoma State University Foundation
84.	Stanislaus	Associated Students Incorporated of California State University, Stanislaus
85.	Stanislaus	California State University, Stanislaus Auxiliary and Business Services
86.	Stanislaus	California State University, Stanislaus Foundation
87.	Stanislaus	University Student Union of California State University, Stanislaus
88.	N/A	Auxiliary Organization Associations
89.	N/A	Auxiliaries Multiple Employer VEBA
90.	N/A	Humboldt State University Real Estate Holdings

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY  
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE  
COVERAGE TERMS AND CONDITIONS FOR  
CSURMA AORMA LIABILITY PROGRAM**

Throughout this Memorandum, words and phrases that appear in boldface type have special meanings. They are defined in SECTION I – DEFINITIONS and/or with respect to Covered Parties in SECTION IV – COVERED PARTIES.

The California State University Risk Management Authority is an intergovernmental agency, risk sharing, joint powers authority, duly formed pursuant to California Government Code Sections 6500 *et seq.* The Auxiliary Organizations Risk Management Alliance (hereinafter called AORMA) is a group of programs that operate within the California State University Risk Management Authority representing the California State University Auxiliary Organizations. Within this Memorandum the California State University Risk Management Authority will be called CSURMA AORMA recognizing that this is an AORMA Liability Program document with separate terms and conditions.

This Memorandum does not provide insurance, but instead provides for pooled self-insurance. This Memorandum is a negotiated agreement among the **Members** of the CSURMA AORMA, and none of the parties to the 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 AORMA, acting through the Board of Directors in adopting this document. As the CSURMA AORMA 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 – COVERAGES**

Subject to the **Member’s Deductible**, CSURMA AORMA agrees:

To pay on behalf of the **Member** those sums for **Ultimate Net Loss** in excess of the **Member’s Deductible** which the **Member** shall become obligated to pay as **Damages**;

1. By reason of liability assumed by the **Member** by contract because of **Bodily Injury or Property Damage, Personal Injury, Errors and Omissions, Employee Benefits Liability, Employment Practices Liability or Media Wrongful Acts** arising from operations of the **Member** to which this Memorandum applies caused by an **Occurrence or Wrongful Act**, or
2. By reason of liability imposed by law because of **Bodily Injury, Property Damage, Personal Injury, Errors and Omissions, Employment Practices Liability or Media Wrongful Acts** arising from operations of the **Member** to which this Memorandum applies caused by an **Occurrence or Wrongful Act**.

3. By reason of liability imposed by law because of **Employee Benefits Liability** claims made during the **Coverage Period** to which this Memorandum applies caused by an Occurrence or **Wrongful Act**.

## SECTION II - DEFINITIONS

1. **Additional Covered Party** means any person(s), entity(ies) or organization(s) to whom the **Member** is obligated by virtue or any written contract to provide coverage solely with respect to **bodily injury, property damage and personal injury** arising out of and during the **Member's** operations or premises owned, rented or used by the **Member**; and

For which a certificate of coverage has been issued to such person(s); entity(ies) or organization(s) and is on file with CSURMA AORMA evidencing their status as an **additional covered party** under this coverage.

The limit and scope of coverage afforded to the **Additional Covered Party** 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.

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

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

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

3. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air, but including **Unmanned Aerial Vehicle**.
4. **Automobile** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
5. **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 **Coverage 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**.
6. **Claim** means:
  - A. A written demand to a **Member** for payment of **Damages** received by the CSURMA AORMA Secretary-Auditor or by the chief executive, Risk Manager, or general counsel of a **Member**; and/or

- B. A civil proceeding against a **Member** in which **Damages** are sought on account of
- 1) **Bodily Injury or Property Damage,**
  - 2) **Personal Injury,**
  - 3) **Errors and Omissions,**
  - 4) **Employee Benefits Liability,**
  - 5) **Employment Practices Liability**
  - 6) **Media Wrongful Acts,**

**Occurrence or Wrongful Act** 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.

7. **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 the **Member**. Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following time:
- A. When all operations to be performed by or on behalf of the **Additional Covered Party** at the site of the operations have been completed.
  - B. When all operations to be performed by or on behalf of the **Additional Covered Party** under the contract have been completed; or
  - C. When the portion of the work out of which the injury or **Damages** arise 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:

- A. 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 **Member**; or
  - B. The existence of tools, uninstalled equipment or abandoned or unused materials.
8. **Coverage Period** means the period of coverage provided under this Memorandum as shown on the Declarations Page.

9. **Covered Individual(s)** means persons who are past or present elected or appointed officials, **Employees, whether or not compensated**, or authorized volunteers of the **Member**, while acting within the scope of their duties, office or employment 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 alumni associations and volunteer university support groups.
10. **Dam** means any artificial barrier together with appurtenant works which:
- A. Is twenty-five feet or more in height from the foot of a natural bed of stream or watercourse; or
  - B. 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.

11. **Damages** means compensation in money which a **Covered Party** is legally obligated to pay as a result of a **Claim**. **Damages** include: (1) attorney fees not based on any contract awarded against the **Covered Party**, (2) pre-judgment interest and interest on judgments, or (3) costs, for which the **Covered Party** is liable either by adjudication or by compromise with the prior, written consent of the CSURMA AORMA, if the fees, interest or costs arise from an **Occurrence** or **Wrongful Act** to which this coverage applies.

**Damages** shall not include those sums determined to be owed by a **Covered Party** as contract **Damages**, including, but not limited to retroactive or prospective benefits, severance payments or any **Damages** determined to be owed for breach of an express contract of employment or under an express obligation to make payments in the event of termination of employment. **Damages shall also not include any wages, salary or benefits owed for work actually performed.**

**Damages with respect to Employment Practices Liability shall not include amounts awarded under a labor grievance or arbitration pursuant to a collective bargaining agreement.**

**Damages** shall not include sums paid pursuant to any judgment or agreement, whether injunctive or otherwise, to undertake actions to correct past discriminatory or unlawful conduct or to establish practices or procedures designed to eliminate or prevent future discriminatory or other unlawful conduct, or any non-monetary relief.

**Damages** shall not include fines, penalties, sanctions, taxes or fees assessed against any **Covered Party**.

12. **Deductible** means the amount of each **Ultimate Net Loss** which the **Member** is obligated to pay. The deductible is stated in the Declarations. Any deductible amount paid by CSURMA AORMA shall be promptly reimbursed to CSURMA AORMA by the **Member**.
13. **Discrimination**, as respects **Employment Practices Liability**, means the actual or alleged failure to employ, failure to promote, or the demotion, transfer, suspension, or termination 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** 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.
14. **Employee** means:
  - A. Any person who has an assigned work schedule for the **Member** and is on the **Member's** regular payroll; and
  - B. 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**.
  - C. **Employee** does not include independent contractors.
  - D. 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 **Member**; and
  - E. Solely as respects **Employment Practices Liability** arising from alleged **Discrimination** with respect to negligent hiring, only, **Employee** includes an applicant for employment.
  - F. Solely as respects **Employment Practices Liability**, independent contractors and/or persons working on retained, while acting for or on behalf of the Member.

An **Employee's** status as a **Covered Party** will be determined as of the date of the **Occurrence** or **Wrongful Act** upon which a **Claim** involving the **Employee** is based.
15. **Employee Benefits Liability** means liability for actual or alleged Errors and Omissions in the Administration of a Member's Employee Benefit Program.
16. **Employee Benefit Program** means a program providing some or all of the following benefits to Employees:
  - A. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts;

- B. Profit sharing plans, Employee savings plans, Employee stock ownership plans, pension plans and stock subscription plans; and
  - C. Unemployment insurance, social security benefits, workers' compensation and disability benefits.
17. **Employment Practices Liability** means any circumstance relating to a past, present or prospective **employee** of the Member (and the child, parent, brother or sister of that person) as a consequence of the following **Wrongful Acts** or alleged **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. **Employment Practices Liability** 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 thereunder:
- A. Americans With Disabilities Act of 1992 (ADA)
  - B. Civil Rights Act of 1991
  - C. Age **Discrimination** In Empowerment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990
  - D. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy **Discrimination** Act of 1978;
  - E. Civil Rights Act of 1866, Section 1981; and
  - F. Fifth and Fourteenth Amendments of the U.S. Constitution.
18. **Errors and Omissions** means a **Wrongful Act** 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.
19. **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.
20. **Leased Worker** means any **Employee** who is under contract to the **Member** while performing duties defined under the contract with the Member.

21. **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 CSURMA AORMA approved defense attorney fees, court costs, costs of supersedes 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 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 shall be limited at \$250 per hour. **Loss Adjustment Expense** shall also include 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 **Member’s Employees** except as provided above as well as office and other overhead expenses.

22. **Member** means the **Member** named on the Declarations Page.

~~23.1. **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**.~~

~~24.23.~~ **Media Wrongful Act Occurrence** means any error or omission arising out of the gathering, recording, collection, writing, editing, advertising, publication, dissemination, exhibition, broadcast, display on an internet site, or release, including but not limited to any actual or alleged:

- A. 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;
- B. Wrongful entry or eviction, trespass, eavesdropping, or other invasion of the right of private occupancy;
- C. Libel, slander, disparagement, or publicity, false light, public disclosure or private facts, appropriation of name, persona or likeness, or any other form of defamation or harm to the character or reputation of any person or entity;
- D. Outrage, infliction of emotional distress or prima facie tort;
- E. Infringement or dilution of trademark, trade name, trade dress, title, slogan, service mark or service name, domain name, deep linking or framing, including unfair competition in connection with such conduct;
- F. Copyright infringement, plagiarism, piracy, breach of implied contract, or misappropriation of property rights, information or ideas;
- G. Breach of a promise of confidentiality or anonymity;

- H. Error or omission in content;
- I. Unfair competition or conspiracy, but only when the allegation of unfair competition or conspiracy is based entirely upon one or more Media Wrongful Acts falling within sections A-H above;
- J. 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 a **Covered Party** in is, her or its capacity as such and in connection with the creation or dissemination of media, or in connection with the creation or dissemination of advertising materials relating to media.

25. **Mold(s)** means any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to mold, mildew, mycotoxins, spores, bacterial pathogens, or any biogenic aerosols 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**.

25-26. **Occurrence** means an accident, act, error, offense, omission or event **Media Wrongful Act** or **Wrongful Act** during the **Coverage Period**, including continuous or repeated exposure, which results in damages, neither expected nor intended by the **Member**. An **occurrence** taking place over more than one **Coverage Period** shall be deemed to have taken place during the **Coverage Period** when the **occurrence** ended and shall be treated as a single **occurrence** in that **Coverage Period**.

26-27. **Personal Injury** means any of the following offenses:

- A. False arrest, detention, or imprisonment or malicious prosecution;
- ~~B. Shock, mental anguish, mental injury or humiliation~~
- ~~C.~~ 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;
- ~~D.~~ Wrongful entry or eviction or other invasion of the right of private occupancy;
- ~~E.~~ **Discrimination** or violation of civil rights other than **Employment Practices Liability**, not intentionally committed by or at the direction of the **Member**;

27-28. **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. **Pollutants includes any material defined as hazardous in Sections 66261.10 through 66261.126 of Title 22 of the California Code of Regulations.**

28:29. **Property Damage** means:

- A. Physical injury to or destruction of tangible property which occurs during the Coverage Period, including the loss of use thereof at any time resulting therefrom;
- B. Loss of use of tangible property, which has not been physically injured or destroyed, provided such loss of use is caused by an Occurrence or Wrongful Act during the Coverage **Period**.

29:30. **Sexual or Workplace 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 or Workplace Harassment** also includes the above conduct when:

- A. 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
- B. 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 or Workplace Harassment** does NOT include **Sexual Misconduct** as defined in this Memorandum.

30:31. **Sexual Misconduct** means:

- A. 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
- B. The negligent employment, investigation, supervision, reporting to the proper authorities or failure to report the above of a Covered Person.

31:32. **Territory** means an **Occurrence** or a **Wrongful Act** that takes place during the **Coverage Period**, anywhere in the world as well as **Claims** brought anywhere in the world.

32:33. **Ultimate Net Loss** means the amount of paid **Claims** liability for **Damages** for which the **Member** is liable on a per **Occurrence** or **Wrongful Act** basis, either by (1) adjudication, or (2) compromise with the prior written consent of the CSURMA AORMA, and which the **Member** actually pays in cash, after making proper deduction for all recoveries and salvages collectible. **Ultimate Net Loss** includes ~~defense attorney fees and costs of the Member in defense of the Claim and also includes court costs,~~ **Loss Adjustment Expenses,** ~~and other associated costs and expenses, but does not include any salaries of the Member's regular Employees. Ultimate Net Loss includes retrospective benefit ("back wages"), but does not include prospective benefits ("forward wages"), payable as part of a Claims for Employment Practices Liability covered under this Memorandum.~~ **Ultimate Net Loss** shall not include any of the above-described expenses for **Damages**

against a **Member** or defense expenses incurred because of liability excluded by this Memorandum.

33.34. The following definitions are applicable only to **Exclusion T – Nuclear Material**:

- A. **Hazardous Properties** include radioactive, toxic or explosive properties;
- B. **Nuclear Material** means source material, special **Nuclear Material** or byproduct material;
- C. 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;
- D. **Spent Fuel** means fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **Nuclear Reactor**;
- E. **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;
- F. **Nuclear Facility** means:
  - 1) Any **Nuclear Reactor**;
  - 2) 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**;
  - 3) 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
  - 4) 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.
- G. **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.

34.35. **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.

~~35~~.36. **Wrongful Act Occurrence** means any actual or alleged error, misstatement, omission, negligent act, or breach of duty, including misfeasance and nonfeasance by the **Member**.

~~36~~.37. **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 III - DEFENSE AND SETTLEMENT

CSURMA AORMA shall assume charge of the control, negotiation, investigation, settlement, defense or appeal of any claims made, or suits brought, or proceedings instituted against the **Covered Party**, which in the opinion of the CSURMA AORMA is or may be covered by CSURMA AORMA under the terms of this Memorandum.

In accordance with the CSURMA AORMA Legal Counsel Selection Memorandum and Procedure, CSURMA AORMA shall appoint, through its' claims administrator, all legal counsel to represent the **Covered Parties** in defense of a covered claim. The **Covered Party** has the right to recommend legal counsel from the approved legal counsel list; however, CSURMA AORMA shall make the final selection of legal counsel. If the **Covered Party** disapproves of the selection as outlined in the CSURMA AORMA Legal Counsel Selection Memorandum and Procedure, the **Covered Party** may submit an appeal in writing.

In the event of an **occurrence** which involves more than one **Covered Party**, all **Covered Parties** involved agree to joint legal representation as selected by CSURMA AORMA.

The **Covered Party** may select and engage, at its own expense, monitoring counsel in addition to the legal counsel selected and engaged by CSURMA AORMA. However, legal counsel selected by CSURMA AORMA shall manage and control the litigation.

If there is a conflict of interest between CSURMA AORMA and a **Covered Party** which would be considered a "conflict of interest" between an insured and its insurer within the meaning of California Civil Code Section 2860, the **Covered Party** has the same rights to select and engage independent counsel as would an insured under Section 2860. CSURMA AORMA has all of the rights reserved to an insurer under Section 2860.

The **Covered Party** shall fully cooperate with the CSURMA AORMA in all matters pertaining to such claim, suit or proceeding. CSURMA AORMA shall have the right to settle any claim that in the CSURMA AORMA's sole opinion may create indemnification obligations for the CSURMA AORMA under this Memorandum.

No claim, suit or proceeding 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 AORMA.

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

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

The CSURMA AORMA's liability for **Damages** shall be only for the **Ultimate Net Loss** less the **Member's Deductible** not to exceed the Limits of Liability shown in the Declarations, as the result of any one **Occurrence** or **Wrongful Act** or the amount shown in the Declarations because of all occurrences for any one **Member** during each **Coverage Period**. . There is no limit to the number of **Occurrences** or **Wrongful Acts** during the **Coverage Period** for which **Claims** may be made.

The **Member's Deductibles** as shown in the Declarations applies to each such **Occurrence** or **Wrongful Act** without regard to exclusions, limitations or exhaustion of aggregate limits in underlying or contributing coverage, insolvency of any insurance carrier or insurance pool, or any circumstances wherein underlying or contributing coverage is uncollectible.

~~For the purpose of determining the CSURMA AORMA Limit of Liability and the Member's 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 or Wrongful Act.~~

This Memorandum applies to **Occurrences** or **Wrongful Acts**, 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 Deductibles** as stated in the Declarations apply separately to each **Covered Party**. In the event of an **Occurrence** for which more than one **Covered Party** is or may be held liable, one **Member** Deductible and one Limit of Liability coverage will apply to all Covered Parties. CSURMA AORMA's liability for all Covered Parties shall not exceed the Limit of Liability set forth in Declarations. An **Occurrence** or **Wrongful Act** involving more than more than one **Member** shall be treated as a single **Occurrence** or **Wrongful Act** and a single Limit of Liability and a single **Member's Deductible** will apply to the **Occurrence** or **Wrongful Act**.

~~For the purpose of determining the CSURMA AORMA 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 or Wrongful Act. An Occurrence or Wrongful Act with a duration of more than one Coverage Period shall be treated as a single Occurrence or Wrongful Act arising during the Coverage Period when the Occurrence or Wrongful Act ends and under no circumstances shall the fact that said Occurrence or Wrongful Act have 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.~~

**Bodily Injury** or **Personal Injury** damages resulting from **Sexual Misconduct** will be deemed to have occurred at the time of the last **Sexual Misconduct** and all such **Bodily Injury** or **Personal Injury** will be deemed to be a single occurrence whether committed by the same perpetrator or two or more perpetrators acting in concert and without regard to the number of (1) incidents of **Sexual Misconduct** taking place thereafter, (2) victims of **Sexual Misconduct**, or (3) locations

where the **Sexual Misconduct** took place. Only the Memorandum of Coverage in effect during which such **Sexual Misconduct** last occurred will apply to such single occurrence of **Sexual Misconduct**. Coverage does not apply to any **Covered Party** who is found by a court of law to have committed a criminal act of **Sexual Misconduct**.

## SECTION V - COVERED PARTIES

The parties covered by the CSURMA AORMA:

1. The **Member**.
2. The following individually and collectively, when acting solely within the scope of their duties, office, or employment for the **Member**:
  - A. Governing Board.
  - B. Officers.
  - C. **Employees**.
  - D. Non-compensated individuals, while acting for or on behalf of the **Member**.
3. Additional Covered Parties as defined in Section II, 1. of this document.
4. **Covered Individuals** as defined in Section II, 9. of this document.
5. Any person while using an owned **Automobile**, or non-owned **Automobile**, or a hired **Automobile**, or mobile equipment and any person or organization legally responsible for the use thereof, including garage operations, provided the actual use of the **Automobile** is by or with permission of the **Member**.

Coverage provided by this Memorandum with respect to any person or organization other than the **Member** does not apply under this paragraph:

- A. To any person or organization, or to any agent or **Employee** thereof, engaged in selling, repairing, servicing, delivering, testing, road testing, parking or storing **Automobiles**, with respect to any **Occurrence** or **Wrongful Act** arising out of any such occupation, if there is other valid and collectible insurance available to such person as a named insured or as an agent or **Employee** of the named insured under that other insurance Memorandum with limits at least equal to the requirements of the applicable Financial Responsibility Laws; or;
  - B. With respect to any hired **Automobile**, to the owner, or a lessee thereof other than the **Member**, or to any agent or **Employee** of such owner or lessee.
6. Any **Employee** pension benefits or **Employee** welfare benefits trust, formed under U.S. Internal Revenue Code Section 501(c)(9), in which a **Member** participates, provided the trust only serves auxiliary organizations who are **Members**.

The board of trustees of the trust are covered parties, when acting solely within the scope of their duties, office, or employment for the trust.

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

Fraternal organizations are not covered parties under this Memorandum of Coverage.

## SECTION VI – EXCLUSIONS

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

1. Aircraft

The ownership, maintenance, loading or unloading, use or operation of any **Aircraft** or **Unmanned Aerial Vehicle** capable of flight. This exclusion does not apply to static **Aircraft**.

2. Asbestos

The presence of, or installation or removal of, asbestos or any product containing asbestos material.

3. Assault and Battery

Arising out of assaults and batteries, except for assault and battery committed by or directed for the purpose of protecting persons or property or where same are not committed by or at the direction of the **Member**.

4. Aviation Activities

The ownership, maintenance, loading or unloading, use or operation of any:

- A. **Aircraft**
- B. **Unmanned Aerial Vehicle;**
- C. Airfields;
- D. Runways;
- E. Hangars; or
- F. 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.

5. Bid Specifications / Cost Overruns

Claims arising out of:

A. Estimates of probable cost of cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans.

B. Mechanic's lien claims, stop notice claims, change order claims, or similar claims by contractors for the value of services or materials provided; this exclusion extends to such claims however denominated, including claims or breach of oral written contract, third-party beneficiary claims, quantum meruit claims, and/or open count claims.

6. Bodily Injury

To **Bodily Injury** to any of the **Member's Employees** arising out of and in the course of employment by the **Member**, 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 Practices 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.

7. 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**. This exclusion does not apply to liability for **damages** that the **Member** would have in the absence of the contract or agreement or contractually assumed liability from the **Member's** operations; however, the agreement must arise out of or be incidental to the **Member's** operations and must be in place before the **Occurrence** and does not extend to professional liability of engineers.

8. Eminent Domain, Condemnation Proceedings or Inverse Condemnation

The **Claims** for loss or **Damage** or any liability arising out of or in connection with the principles of eminent domain, condemnation proceedings or inverse condemnation, or by whatever name used whether such **Claims** are made directly against you or by virtue of any agreement entered into, by or on your behalf.

9. Dams

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

10. Employee Benefits Liability

A. Arising out of an insufficiency of funds to meet any obligations under any plan included in the Employee Benefits Program

- B. Failure of any investment to perform;
- C. Errors in providing information on past performance of investment vehicles; or
- D. 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 Benefits Program.
- E. 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.
- F. 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.

11. 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.

12. Fiduciary Liability

To liability arising out of;

- A. The purchase, or sale, or offer of sale, or solicitation of any security, or decline in price or value of any security, debt, bank deposit or financial interest or instrument;
- B. 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
- C. 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.

13. 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, CSURMA AORMA will defend any action or suits brought against any **Covered Party** for the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations or for the return of such funds, grants or appropriations for such causes of

action, unless their alleged conduct was outside the scope of employment, subject to the CSURMA AORMA sublimit of \$250,000 per **Occurrence**.

14. Insolvency

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

15. Intentional Conduct

For any liability based on the Member's obtaining of financial gain to which to Member was not legally entitled.

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

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

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

16. Lack of Occurrence or Wrongful Act

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

17. Land Use

To any liability for **Damages** arising from any **Claim**, suit or proceeding arising from allegations related to land use, land planning or land development. However, CSURMA AORMA shall defend the **Covered Party** up to an amount not exceeding \$250,000 **Ultimate Net Loss** for such liability.

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

18. Member vs. Member

Claims by any **Member** against its own past or present elected or appointed officials, employees or volunteers, where such claim seeks damages or restitution payable to the **Member**.

19. 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.

20. 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:

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

- A. 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, phlebotomist or physical therapists;
- B. **Employment Practices Liability;**
- C. 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.
- D. Any medical services clinic that does not perform invasive surgery of any kind; or
- E. Operations performed by coroners.
- F. Volunteer medical personnel while attending an activity sponsored by the Member or while on school premises under the **Member's** control.

21. 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.

Except as provided as a sub-limit and aggregate limit per **Member**, as shown on the Declarations Page.

22. 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 to defend or cost or expense to comply with any declaratory, injunctive or administrative relief or specific performance award.

23. Nuclear Material

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

A. 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.

1) 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.

B. Resulting from the **Hazardous Properties** of **Nuclear Material**, if:

- 1) 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;
- 2) 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
- 3) The injury, sickness, disease, death or destruction arises out of the furnishing by a **Member** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any **Nuclear Facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this part c. applies only to injury to or destruction of property at such **Nuclear Facility**.

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

24. 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.

25. Pollution

For any loss, cost, or expense:

- A. 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;
- B. 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**:
  - 1) At any premises owned, rented or occupied by the **Covered Party**;
  - 2) 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**;
  - 3) 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
  - 4) 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:
    - a) If the **Pollutants** are brought on or to the site or location in connection with such operation; or
    - b) 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 ~~or~~ 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:

- A. Discharge, dispersal, release or escape directly caused by hostile fire, explosion, lightning, windstorm, vandalism or malicious mischief; or
- B. **Personal-Bodily Injury** or **Property Damage** which is within the product hazard of the **Completed Operations Hazard**; or
- C. Loss or Damage caused by the collision, upset or overturn of any **Automobile**; or

- D. A discharge, dispersal, release or escape of **Pollutants** that meets all of the following conditions:
- 1) It was accidental and was neither expected nor intended by the **Covered Party**.
  - 2) It was instantaneous and was demonstrable as having commenced at a specific time and date during the term of this coverage.
  - 3) 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.
  - 4) 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**.
  - 5) 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:

- A. 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.
- B. Any fines, penalties or exemplary **Damages**.
- C. 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;
- D. Acid rain;
- E. Clean up, removal, containment, treatment, detoxification or neutralization of **Pollutants** situated on premises the **Member** currently owns, rents or occupies or owned, rented or occupied at the time of the actual discharge, dispersal, seepage, migration, release or escape of said **Pollutants**; or
- F. Water Pollution caused by oil or by its derivatives.

26. 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:

- A. Property owned by a **Covered Party**; or
- B. 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

27. 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.

28. Subsidence

For any **Property Damage** arising from or related to **Land Subsidence** for any reason whatsoever.

29. 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.

30. War

Arising from war. War, as utilized herein, shall mean war whether or not declared, civil war, martial law, insurrection, revolution, invasion, bombardment or any use of military force, usurped power or confiscation, nationalization or damage of property by any government, military or other authority. This exclusion applies regardless of whether or not there is any other cause or event that in any way contributes concurrently or in any sequence to a loss, cost or expense.

31. 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:

- A. Watercraft while ashore on premises owned or rented by **Covered Party**;
- B. Watercraft less than fifty-one (51) feet in length at the waterline.
- C. Watercraft with no self-propulsion capabilities, regardless of length.

32. Wrongful Acts

- A. 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.
- B. For injunctions, equitable relief, or any other form of relief other than the payment of money **Damages**.

- C. Liability arising out of an alleged willful commission of a crime by **Member** or other dishonest fraudulent, or malicious act. At CSURMA AORMA’s discretion, however, CSURMA AORMA will pay for **Loss Adjustment Expense** until final adjudication, judgment, or settlement to which CSURMA AORMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA AORMA for all costs associated with the defense.
- D. Liability arising out of a **Member’s Wrongful Act** for gain, profit, or advantage to which **Member** is not legally entitled. At CSURMA AORMA’s discretion, however, CSURMA AORMA will pay **Loss Adjustment Expense** for any **Claim** or Suit arising from an alleged willful commission of a crime by a **Member** or other dishonor, fraudulent or malicious act, for any **Claim** or Suit arising out of the Members **Wrongful Act** for gain, profit, or advantage to which **Member** is not legally entitled until final adjudication, judgment, settlement to which CSURMA AORMA have agreed. If the judgment or final adjudication is adverse to the **Member**, **Member** will reimburse CSURMA AORMA for all costs associated with the defense.

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

33. Under Errors and Omissions Liability;

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

34. Under Media Wrongful Acts;

- A. 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.
- B. 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
- C. 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;
- D. Liability arising out of the willful violation of a penal statute, code or ordinance committed by or with the knowledge or consent of any **Member**; except that any act for which a **Covered Party** is responsible shall not be imputed to any other **Covered Party** for purposes of this subpart 3.
- E. Refund or restitution of taxes, fees, or assessments.
- F. Arising out of oral written publication of material, if done by or at the direction by you with knowledge of its falsity.

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**;

35. Uninsured/Underinsured Motorists

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

## SECTION VII - COVERAGE EXTENSIONS

**Medical Payments** - Subject to the limit of liability stated in the Declarations. CSURMA AORMA will pay medical expenses as described below for **Bodily Injury** caused by an accident:

1. On premises the **Member** owns or rents,
2. On ways next to premises the **Member** owns or rents, or
3. Because of the **Member's** operations;
4. Provided that:
  - A. The accident takes place in the covered **territory** and during the **Coverage Period**;
  - B. The expenses are incurred and reported to CSURMA AORMA within one (1) year or the date of the accident; and
  - C. The injured person submits to examination, at CSURMA AORMA's expense, by physicians of the CSURMA AORMA's choice as often as CSURMA AORMA reasonably require.
    - 1) CSURMA AORMA will make these payments regardless of fault. These payments will not exceed the applicable limit of coverage. CSURMA AORMA will pay reasonable expenses for:
      - a) First aid administered at the time of an accident;
      - b) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
      - c) Necessary ambulance, hospital, professional nursing and funeral services.
    - 2) The Program will not pay expenses for **Bodily Injury**:
      - a) To any **Member**;
      - b) To a person hired to do work for or on behalf of any **Member** or a tenant of any **Member**;

- c) To a person injured on that part of premises the **Member** owns or rents that the person normally occupies;
- d) To a person, whether or not an **Employee** of any **Member**, if benefits for **Bodily Injury** are payable or must be provided under workers' compensation or disability benefits law or a similar law;
- e) To a person injured while taking part in athletics;
- f) To a person who is a student of the California State University or a participant enrolled in a CSU sponsored program;
- g) Included with the products- **Completed Operations Hazard**; and
- h) Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

**Domestic Hired Automobile Physical Damage** - Subject to the limit of liability stated in the Declarations, CSURMA AORMA will pay for physical damage **Loss** to a **Hired Automobile** or its equipment. The coverage provided by this endorsement is excess over any other collectible coverage. CSURMA AORMA will pay expenses for which a **Covered Party** becomes legally responsible to pay for loss of use of a Hired Automobile under a written rental contract or agreement. However, the most CSURMA AORMA will pay for any expenses for loss of use is \$60 per day, to a maximum of \$1,800. CSURMA AORMA will pay up to the limits shown in the Declarations Page for towing and labor costs incurred each time a covered Hired Automobile of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

A **Hired Automobile** is defined as a land motor vehicle designed for travel on public roads that the **Covered Party** may hire, lease, rent or borrow for no more than thirty (30) days by execution of a contract within the Coverage Territory. **Hired Automobile** does not include;

1. Those types of **Hired Automobiles** excluded under Exclusions A and B below, or to Mobile Equipment.
2. A **Hired Automobile** a **Covered Party** may hire, lease, rent or borrow from a **Member** of his/her household.
3. A **Hired Automobile** a **Covered Party** may hire, lease, rent or borrow with a driver.

**Loss** as used in this extension means direct and accidental loss or damage.

The most CSURMA AORMA will pay for Loss in any one accident is the lesser of:

1. The actual cash value of the damaged or stolen property at the time of the Loss; or
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
3. \$50,000.

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

This coverage extensions applies to losses occurring in the United States of America; and the territories and possessions of the United States of America; and Puerto Rico.

CSURMA AORMA shall not be obligated to make any payments in connection with;

1. Loss to any Expensive, Exotic or Antique **Hired Automobile**; semi-trailer trucks; motorcycles, mopeds, or motorbikes. Antique **Automobile** is defined as any vehicle over twenty (20) years old or any vehicle that has not been manufactured for ten (10) years or more. Examples of excluded Expensive or Exotic vehicles include but are not limited to those manufactured by Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maaserati, Porsche and Rolls Royce. However, selected models of BMW, Mercedes-Benz, Cadillac and Lincoln are covered.
2. Loss to any **Hired Automobile** while used in any professional or organized racing or demolition contest or stunt activity, or while practicing for such contest or activity. CSURMA AORMA will also not pay for Loss to any covered **Hired Automobile** while that covered **Hired Automobile** is being prepared for such contest or activity.
3. Loss caused by or resulting from any of the following unless caused by other Loss that is covered by this coverage:
  - A. Wear and tear, freezing or mechanical or electrical breakdown; or
  - B. Blowouts, punctures or other road damage to tires.
4. Loss to any of the following:
  - A. Tapes, records, discs, or other similar audio, visual data electronic devices designed for use with audio, visual or data electronic equipment.
  - B. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measuring equipment.
  - C. Any electronic equipment, without regard to whether the equipment is permanently installed, that receives or transmits audio, visual, or data signals and that is not designed solely for the reproduction of sound.
  - D. Any accessories used with the electronic equipment described in Exclusion d.iii do not apply to:
    - 1) Equipment designed solely for the reproduction of sound and accessories, provided such equipment is permanently installed in the covered **Hired Automobile** at the time of the loss or such equipment is removable from a housing unit which is permanently installed in the covered **Hired Automobile** at the time of loss, and such equipment is designed to be solely operated by use of the power from the

covered **Hired Automobile's** electrical system, in or upon the covered **Hired Automobile**.

- 2) Any other electronic equipment that is:
  - a) Necessary for the normal operation of the covered **Hired Automobile** or the monitoring of the covered **Hired Automobile's** operating system
  - b) An integral part of the same unit housing any sound reproducing equipment described above in i. above and permanently installed in the opening of the dash or console of the covered **Hired Automobile** normally used by the manufacturer for installation of a radio.
- E. CSURMA AORMA will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this Endorsement.
- F. Loss arising out of any violation of the rental car agreement. This exclusion does not apply to operation of a **Hired Automobile** on non-paved roads when the off-road operation is authorized by a **Covered Party** for an appropriate business operation and the **Hired Automobile** is appropriate for the conditions of the non-paved road.
- G. Damage to **Hired Automobile's** that are hired, rented or borrowed for more than thirty (30) consecutive days.
- H. Loss or theft of personal belongings.
- I. **Damages** resulting from any **Covered Party's** personal liability.
- J. Loss due to intentional acts, or due to the driver(s) being under the influence of alcohol, intoxicants, or drugs, or due to contraband or illegal activities.
- K. CSURMA AORMA will not pay for confiscation by authorities.
- L. CSURMA AORMA will not pay for losses reported more than forty-five (45) days from the date of loss.

#### SECTION VIII – CONDITIONS

1. Action Against CSURMA AORMA - No action shall lie against CSURMA AORMA unless, as a condition precedent thereto, the **Covered Party** shall have fully complied with all the terms of this Memorandum nor until the amount of the **Covered Party's** obligation to pay shall have been finally determined whether by judgment against the **Covered Party** after actual trial or by written agreement of the **Covered Party**, the claimant and CSURMA AORMA. Said judgment shall not be deemed final, if an appeal be prosecuted therefrom, until the suit shall have been finally determined on appeal. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this document to the extent of the coverage afforded by this document. Nothing contained in this document shall give any person or organization any right to join CSURMA AORMA as a co-

defendant in any action against the **Covered Party** to determine such **Covered Party's** liability. Under no circumstance shall CSURMA AORMA be liable for consequential damages, "bad faith" damages, or any sums beyond the amounts due under Section I – Coverages, plus interest at the same rate as the CSURMA earned on investments for the time period involved.

2. Arbitration:

A. In the event that a question or dispute arises between CSURMA AORMA and a **Covered Party** concerning the applicability of the coverage provided by this document to an **Occurrence** or **Wrongful Act** or **Claim** against the **Covered Party**, either the **Covered Party** or CSURMA AORMA 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.

B. If a **Covered Party** and CSURMA AORMA fail to agree upon an arbitrator, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request selection by a judge of a court having jurisdiction. Each party will bear the expense it incurs, and the two parties will bear the expense of the third arbitrator equally. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will constitute a determination of the matter in question or dispute.

C. 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.*).

3. Assignment: No assignment of interest under this Memorandum shall bind CSURMA AORMA without its written consent to endorse hereon.

4. Bankruptcy or Insolvency: Bankruptcy or insolvency of the **Member** or any **Covered Party** shall not relieve CSURMA AORMA of any of its obligations hereunder nor shall such bankruptcy or insolvency increase CSURMA AORMA'S obligations hereunder.

5. Cancellation and Termination:

Coverage provided under this Memorandum may be terminated at any time in accordance with the terms set forth in the CSURMA Joint Powers Agreement and Bylaws and the Policies and Procedures.

6. Changes to the Memorandum: This Memorandum may not be amended or changed in any respect, nor shall any provision of this Memorandum be deemed to have been waived by CSURMA AORMA, unless and until a written endorsement which expressly amends this Memorandum or waives a provision thereof has been duly issued by CSURMA AORMA and made a part of this Memorandum, unless the CSURMA AORMA policies and procedures regarding claims reporting and claims administration and litigation management have been amended by CSURMA AORMA.

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

8. Contribution Payment: The annual contribution payment shall be due and payable upon inception of coverage and each renewal thereafter. The amount of the annual contribution will be computed

in accordance with CSURMA AORMA's rules and rates. CSURMA AORMA shall not be required to perform any obligations under this Memorandum if contributions are not paid.

9. Duties in the Event of Occurrence, Wrongful Act, Claim or Suit: The following provisions and the provisions of the CSURMA AORMA Memorandum and Policy and Procedure on claims reporting and Claims Administration and Litigation Management are conditions precedent to coverage under this Memorandum. The **Covered Party's** failure to comply with any of these provisions will be cause for a reduction in or denial of coverage by CSURMA AORMA.
- A. In the event of any **occurrence** or an offense which may result in a claim, suit or proceeding against a **Covered Party**, written notice (includes e-mail correspondence, fax transmissions and original hard copy notifications) shall be given by the **Member** to the Third Party Claims Administrator (TPA) as soon as practicable.
- B. When the **Member** submits the first claim report, the following information shall be included, if available and applicable:
- 1) How, when and where the **occurrence** or offense took place;
  - 2) The names and addresses of any injured persons and witnesses;
  - 3) The nature and location of any injury or damage arising out of the **occurrence** or offense;
  - 4) Incident reports;
  - 5) Investigation reports;
  - 6) Police reports;
  - 7) Claim notices and **Member** and any other involved **Covered Party** response(s);
  - 8) Medical reports; and
  - 9) Other information helpful to CSURMA AORMA.
- C. The **Member** and any other involved **Covered Party** shall provide immediate notice of any Pleadings, Summons, Complaints and any other legal papers received by the **Member** or other involved **Covered Party** to the TPA and authorize CSURMA AORMA to obtain records and other information;
- 1) Late Reporting Penalties
    - a) If an **occurrence**, offense, claim, suit or proceeding is not reported by the **Member** to the TPA within the timeframes set below; the following late reporting schedule shall apply;
    - b) If an **occurrence**, offense, claim or suit is reported 1-6 months late as determined by the TPA, a 25% reduction of coverage will apply;

- c) If an **occurrence**, offense, claim or suit is reported 7-12 months late as determined by the TPA, a 50% reduction of coverage will apply; or
    - d) If an **occurrence**, offense, claim or suit is reported more than 12 months late as determined by the TPA, no recovery will be available to the **Member** or other involved **Covered Party**.
  - D. The **Member** and any other involved **Covered Party** will cooperate with CSURMA AORMA in the investigation or settlement of the claim, suit or proceeding or defense against and assist CSURMA AORMA, in the enforcement of any right against any person or organization which may be liable to the **Member** because of injury or damage to which this coverage may also apply.
- 10. **Inspection and Audit:** CSURMA AORMA shall have the right, but not the obligation, to inspect the **Member's** property and operations at any time. Neither our right to make inspections, nor the making thereof, nor any report thereon shall constitute an undertaking, on behalf or benefit of the **Member** or others, to determine or warrant that such property or operations are safe or healthy.  
  
The **Member** shall maintain records of such information as is necessary for premium computation, and shall send copies of such record to CSURMA AORMA at the end of the **Coverage Period** and at such times during the **Coverage Period** as we may direct. CSURMA AORMA may examine and audit **Member's** books and records as they related to this Policy at any time during the **Coverage Period** and extensions thereof and within three (3) years after the final termination of this Policy.
- 11. **No Voluntary Payments:** Except as stated below, no **Member** will, except at that **Member's** own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the consent of CSURMA AORMA.  
  
With respect to **Employment Practices Liability**, as stated in CSURMA AORMA Policy and Procedure on **Claims** Reporting, in no event shall any payments be made by CSURMA AORMA for any costs incurred to defend a covered **Claim** more than thirty (30) days prior to written notification of an **Occurrence**, offense, **Claim** or suit to the TPA.  
  
Moreover, no settlement of any **Claim** shall be paid by CSURMA AORMA without prior written authorization of the TPA.  
  
As requested, CSURMA AORMA shall be entitled to complete access to the **Member's** claim file, the defense attorney's complete file, and all investigation material and reports, including all evaluations and information on negotiations. The **Member** shall be responsible to report on the progress of the litigation and any significant developments at least quarterly to CSURMA AORMA, and to provide CSURMA AORMA with simultaneous copies of all correspondence provided to the **Covered Party** by its defense attorneys and/or agents.
- 12. **Other Coverage:** If other valid and collectible coverage is available to the **Covered Party** for a covered claim, CSURMA AORMA's obligations are limited as follows:
  - A. **Primary Coverage**  
  
This coverage is primary except when Paragraph 3 below applies. If this coverage is primary, CSURMA AORMA's obligations are not affected unless any of the other

coverage is also primary. Then, CSURMA AORMA will share with all other coverage by the method described in Paragraph 3 below.

B. Excess Coverage:

- 1) With respect to liability for damages of the Covered Party arising from the conduct or activities of a third party, as between the Member and the CSURMA AORMA, the amount of the Member's deductible as set forth in the Declarations of this Memorandum shall be satisfied in whole or in part (as applicable, depending on how much other coverage is available) by any insurance coverage of said third party/parties which is available and applicable to the liability for damages of the Covered Party. If such third-party insurance coverage exceeds the Member's deductible, all of such third-party insurance coverage (whether written on a primary or an excess basis, or written as reinsurance) shall apply to the loss before the CSURMA AORMA's limits hereunder shall attach.
- 2) When this coverage is excess, CSURMA AORMA will have no duty to defend the Covered Party against any suit if any other coverage provider has a duty to defend the Covered Party against that suit. If no other coverage provider defends, CSURMA AORMA will undertake to do so, but CSURMA AORMA will be entitled to the Covered Party's rights against all those other coverage providers.
- 3) CSURMA AORMA will share the remaining ultimate net loss, if any, with any other coverage that is not described in this provision and was not bought specifically to apply in excess of the limits of liability shown in the Declarations.

C. Method of Sharing:

- 1) If all of the other coverage permits contribution by equal shares, CSURMA AORMA will also permit contribution by equal shares. Under this approach, each coverage provider contributes equal amounts until the applicable limit of liability has been paid or none of the ultimate net loss remains, whichever comes first; or
- 2) If any of the other coverage providers does not permit contribution by equal shares, CSURMA AORMA will contribute by limits. Under this method, each coverage provider's share is based on the ratio of its applicable limit of liability to the total applicable limits of liability of all coverage providers.

13. Contribution: The Contribution designated in the Declarations Page is flat and not adjustable, unless:

- A. A material exposure is added;
- B. The Limits of Liability are increased or decreased;
- C. Coverage is restricted or broaden by endorsement; or
- D. The **Coverage Period** is increased or shortened

14. Separation of Covered Parties: Except with respect to the Section III – Limitations Upon CSURMA AORMA’s Liability, and any rights or duties specifically assigned to this Memorandum, this coverage applies:
  - A. As if each **Covered Party** were the only **Covered Party**; and
  - B. Separately to each **Covered Party** against whom the **Claim** is made or suit is brought.
15. 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.
16. Subrogation/Transfer of Rights of Recovery Against Others to CSURMA AORMA: CSURMA AORMA shall be subrogated to the extent of any payment hereunder, to all of **Member’s** rights of recovery and **Member** shall do nothing after loss to prejudice such rights and shall do everything necessary to secure such rights. **Member** may elect to waive their rights to subrogation prior to a loss. To the extent that **Member** elects to waive such rights, CSURMA AORMA shall have no right of subrogation. Any amount recovered shall be apportioned as follows:

Any interest, including yours, having paid an amount in excess of **Member’s Deductible** plus the Limit of Liability hereunder shall be reimbursed first to the extent of actual payment. CSURMA AORMA shall be reimbursed next, to the extent of actual payment hereunder. If any balance then remains unpaid, it shall be applied to reimburse the Member. 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.

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

**CALIFORNIA UNINSURED OR UNDERINSURED MOTORISTS  
COVERAGE BODILY INJURY  
AMENDATORY ENDORSEMENT - #1**

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

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

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

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

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

A. Coverage

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

B. Exclusions

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

1. Punitive or exemplary **Damages**.

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

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

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

C. Limit of Liability

1. Regardless of the number of covered **Automobiles**, the **Member**, premiums paid, **Claims** made or **Automobiles** involved in the **Occurrence**, the most CSURMA AORMA will pay for all **Damages** resulting from any one **Occurrence** is the limit of liability for Uninsured or Underinsured Motorists coverage shown in the schedule of Declarations Page.
2. For an **Automobile** described in Paragraph b. of the definition of Uninsured Motor Vehicle, our limit of liability shall be reduced by all sums paid because of **Bodily Injury** by or for anyone who is legally responsible, including all sums paid or payable under this policy's liability coverage.
3. No one will be entitled to receive duplicate payment under this coverage for any element of **Damages** for which payment has been made by or for anyone who is legally responsible.

4. CSURMA AORMA will not make a duplicate payment under this coverage for any element of **Damages** for which payment has been made by or for anyone who is legally responsible.
5. CSURMA AORMA will not pay for any element of **Damages** if a person is entitled to receive payment for the same element of **Damages** under any workers' compensation, disability benefits or similar law.

D. Changes in Conditions

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

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

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

- a. Agreement as to the amount due under this Memorandum has been concluded;
- b. The **Covered Party** has formally instituted arbitration proceedings against CSURMA AORMA. In the event that the **Covered Party** decides to arbitrate, the **Covered Party** must formally begin arbitration proceedings by notifying CSURMA AORMA in writing, sent by certified mail, return receipt requested; or

- c. **Claim**, suit or proceeding, for **Bodily Injury** has been filed against the Uninsured Motorist in a court of competent jurisdiction.
  - 3. Transfer of Rights of Recovery Against Others to CSURMA AORMA is replaced by the following:
    - a. With respect to Paragraphs a., c. and d. of the definition of Uninsured or Underinsured Motor Vehicle, if CSURMA AORMA makes any payment, CSURMA AORMA is entitled to recover what CSURMA AORMA paid from other parties. Any person to or for whom CSURMA AORMA makes payment must transfer to CSURMA AORMA his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
    - b. With respect to Paragraph b. of the definition of Uninsured or Underinsured Motor Vehicle, if CSURMA AORMA makes any payment and the **Covered Party** recovers from another party, the **Covered Party** shall hold the proceeds in trust for CSURMA AORMA and pay back the amount CSURMA AORMA has paid.
  - 4. Other Insurance is replaced by the following:
 

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

    - a. The maximum recovery under all endorsements and the memorandum combined may equal but not exceed the highest applicable limit for any one **Automobile** under any endorsement and the memorandum providing coverage on either a primary or excess basis.
    - b. Any coverage CSURMA AORMA provides with respect to an **Automobile** the **Member** does not own shall be excess over any other collectible Uninsured or Underinsured Motorists insurance providing coverage on a primary basis.
    - c. If the coverage under this endorsement is provided:
      - i. On a primary basis, CSURMA AORMA will pay only the share of the **Damages** that must be paid under this Memorandum providing coverage on a primary basis. CSURMA AORMA's share is the proportion that the limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- E. Additional Definitions
- 1. Occupying means in, upon, getting in, on, out or off.
  - 2. Uninsured or Underinsured Motor Vehicle means a land motor **Automobile** or trailer:

- a. For which no liability bond or policy at the time of an **Occurrence** provides at least the amounts required by the applicable law where a covered **Automobile** is principally garaged;
- b. That is an Underinsured Motor Vehicle. An Underinsured Motor Vehicle is a land motor vehicle or for which the sum of all liability bonds or policies at the time of an **Occurrence** provides at least the amounts required by the applicable law where a covered **Automobile** is principally garaged but that sum is less than the limit of liability for this coverage;
- c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
- d. That is a hit-and-run **Automobile** and neither the driver nor owner can be identified. The **Automobile** must make physical contact with a **Covered Party**, a covered **Automobile** or an **Automobile** a **Covered Party** is occupying; or
- e. That is owned by the **Member** and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, Uninsured Motor Vehicle does not include any **Automobile**:

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

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



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

**NON-SALARIED STATE EMPLOYEE AUTO LIABILITY  
AMENDATORY ENDORSEMENT - #2**

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

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

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

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

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

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

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

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

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

**FIDUCIARY LIABILITY  
AMENDATORY ENDORSEMENT - #3**

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

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

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

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

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

**B. LIMIT OF LIABILITY: (As shown on the Declarations Page)**

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

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

**C. EXCLUSIONS**

Exclusion 7 - Employee Benefits Liability Claim, Exclusion 9 – Employee Retirement Income Security Act (ERISA) and Exclusion 10 - Fiduciary Liability do not apply to the **Administration**

of the **Covered Party's** Employee Benefit Plans or **Covered Party's** Trusts, but only up to the limit of liability stated above for CSURMA AORMA.

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

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

D. DEFINITIONS

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

1. **Administration** means:
  - a. Providing information, advice, counsel or notice to **Employees** or Trust beneficiaries, with respect to the Employee Benefits Plan or Trust;
  - b. Providing interpretations of the Employee Benefits Plan or Trust;
  - c. Handling records in connection with the Employee Benefits Plan or Trust, or
  - d. Effecting enrollment, termination or cancellation of **Employees**, participants, or beneficiaries under the Employee Benefit Plan.
  
2. **Claim** means:
  - a. A written demand for specific monetary, non-pecuniary, or injunctive relief;
  - b. A criminal or civil proceeding for monetary, non-pecuniary or injunctive relief which is commenced by;
    - i. Service of a complaint or similar pleading; or
    - ii. Return of an indictment (in the case of criminal proceeding); or
    - iii. Receipt or filing of a notice of changes; or
  - c. A formal agency or regulatory proceeding to which a **Covered Party** is subject  
Made against a **Covered Party** alleging a **Wrongful Act**.
  
3. **Claims Expenses** mean reasonable expenditures incurred by a **Covered Party** in defense of a **Claim** covered under this endorsement, including but not limited to, cost of investigations, experts, adjustment services, legal services, court costs and similar expenses; provided however that **Claims Expenses** does not include wages or salaries of a **Covered Party**, or cost of attachment or similar bonds.
  
4. **Covered Party** means any natural person who was, is now, or becomes:
  - a. A trustee, **Member** of the board of directors, officer, in-house general counsel or an **Employee** of the **Member** of an Employee Benefit Plan or Trust, while acting in his or her capacity as a fiduciary of an Employee Benefit Plan or Trust or as a person performing **Administration** for an Employee Benefit Plan or Trust, or who is;
  - b. Assigned to act as a trustee, or an agent for finances of an Employee Benefit Plan or Trust.

5. Employee Benefit Plan means a program providing some or all of the following benefits to **Employees**:
  - a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an **Employee** may subscribe to such benefits and such benefits are made generally available to those **Employees** who satisfy the plan's eligibility requirements;
  - b. Pension plans, provided that no one other than an **Employee** may subscribe to such benefits and such benefits are made generally available to all **Employees** who are eligible under the plan for such benefits;
  - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
  - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family and civil leave, tuition assistance plans; transportation and health club subsidies.
  
6. Insured means:
  - a. **Member**
  - b. Elected/Appointed Officials: all past, present and future, including the **Member's** Designated Professional Fiduciary
  - c. **Employees**: all past, present, and future
  
7. Loss means the amount which a **Covered Party** is legally and personally liability to pay on account of a **Claim** first made or instituted during the **Coverage Period** covered under and not excluded by this additional coverage endorsement.
  
8. Retroactive Date shall mean any **Claim** or Loss reported pursuant to the terms and conditions herein and rendered on or after the date set forth herein:

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

<u>Campus</u>	<u>AORMA Member</u>	<u>Retroactive Date</u>
Chico	Associated Students of CSU Chico	July 1, 2005
Long Beach	CSU Long Beach Foundation	July 1, 2008
Los Angeles	Associated Students Inc. CSU Los Angeles	July 1, 2007
Northridge	The University Corp., CSU Northridge	October 1, 1991
Northridge	University Student Union, CSU Northridge	October 1, 1999
Sacramento	Capital Public Radio, CSU Sacramento	April 15, 2010
San Jose	San Jose University Research Foundation	July 1, 2002
San Jose	Spartan Shops, Inc.	February 1, 1998

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

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

**EMPLOYMENT PRACTICES LIABILITY MEMBER DEDUCTIBLES  
FOR FY 20/21**

**ISSUE:** Staff completed the minimum EPL deductible calculation for FY 20/21. Six auxiliary organizations are subject to an EPL deductible higher than the minimum of \$25,000.

**RECOMMENDATION:** Staff recommends that the Committee review and approve the EPL deductible calculation, as well as revisions to Policy & Procedure L-7.

**FISCAL IMPACT:** None at this time; however, the updated EPL deductible will become effective July 1, 2020, and will have a direct fiscal impact for all EPL claims occurring within the FY 20/21 coverage term.

**BACKGROUND:** Noted below are the proposed FY 20/21 EPL deductibles.

Campus	Auxiliary Organization	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17
Chico	Chico State Enterprises	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Long Beach	Associated Students, California State University, Long Beach	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
Long Beach	California State University, Long Beach Research Foundation	\$ 50,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 75,000
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 50,000	\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000
San Diego	San Diego State University Research Foundation	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
San Marcos	California State University, San Marcos Corporation	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000

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

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

**PUBLICATION:** Those Members who will have an EPL deductible in excess of \$25,000 will be notified in September. All Members will receive the cost to voluntarily increase their EPL deductible in January, 2019.

**ATTACHMENT(S):**

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

**AORMA Liability Program - EPL Deductible Schedule**

#	Campus	Auxiliary Organization	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
01-A	Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
01-B	Bakersfield	California State University, Bakersfield Auxiliary for Sponsored	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
01-C	Bakersfield	California State University, Bakersfield Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
01-D	Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
02-A	Chancellor's Office	California State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
02-B	Chancellor's Office	California State University Institute	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
03-A	Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
03-B	Channel Islands	California State University Channel Islands Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
03-C	Channel Islands	CI University Auxiliary Services, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
04-A	Chico	Associated Students of California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
25-A	Chico	Auxiliary Organization Associations	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
04-B	Chico	The CSU, Chico Research Foundation	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
04-C	Chico	The University Foundation, California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
05-A	Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
05-B	Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 25,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
05-C	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
05-D	Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000					
06-A	East Bay	Associated Students, California State University, East Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
06-B	East Bay	Cal State East Bay Educational Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
06-C	East Bay	California State University, East Bay Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000
07-A	Fresno	Associated Students, Inc. of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
07-B	Fresno	California State University, Fresno Association, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
07-C	Fresno	California State University, Fresno Foundation	\$ 25,000	\$ 25,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
07-D	Fresno	Fresno State Programs for Children, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
07-E	Fresno	The Agricultural Foundation of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
07-F	Fresno	The California State University, Fresno Athletic Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
08-A	Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
08-B	Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
08-C	Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
09-A	Humboldt	Associated Students, Humboldt State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
09-B	Humboldt	Humboldt State University Advancement Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
09-C	Humboldt	Humboldt State University Center Board of Directors	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
09-D	Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
10-A	Long Beach	Associated Students, California State University, Long Beach	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
10-B	Long Beach	California State University, Long Beach Research Foundation	\$ 50,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
10-C	Long Beach	CSULB 49er Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
10-D	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
11-A	Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
11-B	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000
11-C	Los Angeles	California State University, Los Angeles Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
11-D	Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
12-A	Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
12-B	Maritime Academy	The Associated Students of the California Maritime Academy	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
13-A	Monterey Bay	Foundation of California State University, Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
13-B	Monterey Bay	The University Corporation at Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14-A	Northridge	Associated Students, California State University, Northridge, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14-B	Northridge	California State University, Northridge Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14-C	Northridge	North Campus University Park Development Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14-D	Northridge	The University Corporation, CSU Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
14-E	Northridge	University Student Union of California State University, Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
15-A	Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
15-B	Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 50,000	\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 25,000
16-A	Sacramento	Associated Students of California State University, Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

**AORMA Liability Program - EPL Deductible Schedule**

#	Campus	Auxiliary Organization	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
16-B	Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
16-C	Sacramento	The University Foundation at Sacramento State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
16-D	Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
16-E	Sacramento	University Union Operation of CSUS, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
17-A	San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
17-B	San Bernardino	CSUSB Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
17-C	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
17-D	San Bernardino	University Enterprises Corporation at CSUSB	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
18-A	San Diego	Associated Students, San Diego State University	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
18-B	San Diego	Aztec Shops, Ltd., San Diego State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
18-C	San Diego	San Diego State University Research Foundation	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
18-D	San Diego	The Campanile Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
19-A	San Francisco	Associated Students, Inc., San Francisco State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
19-B	San Francisco	San Francisco State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
19-C	San Francisco	The University Corporation, San Francisco State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
20-A	San Jose	Associated Student, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
20-B	San Jose	San Jose State University Research Foundation	\$ 25,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
20-C	San Jose	Spartan Shops, Inc., San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
20-D	San Jose	The Student Union of San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
20-E	San Jose	The Tower Foundation, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
21-A	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
21-B	San Luis Obispo	Cal Poly Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000
21-C	San Luis Obispo	California Polytechnic State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
22-A	San Marcos	California State University San Marcos Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	San Marcos	San Marcos University Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
22-B	San Marcos	The Associated Students of California State University, San Marcos	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
22-C	San Marcos	California State University, San Marcos Corporation	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
23-A	Sonoma	Associated Students of Sonoma State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
23-B	Sonoma	Sonoma State Enterprises, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
23-C	Sonoma	Sonoma State University Academic Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
24-A	Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
24-B	Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
24-C	Stanislaus	California State University, Stanislaus Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
24-D	Stanislaus	University Student Union of California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

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

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

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

**AORMA Liability Program  
Employment Practices Liability Loss Information  
Paid Losses between July 1, 2014 to June 30, 2019**

CAMPUS	AUXILIARIES	CLAIMS #	TOTAL INCURRED	CLAIMS OVER \$25,000	
Chico	Chico State Enterprises	1881293	109,351	109,351	
	Chico State Enterprises	1989433	99,331	99,331	
	<b>Number of Claims</b>	<b>2</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>			
		Total for claims in excess of \$25,000: \$			208,682
		Minimum EPL deductible for FY 20/21 (w/o one level limitation): \$			75,000
	<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation): \$</b>			<b>50,000</b>	
	Minimum EPL deductible for FY 19/20: \$			25,000	
Dominguez Hills	California State University, Dominguez Hills Foundation	1947165	75,158	75,158	
	<b>Number of Claims</b>	<b>1</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>			
East Bay	California State University, East Bay Foundation, Inc.	1505817	23,532		
	California State University, East Bay Foundation, Inc.	1923272	1,772		
	<b>Number of Claims</b>	<b>2</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>			
Fresno	California State University, Fresno Association, Inc.	1603788	29		
	California State University, Fresno Association, Inc.	1888278	1,525		
	<b>Number of Claims</b>	<b>2</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>			
Fullerton	CSU Fullerton Auxiliary Services Corporation	1882328	144,566	144,566	
	<b>Number of Claims</b>	<b>1</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>			
Long Beach	Associated Students, California State University, Long Beach	1758506	164,427	164,427	
	Associated Students, California State University, Long Beach	1889986	542		
	Associated Students, California State University, Long Beach	1987739	1,845		
	<b>Number of Claims</b>	<b>3</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>			
		Total for claims in excess of \$25,000: \$			164,427
		Minimum EPL deductible for FY 20/21 (w/o one level limitation): \$			50,000
	<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation): \$</b>			<b>50,000</b>	
	Minimum EPL deductible for FY 19/20: \$			50,000	
Long Beach	California State University, Long Beach Research Foundation	1971627	190,110	190,110	
	California State University, Long Beach Research Foundation	1978740	328		
	<b>Number of Claims</b>	<b>2</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>			
		Total for claims in excess of \$25,000: \$			190,110
		Minimum EPL deductible for FY 20/21 (w/o one level limitation): \$			50,000
	<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation): \$</b>			<b>50,000</b>	
	Minimum EPL deductible for FY 19/20: \$			25,000	
Monterey	The University Corporation at Monterey Bay	1926306	4,180		
	<b>Number of Claims</b>	<b>1</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>			
Northridge	Associated Students, California State University, Northridge, Inc.	1967624	234		
	<b>Number of Claims</b>	<b>1</b>			
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>			

**AORMA Liability Program  
Employment Practices Liability Loss Information  
Paid Losses between July 1, 2014 to June 30, 2019**

CAMPUS	AUXILIARIES	CLAIMS #	TOTAL INCURRED	CLAIMS OVER \$25,000
	The University Corporation, CSU Northridge	1593276	1,672	
	The University Corporation, CSU Northridge	1600567	248	
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Pomona	The Cal Poly Pomona Foundation, Inc.	1946868	133,406	133,406
	The Cal Poly Pomona Foundation, Inc.	1975465	1,372	
	The Cal Poly Pomona Foundation, Inc.	1989747	1,379	
	<b>Number of Claims</b>	<b>3</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
	Total for claims in excess of \$25,000:		\$	133,406
	Minimum EPL deductible for FY 20/21 (w/o one level limitation):		\$	50,000
	<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation):</b>		<b>\$</b>	<b>50,000</b>
	Minimum EPL deductible for FY 19/20:		\$	50,000
Sacramento	Associated Students of California State University, Sacramento	1985019	14,110	
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
Sacramento	Capital Public Radio, Inc., CSU Sacramento	1958579	36,599	36,599
	Capital Public Radio, Inc., CSU Sacramento	1975798	156	
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
	University Enterprises, Inc., CSU Sacramento	1755960	28,311	28,311
	University Enterprises, Inc., CSU Sacramento	1879642	240	
	University Enterprises, Inc., CSU Sacramento	1904741	13,760	
	University Enterprises, Inc., CSU Sacramento	1907365	155	
	<b>Number of Claims</b>	<b>4</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
San Bernardino	Santos Manual Student Union of California State University, San Bernardino	1925523	151	
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Diego	Associated Students, San Diego State University	1895248	10,816	
	Associated Students, San Diego State University	1915115	65,588	65,588
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>1</b>		
San Diego	San Diego State University Research Foundation	1733219	665,157	665,157
	San Diego State University Research Foundation	1763201	111	
	San Diego State University Research Foundation	1768697	955	
	San Diego State University Research Foundation	1947012	91,013	91,013
	San Diego State University Research Foundation	1969178	170,285	170,285
	San Diego State University Research Foundation	1970273	43,491	43,491
	San Diego State University Research Foundation	1979835	43,033	43,033
	<b>Number of Claims</b>	<b>6</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>5</b>		
	Total for claims in excess of \$25,000:		\$	1,012,979
	Minimum EPL deductible for FY 20/21 (w/o one level limitation):		\$	100,000
	<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation):</b>		<b>\$</b>	<b>100,000</b>
	Minimum EPL deductible for FY 19/20:		\$	100,000

**AORMA Liability Program  
Employment Practices Liability Loss Information  
Paid Losses between July 1, 2014 to June 30, 2019**

CAMPUS	AUXILIARIES	CLAIMS #	TOTAL INCURRED	CLAIMS OVER \$25,000
San Francisco	Associated Students, Inc., San Francisco State University	1972323	484	
	<b>Number of Claims</b>	<b>1</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Jose	San Jose State University Research Foundation	1614600	544	
	San Jose State University Research Foundation	1879863	73	
	San Jose State University Research Foundation	1969197	710	
	San Jose State University Research Foundation	1972956	772	
	<b>Number of Claims</b>	<b>4</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>0</b>		
San Marcos	California State University San Marcos Corporation	1892678	66,462	66,462
	California State University San Marcos Corporation	1951429	98,111	98,111
	<b>Number of Claims</b>	<b>2</b>		
	<b>Number of Claims in excess of \$25,000</b>	<b>2</b>		
			Total for claims in excess of \$25,000: \$	164,573
			Minimum EPL deductible for FY 20/21 (w/o one level limitation): \$	50,000
			<b>Minimum EPL deductible for FY 20/21 (w/ one level limitation): \$</b>	<b>50,000</b>
			Minimum EPL deductible for FY 19/20: \$	50,000



**CSURMA AORMA**

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

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

**ADOPTED: MAY 12, 2011**

**AMENDED: JULY 1, 2011  
DECEMBER 6, 2012  
DECEMBER 5, 2013  
MARCH 19, 2015  
SEPTEMBER 6, 2018**

**EFFECTIVE: JULY 1, 2011**

**POLICY:**

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

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

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

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

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

- 2. Each Member will have the option of electing an EPL deductible in excess of the minimum deductible.
- 3. Should a Member elect an EPL deductible in excess of the minimum EPL deductible, then that Member will be required to maintain the same EPL deductible for three full program years



## **CSURMA AORMA**

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

(July 1<sup>st</sup> to June 30<sup>th</sup>) before selecting a new EPL deductible. EPL deductibles can only be changed at the beginning of the coverage term – July 1<sup>st</sup> of each year. If, however, the formula for determining the minimum EPL deductible results in a deductible level higher than the EPL deductible level elected by the Member, the Member's EPL deductible will increase to the deductible level determined by the formula. Because the election of higher EPL deductibles can only be changed once per every three full program years, CSURMA AORMA strongly recommends a review of prior years' claims and consultation with the JPA Program Administrator before making any decisions regarding these higher EPL deductibles.

4. As outlined in Policy and Procedure L-1, Claims Reporting, it is the policy of CSURMA AORMA that written notice of any claim within the AORMA Liability Coverage Program be given to the Third Party Claims Administrator as soon as practicable. Failure to report a claim is cause for a reduction in or denial of coverage by AORMA.

### **PROCEDURE:**

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

### **DEFINITIONS:**

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

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

**EPL:** Employment Practices Liability.

## Consent to Change Employment Practices Liability Deductible

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

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

### CLAIMS REPORTING PROVISIONS

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

### LATE REPORTING PENALTIES

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

### DEFENSE COVERAGE PROVISIONS

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

### CLAIMS SETTLEMENT PROVISIONS

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

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

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

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

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## **EXCESS INSURANCE RENEWAL REPORT**

**ISSUE:** Most of CSURMA’s coverage programs renewed on July 1. This year was even more challenging than expected as the property and casualty market became extremely firm during the second quarter. We say “firm” rather than “hard” because we still did receive quotes for coverage terms similar to the expiring programs, but pricing increased substantially. In a hard market, there may be no options available that are comparable to the expiring program. Table 1 below shows the renewal cost change rather than the rate change. Additional increases in exposure, such as payroll increase or new buildings add further to the increase in cost.

Table 1  
**Renewal Cost Change Estimates**

Program	AORMA % Change	Campus % Change
Excess Liability	3%	+19%
Property	+16%	+26%
Worker’s Compensation	-8.6%	+5.1%
Builder’s Risk	N/A	Flat Rate
Fine Arts	N/A	0%
SPLIP & SAFECLIP	N/A	-5%
FTIP	N/A	+30%
Aviation	N/A	+10%
Medical Malpractice	N/A	0%
Fidelity	0%	0%

**RECOMMENDATION:** No action is requested at today’s meeting; this item is for information only.

**FISCAL IMPACT:** The cost of the insurance programs is included in the proposed budget and renewals that exceed projected costs reduce retained funds in the specific program fund.

**BACKGROUND:** CSURMA representatives met with CSURMA’s program underwriters in London, New York, Bermuda, San Francisco and Los Angeles. It became clear that the property insurance and Excess Liability Insurance would be the most challenging of the renewals.

Following are comments on the status of programs:

- **Excess Liability** – This program has seen loss development in the first excess layers for both the AORMA and Campus programs. AORMA was spared an increase in the

primary layer; however, the general market for public entities has seen substantial increases mainly driven by employment practices and police professional exposures. Catastrophic verdicts have underwriters concerned about California public entity risks. We are going to be in the market early for the July 2020 renewal as we expect further fallout due to general loss development and underwriters may pull back, increase rates or reduce coverages – or all three.

- **Property** – Property losses to both the AORMA and Campus programs has increased the past three years. While CSU performed well in the wet winter and recent wildfires, related losses and other losses continue to mount. Significant rate decreases in recent years were again partially eroded by increases at this renewal. The outlook for next year will not be known until the end of the calendar year.
- **Workers' Compensation** – CSURMA agreed to a two year rate agreement with EIA on favorable terms. Workers' Compensation has been a bright spot in the California market as a whole and especially for CSU due to improved loss experience.
- **Builders Risk** – This program is stable and the Program Administrator expects flat rate renewal, though general market pressures due to catastrophic property losses may result in an increase. Rates are down 25% in recent years; however, some claims reported by CSU after the renewal may impact next year's cost.
- **Fine Arts** – This program was launched in 2016 and the Program Administrator is pleased to report that underwriters did not increase rates this renewal as losses have stabilized.
- **SPLIP & SAFECLIP** – Perform exceptionally well with no losses and rates dropped by 5%
- **FTIP** – The loss ratio has stabilized at a level acceptable to underwriters. The Program Administrator reports a flat rate renewal with exposure (travel) increases. The overall FTIP program costs increased 30% because one of the coverage parts within FTIP is a three-year policy and it was renewed and invoiced this year.
- **Aviation** – This program has no losses but the market has firmed and we settled with a 10% rate increase.
- **Medical Malpractice** – This program is at minimum premium and we received a flat rate renewal despite a firming market.
- **Fidelity** – Claims have remained low but a claim in the fourth quarter resulted in a flat renewal rather than an expected reduction.

**PUBLICATION:** None.

**ATTACHMENT(S):** None.

**AORMA LIABILITY AND WORKERS' COMPENSATION PROGRAM  
 ACTUARIAL REPORTS VALUED AT JUNE 30, 2019**

**ISSUE:** CSURMA's retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The complete draft reports for the AORMA Liability and Workers' Compensation Programs are included separately with the agenda packet. Staff has highlighted here and in attachments to this item key findings and exhibits. The information provided by the actuary is used to establish fiscal year-end financial reports, and as the starting point in consideration of rates and funding for FY 20/21 as well as evaluating potential dividends. The Actuary's findings and recommendations are shown below:

Table 1 below, provides a comparison of the Estimated Outstanding Losses at an "expected" confidence level, undiscounted for investment income, including unallocated loss adjustment expenses.

**Table 1**

Estimated Outstanding Losses at an "expected" confidence level, undiscounted for investment income, including unallocated loss adjustment expenses			
Liability		Workers' Compensation	
At June 30, 2018	\$1,790,144	At June 30, 2018	\$2,888,491
At June 30, 2019	\$2,540,217	At June 30, 2019	\$1,898,361
<b>Change</b>	<b>42%</b>	<b>Change</b>	<b>-34%</b>

As shown in Table 1, the estimated outstanding losses at June 30, 2019 (within the liability program) increased 42%. This is mainly due to an increase in reported case reserves of \$569,383 from July 1, 2018 to June 30, 2019. The estimated outstanding losses at June 30, 2019 within the workers' compensation program decreased by 34% primarily due to the first dollar reinsurance agreement with CSAC EIA. Effective January 1, 2015, the AORMA workers' compensation program is fully reinsured; therefore, all outstanding liabilities between January 1, 2015 and June 30, 2019 are retained by CSAC EIA.

The *estimated outstanding losses* are the sum of case reserves and incurred but not report (IBNR) claims. They include allocated and unallocated loss adjustment (ALAE and ULAE) costs. *IBNR* is comprised of two distinct items (1) development of known case reserves, and (2) claims that have occurred but have not yet been reported.

Tables 2 and 3 below compare the actuary’s Projected Ultimate Net Limited Losses, Discounted between FY 19/20 and FY 20/21 at three different confidence levels. The actuary uses estimated payroll as the rating basis when projecting the funding requirements. Because the payroll estimate within each program increased, the funding percentage change and the rate percentage change do not track exactly.

**Table 2**

<b>Workers' Compensation Projected Ultimate Limited Losses, Discounted</b>		
<b>Term</b>	<b>Funding</b>	<b>Rate</b>
<b>80% Confidence Level</b>		
FY 19/20	\$3,734,000	0.99
FY 20/21	\$3,384,000	0.83
<b>Change</b>	<b>-9%</b>	<b>-16%</b>
<b>75% Confidence Level</b>		
FY 19/20	\$3,525,000	0.93
FY 20/21	\$3,194,000	0.78
<b>Change</b>	<b>-9%</b>	<b>-16%</b>
<b>70% Confidence Level</b>		
FY 19/20	\$3,345,000	0.89
FY 20/21	\$3,032,000	0.74
<b>Change</b>	<b>-9%</b>	<b>-17%</b>

**Table 3**

<b>Liability Projected Ultimate Limited Losses, Discounted</b>		
<b>Term</b>	<b>Funding</b>	<b>Rate</b>
<b>80% Confidence Level</b>		
FY 19/20	\$2,140,600	0.44
FY 20/21	\$1,946,000	0.39
<b>Change</b>	<b>10%</b>	<b>13%</b>
<b>75% Confidence Level</b>		
FY 19/20	\$1,957,120	0.40
FY 20/21	\$1,779,200	0.35
<b>Change</b>	<b>10%</b>	<b>14%</b>
<b>70% Confidence Level</b>		
FY 19/20	\$1,758,350	0.36
FY 20/21	\$1,598,500	0.32
<b>Change</b>	<b>10%</b>	<b>13%</b>

The *projected ultimate limited losses* are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. They include indemnification and allocated loss adjustment expenses (ALAE) but not unallocated loss

adjustment expenses (ULAE). The total costs are limited to the pooled layer (\$750,000 per loss for Workers' Compensation and \$500,000 per occurrence for Liability.) The projected ultimate limited losses are discounted for investment incoming using an annual return of 2%.

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

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

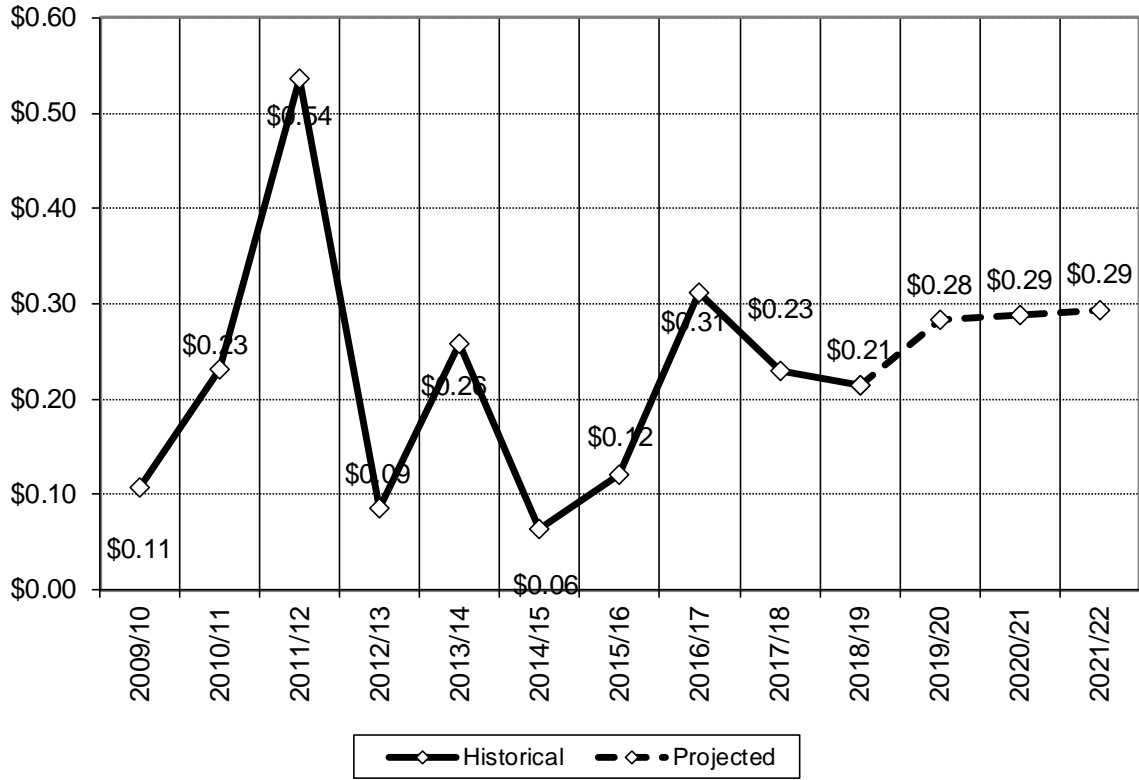
**BACKGROUND:** The complete actuarial study includes a discussion on the methodology used by the actuary to establish the financial projections for each coverage program. Staff will be present at today's meeting to review and comment on the findings in the reports.

**PUBLICATION:** None

**ATTACHMENT(S):**

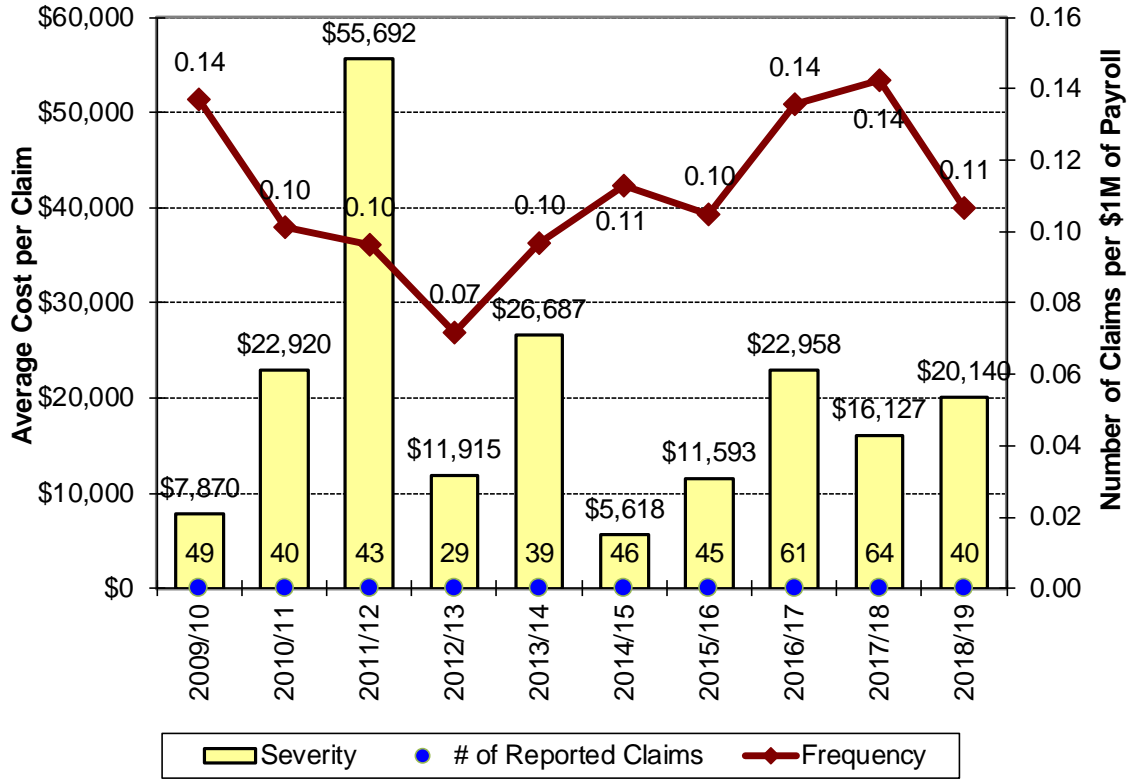
- a. Charts and exhibits from the Liability and Workers' Compensation draft actuarial reports valued at June 30, 2019.
- b. Complete copies of the draft studies dated August 13, 2019 are included separately with the agenda packet.

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



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

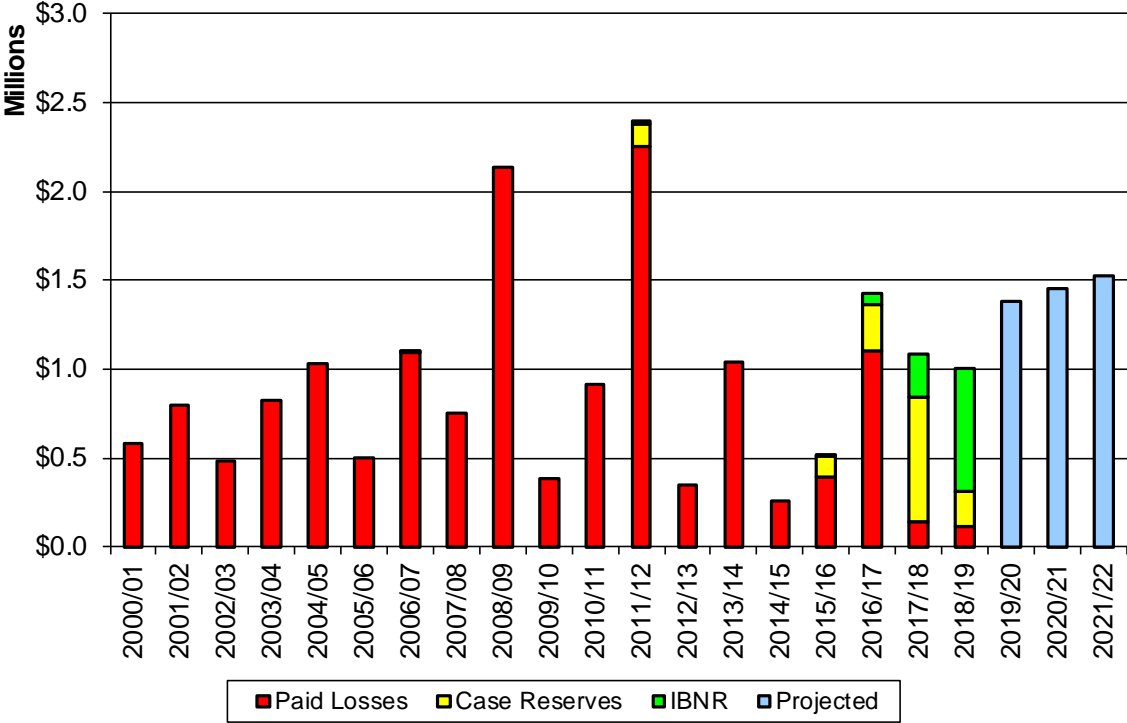
**Graph III-2  
Frequency and Severity**



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

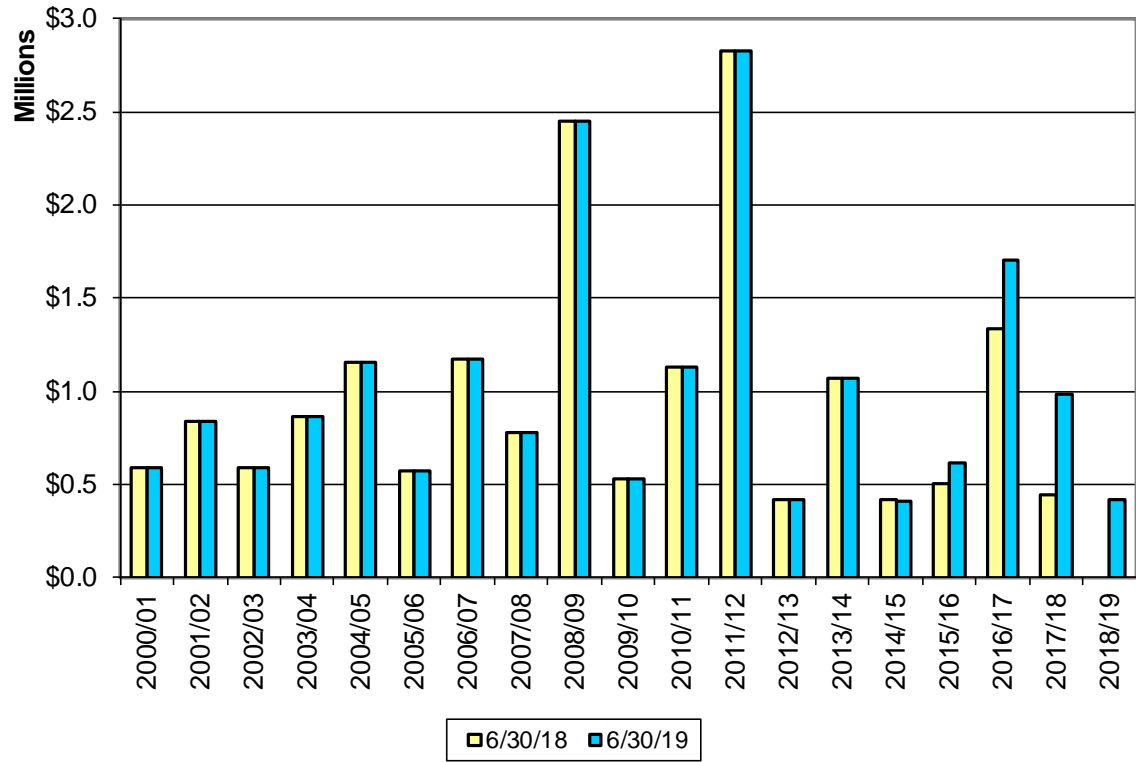
**Graph III-3**

### Composition of Projected Ultimate Limited Losses



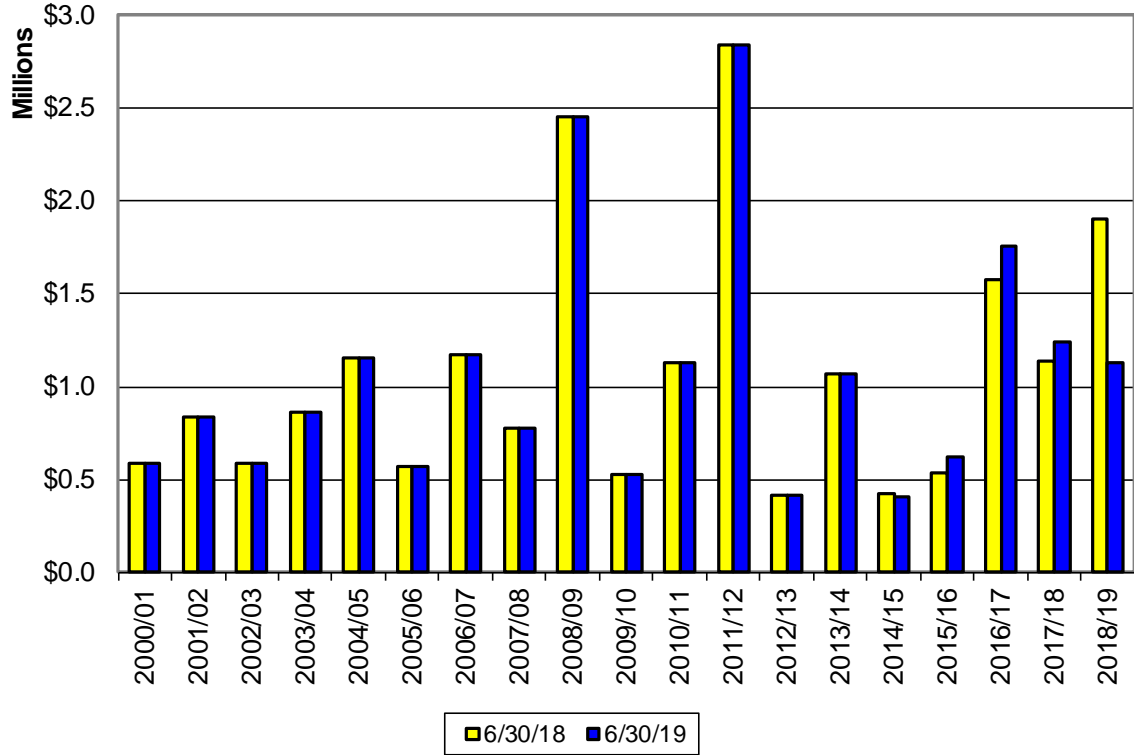
Note: Amounts through 2018/19 are from Exhibit LI-15.  
 Amounts for 2019/20 through 2021/22 are from Exhibit LI-14.

**Graph III-4  
Comparison of Limited Reported Incurred Losses  
as of June 30, 2018 and June 30, 2019**



Note: Amounts as of June 30, 2018 are from the previous actuarial study.  
Amounts as of June 30, 2019 are from Exhibit LI-12.

**Graph III-5  
Comparison of Projected Ultimate Limited Losses  
as of June 30, 2018 and June 30, 2019**

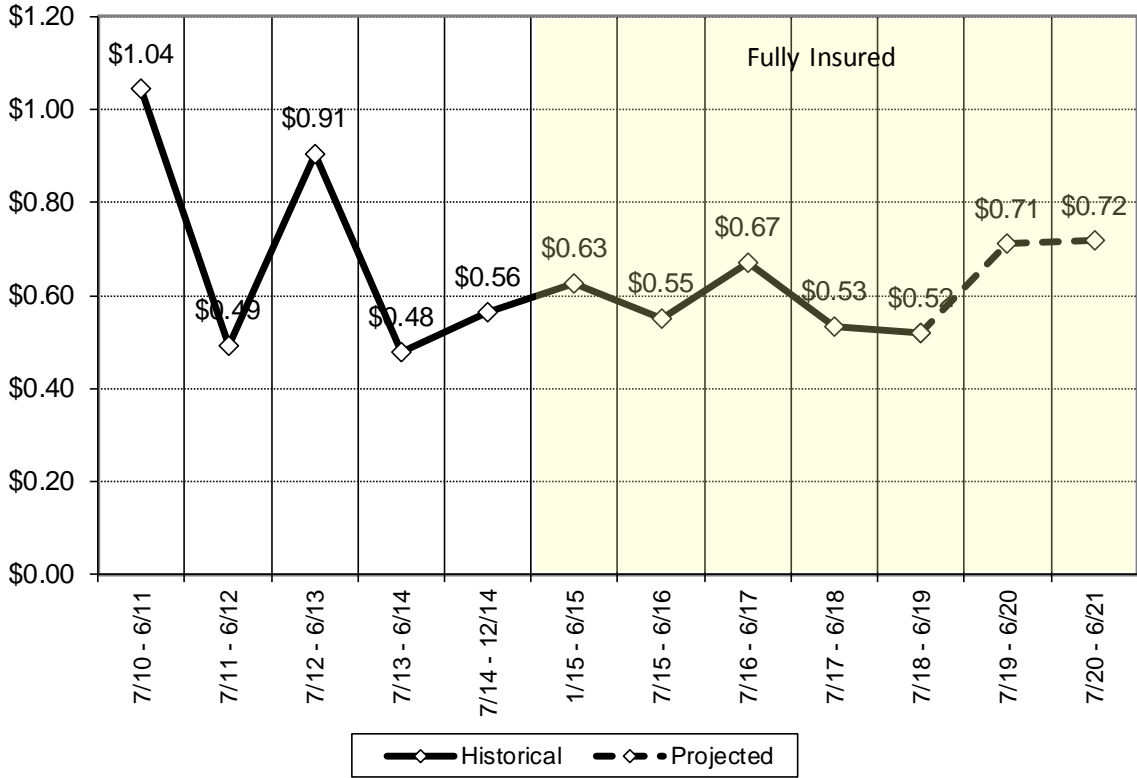


Note: Amounts as of June 30, 2018 are from the previous actuarial study.  
Amounts as of June 30, 2019 are from Exhibit LI-13.

**Graph III-6B  
Claim Size Distribution**

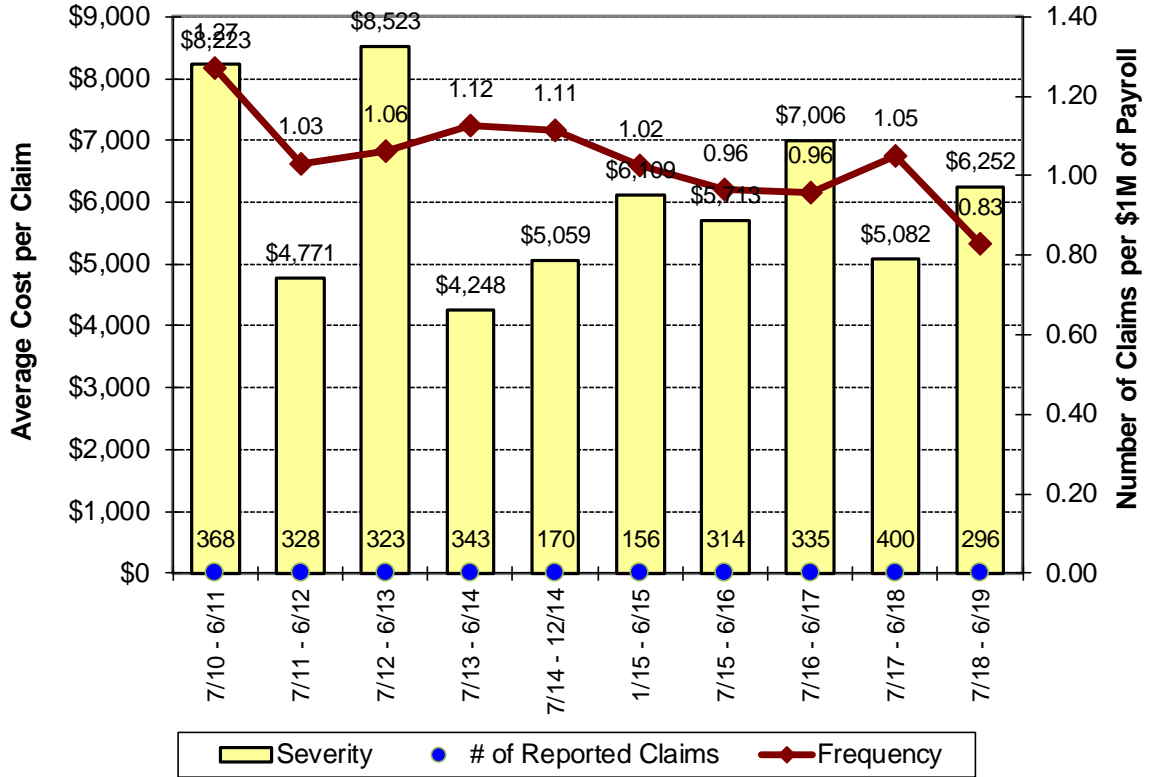


**Graph III-1  
Loss Rate per \$100 of Payroll**



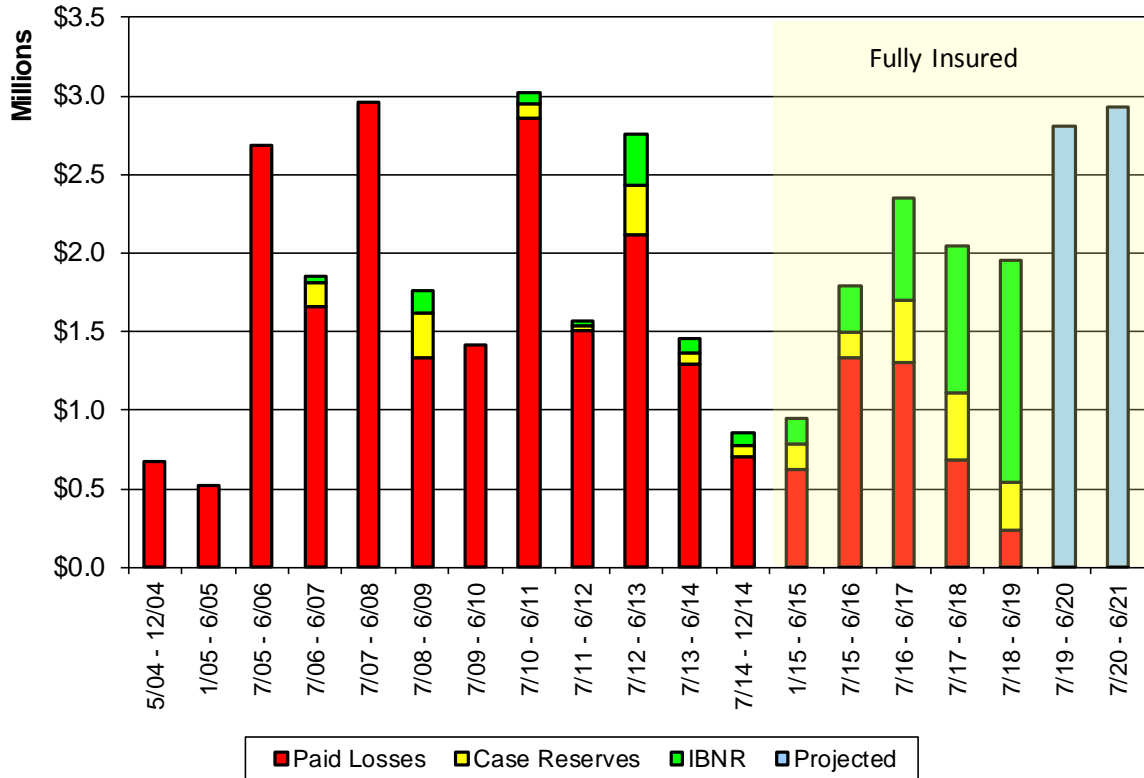
Note: Loss rates are from Exhibit WC-10, columns (4) and (7).  
2017/18 through 2019/20 loss rates are based on the self-insured retention of \$750,000 effective July 1, 2017. Loss rates prior to 2018/19 were based on a self-insured retention of \$500,000.

**Graph III-2  
Frequency and Severity**



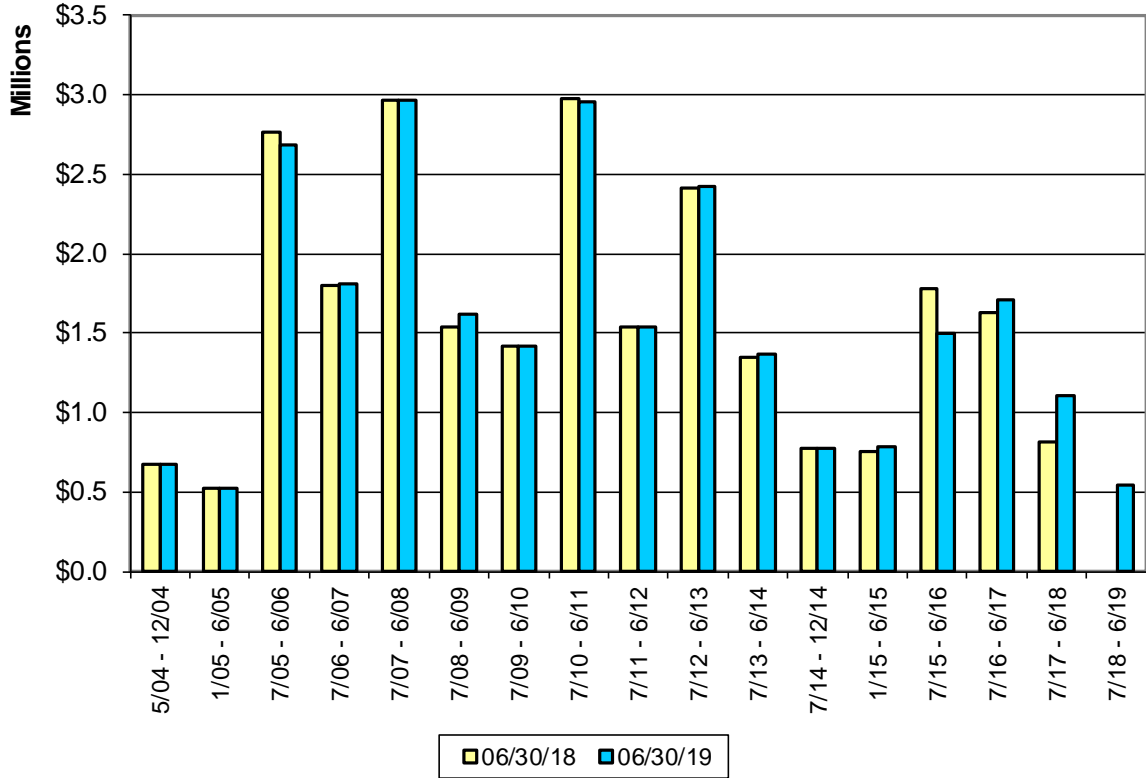
Note: Frequency amounts are from Exhibit WC-8, Section I, column (7). Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate losses in Exhibit WC-9.

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



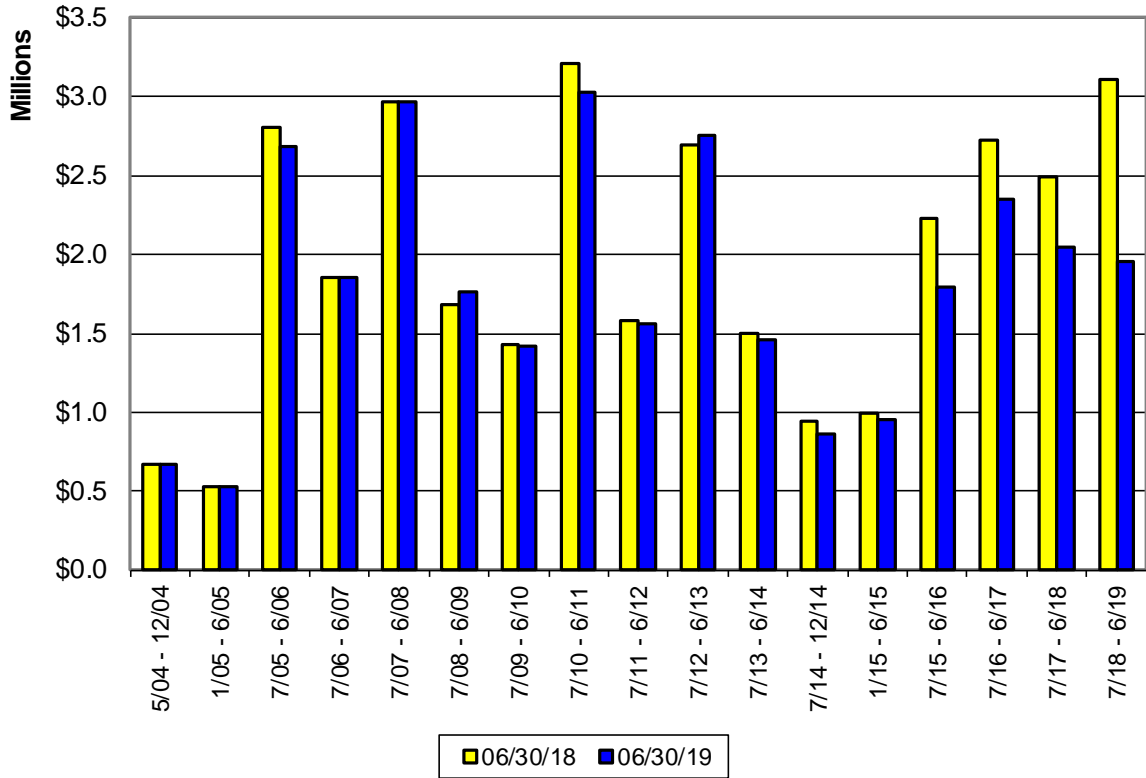
Note: Amounts through 7/17 – 6/18 are from Exhibit WC-11.  
 Amounts for 7/18 – 6/19 and 7/19 – 6/20 are from Exhibit WC-10.  
 2019/20 and 2020/21 amounts are based on the self-insured retention of \$750,000 effective July 1, 2017. Losses prior to 2017/18 were based on a self-insured retention of \$500,000.

**Graph III-4  
Comparison of Limited Reported Incurred Losses  
as of June 30, 2018 and June 30, 2019**



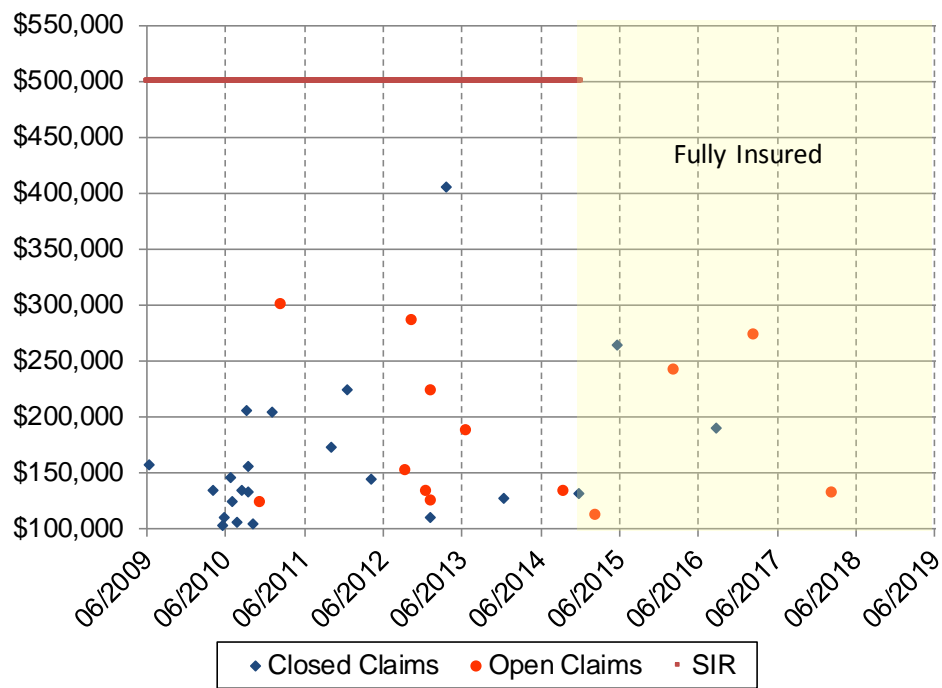
Note: Amounts as of June 30, 2018 are from the previous actuarial study.  
Amounts as of June 30, 2019 are from Exhibit WC-1.

**Graph III-5  
Comparison of Projected Ultimate Limited Losses  
as of June 30, 2018 and June 30, 2019**



Note: Amounts as of June 30, 2018 are from the previous actuarial study.  
Amounts as of June 30, 2019 are from Exhibit WC-9.

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



## **ESTIMATED POOL LAYER FUNDING EXHIBIT**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

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

**ATTACHMENT(S):**

- a. Historical Estimated Fund Balance @ June 30
- b. Historical Maximum Dividend Available vs. Dividend Declared

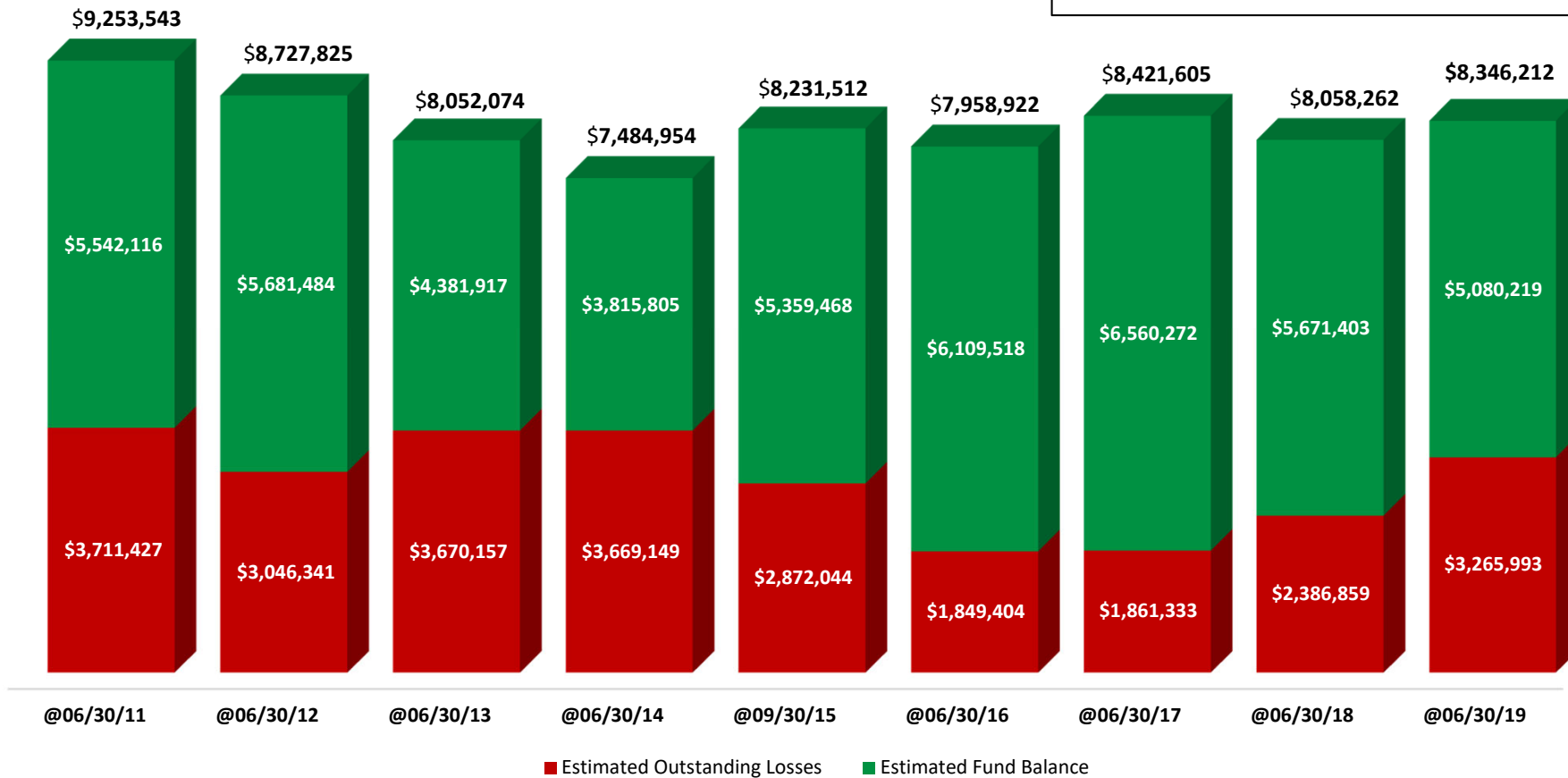
# Liability Historical Estimated Fund Balance @ June 30



Assets (on top of the bar) have been reduced by accounts payable and dividends.

## Liability - Historical Estimated Fund Balance

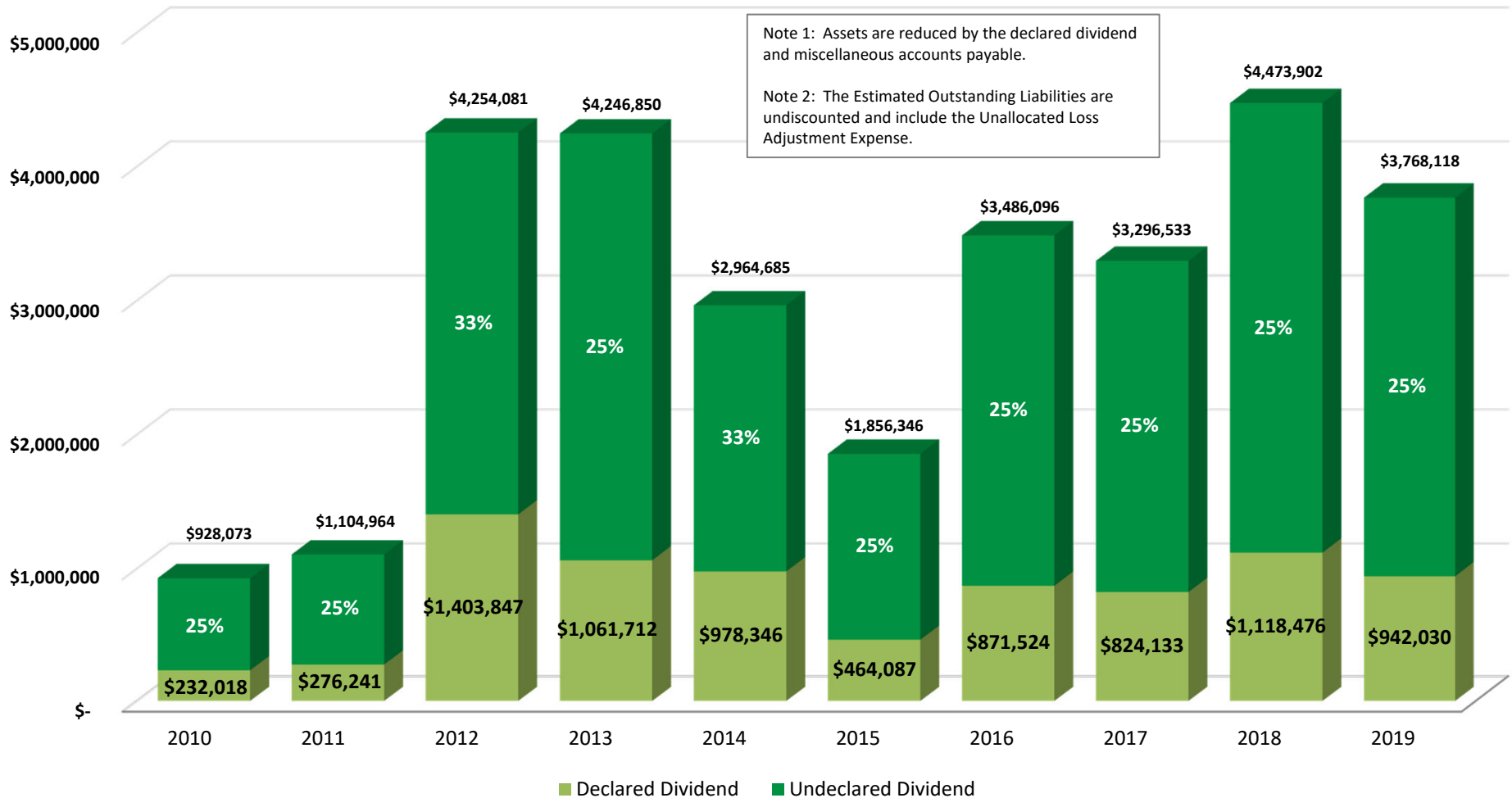
The estimated outstanding losses are undiscounted, at an 80% confidence level, and include unallocated loss adjustment expense.



# Liability Historical Dividends Paid in July



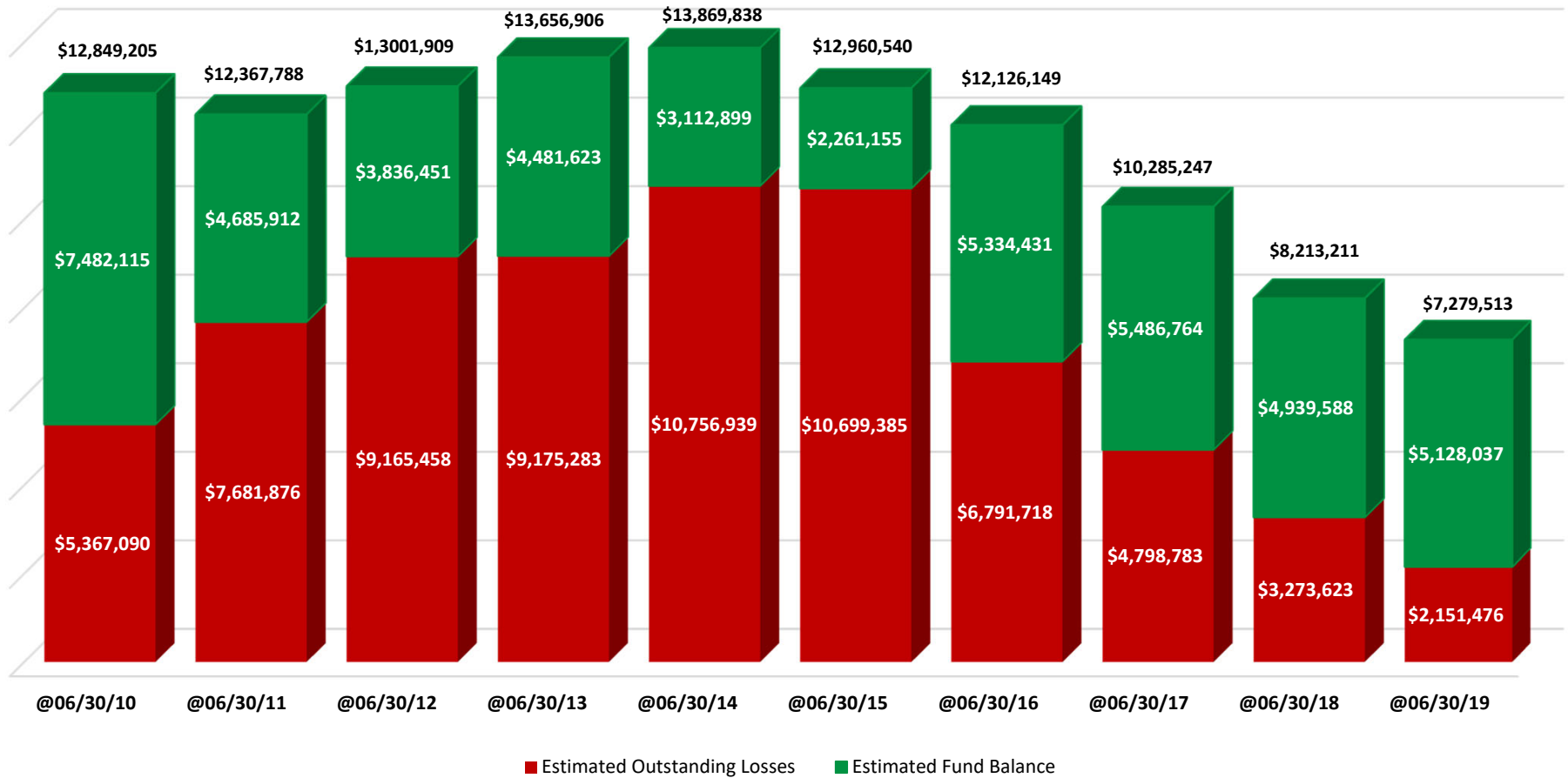
## Maximum Dividend Available vs. Dividend Declared



# Workers' Compensation Historical Estimated Fund Balance @ June 30



## 80% Confidence Level

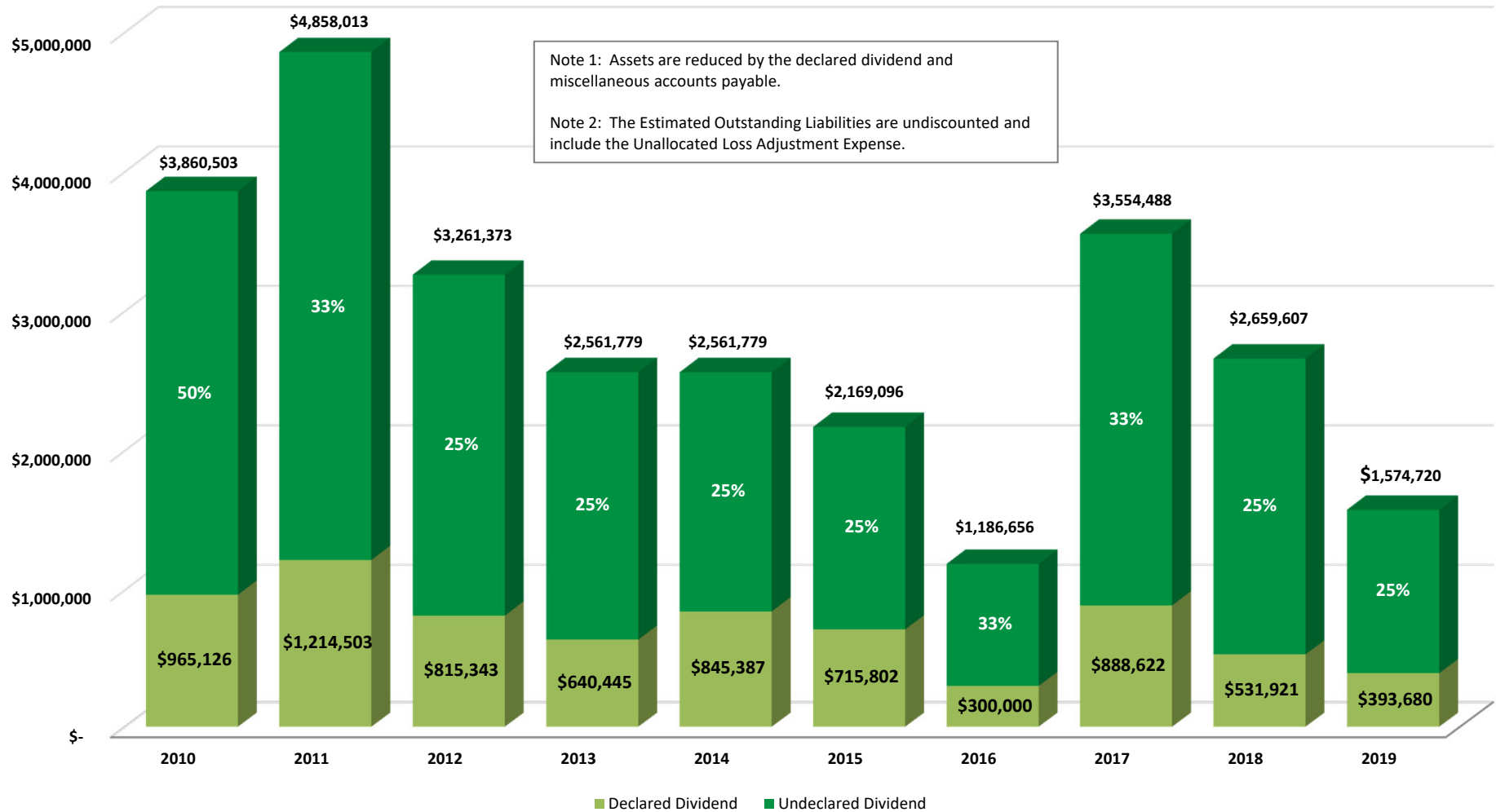


Note 1: Assets are reduced by the declared dividend and miscellaneous accounts payable

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

# Workers' Compensation Historical Dividends Paid in July

### Maximum Dividend Available vs. Dividend Declared



## **TARGET RETAINED FUNDS ANALYSIS REPORT AND DIVIDEND CALCULATION**

**ISSUE:** Staff will present an analysis of the financial position of the Liability and Workers' Compensation programs based on the Retained Funds Analysis Report and dividend calculation formula set forth in Policy & Procedure A-3 Target Retained Funds Policy. The analysis will show the current retained funds at June 30, 2019 as well as the estimated amounts available for dividend distribution.

The Committee will also be asked to discuss its historical funding philosophy and the factors involved in its decision making process, as well as the need to maintain adequate retained funds in the workers' compensation so that it can transition back to a self-insured program (when appropriate).

The FY 18/19 Long Range Action Plan includes a goal to review and, if appropriate, adopt additional target retained funds ratios. Staff has reviewed several other financial benchmarking ratios that are commonly used by pooled programs.

CSURMA AORMA has already adopted the following financial benchmarking ratios:

- Gross Premium to Retained Funds Ratio
- Retained Funds to Pool Retention Ratio
- Outstanding Losses to Retained Funds Ratio

At today's meeting, the Committee will review and consider adoption of three additional ratios:

- Reserves to Retained Funds Ratio
- Change in Retained Funds
- Change in Outstanding Liabilities

**RECOMMENDATION:** Staff recommends the following:

1. Review the Retained Funds Analysis Report and approve a dividend within the liability and workers' compensation programs to be paid in July, 2020.
2. Review changes to Policy and Procedure A-3 and approve revisions with additional modifications as appropriate.

**FISCAL IMPACT:** To be determined. The Committee will be asked to review the Retained Funds Analysis Report and approve a dividend within both the Liability and Workers' Compensation programs to be paid in July, 2020.

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

- Gross Premium to Retained Funds Ratio – at least 1.5 to 1: Should there be any inaccuracies in the pricing, it is desirable to have adequate retained funds to borrow against. (Premium should be no more than 150% of the Retained Funds.)
- Retained Funds to Pool Retention Ratio > 5-10 to 1: Should AORMA have multiple significant losses in the same year, it is desirable to have between five and ten times the retention.
- Outstanding Reserves to Retained Funds Ratio - at least 1.5 to 1: Should there be any inaccuracies in the reserve amounts for open claims, it is desirable to have adequate Retained Funds to borrow against. (Outstanding reserves should be at no more than 150% of the Retained Funds.)

**PUBLICATION:** Members will be notified of their percentage of the total dividend distributions in January, 2020 when the budgeting letter is processed. Changes to Policy and Procedure A-3 – Target Retained Funds Policy will be uploaded to the CSURMA website.

**ATTACHMENT(S):**

- a. Target Retained Funds Analysis
- b. Policy and Procedure A-3 – Target Retained Funds Policy
- c. Historical Funding Exhibit
- d. Target Retained Funds Analysis Presentation (*will be presented during the meeting*)

**AORMA Liability Fund Program**  
**Target Retained Funds Analysis - Pooled Layer Funding @ \$500,000**  
**@ June 30, 2019**

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 19/20 (at 75% CL) #1	2,652,665	Up From	2,544,350
Assets at 6/30/19 #2	8,346,212	Up From	8,058,262
Maximum Retention Per Occurrence	500,000	No Change	500,000
Outstanding Liabilities at 6/30/19 #3	2,540,217	Up From	1,790,144
Limited Reserves @ 6/30/19	1,589,086	Up From	1,006,139
Retained Funds above Expected Confidence Level #4	5,805,995	Down From	6,268,118
<b>Retained Funds above 70% Confidence Level #5</b>	<b>5,631,938</b>	Down From	6,148,574

#1 - Includes pool layer funding and admin costs, but not contributions for excess liability.

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

#3 - Outstanding Liabilities (at an expected confidence level, capped at the pooled layer limit, including IBNR, undiscounted for investment income and including ULAE).

#4 - Plan Assets minus the Outstanding Liabilities (undiscounted for investment income, including ULAE).

#5 - Plan Assets minus the Outstanding Liabilities (discounted for investment income, including ULAE).

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	≤1.5:1	1,768,443	46%
2. Retained Funds to Retention	>5:1	<b>2,500,000</b>	<b>12</b>
3. Outstanding Liabilities to Retained Funds	≤1.5:1	1,693,478	44%
4. Reserves to Retained Funds	≤1:1	1,589,086	27%
5. Change in Retained Funds <b>-\$462,123</b>	-10%	<b>5,641,306</b>	-7%
6. Change in Reserves	+20%	1,906,903	58%

Dividend	Current Ratios	New Ratios
<b>Estimated Funding above 70% Confidence Level #5</b>	5,631,938	5,631,938
Indicated Minimum Retained Funds (largest ratio amount)	<b>2,500,000</b>	<b>5,641,306</b>
Maximum Dividend Available	3,131,938	(9,368)
Dividend 50%	1,565,969	-
Dividend 33%	1,033,540	-
Dividend 25%	782,985	-

Confidence levels	Risk Factor	Pooled Layer Funding #6	Surplus
Expected	1.000	2,360,238	-
70%	1.100	2,596,262	236,024
80%	1.300	3,068,309	708,071

#6 - The Pooled Layer Funding is discounted for investment income and does not include ULAE.

Three Year Funding Plan				
Fiscal Year	Added to Equity	Estimated Equity	Estimated Equity w/ Maximum Dividend	Estimated Equity w/ Recommended Dividend
Estimated Balance at 7/1/19	N/A	5,805,995	N/A	N/A
2020/21 - Collection @ 70% Confidence Level	236,024	6,042,019	6,051,387	6,042,019
2021/22 - Collection @ 70% Confidence Level	236,024	6,278,043	6,287,411	6,278,043
2022/23 - Collection @ 70% Confidence Level	236,024	6,514,067	6,523,435	6,514,067

**AORMA Workers' Compensation Fund Program**  
**Target Retained Funds Analysis - Pooled Layer Funding @ \$750,000**  
**@ June 30, 2019**

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 19/20 (at 75% CL) #1	4,535,310	Down From	4,570,145
Assets at 6/30/19 #2	7,279,513	Down From	8,213,211
Maximum Retention Per Occurrence	750,000	No Change	750,000
Outstanding Liabilities at 6/30/19 #3	1,898,361	Down From	2,888,491
Limited Reserves @ 6/30/19	2,482,250	Down From	3,634,859
Retained Funds above Expected Confidence Level #4	5,381,152	Up From	5,324,720
<b>Retained Funds above 70% Confidence Level #5</b>	<b>5,399,062</b>	Up From	5,325,987

#1 - Includes pool layer funding and admin costs, but not contributions for excess liability.

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

#3 - Outstanding Liabilities (at an expected confidence level, capped at the pooled layer limit, including IBNR, undiscounted for investment income and including ULAE).

#4 - Plan Assets minus the Outstanding Liabilities (undiscounted for investment income, including ULAE).

#5 - Plan Assets minus the Outstanding Liabilities (discounted for investment income, including ULAE).

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	≤1.5:1	3,023,540	84%
2. Retained Funds to Retention	>5:1	<b>3,750,000</b>	<b>7</b>
3. Outstanding Liabilities to Retained Funds	≤1.5:1	1,265,574	35%
4. Reserves to Retained Funds	≤1:1	2,482,250	46%
5. Change in Retained Funds <b>+\$56,432</b>	-10%	<b>4,792,248</b>	1%
6. Change in Reserves	+20%	2,978,700	-32%

Dividend	Current Ratios	New Ratios
Target Retained Funds Goal (70% Confidence Level / Discounted)	5,399,062	5,399,062
Indicated Minimum Retained Funds (largest ratio amount)	<b>3,750,000</b>	<b>4,792,248</b>
Maximum Dividend Available	1,649,062	606,814
Dividend 50%	824,531	303,407
Dividend 33%	544,190	200,249
Dividend 25%	412,266	151,704

Confidence levels	Risk Factor	Pooled Layer Funding #6	Surplus
Expected	1.000	1,664,116	-
70%	1.080	1,797,245	133,129
80%	1.140	1,897,092	232,976

#6 - The Pooled Layer Funding is discounted for investment income and does not include ULAE.

Three Year Funding Plan				
Fiscal Year	Added to Equity	Estimated Equity	Estimated Equity w/ Maximum Dividend	Estimated Equity w/ Recommended Dividend
Estimated Balance at 7/1/19	N/A	5,381,152	N/A	N/A
2020/21 - Collection @ 70% Confidence Level	133,129	5,514,281	4,907,467	5,362,578
2021/22 - Collection @ 70% Confidence Level	133,129	5,647,410	5,040,596	5,495,707
2022/23 - Collection @ 70% Confidence Level	133,129	5,780,539	5,173,725	5,628,836



**CSURMA AORMA**

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

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**SUBJECT:** TARGET RETAINED FUNDS GOAL FUNDING  
POLICY

**ADOPTED:** JANUARY 10, 2007

**EFFECTIVE:** JANUARY 1, 2007

**AMENDED:** OCTOBER 29, 2009  
SEPTEMBER 16, 2010  
OCTOBER 23, 2014  
MAY 5, 2016  
SEPTEMBER 7, 2017  
SEPTEMBER 6, 2018  
SEPTEMBER 5, 2019

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

**POLICY:**

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

The Target Retained Funds Goal is hereby established to be, at a minimum, the actuarially determined 70% CONFIDENCE LEVEL, discounted for investment. In evaluating the Programs' funding position relative to the Target Retained Funds Goal as a part of each year's ratemaking process, the AORMA COMMITTEE shall take into consideration the following ratios:

1. Gross Premium to Retained Funds Ratio
2. Retained Funds to Pool Retention Ratio
3. Outstanding ~~Reserves-Losses~~ to Retained Funds Ratio
4. Outstanding Reserves to Retained Funds Ratio
5. Change in Retained Funds Ratio
6. Change in Reserves Ratio

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

**PROCEDURE:**

- 1. Annual Actuarial Study** - Each year the Program Director will engage CSURMA's accredited independent actuary to perform an actuarial analysis of the Workers' Compensation and Liability Programs. This analysis shall include ESTIMATED OUTSTANDING LOSSES (including IBNR) at various CONFIDENCE LEVELs as well as PROJECTED ULTIMATE LOSSES for the upcoming year(s). The analysis shall also compare the current program funding against the ESTIMATED OUTSTANDING LOSSES and determine the CONFIDENCE LEVEL to which the program is currently funded. Because the Property and Crime Programs have an annual aggregate retention, an actuarial analysis is not performed.
- 2. Calculation of Target Retained Funds Ratios** - The Program Director will also calculate certain insurance industry ratios to help determine the Program's current financial position as follows:

**Gross Premium to Retained Funds Ratio: Target <1.5:1**

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

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

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

**Outstanding Reserves Losses to Retained Funds Ratio: Target  $\leq 1.5:1$**

This ratio is a measure of how Retained Funds is leveraged against possible reserve reserve and actuarial estimate inaccuracies. A low ratio is desirable.

**Outstanding Reserves to Retained Funds Ratio: Target  $\leq 1:1$**

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

**Change in Equity Ratio: Target – Less than a 10% decrease**

This ratio is a measure of the year-over-year change in the pool's financial condition. An increase in net position is desirable.

**Change in Reserves Ratio: Target – Less than a 20% increase**

This ratio is a measure of the year-over-year change in the pool's reserves on open claims. A decrease in reserves is desirable.

3. **Discussion and Documentation of Historical Funding** – As part of the Target Retained Funds ~~Funding~~ review process, annually, the AORMA COMMITTEE will discuss and document its historical funding philosophy and the factors involved in its decision making process. It will also consider whether the factors remain relevant, taking action to amend, if necessary.
4. **Application of Target Retained Funds Criteria** – After an annual review of the Target Retained Funds Ratios, the AORMA COMMITTEE will determine whether it is desirable to increase, decrease, or stabilize Retained Funds. If the AORMA COMMITTEE desires to decrease Retained Funds, it may approve a funding level below the 70% CONFIDENCE LEVEL. Conversely, a funding decision above the 70% CONFIDENCE LEVEL will indicate a bias toward increasing Retained Funds. A determination to fund at the 70% CONFIDENCE LEVEL will reflect the AORMA COMMITTEE’s desire to keep Retained Funds at the current level. The AORMA COMMITTEE will also consider the Retained Funds requirements for the Program(s) should it transition from, or to, a fully insured / reinsured Program. Enough Retained Funds will be maintained within the Program(s) to make the transition without causing fiscal hardship for the MEMBERS.

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

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

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

#### MEMBER APPEAL PROCESS:

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



## **CSURMA AORMA**

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

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



**DEFINITIONS:**

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

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

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

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

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

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

**IBNR** – Incurred Not Reported. IBNR is comprised of two distinct items. These are the development of known case reserves and incurred by not reported claims. The actuary's estimate of the inadequacy of case reserves. Most claims settle at amounts close to what is set by the claims administrator. Some claims close favorably and some emerge as more expense. On balance, case reserves tend to be too low. Therefore, the IBNR includes the actuary's estimate of the amount total case reserves will rise upon closure. The IBNR also refers to those claims that have occurred, but have not yet been reported.

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

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



**CSURMA AORMA**

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

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

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

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

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

**~~SURPLUSRETAINED FUNDS~~**– The amount of cash equivalent available to pay claims in excess of actuarial expected losses undiscounted for investment income.

**TARGET ~~SURPLUSRETAINED FUNDS~~\_GOAL** – The amount of cash equivalent available to pay claims in excess of actuarial 70% CONFIDENCE LEVEL discounted for investment income.

## AORMA Historical Funding – Confidence Level

AORMA Liability Program			
Fiscal Year	Pooled Layer Funding Confidence Level	Pooled Layer	** Estimated Fund Balance at June 30
FY 10/11 (@6/30/09)	80%	\$250,000 / \$500,000	\$3,029,148
FY 11/12 (@6/30/10)	80%	\$350,000	\$2,915,936
FY 12/13 (@6/30/11)	80%	\$350,000	\$5,542,116
FY 13/14 (@6/30/12)	80%	\$350,000	\$5,681,484
FY 14/15 (@6/30/13)	70%	\$350,000	\$4,381,917
FY 15/16 (@6/30/14)	70% - #1	\$350,000	\$3,815,805
FY 16/17 (@6/30/15)	70%	\$500,000	\$5,359,468
FY 17/18 (@6/30/16)	70%	\$500,000	\$6,109,518
FY 18/19 (@6/30/17)	75%	\$500,000	\$6,560,272
FY 19/20 (@6/30/18)	75%	\$500,000	\$5,671,403
FY 20/21 (@6/30/19)	TBD	TBD	TBD

The Committee approved the FY 15/16 liability program costs at a 70% confidence level and funding for a \$500,000 retention.

AORMA Workers' Compensation Program			
Fiscal Year	Pooled Layer Funding Confidence Level	Pooled Layer	** Estimated Fund Balance at June 30
FY 10/11 (@6/30/09)	80%	\$500,000	\$7,190,949
FY 11/12 (@6/30/10)	80%	\$500,000	\$7,482,115
FY 12/13 (@6/30/11)	80%	\$500,000	\$4,685,912
FY 13/14 (@6/30/12)	80%	\$500,000	\$3,836,451
FY 14/15 (@6/30/13)	80%	\$500,000	\$4,481,623
FY 15/16 (@6/30/14)	80%	\$500,000	\$3,112,899
FY 16/17 (@6/30/15)	70%	\$500,000	\$2,261,155
FY 17/18 (@6/30/16)	70%	\$500,000	\$5,334,431
FY 18/19 (@6/30/17)	70%	\$750,000	\$5,486,764
FY 19/20 (@6/30/18)	75%	\$750,000	\$4,939,588
FY 20/21 (@6/30/19)	TBD	TBD	TBD

\*\* The Estimated Fund Balance at June 30 is based on an 80% confidence level, undiscounted for investment income.

## FY 20/21 LIABILITY PROGRAM - TOTAL FUNDING

**ISSUE:** Based on the information within the current actuarial report, staff has prepared the pooled layer funding requirements at a 70%, 75% and 80% confidence level along with the costs for the claims administration, program administration and excess insurance. Table 1 below compares the three options to the current program.

**Table 1**

<b>Liability Program</b>			
<b>70% Confidence Level (Discounted)</b>			
Expense Item	FY 19/20 Program Costs 75% CL	FY 20/21 Program Costs 70% CL	% Change
Pool Layer Funding	1,957,120	1,598,500	-18.32%
Claims Administration	16,000	16,000	0.00%
Program Administration	830,145	831,000	0.10%
Reinsurance / Excess Insurance	1,786,424	1,965,066	10.00%
<b>Total Costs</b>	<b>4,589,689</b>	<b>4,410,566</b>	<b>-3.90%</b>
<b>75% Confidence Level (Discounted)</b>			
Expense Item	FY 19/20 Program Costs 75% CL	FY 20/21 Program Costs 75% CL	% Change
Pool Layer Funding	1,957,120	1,779,200	-9.09%
Claims Administration	16,000	16,000	0.00%
Program Administration	830,145	831,000	0.10%
Reinsurance / Excess Insurance	1,786,424	1,965,066	10.00%
<b>Total Costs</b>	<b>4,589,689</b>	<b>4,591,266</b>	<b>0.03%</b>
<b>80% Confidence Level (Discounted)</b>			
Expense Item	FY 19/20 Program Costs 75% CL	FY 20/21 Program Costs 80% CL	% Change
Pool Layer Funding	1,957,120	1,946,000	-0.57%
Claims Administration	16,000	16,000	0.00%
Program Administration	830,145	831,000	0.10%
Reinsurance / Excess Insurance	1,786,424	1,965,066	10.00%
<b>Total Costs</b>	<b>4,589,689</b>	<b>4,758,066</b>	<b>3.67%</b>

*The current program is funded at a 75% confidence level and is discounted for investment value. The discount rate is calculated based on a 2% yield on investments.*

**RECOMMENDATION:** The Committee will be asked to review three Liability Program funding options for FY 20/21 and take action as appropriate.

**FISCAL IMPACT:** Three funding options are being presented. See the charts above for a comparison.

**BACKGROUND:** See funding notes below:

1. The *Pool Layer Funding* cost is based on the Projected Ultimate Limited Losses for FY 20/21 as shown in the actuary report dated August 13, 2019.
2. The *Claims Administration* cost includes the administrative fee that is included within the agreement with Carl Warren & Company.
3. The *Program Administration* cost includes all of the expenses allocated to the liability program, as included within the FY 19/20 CSURMA budget.
4. The *Reinsurance / Insurance* costs include Liability Program reinsurance and excess insurance plus the allocated costs for the Trustees Errors and Omissions, Fiduciary Liability, Drone Insurance Program and Active Assailant coverages. Staff is estimating a 10% increase for FY 20/21.

**PUBLICATION:** The funding option approved by the AORMA Committee will be included in the “September Update Letter” which will be sent to all of the AORMA members in September, 2019. The Budgeting Letter, sent in January, 2020, will include the member’s final premiums and/or rates.

**ATTACHMENT(S):**

- a. Historical Liability Program Estimated/Actual Funding Exhibit

**CSURMA AORMA  
FY 2020/2021 Liability Program  
Total Estimated Funding  
\$500,000 Pooled Layer**

<b>Expense Item</b>	<b>Actual Program Costs 70% CL FY 16/17</b>	<b>Actual Program Costs 70% CL FY 17/18</b>	<b>Actual Program Costs 75% CL FY 18/19</b>	<b>Program Costs 75% CL FY 19/20</b>	<b>Proposed 75% CL FY 20/21</b>
Actuarial Recommended Estimated Pooled Layer - Funding	1,700,777	1,770,878	1,764,006	1,957,120	1,779,200
Claims Administration	14,000	15,000	15,000	16,000	16,000
Program Administration Fees	795,991	769,503	783,509	830,145	831,000
Reinsurance / Excess Liability Insurance	1,493,424	1,668,015	1,717,601	1,786,424	1,965,066
<b>Total Costs:</b>	<b>4,004,192</b>	<b>4,223,396</b>	<b>4,280,116</b>	<b>4,589,689</b>	<b>4,591,266</b>
<b>Difference from prior year:</b>	4.32%	5.47%	1.34%	7.23%	0.03%

**FY 20/21 WORKERS' COMPENSATION PROGRAM - TOTAL FUNDING**

**ISSUE:** Based on the information within the actuarial report dated August 13, 2019, staff has prepared the attached exhibit which shows the pooled layer funding requirements at a 70%, 75% and 80% confidence level along with the costs for the claims administration, program administration and excess insurance. Table 1 below compares the three options to the current program.

**Table 1**

<b>Workers' Compensation Program</b>			
<b>70% Confidence Level (Discounted)</b>			
<b>Expense Item</b>	<b>FY 19/20 Program Costs 75% CL</b>	<b>FY 20/21 Program Costs 70% CL</b>	<b>% Change</b>
Pool Layer Funding	3,680,988	3,082,739	-16%
Claims Administration	242,429	243,000	0%
Program Administration	601,503	602,000	0%
Reinsurance / Excess Insurance	550,464	551,000	0%
<b>Total Costs</b>	<b>5,075,384</b>	<b>4,478,739</b>	<b>-12%</b>
Estimated Payroll	395,805,137	416,586,390	5%
Actuary's Original Rate (used to establish funding)	0.93	0.74	-20%
<b>75% Confidence Level (Discounted)</b>			
<b>Expense Item</b>	<b>FY 19/20 Program Costs 75% CL</b>	<b>FY 20/21 Program Costs 75% CL</b>	<b>% Change</b>
Pool Layer Funding	3,680,988	3,249,374	-12%
Claims Administration	242,429	243,000	0%
Program Administration	601,503	602,000	0%
Reinsurance / Excess Insurance	550,464	551,000	0%
<b>Total Costs</b>	<b>5,075,384</b>	<b>4,645,374</b>	<b>-8%</b>
Estimated Payroll	395,805,137	416,586,390	5%
Actuary's Original Rate (used to establish funding)	0.93	0.78	-16%
<b>80% Confidence Level (Discounted)</b>			
<b>Expense Item</b>	<b>FY 19/20 Program Costs 75% CL</b>	<b>FY 20/21 Program Costs 80% CL</b>	<b>% Change</b>
Pool Layer Funding	3,680,988	3,457,667	-6%
Claims Administration	242,429	243,000	0%
Program Administration	601,503	602,000	0%
Reinsurance / Excess Insurance	550,464	551,000	0%
<b>Total Costs</b>	<b>5,075,384</b>	<b>4,853,667</b>	<b>-4%</b>
Estimated Payroll	395,805,137	416,586,390	5%
Actuary's Original Rate (used to establish funding)	0.93	0.83	-11%

*The current program is funded at a 75% confidence level and is discounted for investment value. The discount rate is calculated based on a 2% yield on investments.*

**RECOMMENDATION:** The Committee will be asked to review three Workers' Compensation Program funding options for FY 20/21 and take action as appropriate.

**FISCAL IMPACT:** Three funding options are being presented.

**BACKGROUND:** See funding notes below:

1. The *Pool Layer Funding* cost is based on the Projected Ultimate Limited Losses for FY 20/21 as shown in the actuary report dated August 13, 2019.
2. The *Claims Administration* cost represents the administrative fee that is included within the agreement with Sedgwick CMS.
3. The *Program Administration* cost includes all of the expenses allocated to the workers' compensation program, as included within the FY 19/20 CSURMA budget.
4. The *Reinsurance / Insurance* costs include Workers' Compensation Program excess insurance placed above the \$750,000 pooled layer.

The AORMA workers' compensation program pooled layer is 100% reinsured by CSAC EIA. Historically, the AORMA Committee has funded the program based on a 70% to 75% confidence level in order to maintain adequate retained funds in the program.

**PUBLICATION:** The funding option approved by the AORMA Committee will be included in the "September Update Letter" which will be sent to all of the AORMA members. The Budgeting Letter, sent in January, 2020, will include the member's final workers' compensation premium and rates.

**ATTACHMENT(S):**

- a. Historical Workers' Compensation Program Estimated/Actual Funding Exhibit

**CSURMA AORMA**  
**FY 2020/2021 Workers' Compensation Program**  
**Total Estimated Funding - CSAC EIA Reinsurance Program Costs**  
**\$750,000 Pooled Layer**

**Table 1**

Total Estimated Funding - CSAC EIA Reinsurance Program Costs						
Expense Item	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Pooled Layer Funding	-	-	-	-	-	-
CSAC-EIA Reinsurance	2,900,599	3,153,341	4,302,129	3,998,043	3,698,699	3,915,912
Claims Administration	215,456	219,765	224,160	235,368	242,429	243,000
JPA Program Administration	552,131	590,100	564,065	588,857	601,503	602,000
Excess Insurance	Included	Included	Included	Included	Included	Included
Mid-Term Changes	34,444					
Payroll Audit	196,058	465,697	222,401	(62,693)	-	-
<b>Total Program Costs:</b>	<b>3,898,688</b>	<b>4,428,903</b>	<b>5,312,755</b>	<b>4,759,575</b>	<b>4,542,631</b>	<b>4,760,912</b>
Difference from prior year:	-3.33%	13.60%	19.96%	-10.41%	-4.56%	4.81%
CSAC EIA Rate	0.97	1.04	1.18	1.00	0.94	0.94
Estimated Payroll	302,998,904	303,772,228	363,201,571	399,772,184	393,188,677	416,586,390
Actual Payroll	325,493,578	350,552,313	382,563,914	393,502,893	TBD	TBD
Difference	22,494,674	46,780,085	19,362,343	(6,269,291)		

*The payroll and payroll audit premium highlighted is an estimate.*

**Table 2**

Total Estimated Funding - AORMA Funding at a 75% Confidence Level						
Expense Item	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Pooled Layer Funding	3,208,750	3,236,000	3,486,735	3,583,727	3,680,988	3,249,374
Claims Administration	215,456	219,765	224,160	235,368	242,429	243,000
JPA Program Administration	552,131	590,100	564,065	588,857	601,503	602,000
Excess Insurance	485,365	485,365	485,365	559,681	550,464	551,000
Audit and Mid-Year Payroll Changes (#2)	176,081	172,174	218,443	(214,333)	-	-
<b>Total Program Costs</b>	<b>4,637,783</b>	<b>4,736,572</b>	<b>4,978,768</b>	<b>4,753,300</b>	<b>5,075,384</b>	<b>4,645,374</b>
Difference from prior year:	3.24%	2.13%	5.11%	-4.53%	6.78%	-8.47%
Actuary's Original Rate (used to establish funding)	1.08	1.08	0.96	0.92	0.93	0.78
Estimated Payroll	302,998,904	324,612,400	363,201,571	377,952,815	395,805,137	416,586,390
Actual Payroll	325,493,578	350,552,313	382,563,914	393,502,893	TBD	TBD
Difference	22,494,674	46,780,085	19,362,343	(6,269,291)		

*The payroll and payroll audit premium highlighted is an estimate.*

**Table 3**

Cost Comparison CSAC EIA Reinsurance Program Costs vs. AORMA Funding at a 70% Confidence Level						
Fiscal Period	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Total CSAC-EIA Costs	3,898,688	4,428,903	5,312,755	4,759,575	4,542,631	4,760,912
Total AORMA Funding	4,637,783	4,736,572	4,978,768	4,753,300	5,075,384	4,478,739
Savings (or additional costs) between CSAC-EIA and AORMA Total Program Costs:	(739,095)	(307,669)	333,987	6,275	(532,753)	282,173

**FY 20/21 PROPERTY PROGRAM - TOTAL FUNDING**

**ISSUE:** Staff has prepared the proposed costs for the FY 20/21 Property Program as shown below.

**RECOMMENDATION:** Staff recommends that the Committee review and approve the FY 20/21 Property Program costs of \$2,814,229 which is a 7.79% increase compared to the FY 19/20 program costs.

**FISCAL IMPACT:** See the funding comparison below. The recommended funding option will result in a 7.79% increase.

Property Program			
Expense Item	FY 19/20 Program Costs	FY 20/21 Proposed Program Costs	% Change
Pooled Layer Funding	250,000	250,000	0.00%
Excess Insurance	2,029,299	2,232,229	10.00%
Program Administration	331,477	332,000	0.16%
<b>Total Costs</b>	<b>2,610,776</b>	<b>2,814,229</b>	<b>7.79%</b>

**BACKGROUND:** The AORMA Property Program pooled layer has a per occurrence limit of \$100,000 and an aggregate limit of \$250,000. Which means the majority of AORMA’s property losses will be capped at the aggregate pooled layer of \$250,000.

See funding notes below:

1. The *Pool Layer Funding* cost is based on the property program’s aggregate pooled layer of \$250,000.
2. The *Excess Insurance* costs include the property program reinsurance and excess insurance plus the allocated costs for the Cyber Liability, Pollution and Earthquake coverages. Staff is estimating a 10% increase for FY 20/21.
3. The *Program Administration* cost includes all of the expenses allocated to the property program, as shown within the FY 19/20 CSURMA budget.

**PUBLICATION:** The funding option approved by the AORMA Committee will be included in the “September Update Letter” which will be sent to all of the AORMA members in September, 2019. The Budgeting Letter, sent in January, 2020, will include the member’s final premiums and/or rates.

**ATTACHMENT(S):**

- a. Historical Property Program Estimated/Actual Funding Exhibit

**CSURMA AORMA**  
**FY 2020/2021 Property Program**  
**Total Estimated Funding**  
**\$100,000 SIR / \$250,000 Aggregate SIR**

Expense Item	Actual Program Cost: FY 16/17	Actual Program Cost: FY 17/18	Actual Program Cost: FY 18/19	Program Cost: FY 19/20	Proposed Costs FY 20/21
Estimated Pooled Layer Funding	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Excess Insurance Premium	\$1,651,425	\$1,665,849	\$1,773,027	\$2,029,299	\$2,232,229
Program Administrative Costs	\$318,554	\$318,911	\$328,453	\$331,477	\$332,000
<b>Total Expenses:</b>	<b>\$2,219,979</b>	<b>\$2,234,760</b>	<b>\$2,351,480</b>	<b>\$2,610,776</b>	<b>\$2,814,229</b>
<b>Difference from prior year</b>	-0.75%	0.67%	5.22%	11.03%	7.79%

**FY 20/21 CRIME PROGRAM – TOTAL FUNDING**

**ISSUE:** Staff has prepared the Crime Program table below which shows the proposed costs for the FY 20/21.

**RECOMMENDATION:** Staff recommends that the Committee review and approve the FY 20/21 Crime Program costs of \$238,284 which is a 4.42% increase compared to the FY 19/20 program costs. The Crime Program has an annual aggregate of \$100,000. At June 30, 2019, the Crime Program had ending retained earnings of \$495,555; therefore, Staff recommends that the Committee waive the pooled layer funding for FY 20/21.

**FISCAL IMPACT:** See the funding comparison below. The recommended funding option will result in a 4.42% increase.

Crime Program			
Expense Item	FY 19/20 Program Costs	FY 20/21 Proposed Program Costs	% Change
Pooled Layer Funding	-	-	0.00%
Excess Insurance	197,413	207,284	5.00%
Program Administration	30,781	31,000	0.71%
<b>Total Costs</b>	<b>228,194</b>	<b>238,284</b>	<b>4.42%</b>

**BACKGROUND:**

See funding notes below:

1. The AORMA Crime Program *pooled layer* has a \$25,000 per claim limit and an aggregate limit of \$100,000. Because of this, AORMA’s crime losses within the pooled layer in any one year cannot exceed \$100,000; therefore, an actuarial study is not necessary. Currently, the Crime Program has ending retained earnings of \$495,555. Because the program’s surplus is sufficient to cover all claims paid within FY 19/20 and FY 20/21, Staff recommends that the Committee waive funding of the pooled layer for FY 20/21.
  
2. Staff is estimating a 5% increase to the *Excess Insurance* costs for FY 20/21.

3. The *Program Administration* cost contains all of the expenses allocated to the property program, as included within the FY 19/20 CSURMA budget.

**PUBLICATION:** The funding option approved by the AORMA Committee will be included in the “September Update Letter” which will be sent to all of the AORMA members in September, 2019. The Budgeting Letter, sent in January, 2020, will include the member’s final premiums and/or rates.

**ATTACHMENT(S):**

- a. Historical Crime Program Estimated/Actual Funding Exhibit

**CSURMA AORMA  
FY 2020/2021 Crime Program  
Total Estimated Funding  
\$25,000 SIR / \$100,000 Aggregate SIR**

Expense Item	Actual Program Costs FY 16/17	Actual Program Costs FY 17/18	Actual Program Costs FY 18/19	Program Costs FY 19/20	Proposed Program Costs FY 20/21
Estimated Pooled Layer Funding	\$50,000	\$0	\$0	\$0	\$0
Excess Insurance Premium	\$244,421	\$197,413	\$197,413	\$197,413	\$207,284
Program Administrative Costs	\$31,180	\$31,288	\$31,023	\$30,781	\$31,000
<b>Total Expenses:</b>	<b>\$325,601</b>	<b>\$228,701</b>	<b>\$228,436</b>	<b>\$228,194</b>	<b>\$238,284</b>
<b>Difference from prior year:</b>	11.23%	-29.76%	-0.12%	-0.11%	4.42%

**Estimated Pooled Layer Funding:** The retained funds within the Crime Program exceed the annual aggregate pooled layer; therefore, no funding is requested for the pooled layer for FY 20/21.

**Excess Insurance Premium:** A 5% increase is anticipated.

**APPROVAL OF THE AORMA LONG RANGE ACTION PLAN  
FOR FY 2019/20**

**ISSUE:** During yesterday's meeting the AORMA Committee discussed the following items to be added to the FY 19/20 AORMA Long Range Action Plan, as well as other items to be added as well:

1. Execute a retainer with an attorney to provide legal advice regarding complex contracts
2. Audit/review the Members' current additional insureds
3. Create a whitepaper to aid Members in developing contracts involving minors
4. Create a whitepaper to aid Members in developing performance contracts
5. Update the IRIC Manual to include an exhibit for Chartering Watercraft
6. Create a Watercraft Matrix which clearly outlines the difference between coverage available through the CSURMA Watercraft Program vs. coverage through the liability, property and workers' compensation programs
7. Develop the executive oversight policies and procedures for the CSURMA AORMA Benefits Program
8. Continue to expand coverage opportunities for the Members' to cover their volunteers
9. Amend the Club Liability Insurance Program (CLIP) to include all of the CSU Alumni Associations
10. Create a Theatre Inspection Common Findings Report

**RECOMMENDATION:** The Committee will be asked to approve the items to be added to the FY 19/20 Long Range Action Plan.

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

**BACKGROUND:** None.

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

**ATTACHMENT(S):** None.

**CSURMA AORMA 2019 MEETING CALENDAR**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA AORMA – 2019 Meeting Calendar

## 2019 CSURMA MEETING CALENDAR

JANUARY				FEBRUARY				MARCH			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
7	10:30 AM	AIME	San Jose					7	10:00 AM	AORMA	Newport Beach
13	3:30 PM	EC (AOA Conference)	Indian Wells					7	2:30 PM	EC	Newport Beach
13 - 16		AOA Annual Conference	Indian Wells					8	8:30 AM	EC LRP	Newport Beach
APRIL				MAY				JUNE			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
					2:00 PM	BOD Orientation	Teleconference	TBD		AOA EC	TBD
				2	10:00 AM	AORMA	Long Beach				
				3	8:30 AM	EC	Long Beach				
				3	10:30 AM	BOD	Long Beach				
				13	10:30 AM	AIME	San Luis Obispo				
JULY				AUGUST				SEPTEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
				TBD		AOA EC	TBD	4	9:00 AM	AORMA New Member	San Diego
				1 - 2	11:00 AM	AORMA Officers Retreat	Paso Robles	4	10:00 AM	AORMA LRP	San Diego
								5	9:00 AM	AORMA	San Diego
								5	4:00 PM	EC Orientation	San Diego
								6	8:30 AM	EC	San Diego
OCTOBER				NOVEMBER				DECEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
14	10:30 AM	AIME	TBD	TBD		AOA EC	TBD	5	10:00 AM	AORMA	TBD
	2:00 PM	BOD Orientation	Teleconference	8	8:30 AM	EC	San Francisco	6	8:30 AM	EC	TBD
24	10:00 AM	AORMA	TBD	8	10:30 AM	BOD	San Francisco				
25	8:30 AM	EC	TBD								
25	10:30 AM	BOD	TBD								
				<b>*** The EC and BOD meetings will be held during FTPC ***</b> <b>*** Crowne Plaza SFO Airport Hotel ***</b>							

AORMA = Auxiliary Organizations Risk Management Alliance Committee  
 AIME = Athletic Injury Medical Expense Committee  
 AORMA LRP = AORMA Long Range Planning Meeting

AOA = CSU Auxiliary Organizations Association  
 BOD = CSURMA Board of Directors  
 EC = CSURMA Executive Committee

EC LRP = EC Long Range Planning Meeting

**CSURMA AORMA PROGRAM ADMINISTRATOR’S CONTACT LISTS**

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

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

**FISCAL IMPACT:** None.

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

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

## CSURMA CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
<b>JPA Program Administrator – Alliant Insurance Services, Inc.</b>				
Certificate of Insurance Requests	Van Rin Andrew Gaspari	vrin@alliant.com andrew.gaspari@alliant.com	415-403-1408 415-403-1412	415-874-4810 415-874-4810
General CSURMA Coverage Questions (CAMPUS only)	Amy Lightner	amy.lightner@alliant.com	415-403-1457	415-874-4810
	Susan Leung	susan.leung@alliant.com	415-403-1435	415-874-4810
	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
	Daniel Howell	dhowell@alliant.com	415-403-1426	415-874-4810
	Robert Leong	rleong@alliant.com	415-403-1441	415-874-4810
General CSURMA AORMA Coverage Questions (Auxiliary Organizations only)	Mimi Long	mlong@alliant.com	415-403-1423	415-874-4810
	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
	Amy Lightner	amy.lightner@alliant.com	415-403-1457	415-874-4810
	Daniel Howell	dhowell@alliant.com	415-403-1426	415-874-4810
AIME	Stacey Weeks	sweeks@alliant.com	415-403-1448	415-874-4810
	Robert Leong	rleong@alliant.com	415-403-1441	415-874-4810
Inland Marine	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
	Mimi Long	mlong@alliant.com	415-403-1423	415-874-4810
	Andrew Gaspari	andrew.gaspari@alliant.com	415-403-1412	415-874-4810
Participant Accident Insurance (PAI)	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
	Tevea Him	thim@alliant.com	415-403-1416	415-874-4810
Special Events Insurance	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Foreign Travel Program	Stacey Weeks	sweeks@alliant.com	415-403-1448	415-874-4810
	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
General Risk Management Questions	Mimi Long	mlong@alliant.com	415-403-1423	415-874-4810
	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
	Amy Lightner	amy.lightner@alliant.com	415-403-1457	415-874-4810
	Daniel Howell	dhowell@alliant.com	415-403-1426	415-874-4810
Workers' Compensation Claims Consultant	Jacki Graf	jgraf@alliant.com	415-403-1438	415-874-4810
Alliant Claims Consulting	Robert Frey	rfrey@alliant.com	415-403-1445	415-403-1466
	Diana Walizada	dwalizada@alliant.com	415-403-1453	415-403-1466
	Elaine (Kim) Tizon	elaine.tizon@alliant.com	415-403-1458	415-403-1466
	Sheila McClenaghan	sheila.mcclenaghan@alliant.com	415-403-1492	415-403-1466
Form 700	Tevea Him	thim@alliant.com	415-403-1416	415-402-0773
Website and Technology Questions	La Shaunda Gaines	lashaunda.gaines@alliant.com	415-403-1489	415-874-4810
	Tevea Him	thim@alliant.com	415-403-1416	415-874-4810
	Myron Leavell	mleavell@alliant.com	415-403-1404	415-874-4810

Coverage	Contact	E-Mail Address	Office	Fax
<b>AOA Bug Program - Alliant Benefits Group</b>				
General Inquiries	General Inquiries	aoabenefits@alliant.com		
Account Manager	Lesley Hellow	lesley.hellow@alliant.com	213-270-0152	
Account Manger	Emily Li	emily.li@alliant.com	415-403-1463	
Account Exective	Chloe Smith	chloe.smith@alliant.com	415-403-1437	
Benefits Consultant	Tom Quirk	tom.quirk@alliant.com	949-660-5952	
Benefits Consultant/ Senior Vice President	Michael Menerey	mmenerey@alliant.com	213-270-0972	

Coverage	Contact	E-Mail Address	Office	Fax
<b>Loss Control Consultants – Alliant Risk Control Consulting</b>				
Northern California	John Owen	jowen@alliant.com	916-643-2736	
Southern California	Kristina Loiselle	kloiselle@alliant.com	949-260-5042	
Central California	Tim Leech	tleech@alliant.com	949-260-5008	

**CONTACT LIST**

Coverage	Contact	E-Mail Address	Office	Fax
<b>CSU Chancellor's Office</b>				
CSU Chancellor's Office	Scott Bourdon	sbourdon@calstate.edu	562-951-4580	
	Leona Ching	lching@calstate.edu	562-951-4580	562-951-4859
	Robert Eaton	reaton@calstate.edu	562-951-4572	562-951-4971
	Zachary Gifford	zgifford@calstate.edu	562-951-4568	562-951-4859
	Martha Guiditta	mguiditta@calstate.edu	562-951-4557	562-951-4859
	Audra Reed	areed@calstate.edu	562-951-4564	562-951-4971
	Steve Relyea	srelyea@calstate.edu	562-951-4600	562-951-4971
	Jody VanLeuven	jvanleuven@calstate.edu	562-951-4574	
CSU Chancellor's Office Office of General Counsel	William Hsu Robin Webb	whsu@calstate.edu rwebb@calstate.edu	562-951-4500 562-951-4500	562-951-4956 562-951-4956
CSU Chancellor's Office Financial Services Division Systemwide Accounting & Reporting	Alice Kim Cindi Le Jessica Liu Tanaka	akim@calstate.edu cle@calstate.edu jliu@calstate.edu	562-951-4627 562-951-4651 562-951-4621	562-951-4865 562-951-4865 562-951-4865
Chancellor's Office Systemwide Professional Development	David Kervella Chris Fondacaro	dkervella@calstate.edu cfondacaro@calstate.edu	562-951-4403 562-951-4403	

### CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
<b>Unemployment Insurance Claims Administrator – Equifax</b>				
Account Manager	Kevin Sullivan	kevin.sullivan@equifax.com	714-421-8145	
UI Claims Administrator (Primary)	Irene Wang	irene.wang@equifax.com	317-684-2885	866-219-8844
UI Claims Administration Manager	Trisha Milton	trisha.milton@equifax.com	314-214-7883	
Equifax Charge Specialist DE2088 Requests	Laura Snyder	Laura.snyder@equifax.com		
Power of Attorney Issues	Brittany Yehlen Mitchell Bowe	Brittany.yehlen@equifax.com Mitchell.bowe@equifax.com	314-684-2880 314-684-2471	

Coverage	Contact	E-Mail Address	Office	Fax
<b>Human Resources Consulting – Employers Group</b>				
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	Rebecca Rogan	rrogan@employersgroup.com	213-765-3920	
Training Services	Somaly Heng	sheng@employersgroup.com	213-765-3962	
Employer Advocacy	Dustan Batton	dbatton@employersgroup.com	213-765-3915	



## **LIABILITY – CLAIMS REPORTING CONTACT**

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

**Yumi Augustus**  
**Litigation Manager**  
Carl Warren & Company  
PO Box 2411  
Tustin, CA 92781  
[csurma@carlwarren.com](mailto:csurma@carlwarren.com)

or

[yaugustus@carlwarren.com](mailto:yaugustus@carlwarren.com)  
Tel: 818-265-6765



## **POLLUTION – CLAIMS REPORTING CONTACT**

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

**Report the incident immediately to:**

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

**AND:**

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

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

**OR**

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

**OR**

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

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

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



## CYBER LIABILITY – CLAIMS REPORTING CONTACT

**Report the incident immediately to:**

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

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

**AND COPY TO:**

<b>Elaine (Kim) Tizon, Claims Advocate</b>	<b>OR</b>	<b>Diana Walizada, Claims Unit Manager</b>
Alliant Insurance Services, Inc.		Alliant Insurance Services, Inc.
E-mail: elaine.tizon@alliant.com		E-mail: dwalizada@alliant.com
Tel: 415-403-1458		Tel: 415-403-1453
Fax: 415-403-1466		Fax: 415-403-1466
Cell: 415-609-2133		Cell: 415-693-8714

**After hours claims reporting number**

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



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

**Report the incident immediately to:**

**Elaine (Kim) Tizon, Claims Advocate** **OR**

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

**Diana Walizada, Claims Unit Manager**

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

**OR:**

**After hours claims reporting number:**

**Robert Frey, First Vice President**

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



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

**Report the incident immediately to:**

**Elaine (Kim) Tizon, Claims Advocate** **OR**

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

**Diana Walizada, Claims Unit Manager**

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

**OR:**

**After hours claims reporting number:**

**Robert Frey, First Vice President**

Alliant Insurance Services, Inc.

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



## **PROPERTY / BOILER & MACHINERY CLAIMS REPORTING CONTRACT**

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

**OR**

**Diana Walizada, Claims Unit Manager**

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

**OR**

**Robert Frey, First Vice President**

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco, CA 94111-5101  
E-mail: [rfrey@alliant.com](mailto:rfrey@alliant.com)  
Tel: 415-403-1445  
Fax: 415-403-1466  
Cell: 415-518-8490

**OR**

**Elaine (Kim) Tizon, Claims Advocate**

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

**AND COPY TO:**

**Sandra Doig**

McLaren's

180 Montgomery Street, Suite 2100  
San Francisco, CA 94104  
[Sandra.Doig@mclarens.com](mailto:Sandra.Doig@mclarens.com)  
Tel: 415-392-6034  
Fax: 949-757-1692

**After hours claims reporting number:**

**Robert Frey, First Vice President**

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



## WORKERS' COMPENSATION – CLAIMS REPORTING CONTACT

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

**Brian Montagnese - Supervisor**

Sedgwick CMS  
P.O. Box 14629  
Lexington, KY 40512-4629

E-mail: [brian.montagnese@sedgwickcms.com](mailto:brian.montagnese@sedgwickcms.com)  
Tel: 916-636-4441  
Fax: 916-851-8079

### YOUR CLAIM WILL BE ASSIGNED TO EITHER:

**Katie Brandt, Adjuster**

Sedgwick CMS  
P.O. Box 14629  
Lexington, KY 40512-4629

E-mail: [katie.brant@sedgwickcms.com](mailto:katie.brant@sedgwickcms.com)  
Tel: 916-636-4451  
Fax: 916-851-8079

**OR**

**Biba Olson**

**Claims Assistant and Medical Only Examiner**  
Sedgwick CMS

E-mail: [biba.olson@sedgwickcms.com](mailto:biba.olson@sedgwickcms.com)  
Tel: 916-636-4439

**Susan Neville**

**Adjuster, Northridge Auxiliary Only**  
Sedgwick CMS

E-mail: [susan.neville@sedgwickcms.com](mailto:susan.neville@sedgwickcms.com)  
Tel: 916-636-4455



## PARTICIPANT ACCIDENT INSURANCE (PAI)

In the event of a Participant Accident Insurance (PAI) claim, *please forward the completed HSR claim form directly to:*

**Health Special Risk, Inc.**  
HSR Plaza II  
4100 Medical Parkway  
Carrollton, TX 75007

E-mail: [CSRM@hsri.com](mailto:CSRM@hsri.com)  
Tel: 972-512-5600  
Fax: 972-512-5820  
Tel Toll Free: 866-523-3186



## UNEMPLOYMENT INSURANCE PROGRAM (UIP)

For Unemployment Insurance Program (UIP) claim, please contact Equifax Workforce Solutions directly at:

**Equifax Workforce Solutions**

P.O. Box 283  
St. Louis, MO 63166-0283

**Kevin Sullivan**

*Account Manager*  
kevin.sullivan@equifax.com  
(714) 421-8145

**Irene Wang**

*UI Consultant/Hearing Coordinator*  
irene.wang@equifax.com  
(314) 684-2885

**Trisha Milton**

*Claims Assistant Manager*  
trisha.milton@equifax.com  
(314) 214-7883

State Agency Response Center: (800) 829 -1510

Should you receive any calls from the state agencies directly, requesting information related to a claim, please provide them the above number.

UC Support: (866)723-4800 or  
ucsupport@equifax.com

Should you encounter any issues logging into the UC Web Manager (CaseBuilder, Insight) application, please reach out to UC Support.

## **AORMA’S TRAVEL REIMBURSEMENT POLICY**

**ISSUE:** Reasonable expenses associated with your travel to and from the AORMA Committee meetings and CSURMA Board of Directors meetings are reimbursable by CSURMA. Attached for your review is Policy & Procedure A-7 – CSURMA AORMA Travel Reimbursement Policy.

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

**FISCAL IMPACT:** None.

**BACKGROUND:** Please contact Mimi Long should you have any questions regarding your travel expenses.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. Policy & Procedure A-7 – CSURMA AORMA Travel Reimbursement Policy



## **CSURMA AORMA**

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

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**SUBJECT:** CSURMA AORMA TRAVEL REIMBURSEMENT POLICY

**ADOPTED:** MARCH 21, 2013  
**AMENDED:** MARCH 19, 2015  
MARCH 9, 2017  
SEPTEMBER 6, 2018

**EFFECTIVE:** MARCH 21, 2013

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### **PURPOSE:**

CSURMA AORMA members benefit from the work of their elected and appointed representatives who give their time to participate in the governance and development of CSURMA programs. Committee Member in person attendance at the AORMA Committee, standing committee meetings and task group meetings is preferred. This Policy and Procedure is intended to formalize the prior existing practices of CSURMA.

### **POLICY:**

It is the policy of the CSURMA AORMA Committee that reasonable and actual expenses incurred by AUTHORIZED TRAVELERS for COVERED PURPOSES related to operation of CSURMA's programs shall be reimbursed. The method of approving travel, and reporting and calculating the reimbursable amount shall be in accordance with the travel reimbursement policy of the California State University or the AUTHORIZED TRAVELER's member auxiliary organization at the time of the travel.

### **PROCEDURE:**

1. Reimbursement requests will be reported on the AUTHORIZED TRAVELER's completed State of California – Travel Expense Claim form or the form utilized by the AUTHORIZED TRAVELER's member auxiliary organization. The claim form should be forwarded to the AUTHORIZED TRAVELER's member auxiliary organization accounting department for reimbursement. The member auxiliary organization's accounting department should then seek reimbursement from CSURMA.
2. The AUTHORIZED TRAVELER's accounting department should send the following documents to CSURMA c/o the Systemwide Office of Risk Management:
  - a) Invoices for all reasonable expenses



- b) Completed State of California (or AUTHORIZED TRAVELER's member auxiliary organization) – Travel Expense Claim form
- c) Documentation of the purpose of the travel such as a copy of the agenda, presentation, etc. for the COVERED PURPOSE that the AUTHORIZED TRAVELER attended.

**DEFINITIONS:**

**AUTHORIZED TRAVELER** – includes AORMA Committee members and officers, standing committee members and participants in duly established task groups. Other persons traveling on CSURMA AORMA related travel shall be reimbursed pursuant to this Policy and Procedure No. A-7 as agreed under separate agreement in advance of the travel. Independent consultants shall not be considered AUTHORIZED TRAVELERS under this Policy and Procedure No. A-7 and any travel expenses incurred by independent consultants may be reimbursed as provided under separate consulting agreements.

**COVERED EXPENSES** – includes reasonable expenses incurred by the AUTHORIZED TRAVELER as provided under the travel reimbursement policy of the California State University or the AUTHORIZED TRAVELER's member auxiliary organization travel reimbursement policy requirements.

**COVERED PURPOSES** – covered purposes shall include attendance at meetings of the CSURMA AORMA Committee, standing committees, task group meetings, program presentations, member meetings, and approved professional development trainings. Any other COVERED PURPOSES must be approved for reimbursement by the AORMA Committee. The AORMA Committee Chair or designee is expected to attend the AOA Executive Committee meetings as the representative of the AORMA Committee and therefore reasonable expenses associated with travel to and from as well as participation in the AOA Executive Committee meetings are reimbursable by CSURMA. As directors on the CSURMA Board, AORMA Committee Members are expected to attend CSURMA Board of Directors meetings and therefore reasonable expenses associated with travel to and from as well as participation in the CSURMA Board of Directors meeting are reimbursable by CSURMA. If there is travel to an event that would otherwise be a COVERED PURPOSE in conjunction with another event the AUTHORIZED TRAVELER would otherwise attend such as the AOA Annual Conference or the CSURMA Fitting the Pieces Together Conference, the AUTHORIZED TRAVELER is eligible for reimbursement of COVERED EXPENSES to attend the COVERED PURPOSE meeting only and there will be no CSURMA reimbursement of the expenses the AUTHORIZED TRAVELER would have normally incurred to attend the AOA Annual Conference or the CSURMA Fitting the Pieces Together Conference.

## **AORMA COMMITTEE MEMBERS**

**ISSUE:** Attached for the Committee's review is the AORMA Committee and Standing Committee Membership Roster Contact List.

**RECOMMENDATION:** It is recommended that the Committee Members review the contact information for accuracy and report any changes or corrections to Staff.

**FISCAL IMPACT:** None.

**BACKGROUND:** Contact lists are provided at every meeting.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. AORMA Committee Roster - Effective at July 1, 2019

**AORMA Committee  
Effective at July 1, 2019**

Committee	Seat	Member	Position	Campus	Type of Auxiliary	E-Mail	Telephone Number
AORMA	Chair	Dwayne Brummett	Associate Executive Director	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	dbrummet@calpoly.edu	805-756-5768
AORMA	First Vice Chair	Dave Nakamura	Executive Director	Humboldt	Humboldt State University Center	dave.nakamura@humboldt.edu	707-826-4878
AORMA	Second Vice Chair	Starr Lee	Director of Administration & Legal /Associate Executive Director	Monterey Bay	The University Corporation at Monterey Bay	stlee@csumb.edu	831-582-3000
AORMA	Seat 1	Bella Newberg	Associate Vice President, Business Development & Executive Director	San Marcos	California State University San Marcos Corporation	newberg@csusm.edu	760-750-4700
AORMA	Seat 2	Chuck Kissel	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	ckissel@fullerton.edu	657-278-4990
AORMA	Seat 3	Cecilia Ortiz	Director	Dominguez Hills	Loker Student Union	cortiz@csudh.edu	310-243-3854
AORMA	Seat 4	Russell Wittmeier	Human Resources Director	Chico	The CSU, Chico Research Foundation	rwittmeier@csuchico.edu	530-898-5731
AORMA	Seat 5	Trina Knight	Human Resources Director	Sacramento	University Enterprises, Inc., CSU Sacramento	trinak@csus.edu	916-278-7003
AORMA	Seat 6	Leslie Levinson	Chief Financial Officer	San Diego	San Diego State University Research Foundation	llevinson@mail.sdsu.edu	619-594-8941
AORMA	Seat 7	Bill Olmsted	Interim Executive Director	Sacramento	University Union Operation of CSUS, Inc.	olmsted@csus.edu	916-278-6744

Size of Campus: small - less than 10,000 FTE; medium - between 10,000 and 20,000 FTE; large - more than 20,000 FTE

## **CSURMA ADMINISTRATIVE SERVICE CALENDAR**

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

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

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

**BACKGROUND:** None.

**PUBLICATION:** None.

**ATTACHMENT(S):**

- a. CSURMA Administrative Service Calendar

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>JANUARY 2019</b>				
01/01/19	CSURMA Policies and Procedures (odd in odd years / even in even years)	Alliant Staff	Robert Leong	Completed
01/02/19	FORM 700 - JPA ADMIN finalizes current year member listing	Alliant Staff	Tevea Him	Completed
01/06/19	State Filing - Statement of Facts – Roster of Public Agencies - file with Secretary of State	Alliant Staff	Tevea Him	Pending
01/06/19	State Filing - Joint Powers Authority - file with Secretary of State - As Needed	Alliant Staff	Tevea Him	N/A
01/06/19	State Filing - Financial Statement to the County Auditor and State Controller	Alliant Staff	Tevea Him	Completed
01/06/19	Treasurers' Bond	Alliant Staff	Van Rin	Completed
01/07/19	Announce the new AORMA Committee open seats on the AORMA Committee at the AOA Conference	Nominations Committee	Mimi Long	Completed
<b>1/13-16/2019</b>	<b>CSURMA AOA CONFERENCE</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>01/13/19</b>	<b>CSURMA EC Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>01/14/19</b>	<b>AIME Committee Meeting</b>	<b>Alliant Staff</b>	<b>Stacey Weeks</b>	<b>Completed</b>
01/15/19	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
01/31/19	Final premium / rate letter to all AORMA members	Alliant Staff	Mimi Long	Completed
01/31/19	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
<b>FEBRUARY 2019</b>				
02/01/19	Campus Liability Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	Completed
02/01/19	AORMA Liability Program claims audit (every odd year)	Alliant Staff	Mimi Long	Completed
02/01/19	Campus Workers' Compensation Risk Pool claims audit (every odd year)	Alliant Staff	Jacki Graf	Completed
02/01/19	AIME Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	Completed
02/01/19	AORMA Workers' Compensation program claims administration audit (every even year)	Alliant Staff	Jacki Graf	N/A
<b>MARCH 2019</b>				
03/01/19	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery (verify w/ Yumi)	Carl Warren	Mimi Long	N/A
03/01/19	CSURMA Cash Flow Statement at Dec 31st	Alliant Staff	Susan Leung	
03/01/19	AORMA Liability Program - Reinsurance Recovery (verify w/ Yumi)	Carl Warren	Mimi Long	N/A
03/01/19	Chancellor's Office Services Budget Proposals	Alliant Staff	Mimi Long	Completed
03/01/19	CSURMA Budget (EC and AORMA Approval)	Alliant Staff	Robert Leong	Completed
03/01/19	Review of the CSURMA Master Investment Policy	Alliant Staff	Mimi Long	Completed
03/01/19	CSURMA Mid-Term Budget Amendments	Alliant Staff	Robert Leong	Completed
03/01/19	FORM 700 - Follow up No. 3 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
03/01/19	Review the Auxiliary Service Provider Report	Alliant Staff	Mimi Long	Completed
03/01/19	Appointment of the Campus Programs RPTG - Spring 2018 (FY 2019/2020)	Alliant Staff	Robert Leong	Completed
<b>03/07/19</b>	<b>AORMA Committee Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>03/07/19</b>	<b>CSURMA EC Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
<b>03/08/19</b>	<b>CSURMA EC LRP Meeting</b>	<b>Alliant Staff</b>	<b>Mimi Long</b>	<b>Completed</b>
03/20/19	Forward slate of nominees to fill the open seats on the AORMA Committee	Alliant Staff	Mimi Long	Completed
03/31/19	Completion of the Form 700 – Statement of Economic Interest	BOD and Alliant Staff	Tevea Him	Completed
<b>APRIL 2019</b>				
04/01/19	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
04/01/19	Send out ballot for AORMA Committee term beginning on July 1, 2019	Alliant Staff	Tevea Him	Completed
04/30/19	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>MAY 2019</b>				
05/06/19	<i>AIME Committee Meeting</i>	<i>Alliant Staff</i>	<i>Stacey Weeks</i>	
05/02/19	<i>CSURMA BOD NMO Meeting via Teleconference</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
05/02/19	<i>AORMA Committee Meeting</i>	Alliant Staff	Mimi Long	
05/03/19	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
05/03/19	<i>CSURMA BOD Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
05/01/19	Approval by EC Resolution allowing Treasurer to invest or reinvest funds (P/O Budget Resolution	BOD and Alliant Staff	Tevea Him	Completed
05/01/19	Approval of Conflict of Interest Code by BOD every even-number year - File with FPPC as required	BOD and Alliant Staff	Tevea Him	Completed
05/04/19	Receive back all AORMA Committee ballots for the term beginning on July 1, 2019	Alliant Staff	Tevea Him	Completed
05/11/19	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	Completed
05/15/19	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
05/30/19	Send out appointment letters to the newly elected AORMA Committee members for the term beginning on July 1, 2019	AORMA Chair/Alliant Staff	Tevea Him	N/A
05/30/19	Send out appointment letters to the newly elected Executive Committee members for the term beginning on July 1, 2019	AORMA Chair/Alliant Staff	Tevea Him	N/A
05/30/19	Update the AORMA Committee and Standing Committee Org Chart for the term beginning July 1, 2019	Alliant Staff	Tevea Him	Completed
05/30/19	Update the AORMA Committee and Standing Committee Roster for the term beginning July 1, 2019	Alliant Staff	Mimi Long	Completed
<b>JUNE</b>				
06/01/19	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery (verify w/ Yumi	Carl Warren	Mimi Long	Completed
06/01/19	CSURMA Cash Flow Statement at March 31st	Alliant Staff	Susan Leung	Completed
06/01/19	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
06/30/19	<i>Expiring Contract: CO Enterprise Accounting / Financial Services - July 1, 2018 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: UC Office of Risk Services Performing Arts Center of Excellence - November 1, 2013 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: Alliant Loss Control Services - July 1, 2018 to June 30, 2019 (new term July 1, 2019 to June 30, 2022)</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: CO OGC / Legal - July 1, 2017 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/20	<i>Expiring Contract: CO Systemwide Professional Development (AORMA online training)</i>	Alliant Staff	Mimi Long	N/A
06/30/19	<i>Expiring Contract: Carl Warren &amp; Company (1st and 2nd options June 30, 2020 and 2021)</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: CO Risk Management - July 1, 2017 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: Agility - July 1, 2017 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/19	<i>Expiring Contract: Sedgwick - July 1, 2013 to June 30, 2019</i>	Alliant Staff	Mimi Long	N/A
06/30/20	<i>Expiring Contract: Employers Group Service Corp - July 1, 2013 to June 30, 2019</i>	Alliant Staff	Mimi Long	N/A
06/30/21	<i>Expiring Contract: Sedgwick CMS - July 1, 2018 to June 30, 2021</i>	Alliant Staff	Mimi Long	N/A
06/30/20	<i>Expiring Contract: Praesidium - July 1, 2017 to June 30, 2020</i>	Alliant Staff	Mimi Long	N/A
06/30/20	<i>Expiring Contract: Witt O'Brien's, LLC - July 1, 2014 to July 1, 2019</i>	Alliant Staff	Mimi Long	N/A
06/30/19	<i>Expiring Contract: Veoci - July 1, 2018 to June 30, 2019</i>	Alliant Staff	Mimi Long	Completed
06/30/21	<i>Expiring Contract: HSR (AIME and Club Sports) - July 1, 2015 to July 1, 2021</i>	Alliant Staff	Mimi Long	N/A
06/30/19	Request COI from all vendor's contract	Alliant Staff	La Shaunda	In Process

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>JULY</b>				
07/01/23	OCIP Renewal (5 year program)	Alliant Staff	Daniel Howell/ Mimi Long	N/A
07/01/19	Financial audit prep with KPMG	Alliant Staff / RM	Van Rin	Completed
07/01/19	Send to CSU Accounting the approved dividends and allocation of program costs for invoicing	Alliant Staff	Van Rin	Completed
07/04/19	Send out AORMA binder, insurance summary and invoice to all members	Alliant Staff	Van Rin	Completed
07/05/19	Request Workers' Compensation and Liability loss runs @ 6/30 – Forward to Actuary	Alliant Staff	Mimi Long	Completed
07/07/19	Request Liability (EPL check register) for minimum EPL deductible calculation for upcoming fiscal year	Alliant Staff	Tevea Him	Completed
07/14/19	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
07/15/19	Final FY Payroll - request from Chancellor's Office	Alliant Staff	Robert Leong	Completed
07/15/19	Process the Liability and Workers' Compensation dividend checks and forward to Alliant for distribution	CSU Accounting	Van Rin	Completed
<b>07/TBD/2019</b>	<b>AORMA Officers Retreat – TBD</b>	<b>AORMA Officers</b>	<b>Mimi Long</b>	<b>Completed</b>
07/21/19	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
07/28/19	FORM 700 - FORMS DUE TO FPCC ON THIS DATE [ASSUMING/LEAVING]	Alliant Staff	Tevea Him	Completed
07/31/19	Actuarial Study - receive draft and forward to RM	Alliant Staff	Robert Leong	Completed
07/31/19	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report - Present to EC in Sept	Alliant Staff	Robert Leong	Completed
07/31/19	Distribute the Liability and Workers' Compensation dividend checks	Alliant Staff	Van Rin	Completed
07/31/19	Request final audited payroll from all Workers' Compensation program members for expired year	Alliant Staff	Tevea Him	Completed
07/31/19	Survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate (every three years)	Liability TPA	Mimi Long	Completed
07/31/19	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
07/31/19	Appointment of the Campus Programs RPTG - 2019 (FY 2021/2022)	Alliant Staff	Robert Leong	Completed
07/31/19	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report	Alliant Staff	Robert Leong	Completed
<b>AUGUST</b>				
08/01/19	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	Completed
08/01/19	Send out letter regarding Campus Appointment of CSURMA Board of Directors Members and Alternate	Alliant Staff	Tevea Him	In Process
08/01/19	Send out letter to regarding Claims Settlement Authority Annual Confirmation	Alliant Staff	Tevea Him	In Process
08/01/19	Send out letter to regarding Foreign Travel Authority Confirmation	Alliant Staff	Tevea Him/ Stacey Weeks	In Process
08/01/19	Completion of draft actuarial studies for Workers' Compensation and Liability programs	Actuary	Mimi Long	Completed
08/01/19	AOA EC Meeting: Send out AORMA Summary	Alliant Staff	Mimi Long	Completed
08/11/19	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	Completed
08/15/19	AOA EC Meeting - San Diego	Alliant Staff	Mimi Long	Completed
08/31/19	Calculate additional premium or return premium for each Workers' Compensation program member based on the audited payroll	Alliant Staff	Mimi Long	In Process
08/31/19	Calculate each member's minimum EPL deductible for the upcoming program term	Alliant Staff	Mimi Long	Completed
08/31/19	Complete Target Surplus Funding Report	Alliant Staff	Mimi Long	Completed
08/31/19	Completion of Financial Audit	CSU Accounting	Mimi Long	In Process
08/31/19	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 6/30	Alliant Staff	Tevea Him	Completed
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	In Process
Begin Task	AORMA Workers' Compensation Desk Audit	Alliant Staff	Mimi Long	N/A

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>SEPTEMBER</b>				
09/01/19	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Carl Warren	Mimi Long	
09/01/19	CSURMA Cash Flow Statement at June 30th	Alliant Staff	Susan Leung	In Process
<i>09/04/19</i>	<i>AORMA Long Range Plan meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>09/04/19</i>	<i>AORMA New Committee Member Orientation meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>09/05/19</i>	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>09/05/19</i>	<i>CSURMA EC Orientation Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>09/06/19</i>	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>TBD</i>	<i>CAJPA Fall Conference and Training Seminar -South Lake Tahoe</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/14/19	CAJPA Standards review (2017, 2020, 2023 and every 3 years thereafter) - Start the Process	Alliant Staff	Mimi Long	
09/15/19	Prepare invoices or checks for the Workers' Compensation payroll audit	CSU Accounting	Van Rin	
09/15/19	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	
09/30/19	CSURMA Quarterly EPL Deductible Recoverys ending September 30 (Begin Task)	Alliant Staff	Van Rin	
09/30/19	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	
<b>OCTOBER</b>				
10/01/19	Request completion of the Liability applicator	Alliant Staff	Mimi Long	
10/01/19	Stewardship Report	Alliant Staff	Mimi Long	
10/01/19	Update the CSURMA Tri-Fold based on June 30 financials.	Alliant Staff	Mimi Long	
10/01/19	Request estimated Workers' Compensation payroll	Alliant Staff	Mimi Long	
10/15/19	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
<i>10/14/19</i>	<i>AIME Committee Meeting</i>	<i>Alliant Staff</i>	<i>Stacey Weeks</i>	
10/31/19	Government Compensation Report (request from CSU Accounting)	Accounting	Tevea Him	
10/31/19	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	
<b>NOVEMBER</b>				
11/01/19	Review CAJPA Accrediation Standard for new or reoccurring item	Alliant Staff	Tevea Him	
11/01/19	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	
<i>11/08/19</i>	<i>CSURMA BOD Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
<i>11/08/19</i>	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
11/28/19	Send campus risk pool renewal budget (Budget)	Alliant Staff	Robert Leong	
11/28/19	Send campus risk pool renewal budget (Early Bird Renewal Letter)	Alliant Staff	Robert Leong	
11/28/19	Campus Risk Pool Deductible - Confirm (every 3 years - 2017, 2020)	Alliant Staff	Robert Leong	
11/30/19	Review volunteer losses within the Workers' Compensation program	Alliant Staff	Mimi Long	
11/30/19	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 9/30	Alliant Staff	Tevea Him	

## CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
<b>DECEMBER</b>				
12/01/19	2018 Vendor Survey - Review List of Vendors and Work on Recipients	Risk Management	Risk Management	
12/01/19	CSURMA Cash Flow Statement at Sept. 30th	Alliant Staff	Susan Leung	
12/01/19	Appointment of the Club Sport Insurance Programs RPTG - Spring 2019 (FY 2019/2020)	Alliant Staff	Robert Leong	
12/01/19	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Carl Warren	Mimi Long	
<b>12/05/19</b>	<b><i>AORMA Committee Meeting</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
12/15/19	FORM 700 - Campus Risk Pool Administrator sends revised Campus Primary and Alternate CSURMA BOD member listing to JPA ADMIN	Alliant Staff	Tevea Him	
12/15/19	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	
12/30/19	Financial Audit - mail to Secretary of State and County Auditor	Alliant Staff/Accounting	Tevea Him	
12/31/19	CSURMA Quarterly EPL Deductible Recoverys	Alliant Staff	Van Rin	
<b>12/31/19</b>	<b><i>Expiring Contract: Enterprises Rent A Car - January 1, 2018 - December 31, 2018</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
<b>12/31/20</b>	<b><i>Expiring Contract: UC RSS</i></b>			
<b>12/31/19</b>	<b><i>Expiring Contract: Alliant Insurance Services (Brokerage Agreement) - December 31, 2019</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
<b>12/31/19</b>	<b><i>Expiring Contract: Alliant Insurance Services (Brokerage Agreement OCIP) - December 31, 2019</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	
<b>12/31/19</b>	<b><i>Expiring Contract: Alliant Insurance Services (Program Admin Agreement) - December 31, 2019</i></b>	<b><i>Alliant Staff</i></b>	<b><i>Mimi Long</i></b>	