



CSURMA EXECUTIVE COMMITTEE MEETING AGENDA

“This is an Open Public Meeting”

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

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

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

Meeting Date: October 24, 2014
Time: 9:00 AM

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

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

A. CALL TO ORDER

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

B. PUBLIC COMMENTS

C. CONSENT CALENDAR

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will be asked to take action on the consent calendar items as a group; however, a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

- 1. **Approval of Minutes – September 12, 2014** **A** p. 5
The Committee will be asked to approve the minutes from its last meeting.
- 2. **Financial Report**
 - a. Receipt and Review of the draft financial statement at September 30, 2014 **A** p. 28
 - b. Treasurer’s Report – September 30, 2014 **A** p. 40
- 3. **CSURMA Conflict of Interest Code** **A** p.41
The Committee will be asked to approve CSURMA’s Conflict of Interest Code.

D. GENERAL ADMINISTRATION

- 1. **Report on Independent Auditor’s Financial Audit as of June 30, 2014** **A** p. 45
The Committee will receive a report on the fiscal year 2013/2014 Financial Audit, taking action as appropriate

- | | | | |
|----|--|---|-------|
| 2. | <p>Delegation of Authority to Extend Owner Controlled Insurance Program (OCIP)
 <i>The Committee will be asked to delegate authority to the CSU Chancellor's Office to extend the CSU OCIP and authorize the CSURMA Chair and Secretary-Auditor to execute agreements.</i></p> | A | p. 85 |
| 3. | <p>Workers' Compensation Program Claims Closure Initiative Update
 <i>The Committee will hear an update regarding the Workers' Compensation Program claims closure initiative</i></p> | I | p. 88 |
| 4. | <p>Student Travel Accident Policy Renewal
 <i>The Committee is asked to select a coverage limit and approve the renewal of the Student Travel Accident Insurance.</i></p> | A | p.90 |
| 5. | <p>Evaluation of Primary Coverage Program for Workers' Compensation
 <i>The Committee will be asked to review the revised proposal by CSAC EIA for the workers' compensation program and take action as appropriate</i></p> | A | p.93 |
| 6. | <p>Risk Management Innovative Grant Program</p> <p style="margin-left: 20px;">a. Approval of Risk Management Innovation Grant Program Applications Received from Members
 <i>The Committee will be asked to review the grant applications and provide approval as appropriate</i></p> <p style="margin-left: 20px;">b. Revised Risk Management Innovation Grant Criteria
 <i>The Committee will be asked to review and approve the revised grant criteria</i></p> <p style="margin-left: 20px;">c. Approval to Unencumber Non-Used Risk Innovation Grant Funds for Systemwide Endeavors
 <i>The Committee will be asked to approve the use of any remaining grant funds by the Campus Risk Managers and/or Environmental, Health and Safety Staff for Systemwide safety programs</i></p> | A | p.124 |
| 7. | <p>Approval of the Policy and Procedure No. 22 – Claims Handling Guidelines
 <i>The Committee will be asked to review and approve Policy and Procedure No. 22 – Claims Handling Guidelines</i></p> | A | p.131 |
| 8. | <p>CSURMA Support of Systemwide Efforts Related to Mitigation of Concussive Injuries
 <i>The Committee will review the rollout plan and expenditures for the new Systemwide Mitigation of Concussive Injuries Plan</i></p> | A | p.134 |

- 9. **Adoption of Meeting Dates for Calendar Year 2015** A p. 135
The Committee will be asked to take action to set the Committee’s meeting calendar for 2015
- 10. **Prevention of Sexual Misconduct and Abuse of Minors** I p.138
The Committee review and discuss the program and take action or provide direction as appropriate.
- 11. **Delegation of Authority to Engage Consultant to Perform CSURMA Operational Review** A p. 159
The Committee will be asked to delegate authority to the Secretary/Auditor to engage a consultant to perform the JPA Operational Audit

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

- 1. **AORMA Programs Update** I p. 162
The Committee will receive a verbal report on the AORMA programs.

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

None

G. INFORMATION ITEMS

- 1. **Review of FY 2014/2015 Long Range Planning Goals** I p. 163
- 2. **Listing of CSURMA Policies and Procedures** I p. 167
- 3. **CSURMA Administrative Service Calendar** I p. 169
- 4. **CSURMA Executive Committee & Staff Contact List** I p. 177

H. ADJOURNMENT

The next CSURMA Executive Committee meeting is scheduled for December 5, 2014, Location TBD.
If you have questions regarding the agenda package, please contact Mimi Long at mimilong@alliant.com / (415) 403-1423 or Tevea Him at thim@alliant.com / (415) 403-1416

APPROVAL OF THE AGENDA

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

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

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None

APPROVAL OF MINUTES – SEPTEMBER 12, 2014

ISSUE: The Committee will be asked to review and approve the draft minutes from its September 12, 2014 meeting.

RECOMMENDATION: It is recommended that the Committee approve the minutes from its September 12, 2014 meeting, including corrections as necessary.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee Meeting Minutes – September 12, 2014

**MINUTES OF THE
CSURMA EXECUTIVE COMMITTEE MEETING
SEPTEMBER 12, 2014
ALLIANT INSURANCE SERVICES
1301 Dove Street, 2nd Floor • Newport Beach, CA
8:30 AM**

MEMBERS PRESENT

George V. Ashkar (Treasurer) - CSU Office of the Chancellor
Lisa Chavez - CSU Los Angeles
Robert de Wit (AORMA Chair) - Forty-Niner Shops, Inc., CSULB
Robert Eaton (Secretary/Auditor) - CSU Office of the Chancellor
Lori Gentles - CSU Fullerton
Linda Hawk (Vice-Chair) - CSU San Marcos
Mike Lee - CSU Sacramento
Frank Mumford (AORMA Vice-Chair) - CSU Fullerton
Cynthia Teniente-Matson (Chair) - CSU Fresno
Michael Thorpe - CSU Chico

MEMBERS ABSENT

None

STAFF, GUESTS & CONSULTANTS

Kelly Cox - CSU Office of the Chancellor
Gordon DesCombes - Alliant Insurance Services, Inc.
Melissa Diaz - Alliant Insurance Services, Inc.
Zachary Gifford - CSU Office of the Chancellor
Jacki Graf - Alliant Insurance Services, Inc.
Daniel Howell - Alliant Insurance Services, Inc.
William Hsu - CSU Office of General Counsel
Robert Leong - Alliant Insurance Services, Inc.
Mimi Long - Alliant Insurance Services, Inc.
Steve Relyea - CSU Office of the Chancellor

A. CALL TO ORDER

The meeting was called to order at 8:31 AM by Cindy Matson.

Cindy requested that the Financial Report and the Brokerage Service Agreement Addendum A-1 be removed from the Consent Calendar so that each item could be discussed separately.

A1. Approval of the Agenda

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

MOTION: Frank Mumford

SECOND: Robert de Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

A. PUBLIC COMMENTS - None

B. CONSENT CALENDAR

C1. Approval of Minutes – May 9, 2014

The Committee reviewed the minutes from their last meeting. Lori Gentles requested that her university location be amended to reflect CSU Fullerton, rather than San Francisco State University.

A motion was made to approve the minutes with the one revision noted above.

MOTION: George Ashkar

SECOND: Mike Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford		X		

Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

The CSURMA Executive Committee members and guests introduced themselves.

C2a. Receipt and Review of the Draft Financial Statements at June 30, 2014

Cindy asked that the draft financial statement at June 30, 2014, be removed from the consent calendar so that the reclassification could be discussed. George explained that the property reinsurance premium was moved from Direct Program Expenses into the Operating Revenues as a negative revenue. The change to the financial statement is a reclassification, not a restatement, and does not affect the bottom-line.

A motion was made to approve the draft Financial Statement and Treasurer’s Report at June 30, 2014.

MOTION: Mike Thorpe

SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

C3. Brokerage Service Agreement – Addendum A-1

Daniel Howell stated that the common practice has been that the Program Administrator could receive income on placements that are outside of the “normal” CSURMA placements; however, that standard procedure was not documented in the brokerage service agreement. Addendum A-1, allows Alliant to place coverage for special events, fine arts exhibits, summer camps, and other miscellaneous placement and commissions will be earned at the percentages shown in the addendum. Addendum A-1 was drafted to provide clarity for audit purposes in disclosing commission rates on the miscellaneous coverages placed by Alliant for CSURMA and AORMA members. As provided in Attachment A, for other miscellaneous insurance placements, Broker shall earn commissions agreed upon with Client or Client’s members.

A motion was made to approve Addendum A-1 to the Brokerage Service Agreement.

MOTION: Frank Mumford

SECOND: Linda Hawk

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D. GENERAL ADMINISTRATION

D1. Insurance Renewal Report

Cindy asked Daniel to update the committee on July 1 insurance renewals. Daniel stated that the liability renewal went very well. The excess liability program was restructured two years ago. The program renewed with incumbent underwriters although there was a slight shuffling and increased rate in the upper layers. This change was required in order to maintain the \$100 million coverage for claims involving traumatic brain injury (TBI). Lexington had to be removed as they do not want to write coverage for TBI. There is a lot of concern amongst excess insurers regarding concussive injuries. Replacing Lexington resulted in an additional \$5,000. Coverage for small UAV (drones) was added to \$20 million. Overall, the excess premium cost increased 3%, with half of that increase due to the cost to add the UAV coverage.

The property renewal also had great results. Several large losses dropped off of the loss run allowing Alliant to market the property program. The property carriers had been using those losses to justify the higher property rate. Also, due to the size of the CSURMA property program, there are very few insurers able to write such a large risk. Zurich provided a competitive bid; however, the program ultimately stayed with the incumbent carrier (Lexington) due to pricing and the extremely broad coverage form. Lexington provided a 30% rate reduction for FY 14/15. CSURMA was also able to maintain the aggregate stop loss.

Based on the report received by the CSU Office of the Chancellor, the probable maximum cyber liability loss would be \$10,000,000. Based on that information, additional Cyber Liability insurance was purchased. Beazley Underwriters of Lloyds, the market leader, offered a very comprehensive Cyber Liability proposal. It includes breach response, credit monitoring,

increased limits, forensic accounting and enhanced coverages. The program now includes notification coverage for up to 2,000,000 persons affected by a breach. Beazley representatives will attend the CSURMA Board meeting in October and will present their new breach response services. Willy Hsu reiterated how critical it is to report and respond to a breach as quickly as possible. Daniel agreed to send out a bulletin to all CSURMA and AORMA members explaining the new services. The underlying message will be that we want to know of any breach as soon as possible so that the damage can be mitigated. Steve Relyea also agreed that early reporting is critical and he stated that he would present these new services to the CSU Counsel Presidents.

Daniel stated that the workers' compensation costs are edging up. The latest workers' compensation reforms did very little to stabilize costs. Daniel did note that CSURMA has an exemplary workers' compensation program and loss ratio. The CSURMA Actuary separates workers' compensation programs into five loss ratio tiers. CSURMA is below tier one, which represents the best loss ratio tier. Overall, however, CSURMA should continue to expect costs increases due to the rising medical costs.

Both the SPLIP and SAFECLIP programs were renewed with the same London broker. These programs continue to have excellent results and Alliant obtained a rate decrease of 5% on each program.

The crime program remains stable with incumbent underwriters who have recently approved amendments to accommodate research foundation grant funding exposures. The Campus Risk Pool program premium decreased 5% and the AORMA program increased 5% due to claims activity.

The AIME program received a slight cost increase due to medical cost inflation. AIME is self-insured up to the NCAA attachment. NCAA has projected increasing their excess attachment point to \$100,000 up from the current \$90,000, but allowed CSU campuses to stay at \$90,000 for FY 14/15. The program renewal cost to members will increase by 3% for FY 2015/16 based on preliminary projections.

The foreign travel program did not fare as well as the other program. The program stayed with ACE; however, a 12% increase was incurred due to the recent loss in Tanzania. The program now has a 400% loss ratio. The IP telephone hotline is charged \$350 every time a call comes in. Alliant is working with ACE to manage the hotline services. The foreign location managers and physicians can provide assistance on many questions without the travelers using the hotline. The individual traveler rates were maintained. An overlay program was created for students and other travelers who are required to purchase accident and health coverage via another program such as USAC. The overlay rates are lower and provide only the liability coverages.

Kelly Cox was curious why the property program changed from insurance to reinsurance. Daniel states that reinsurance benefits the CSURMA by providing more control over the claims handling and costs savings. Obtaining excess coverage through a reinsurance agreement, rather than traditional excess insurance, allows CSURMA to avoid paying fees and taxes.

D2. Discussion of CAJPA Comparative Review in FY 15/16

Cindy introduced this item and asked Daniel to provide the background on why CSURMA should consider performing a CAJPA review. Daniel stated that in 2011, CSURMA engaged an independent consultant to conduct a performance review of CSURMA's program administration and accounting practices along the lines of the California Association of Joint Powers Authority (CAJPA) Accreditation Standards. The review was conducted by James P. Marta & Company, who served as CAJPA's accreditation consultant. Several recommendations were presented by the consultant that served to improve overall management of CSURMA. As it has been three years since the last review and the Executive Committee may want to conduct a similar review during 2015. Being accredited by CAJPA can be used as a marketing tool and is a quality assurance to public entities considering joining a new pool. Because JPA's are not regulated by the state, adhering to the CAJPA standards is way to assure a well-run JPA. Because the CSURMA Campus Risk Pools have only one member, the mandatory funding requirements don't necessarily make sense. CSURMA has been accredited by CAJPA in the past, but withdrew from that program because CAJPA's accreditation committee failed to recognize as adequate the CSURMA Funding Policy since that policy relies on the University's commitment to fund deficits over a long time. Also, CAJPA wanted CSURMA to adopt for the campus Risk Pool a mandatory 70% confidence level funding rather than the current policy that allows the Committee discretion in setting target funding.

George Ashkar noted that the time commitment is significant in preparing the financial documents for the CAJPA accreditation. He noted that CSURMA already has three external audits - the operations audit, the financial audit and the compliance audit. If the committee moves forward with the review, he requests that it not overlap with the other audits. George suggested that the review consultant could approve the financial practices of CSURMA based on the results of the independent financial audit. George reiterated that he is not opposed to the audit and does believe that it provides great suggestions for improvement, but that it requires a substantial time commitment from his staff. Kelly Cox suggested that the review be done every five years.

Cindy inquired if CSURMA agreed to conduct the CAJPA accreditation review every three years. Daniel confirmed that CSURMA only agreed to consider the CAJPA accreditation review every three years. Daniel noted that CSURMA did extremely well on the prior accreditation. The committee was asked to consider the value of the review considering staff time and cost to CSURMA.

Daniel recommended completing the review. CAJPA keeps up with all the JPA legislative requirements and will keep CSURMA on track. Zachary suggested just auditing the program administration and not the financial practices. The independent financial audit could be incorporated into the review as acceptance of CSURMA's financial practices. Jim Marta conducted the shadow audit three years ago. Jim is a CPA and his area of expertise is financial procedures. Daniel suggested that a different auditor could be found to provide a shadow CAJPA accreditation review of only CSURMA's program administration.

Willy also noted that if CSURMA becomes accredited by CAJPA, in essence, CSURMA has adopted the CAJPA standards and would be required to adhere to them with no variance. If the standards change mid-term, CSURMA would still be legally wed to them. Willy feels some sort of shadow audit is reasonable. CSU is checked and doubled checked, but the auxiliary organization may not be following the same standards. A lot of the audit work has already been done and can be incorporated into the CAJPA accreditation review.

Steve Relyea agreed that a full blown audit does not seem to add much value. He agrees that auditing those operations that are not covered by the financial audit would be prudent.

A question was asked if having a CAJPA accreditation positively effects the excess insurance placement. Daniel confirmed that excess insurance carriers do not consider a CAJPA accreditation as a positive because the excess carrier wouldn't cover a loss within the JPA's pooled layer anyway.

The committee recommended that a CAJPA shadow accreditation audit of only the operational aspects of CSURMA rather than the financial practices should be conducted. The committee would like the audit completed in time for the March, 2015 meeting.

A motion was made to direct staff to obtain proposals for a JPA operational audit for review at the October, 2014 meeting.

MOTION: Linda Hawk
SECOND: Mike Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D3. Workers' Compensation Program Claims Closure Initiative Update

Zach explained that the workers' compensation claims closure initiative has commenced. Ten files have been selected to be reviewed. Corey Ingber from Ingber and Weinberg will audit each file and suggest proactive claim closure ideas. When claims are so old the claims examiners tend to become lethargic and may not proactively manage the case file. Getting an attorney involved,

makes the entire workers' compensation process more of a hassle for the claimant. When the process becomes tedious, the claimant may be inclined to agree to a C&R. The cost for the claims closure initiative will pay for itself by just closing one or two files.

So far, eight files have been reviewed. Different strategies for closure were discussed for each. None of the files have been closed to date, but the initiative does look promising.

There are 120 old claims in the SELF layer. Jacki Graf will provide a report of the initiative's progress at the next meeting.

D4. Risk Management Innovative Grant Program

Cindy noted that \$100,000 was set aside for this endeavor. Rob Leong explained that seven campuses responded with a total of 11 requests. The applications were for workers' compensation health and wellness and property safety and risk control. The Campus is required to have some investment in the program as this is a matching grant program. As noted on the grant outline, the estimated cost of the risk reduction projects submitted is \$33,244; \$15,232 would be funded through the grant program. Cindy noted that most of the projects appeared to be operating upgrades as opposed to new and innovated projects. Rob agreed.

Zach declared that approving the grant projects, as submitted, demonstrates that CSURMA is assisting the campuses and it gets safety and risk management in the forefront. It forces campuses staff to think about safety. If \$80,000 is left in the budget for grant programs, collaboration between the campuses could result in innovative projects for lock out tag out, LMS training, lab safety or hazardous waste management handling. Zach will work with the campus risk managers to come up with a grant proposal. Daniel stated that the UC has some very innovative safety programs. The CSU may be able to piggyback on some of the work that has already been done by the UC. Daniel will see if he can get copies of the UC applications. Steve Relyea offered to provide assistance.

Steve mentioned that the UC established a 1-800 hotline for students to report campus climate or bias incidents. The service is outsourced to NavX. The reports are independent and anonymous; however, if the student wants a campus response, they have to provide their contact information. The incidents are then directed to the appropriate person ... i.e., police, student committee, etc. The UC views this as a successful program. Every week, the UC gets a report. Steve Relyea confirmed that he sees the value of a grant program that promotes new and innovative ideas, but he thought \$2,000 may be too small of an amount. He felt that a larger amount might generate some really innovative ideas.

The EH&S staff and Risk Managers know that Zachary is discussing the use of the unencumbered funds with the Executive Committee and they are excited to make use of the remaining funds.

The committee agreed that the criteria needed to be tighten up. Lori recommended approving the grants applications received as of today and tightening up the criteria for future grants. Linda agrees with this strategy. Zach agreed to design the new criteria for the grant program.

Rob Leong agreed to send a last call for innovation grants. He will also send the last call reminder to Cindy so she can present it a CABO.

A motion was made to direct staff to send out a last call for innovation grants to be submitted by early October so that the Executive Committee can make a final decision at the October meeting.

MOTION: Mike Lee

SECOND: Cindy Teniente-Matson

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D5. Prevention of Sexual Misconduct and Abuse of Minors

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

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

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

Praesidium will start by loading five different training courses onto CSU’s SkillPort platform. Praesidium has suggested six different courses which have been sent to Zachary Gifford and David Krevella for approval. Praesidium has agreed to waive the additional costs incurred to upload the training. For those Auxiliary Organization staff that may not be able to access SkillPort, the training can be viewed directly through the Praesidium platform.

The current contract allows 25 on-line self-assessments per campus. If the self-assessment becomes mandatory and usage increases, Mimi mentioned that she thought the contract cost of \$50,000 would most likely increase.

The committee asked that the announcement be sent to the Systemwide Athletic Directors, Campus HR staff and CABO.

D6. AIME Claims Service Agreement

Rob Leong noted that A-G Administrators provides claims administration services to AIME. The current service agreement expired on June 30, 2014. A-G presented a proposal to renew the agreement to the AIME Committee on May 19, 2014 for five additional years through 2018/19. The proposal was not acceptable and the contract was not approved by the AIME committee. The AIME Committee has not been satisfied with the services provided by A-G Administrators due to (1) lack of training for the members, (2) inconsistent handling of claims, (3) approving payments that are not part of the contract, and (4) lack of follow up.

Rather than approving the five year contract, the AIME Committee requested A-G to provide an Extension of Services Letter to enable the Committee to thoroughly review the proposed five year contract and service experience.

A motion was made to delegate authority to the Secretary-Auditor to finalize an agreement with A-G Administrators for a one-year period and delegate authority to staff to work with A-G Administrators to resolve the servicing issues.

MOTION: Frank Mumford

SECOND: Mike Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D7. Evaluation of CSURMA Equipment per Policy & Procedure No. 16 – Use of CSURMA Equipment

Daniel directed the committee to review the equipment listing attachment. Twelve board tablets are now over three years old. Policy and Procedure No. 16 – Use of CSURMA Equipment, specifies that the board tablets will be refreshed on a three year schedule. Maintaining the older equipment for staff becomes very cumbersome as the software may not update appropriately on the older hardware.

The committee discussed what would happen to the old tablets. It was decided that Staff would sanitize the equipment and then it would be donated to the CSU Office of the Chancellor. The equipment will then be handled in accordance with the CSU surplus equipment policy.

A motion was made to refresh the twelve board tablets as noted on the equipment schedule and sanitize the old equipment to be donated to CSU.

MOTION: Linda Hawk
SECOND: Mike Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D8. Adoption of CSURMA Executive Committee and Board of Directors 2014 Meeting Calendar

The following meeting dates were discussed. Daniel noted that in prior years, the Executive Committee would cancel its December meeting and instead meet in January during the AOA Conference. This year; however, the AOA Conference is in February. If the EC meets during AOA that would mean the committee would be meeting monthly, in February, March, April and May.

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

The committee decided to table this item until the October meeting.

D9. Foreign Travel Approval and Tracking Process

Zachary and Daniel summarized the new foreign travel process. The Chancellor’s Office is proposing the following changes:

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

It is expected that the process changes and registration portal will be implemented by January 1, 2015. The Executive Committee previously approved implementation of the Horizons software package proposed by Symplicity, but the vendor has had a management change and has not delivered the required product. Staff is now recommending that CSURMA authorize

development of its own portal at the csurma.org web site. This would be a basic offering that would satisfy CSU minimum operating requirements.

Zach noted that the new foreign travel procedure will be rolled out systemwide. The Chancellor’s Office has been taken out of the approval process for all travel except to “war risk” countries. Travel to “war risk” countries will include more robust travel requirements. These changes are being proposed to streamline the process. Only a small percentage of travel is to “war risk” countries.

Each campus will assign a designee to approval travel, and as long as the travelers are entered into the travel website, Alliant will have all of the necessary information.

A motion was made to approve the new January 2015 travel request procedure and to direct staff to continue development of the traveler tracking software which will reside on the CSURMA website.

MOTION: Frank Mumford

SECOND: Mike Thorpe

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D10a. Review and acceptance of the Campus Programs Actuarial Reports for Liability, Workers’ Compensation and Athletic Injury Medical Expense (AIME) Programs

Rob Leong summarized the actuarial reports. The complete draft reports for the Campus General and Errors & Omissions Liability and Campus Workers’ Compensation risk pools were reviewed as separate handouts. The AIME Committee will review the draft AIME report at its next meeting scheduled for November 3.

The Actuary’s findings and recommendations include:

Campus Liability

1. Projected Ultimate Limited Losses increased slightly by 1.2% for FY 15/16.

2. Loss Funding at 70% actuarial confidence increased from \$13,953,600 (FY 14/15) to \$14,117,400 (FY 15/16).

Campus WC

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

Daniel noted that the liability results are good. There was a slight increase in the projected funding. The workers' compensation projected funding increased 7.5% due to the increased costs of medical treatment and Rx.

Rob summarized some of the report exhibits. As shown within the actuarial frequency/severity exhibit, the total number of claims within the liability program has increased but the severity of each claim is lower. This is a good result as the average size of each claim is decreasing. The comparison of projected ultimate limited losses at June 30, 2013 vs. June 30, 2014, shows that the projection of loss costs for several years has increased. The recommended funding for FY 15/16 is a 70% confidence level. CAJPA recommends funding at 70% plus an additional risk margin fund.

The workers' compensation projected costs did increase. During FY 04/05, several workers' compensation reforms were put into place. Those reforms helped keep the cost of workers' compensation claims down. Now, the costs are creeping back up. Within the workers' compensation program there is a decrease in the number of claims, however, the severity of each claim is increasing. The comparison of projected ultimate limited losses at June 30, 2013 vs. June 30, 2014, shows that the projection between the two years is fairly steady.

A motion was made to accept the actuarial reports for Campus Liability and Campus Workers' Compensation as presented.

MOTION: George Ashkar
SECOND: Frank Mumford

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D10b. Campus Risk Pools Funding Status at June 30, 2014

The Board of Directors adopted a policy to fund prior years' claim liabilities on a cash basis, and to begin funding of claims as they are incurred beginning in FY 1999/2000, with the ultimate goal to achieve full funding for all program years in ten years; i.e., by July 1, 2009. CSURMA's full funding goal was achieved on July 1, 2007 – two years ahead of schedule.

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

Rob Leong explained the Estimated Funding Exhibit. The brown area represents the amount of funds necessary to pay claims at a 70% confidence level. The green area represents the amount of surplus which will be reviewed in order to determined dividend distributions.

CSURMA did reinsurance some of the workers' compensation years, which remove those claims from the outstanding liabilities. The outstanding liabilities are growing as new un-reinsured years are added to the outstanding liabilities.

CSU's UI claims grew exponentially during the recession and that increased costs significantly. Dividends available from the other programs were used to pay off the UI deficit.

This item was presented as information only.

D10c. Recommendation for Campus Pool Programs FY 2015/2016 Rates and Gross Funding

Rob Leong explained that upon recommendation of the Executive Committee, the Board of Directors adopts rates and funding for the upcoming fiscal year at its October meeting. The Program Administrator has prepared the FY 2015/16 draft calculations using the draft actuarial reports dated July 31, 2014.

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

Campus Coverage Programs Funding Comparison

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

Present Value Discount = \$2,275,671

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

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

CSURMA funds its programs at a 70% confidence level. Typically the executive committee recommends to the board adoption of the undiscounted funding projections. The historical practice is for the board to adopt the undiscounted projections and to revisit the funding again in the spring. At that time the executive committee may choose to adopt the discounted funding. CSURMA uses a 2% discount rate.

Daniel introduced Gordon DesCombes. As explained by Gordon, the risk transfer proposal from CSAC EIA would provide risk transfer of the campus and AORMA self-insured workers' compensation layers of \$2,500,000 (note: typo in the presentation corrected from \$2,000,000 to \$2,500,000) and \$500,000, respectively. CSAC EIA's cost to fully reinsure both self-insured layers is significantly lower than the funding requirement at a 70% and 80% (for AORMA) confidence level. The costs for the risk transfer would be 2% to 8% above the actuary's expected confidence level.

CSURMA would maintain its same contract with Sedgwick for claims administration. There would be no perceptible difference in claims handling. CSAC EIA does offer a primary program but it doesn't work for CSURMA because it requires CSURMA to use CSAC EIA's claims administrator. CSAC EIA designed a primary program just for CSURMA which utilizes an aggregate stop loss layer of \$125,000 per accident with an annual aggregate stop loss of \$12,650,000. \$12,000,000 will be collected for the aggregate stop loss layer. Above the aggregate stop loss layer, the traditional JPA program is offered. Excess of the CSAC EIA layer, coverage with Safety National will be maintained for both the campus and AORMA programs. CSAC EIA will hold \$12,000,000 to pay claims in the aggregate layer. AmTrust pays excess of the aggregate stop loss.

CSAC EIA’s cost for risk transfer for an eighteen month period is \$39,822,000. This is approximately \$1,100,000 less than funding at an expected confidence level and \$4,000,000 less than funding at a 70% (and 80% for AORMA) confidence level.

After the first eighteen month period, CSAC EIA will use a sliding scale based on seven or eight years of loss experience to calculate future costs. If losses have change up or down 10%, then everyone agrees the premium would renew at the actual percentage. If the losses change between 10% and 20%, then the costs are negotiated separately. Above 20%, all bets are off. At the next renewal date, the losses would be reviewed and costs would be negotiated.

The counties retain general control of the CSAC EIA board. Every county maintains a seat. In addition to the country seats, there are 10 to 12 seats available for public entities. These seats are established through election not appointment.

It was noted that the numbers in the CSAC EIA EWC proposal don’t seem to match the recommended funding as previously reviewed. This will be reviewed, and corrected, prior to the October meeting. The inconsistency may be because CSURMA adopts its undiscounted funding rather than discounted.

The committee did not take action on the CSAC EIA proposal, but did ask to revisit the proposal at the October meeting.

A motion was made to recommend approval to the CSURMA board of directors the FY 15/16 undiscounted program funding as follows:

Liability.....	\$13,511,845
Workers’ Compensation	\$37,744,985
IDL NDI UI.....	\$13,500,000
Property.....	\$9,000,000
AIME	\$3,477,749
Auto Liability.....	\$688,468
 Total	 \$77,023,047

MOTION: Frank Mumford

SECOND: Robert de Wit

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			

Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D11. Evaluation of Potential Campus Risk Pool Dividends and Assessments

Rob noted that the executive committee evaluates and approves dividends and assessments for the Campus Risk Pools. The practice has been to declare a dividend of up to fifty percent (50%) of unencumbered program funds where available and an assessment to cover existing and anticipated funding shortfalls for funds that have a negative fund balance.

Pursuant to proposed Policy and Procedure No. 14, staff is recommending that the committee approve the dividends noted below.

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

Rob explained that CSURMA adopted three ratios which are used to determine the maximum dividend available to be released. The Premium to Surplus ratio is a measure of how surplus is leveraged against possible pricing inaccuracies. The Surplus to Retention ratio is a measure of the maximum amount that surplus could decline due to a single loss. The Outstanding Reserves to Surplus ratio is a measure of how surplus is leveraged against possible reserve inaccuracies. Based on these ratios, the workers' compensation program and the IDL/NDL/UI programs do not have enough surplus to recommend a dividend. Within the liability program, there is an opportunity to release a dividend.

Historically, CSURMA returns 50% of the maximum dividend available. Distribution is based on each member's historical premium paid into the program. Member's losses have no effect on the dividends. Dividends wouldn't be available if the pool didn't exist, so all members benefit equally, regardless of their loss experience.

A motion was made to recommend to the CSURMA Board of Directors a liability program dividend in the amount of \$8,677,518.

MOTION: Mike Lee

SECOND: Lori Gentles

NAME	AYE	ABSTAIN	NAY	ABSENT
George Ashkar	X			
Lisa Chavez	X			
Robert de Wit	X			
Lori Gentles	X			
Linda Hawk	X			
Mike Lee	X			
Frank Mumford	X			
Cynthia Teniente-Matson	X			
Michael Thorpe	X			

MOTION CARRIED

D12. Development of Insured Program Claims Policy and Procedure

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

- Claim Reporting
- Roles and responsibilities
- Handling of disputes

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

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

Staff was directed to create a global generic policy and procedure to address claims handling.

D13. CSURMA Website Update

Melissa Diaz gave a brief demonstration of the revised layout of the CSURMA website. The changes are intended to make locating documents easier. The international travel form will also reside on the website and the information will feed into the travel tracking system.

D14. CSURMA Support of Systemwide Efforts Related to Mitigation of Concussive Injuries

Zach let the committee know that the Chancellor's Office has begun a process of supporting efforts at mitigation of concussive injuries in the University's athletic programs and club sports. An inventory of programs was conducted. Dr. Ortega from HSU, completed a concussive needs assessment. He received 100% participation from campuses and he was able to provide a comprehensive report. Intercollegiate sports is doing well. Club sports needs some help. The report included a section about concussive management within club sports.

Dr. Ortega is working on the development of regional or campus workshops and he will speak at Fitting the Pieces Together. Development of best practices webinars and learning management modules are also being considered. CSU might also consider the development of a concussive management policy. It was noted that the Campus VP's should be contacted directly, not through email.

A meeting with CSU's lead excess liability underwriters has been arranged at California State University, Fresno, on Friday, October 3, 2014. It will include discussion of CSU's practices, meetings with CSUF Athletic Department representatives and attendance at an athletic event with CSU officials.

Zach will bring to the October meeting a rollout plan that will include expenditures. He also noted that the Club Sports manual had been updated.

D15. CSURMA Administration Service Team Assignments and Addition

Daniel let the committee know that Melissa Diaz has joined the CSURMA service team. Melissa will work with Mimi on assigned AORMA projects and focus on member communications and outreach. She has also been assigned the task of revamping the CSURMA website. The CSURMA administrative service team has been consolidated so that all the meeting planning, agenda coordination, and operational compliance, can be led by Mimi Long and Tevea Him. Myron Leavell will continue to support the board tablet administration and will support administration of the CSURMA website as required.

D16. Changes to CSURMA Cyber Coverage Program

Changes to the cyber coverage program were discussed earlier in the meeting. The committee reiterated the need to bring the breach response information to the board in order to create awareness. The breach response presentation will also be brought to CABO, the Information Security Officers, via William Perry, the Provost Counsel and the Campus Presidents.

Direction was given to staff to create a bulletin which includes the core information for distribution to all the CSURMA and AORMA members

D17. Delegation of Authority to Negotiate Extension of iVOS Services Agreement

Zach let the committee know that the current term of the software agreement with iVOS for the Campus Liability Risk Pool claims management needs to be extended. This software is utilized

by the Office of Systemwide Risk Management to administer Campus Risk Pool Liability claims. Authorized campus personnel have access to the system for their campus' claims data.

Zach noted that the renewal proposal received from iVOS included a 10% increase. The last increase received was 5%.

A motion was made to delegate authority to CSURMA Secretary-Auditor to negotiate a one year extension, with the ability to increase it to a three extension.

MOTION: Frank Mumford

SECOND: Mike Thorpe

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

MOTION CARRIED

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E1. AORMA Programs Update

Robert de Wit provided an update of the activities within the AORMA Committee. Mark Day, the Executive Director of the Santos Manuel Student Union, CSU San Bernardino, joined the AORMA Committee for his first two-year term. AORMA finalized its five risk management session for the AOA Conference. AORMA will create a reciprocal policy with the AOA. Staff will continue with the campus visits. The scope of services within the Alliant Loss Control Consulting was reviewed. The mandatory EPL deductibles were reviewed and will be approved by the Programs Committee at its December meeting. The actuary presented the results of the actuarial reviews. The committee approved dividends from both the liability and workers' compensation programs. The total FY 15/16 funding was approved for all of the programs with a pooled layer. Jacki Graf presented the results of the workers' compensation claims administration audit. The overall audit score was 86% up from 80%. The committee also discussed increasing the maximum allowable hourly fee for legal counsel, but ultimately decided to keep the maximum rate at \$225. The policy and procedure review schedule was approved. It was decided that the six free registrations to the AOA conference would go to Zach Gifford and Robert Eaton and the four AORMA officers. AORMA also received a proposal from Richard Bromley to provide AORMA's entire EPL legal defense. The proposal was not approved.

F. CLOSED SESSION Pursuant to Cal. Gov. Code Sec. 11126(e)(1) & 11126(f)(1)

There were no items to be discussed in closed session.

G. INFORMATION ITEMS

G1. Review of FY 2014/2015 Long Range Planning Goals

The committee reviewed the 2014/2015 Long Range Planning plan. Daniel noted that the LRP-6 Unmanned Aerial Vehicles coverage was bound with a \$20,000,000 limit. Rockets are not considered drones and are excluded on the liability program. The committee discussed the recent CSULA rocket accident. Daniel stated that staff would be working on procuring coverage for rockets. Underwriters do not like rockets, so coverage, if any, will be limited.

G2. Listing of CSURMA Policies and Procedures

The committee reviewed the CSURMA policies and procedures review schedule. There was no discussion.

G3. CSURMA Administrative Service Calendar

The committee reviewed the CSURMA Administrative Service Calendar. Daniel noted that the stewardship report is shown in the month of September, but historically the report is started in September and completed in time for the October meetings.

G4. CSURMA Executive Committee & Staff Contact List

Cindy asked the committee members to review the committee listing for accuracy and to contact Tevea Him with any changes.

G5. CAJPA Fall Conference and Training Seminar

Daniel noted that the brochure for 2014 CAJPA Fall Conference and Training Seminar is included for the committee's review in case a member is interested in attending for professional development.

H. ADJOURNMENT

A motion was made to adjourn the meeting at 12:51 PM.

MOTION: Mike Lee

SECOND: Linda Hawk

DRAFT FINANCIAL STATEMENTS AT SEPTEMBER 30, 2014

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

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

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

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

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 10/9/2014

	Client Name	Current	31-60	Over 61	Balance
	Associated Students Inc, CSU Northridge	\$53,583.00	\$0.00	\$0.00	\$53,583.00
a	Associated Students Inc. CSU Stanislaus	(\$480.00)	\$0.00	\$0.00	(\$480.00)
	Associated Students Incorporated CSU East Bay	\$9,088.00	\$0.00	\$0.00	\$9,088.00
	Associated Students Incorporated, Cal Poly Pomona	\$30,386.00	\$0.00	\$0.00	\$30,386.00
	Associated Students Incorporated, CSU Chico	\$45,045.00	\$0.00	\$0.00	\$45,045.00
	Associated Students Incorporated, CSU Long Beach	\$23,636.00	\$0.00	\$0.00	\$23,636.00
	Associated Students Incorporated, CSU Sacramento	\$28,917.00	\$0.00	\$0.00	\$28,917.00
	Associated Students of Humboldt State University	\$605.00	\$0.00	\$0.00	\$605.00
	Associated Students of San Diego State University	\$91,116.00	\$0.00	\$0.00	\$91,116.00
	Associated Students, CSU Fullerton	\$43,699.00	\$0.00	\$0.00	\$43,699.00
b	Associated Students, CSU Los Angeles	\$87.00	\$0.00	\$8,225.00	\$8,312.00
	Associated Students, Inc., CSU Dominguez Hills	\$2,349.00	\$0.00	\$0.00	\$2,349.00
	Associated Students, Inc., San Francisco SU	\$23,213.00	\$0.00	\$0.00	\$23,213.00
	Associated Students, Inc., San Luis Obispo	\$2,911.00	\$0.00	\$0.00	\$2,911.00
	Associated Students, Inc. of Sonoma State University	\$5,076.00	\$0.00	\$0.00	\$5,076.00
	Cal Poly Corporation	\$81,650.00	\$0.00	\$0.00	\$81,650.00
	Cal Poly Pomona Foundation, Inc.	\$77,665.00	\$0.00	\$0.00	\$77,665.00
	Cal State Los Angeles University Auxiliary Svcs Inc	\$67,754.00	\$0.00	\$0.00	\$67,754.00
	California Maritime Academy	\$336.00	\$0.00	\$0.00	\$336.00
c	California Maritime Academy Associated Students	\$0.00	\$0.00	\$4,701.00	\$4,701.00
c	California Maritime Academy Foundation	\$0.00	\$0.00	\$4,095.00	\$4,095.00
	Capital Public Radio, Inc.	\$7,547.00	\$0.00	\$0.00	\$7,547.00
	Cesar Chavez Student Center, San Francisco State University	\$14,621.00	\$0.00	\$0.00	\$14,621.00
b	Chico University Foundation	\$0.00	\$0.00	\$21,000.00	\$21,000.00
	CPSU San Luis Obispo	\$16,352.00	\$0.00	\$0.00	\$16,352.00
	CSU Bakersfield	\$1,530.00	\$0.00	\$0.00	\$1,530.00
b	CSU Bakersfield Foundation	\$9,914.00	\$0.00	\$30,810.00	\$40,724.00
b	CSU Bakersfield, Auxiliary for Sponsored Programs Administration	\$9,556.00	\$0.00	\$4,881.00	\$14,437.00
	CSU Channel Islands	\$44,081.74	\$0.00	\$0.00	\$44,081.74
	CSU Channel Islands University Glen Corporation	\$10,917.00	\$0.00	\$0.00	\$10,917.00
	CSU Chico	\$6,592.00	\$0.00	\$0.00	\$6,592.00
	CSU Chico Research Foundation	\$69,721.00	\$0.00	\$0.00	\$69,721.00
	CSU Dominguez Hills	\$1,575.00	\$0.00	\$0.00	\$1,575.00
	CSU Dominguez Hills Foundation	\$33,475.00	\$0.00	\$0.00	\$33,475.00
	CSU East Bay	\$8,325.00	\$0.00	\$0.00	\$8,325.00
	CSU East Bay Foundation	\$18,609.00	\$0.00	\$0.00	\$18,609.00
	CSU Fresno	\$11,160.00	\$0.00	\$0.00	\$11,160.00
	CSU Fresno Association	\$57,150.66	\$0.00	\$0.00	\$57,150.66
b	CSU Fresno Athletic Corporation	\$50,039.00	\$0.00	\$252,064.00	\$302,103.00
	CSU Fresno Foundation	\$48,153.00	\$0.00	\$0.00	\$48,153.00

	Client Name	Current	31-60	Over 61	Balance
	CSU Fullerton	\$21,240.00	\$0.00	\$0.00	\$21,240.00
	CSU Fullerton University Auxiliary Services Corporation	\$63,222.00	\$0.00	\$0.00	\$63,222.00
c	CSU LB 49ers Foundation	\$0.00	\$0.00	\$3,347.00	\$3,347.00
	CSU Monterey Bay	\$4,095.00	\$0.00	\$0.00	\$4,095.00
	CSU Office of the Chancellor - Financing and Treasury	\$595.00	\$0.00	\$0.00	\$595.00
	CSU Sacramento	\$17,460.00	\$0.00	\$0.00	\$17,460.00
	CSU San Bernardino	\$6,120.00	\$0.00	\$0.00	\$6,120.00
	CSU Stanislaus	\$1,035.00	\$0.00	\$0.00	\$1,035.00
	CSU, Long Beach Research Foundation	\$56,700.00	\$0.00	\$0.00	\$56,700.00
	Forty-Niner Shops Incorporated, CSU Long Beach	\$57,996.00	\$0.00	\$0.00	\$57,996.00
	Humboldt State Univ Sponsored Programs Foundation	\$26,753.00	\$0.00	\$0.00	\$26,753.00
	Humboldt State University	\$19,575.00	\$0.00	\$0.00	\$19,575.00
	San Francisco State University	\$44,895.00	\$0.00	\$0.00	\$44,895.00
	San Jose State University Research Foundation	\$117,834.00	\$0.00	\$0.00	\$117,834.00
	San Marcos University Corporation	\$59,825.00	\$0.00	\$0.00	\$59,825.00
	Santos Manuel Student Union, CSU San Bernardino	\$14,360.00	\$0.00	\$0.00	\$14,360.00
	Sonoma State University	\$25,470.00	\$0.00	\$0.00	\$25,470.00
	Spartan Shops Inc., San Jose State University	\$90,298.00	\$0.00	\$0.00	\$90,298.00
	Student Union Inc., San Jose State University	\$9,620.00	\$0.00	\$0.00	\$9,620.00
	The Donald P. and Katherine B. Loker University Student Union, Inc.	\$959.00	\$0.00	\$0.00	\$959.00
	The Tower Foundation, San Jose State University	\$774.00	\$0.00	\$0.00	\$774.00
	The University Corporation at Monterey Bay	\$36,260.00	\$0.00	\$0.00	\$36,260.00
	The University Corporation, CSU Northridge	\$118,328.00	\$0.00	\$0.00	\$118,328.00
	The University Corporation, San Francisco State	\$17,761.00	\$0.00	\$0.00	\$17,761.00
b	Univ Enterprises Inc. CSU Sacramento	\$255,600.00	\$1,555.00	\$0.00	\$257,155.00
c	University Auxiliary and Research Svcs Corp, CSU San Marcos	\$33,567.00	\$0.00	\$61,133.00	\$94,700.00
	University Center, Humboldt State University	\$31,135.00	\$0.00	\$0.00	\$31,135.00
	University Enterprises Corporation at CSUSB	\$61,849.00	\$0.00	\$0.00	\$61,849.00
	University Student Union Board, CSU Los Angeles	\$14,951.00	\$0.00	\$0.00	\$14,951.00
	University Student Union, CSU Northridge	\$29,984.00	\$0.00	\$0.00	\$29,984.00
	University Student Union, CSU Stanislaus	\$1,279.00	\$0.00	\$0.00	\$1,279.00
	Totals:	\$3,075,597.83	\$1,555.00	\$390,256.00	\$3,467,408.83

- a FY 13/14 AORMA WC Final Audit Credit Memos will be applied to 2nd quarter AORMA WC premiums.
- b The members indicated that the payment of invoices have been made and would be received in October 2014.
- c The members have been contacted and the payments will be processed as soon as possible.

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 9/30/2014**

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

\$ 28,139,404.75

Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 9/30/2014	Outstanding Loan Balance 6/30/2014
Humboldt State University Advancement Foundation	Oct 2017 (Extension)	Aug 2008	\$ 2,535,000.00	\$ 2,000,000.00	\$ 2,000,000.00
CSU Fresno	Sep 2018 (Extension)	Nov 2008	\$ 4,500,000.00	\$ 1,426,369.28	\$ 1,492,420.20
CSU Northridge	Jun 2015	May 2010	\$ 5,000,000.00	\$ 1,514,161.17	\$ 1,514,161.17
CSU Sacramento	Jun 2019	Jul 2014	\$ 4,000,000.00	\$ 950,000.00	\$ -
Total Loans			\$ 16,035,000.00	\$ 5,890,530.45	\$ 5,006,581.37

***Remaining Amount Available for Member Loans:**

\$ 19,198,874.30

**The remaining amount reflects CSU Sacramento Line of credit balance of \$3,050,000.*

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

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

\$ 9,379,801.58

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

Processed from July 1 2014 to September 30 2014

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
7/14 -7/16/14	Zachary Gifford	Folsom, Sonoma, Maritime	CSAC-EIA meeting in Folsom, AORMA Officer's Retreat in Sonoma, and Speaking w/CSU DFO meeting at CalMaritime	\$ 246.52	\$ 21.29	\$ 449.22	\$ 717.03
7/17/2014	Zachary Gifford	Santa Ana	LeClair vs CSULB and CSULB Foundation Mediation at Judicate West	\$ -	\$ -	\$ 34.38	\$ 34.38
7/23/2014	Rebecca Skidmore	Los Angeles	AON Client Meeting	\$ -	\$ -	\$ 4.00	\$ 4.00
8/6 - 8/8/14	Zachary Gifford	San Luis Obispo	AOA HR Committee Meeting, dinner w/committee officers, and two presentations at meeting. CSURMA EC agenda, scheduling needs, etc.	\$ 289.16	\$ 22.00	\$ 236.32	\$ 547.48
8/13/2014	Rebecca Skidmore	Fullerton	OES FEMA Disaster Recovery Training at CSUF	\$ -	\$ -	\$ 19.04	\$ 19.04
8/18 - 8/19/14	Zachary Gifford	San Francisco	Annual CSU/CSURMA Stewardship Meeting: Genex /Scripnet /CypressCare, Sedgwick and CSURMA Team Meeting	\$ 142.67	\$ 21.85	\$ 282.84	\$ 447.36
8/20 - 8/22/14	Rebecca Skidmore	Hayward	CA Public Higher Ed Collaborative Bus and Admin Services Conference at CSUEB	\$ 254.16	\$ 45.09	\$ 461.45	\$ 760.70
9/4/2014	Zachary Gifford	Oxnard	WC "Double Play" meeting, claim files review w/Ingber, Graf Daniels, Defense Attorneys, and WC examiner	\$ -	\$ -	\$ 88.48	\$ 88.48
9/10 - 9/12/14	Zachary Gifford	Newport Beach	AORMA Long Range Planning, AORMA Committee, and CSURMA EC meeting	\$ -	\$ -	\$ 80.64	\$ 80.64
9/11 - 9/12/14	George V. Ashkar	Newport Beach	CSURMA EC Meeting	\$ 206.32	\$ 55.00	\$ 32.71	\$ 294.03
9/12/2014	Kelly Cox	Newport Beach	CSURMA EC Meeting	\$ -	\$ -	\$ 21.52	\$ 21.52
9/12/2014	Robert Eaton	Newport Beach	CSURMA EC Meeting	\$ -	\$ -	\$ 24.64	\$ 24.64
9/17 - 9/18/14	Zachary Gifford	Reno/Tahoe	CAJPA Conference speaking w/Dr. Kriegel & Dr. Lu (CSUF)	\$ 194.47	\$ 26.03	\$ 532.98	\$ 753.48
9/21 - 9/24/14	Rebecca Skidmore	Louisville, KY	2014 URMIA Conference	\$ 523.38	\$ 89.19	\$ 1,283.00	\$ 1,895.57
9/22/2014	Zachary Gifford	San Diego	Early Neutral Evaluation in Federal Court w/Magistrate Burkhardt re: Richardson vs SDSU	\$ -	\$ -	\$ 141.84	\$ 141.84
9/25/2014	Zachary Gifford	Santa Ana	LeClair vs CSU Mediation at Judicate West	\$ -	\$ -	\$ 39.42	\$ 39.42
Total Travel Expenses from 7/1/14 to 9/30/14				\$ 1,856.68	\$ 280.45	\$ 3,732.48	\$ 5,869.61

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 9/30/2014

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs as of 9/30/2014
Assets:							
Cash and Investments	19,332,115	45,692,950	5,932,892	4,280,763	2,106,655	0	77,345,376
Other long-term investments	29,399,328	68,804,897	8,924,688	6,439,192	3,169,931	0	116,738,036
Accounts receivable	817,603	0	0	22,956	0	0	840,559
Loan receivable	0	0	0	0	0	0	0
Accrued interest receivable	1,255	2,949	383	276	136	0	4,999
Prepaid insurance	2,826,187	1,461,433	1,550	656,479	11,683	516,352	5,473,683
Prepaid expense	278,069	2,205,274	1,872	507,198	47,814	0	3,040,229
Total assets:	52,654,558	118,167,503	14,861,385	11,906,864	5,336,220	516,352	203,442,882
Liabilities:							
Accounts payable	60,964	618,013	3,383,405	7,496	35,480	0	4,105,358
Unearned revenue	9,954,508	24,897,119	9,375,000	3,915,682	2,683,312	516,352	51,341,974
SELF assessment liability	0	10,908,929	0	0	0	0	10,908,929
Reported claims	10,611,337	40,331,339	0	0	133,384	0	51,076,060
Claims incurred but not reported	8,426,560	24,969,777	0	0	1,778,452	0	35,174,789
Total liabilities:	29,053,369	101,725,177	12,758,405	3,923,178	4,630,627	516,352	152,607,110
Fund balance	23,601,189	16,442,326	2,102,980	7,983,686	705,592	0	50,835,772
Total liabilities and fund balance	52,654,558	118,167,503	14,861,385	11,906,864	5,336,220	516,352	203,442,882

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 9/30/2014

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs as of 9/30/2014
Assets:						
Cash and Investments	3,497,577	5,315,369	760,139	127,195	1,397,108	11,097,388
Other long-term investments	5,270,654	8,263,335	1,156,055	191,253	2,101,496	16,982,793
Accounts receivable	425,586	46,885	131,993	29,456	2,690	636,610
Loan receivable	0	0	0	0	0	0
Accrued interest receivable	226	350	49	8	90	723
Prepaid insurance	236,048	326,852	54,929	148,119	372	766,320
Prepaid expense	539,233	379,329	138,302	11,299	330	1,068,493
Total assets:	9,969,324	14,332,120	2,241,467	507,331	3,502,085	30,552,327
Liabilities:						
Accounts payable	479,346	938,412	2,645	281	415,496	1,836,179
Unearned revenue	2,153,662	38,114	1,189,138	249,542	0	3,630,456
SELF assessment liability	0	0	0	0	0	0
Reported claims	2,064,682	4,256,597	0	0	0	6,321,279
Claims incurred but not reported	1,063,926	4,812,977	0	0	0	5,876,903
Total liabilities:	5,761,615	10,046,100	1,191,783	249,822	415,496	17,664,817
Fund balance	4,207,709	4,286,019	1,049,683	257,508	3,086,589	12,887,509
Total liabilities and fund balance	9,969,324	14,332,120	2,241,467	507,331	3,502,085	30,552,327

California State University Risk Management Authority

Balance Sheet - Miscellaneous Programs as of 9/30/2014

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 9/30/2014	Grand Total All Programs as of 9/30/2014
Assets:						
Cash and Investments	(64,330)	(819,609)	(33,202)	(2,362,031)	(3,279,173)	85,163,591
Other long-term investments	(96,877)	(1,241,407)	(50,273)	(3,528,499)	(4,917,056)	128,803,772
Accounts receivable	13,377	0	0	0	13,377	1,490,546
Loan receivable	0	0	0	5,890,530	5,890,530	5,890,530
Accrued interest receivable	0	0	(2)	0	(2)	5,720
Prepaid insurance	0	712,969	142,152	0	855,121	7,095,125
Prepaid expense	0	81,362	5,605	0	86,968	4,195,689
Total assets:	(147,830)	(1,266,685)	64,281	0	(1,350,235)	232,644,974
Liabilities:						
Accounts payable	0	5,093	1,414	0	6,507	5,948,045
Unearned revenue	0	0	0	0	0	54,972,430
SELF assessment liability	0	0	0	0	0	10,908,929
Reported claims	0	0	0	0	0	57,397,339
Claims incurred but not reported	0	0	0	0	0	41,051,692
Total liabilities:	0	5,093	1,414	0	6,507	170,278,434
Fund balance	(147,830)	(1,271,778)	62,867	0	(1,356,742)	62,366,540
Total liabilities and fund balance	(147,830)	(1,266,685)	64,281	0	(1,350,235)	232,644,974

California State University Risk Management Authority

Income Statement - Campus Programs as of 9/30/2014

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	3,364,558	8,299,040	3,125,000	2,507,706	894,437	172,116	18,362,857
Reinsurance premiums	(42,500)	0	0	(1,103,751)	0	0	(1,146,251)
Total operating revenues:	3,322,058	8,299,040	3,125,000	1,403,954	894,437	172,116	17,216,605
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	3,706,183	5,497,727	3,213,288	23,941	632,156	0	13,073,295
Deductible recoveries	(806,188)	0	0	0	0	0	(806,188)
Claims administrators	20,989	926,813	16,035	0	32,500	0	996,337
Claims management information system	8,002	0	0	0	0	0	8,002
Program administrator	49,798	101,320	42,712	50,775	2,469	0	247,074
Brokerage commissions	82,977	40,147	55	125,534	432	0	249,146
Insurance premiums	944,060	489,415	0	282,998	3,746	172,116	1,892,336
Actuarial services	4,750	5,250	0	0	2,750	0	12,750
Miscellaneous program services	39	697	0	0	0	0	736
Workshops/training	8,391	5,499	2,300	1,635	278	0	18,103
Loss control	50,269	0	0	0	0	0	50,269
Reinsurance recovery	0	(1,382,818)	0	0	0	0	(1,382,818)
Program committee	0	0	0	0	0	0	0
Dividend distributions	0	0	0	0	0	0	0
Total direct program expenses:	4,069,270	5,684,050	3,274,390	484,883	674,332	172,116	14,359,041
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	6,601	15,235	5,736	4,132	1,643	0	33,347
Executive committee & board expenses	45	104	39	28	11	0	228
JPA insurance	595	1,372	517	372	148	0	3,004
Chancellor's office accounting services	12,472	28,787	10,839	7,808	3,104	0	63,009
Risk management expenses	31,047	71,661	26,981	19,437	7,726	0	156,853
Miscellaneous indirect services	257	554	254	179	55	0	1,299
Total general & administrative expenses:	51,016	117,713	44,366	31,957	12,687	0	257,740
Total operating expenses:	4,120,286	5,801,763	3,318,756	516,840	687,019	172,116	14,616,780
NON-OPERATING REVENUES:							
Investment income	9,119	25,410	5,829	2,832	1,779	0	44,968
Total non-operating revenues:	9,119	25,410	5,829	2,832	1,779	0	44,968
BEGINNING RETAINED EARNINGS	24,390,297	13,919,640	2,290,907	7,093,740	496,395	0	48,190,979
NET SURPLUS/(DEFICIT)	(789,109)	2,522,686	(187,928)	889,947	209,197	(0)	2,644,793
ENDING RETAINED EARNINGS	23,601,189	16,442,326	2,102,980	7,983,686	705,592	(0)	50,835,772

California State University Risk Management Authority

Income Statement - AORMA Programs as of 9/30/2014

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	930,387	1,032,164	775,453	83,181	753,613	3,574,797
Reinsurance premiums	(212,500)	0	(386,619)	0	0	(599,119)
Total operating revenues:	717,887	1,032,164	388,833	83,181	753,613	2,975,678
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	313,085	536,885	74,523	0	292,509	1,217,002
Deductible recoveries	(12,500)	0	0	0	0	(12,500)
Claims administrators	3,325	52,808	0	0	8,025	64,158
Claims management information system	0	0	0	0	0	0
Program administrator	145,422	85,765	62,153	5,959	11,531	310,830
Brokerage commissions	15,943	10,019	46,011	3,752	13	75,739
Insurance premiums	78,524	108,770	41,355	49,359	0	278,009
Actuarial services	0	2,750	0	0	0	2,750
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	659	779	594	61	462	2,555
Loss control	22,905	26,258	0	0	0	49,162
Reinsurance recovery	(160,813)	0	0	0	0	(160,813)
Program committee	1,015	1,164	844	90	795	3,908
Dividend distributions	446,836	707,412	0	0	0	1,154,248
Total direct program expenses:	854,401	1,532,609	225,482	59,220	313,335	2,985,047
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,754	2,012	1,458	155	1,376	6,755
Executive committee & board expenses	12	14	10	1	9	46
JPA insurance	158	181	131	14	124	609
Chancellor's office accounting services	3,315	3,802	2,754	293	2,600	12,764
Risk management expenses	8,252	9,466	6,857	728	6,472	31,775
Miscellaneous indirect services	69	84	67	7	43	269
Total general & administrative expenses:	13,561	15,559	11,277	1,197	10,625	52,218
Total operating expenses:	867,962	1,548,169	236,758	60,417	323,960	3,037,266
NON-OPERATING REVENUES:						
Investment income	1,438	1,761	634	76	655	4,564
Total non-operating revenues:	1,438	1,761	634	76	655	4,564
BEGINNING RETAINED EARNINGS	4,356,346	4,800,263	896,974	234,669	2,656,281	12,944,533
NET SURPLUS/(DEFICIT)	(148,637)	(514,244)	152,709	22,839	430,308	(57,024)
ENDING RETAINED EARNINGS	4,207,709	4,286,019	1,049,683	257,508	3,086,589	12,887,509

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 9/30/2014

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	169,716	0	21,640	191,356	22,129,010
Reinsurance premiums	0	0	0	0	(1,745,370)
Total operating revenues:	169,716	0	21,640	191,356	20,383,640
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	0	0	14,290,297
Deductible recoveries	0	0	0	0	(818,688)
Claims administrators	0	0	1,250	1,250	1,061,745
Claims management information system	0	0	0	0	8,002
Program administrator	0	68,125	0	68,125	626,029
Brokerage commissions	55,594	6,253	2,723	64,571	389,455
Insurance premiums	320,003	628,784	42,466	991,253	3,161,598
Actuarial services	0	0	0	0	15,500
Miscellaneous program services	0	0	0	0	736
Workshops/training	0	654	0	654	21,312
Loss control	0	0	0	0	99,432
Reinsurance recovery	0	0	0	0	(1,543,631)
Program committee	0	0	0	0	3,908
Dividend distributions	0	0	0	0	1,154,248
Total direct program expenses:	375,597	703,817	46,440	1,125,853	18,469,941
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	2,808	90	2,898	43,000
Executive committee & board expenses	0	19	1	20	294
JPA insurance	0	253	8	261	3,874
Chancellor's office accounting services	0	5,306	171	5,476	81,250
Risk management expenses	0	13,208	425	13,632	202,260
Miscellaneous indirect services	0	129	4	133	1,701
Total general & administrative expenses:	0	21,723	698	22,421	332,379
Total operating expenses:	375,597	725,539	47,138	1,148,274	18,802,320
NON-OPERATING REVENUES:					
Investment income	0	0	(72)	(72)	49,460
Total non-operating revenues:	0	0	(72)	(72)	49,460
BEGINNING RETAINED EARNINGS	58,051	(546,239)	88,437	(399,752)	60,735,760
NET SURPLUS/(DEFICIT)	(205,881)	(725,539)	(25,570)	(956,990)	1,630,779
ENDING RETAINED EARNINGS	(147,830)	(1,271,778)	62,867	(1,356,742)	62,366,540

California State University Risk Management Authority
Income Statement as of 9/30/2014
(Unaudited)

	Budget vs. Actual			Percent of Budget
	FY 2014/2015 Budget	Year-to-Date Ending 9/30/2014	Variance	
OPERATING REVENUES:				
Contributions	94,821,327	22,129,010	72,692,317	23.34%
Reinsurance premiums	(990,000)	(1,745,370)	755,370	176.30%
Total operating revenues:	93,831,327	20,383,640	73,447,687	21.72%
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	55,968,669	14,290,297	41,678,372	25.53%
Deductible recoveries	(4,050,000)	(818,688)	(3,231,312)	20.21%
Claims administrators	4,661,895	1,061,745	3,600,150	22.78%
Claims management information system	35,000	8,002	26,998	22.86%
Program administrator	2,449,686	626,029	1,823,657	25.56%
Brokerage commissions	1,333,557	389,455	944,102	29.20%
Insurance premiums	20,097,163	3,161,598	16,935,565	15.73%
Taxes, assessments & fees	235,000	0	235,000	0.00%
Actuarial services	26,000	15,500	10,500	59.62%
Claims audit	22,000	0	22,000	0.00%
Coverage counsel	16,000	0	16,000	0.00%
Program legal	2,500	0	2,500	0.00%
Miscellaneous program services	11,755	736	11,019	6.26%
Workshops/training	109,988	21,312	88,676	19.38%
Loss control	793,154	99,432	693,722	12.54%
Reinsurance recovery	(6,161,932)	(1,543,631)	(4,618,301)	25.05%
Program committee	30,688	3,908	26,780	12.74%
Dividend distributions	1,823,733	1,154,248	669,485	63.29%
Total direct program expenses:	77,404,856	18,469,941	58,934,915	23.86%
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	48,000	43,000	5,000	89.58%
Executive committee & board expenses	34,000	294	33,706	0.86%
JPA insurance	27,500	3,874	23,626	14.09%
Memberships, associations & dues	7,450	0	7,450	0.00%
Chancellor's office accounting services	325,000	81,250	243,750	25.00%
Risk management expenses	935,000	202,260	732,740	21.63%
JPA legal	5,000	0	5,000	0.00%
Miscellaneous indirect services	15,000	1,701	13,299	11.34%
Total general & administrative expenses:	1,396,950	332,379	1,064,571	23.79%
Total operating expenses:	78,801,806	18,802,320	59,999,486	23.86%
NON-OPERATING REVENUES:				
Investment income	2,500,000	49,460	2,450,540	1.98%
Total non-operating revenues:	2,500,000	49,460	2,450,540	1.98%
NET SURPLUS/(DEFICIT)	17,529,521	1,630,779	15,898,742	9.30%

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

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

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

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. Certification of Funds Letter as of September 30, 2014 (*handout*)
- b. CSURMA Investment Report as of September 30, 2014 (*handout*)

CSURMA CONFLICT OF INTEREST CODE

ISSUE: The Committee will be asked to approve its current Conflict of Interest Code.

RECOMMENDATION: Staff recommends that the Committee approve the CSURMA Conflict of Interest Code as part of the Consent Calendar.

FISCAL IMPACT: None.

BACKGROUND: CSURMA's Conflict of Interest Code was amended in 2013 to revise the titles of those individuals required to complete the Form 700. No changes are recommended for 2014.

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The FPPC requires a biennial examination of current programs to ensure that the CSURMA's code requires disclosure by agency officials who make or participate in making governmental decisions. Because the FPPC reviewed CSURMA's changes to its Conflict of Interest Code in 2013, the FPPC will not conduct its biennial audit in 2014.

PUBLICATION: None.

ATTACHMENT(S):

- a. Conflict of Interest Code for the CSURMA

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

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

Designated positions shall file their statements with the California State University Risk Management Authority who will make the statements available for public inspection and reproduction. (Cal. Gov. Code Sect. 81000). Statements for all designated positions will be retained by the CALIFORNIA STATE UNIVERSITY MANAGEMENT AUTHORITY. Upon receipt of the statements, the **Authority** shall make and retain copies and forward the originals to the **Fair Political Practices Commission**. All original statements will be retained by the **Fair Political Practices Commission**.

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

Designated Positions* *:

Disclosure Category:

Members of the AORMA Committee	All
Attorney	All
Risk Management Consultant***	All
Secretary-Auditor	All
Claims Administrators* * *	All
Other Consultants * * *	All

Officials who manage public investments**:

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

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

**Certain CSURMA employees and officers may hold more than one position. In the case of an employee or officer who holds two designated positions, that person need file only one economic disclosure statement covering both/all designated positions. In the case of an employee or official who holds a designated position or positions and is also classified as an official who manages public investments, that person need file only the Statement of Economic Disclosure required under California Government Code Section 57200 for both/all of his or her positions.

* * * With respect to consultants, the Chair of the CSURMA may determine in writing whether a particular consultant is hired to perform a range of duties which are limited in scope, and thus, is not required to comply with the disclosure requirements described in these categories. Such determination shall include a description of the consultant's duties, and, based on that description, a statement of the extent of disclosure requirements. The Chair shall forward a copy of this determination to the Fair Political Practices Commission. Nothing herein excuses any such consultant from any other provisions of this Conflict of Interest Code.

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

Disclosure Categories

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

Category 1. Business entities which are the type to supply the CSURMA materials, products, supplies, commodities or equipment utilized by the CSURMA.

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

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

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

(a) Investments in~

(b) Sources of income from~ or

(c) His or her status as a director, officer, partner, trustee, employee or any position of management in any business entities hereafter described.

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

Category 5. Business entities which either have claims pending or during the year preceding the filing of the statement, filed a claim against the CSURMA or any member of the CSURMA.

**INDEPENDENT AUDITOR’S FINANCIAL AUDIT
AS OF JUNE 30, 2014**

ISSUE: Pursuant to Section 16(d) of the CSURMA Joint Exercise of Powers Agreement, CSURMA contracted the independent audit firm KPMG to conduct an annual fiscal year audit (as of June 30, 2014) of the financial position of CSURMA. The CSURMA Treasurer and Accounting Staff will be present at today’s meeting to review the report.

RECOMMENDATION: It is recommended that the Executive Committee review and discuss the audited financial report and take action as necessary.

FISCAL IMPACT: None.

BACKGROUND: Section 16(d) of the California State University Risk Management Authority Joint Exercise of Power Agreement requires that an annual audit be completed for all accounts and financial statements of CSURMA.

PUBLICATION: None.

ATTACHMENT(S):

- a. The Independent Auditor’s Financial Audit Report as of June 30, 2014



**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

**A Discretely Presented Component Unit of
the California State University**

Financial Statements

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

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KPMG LLP
Suite 700
20 Pacifica
Irvine, CA 92618-3391

Independent Auditors' Report

The Board of Directors
California State University Risk Management Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the California State University Risk Management Authority (the Authority), a component unit of the California State University, which comprise the statements of net position as of June 30, 2014 and 2013, and the related statements of revenues, expenses, and changes in net position and statements of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California State University Risk Management Authority as of June 30, 2014 and 2013, and the changes in its net position and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information included in schedules 1 through 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Authority has not presented the management's discussion and analysis that U.S. generally accepted accounting principles require to supplement, although not required to be a part of, the basic financial statements.

KPMG LLP

Irvine, California
September 18, 2014

**CALIFORNIA STATE UNIVERSITY
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Statements of Net Position

June 30, 2014 and 2013

	2014	2013
Assets:		
Current assets:		
Cash and cash equivalents (note 3)	\$ —	263,000
Investments (note 3)	38,118,000	27,726,000
Accounts receivable (note 6)	294,000	290,000
Loans receivable from affiliates, current portion (note 4)	1,778,000	2,642,000
Interest receivable	8,000	3,000
Prepaid expenses	4,197,000	4,659,000
Reinsurance recoverable – workers’ compensation	752,000	717,000
Total current assets	45,147,000	36,300,000
Noncurrent assets:		
Other long-term investments (note 3)	128,713,000	125,423,000
Loans receivable from affiliates, net of current portion (note 4)	3,228,000	5,500,000
Capital assets, net	—	12,000
Total assets	177,088,000	167,235,000
Liabilities:		
Current liabilities:		
Accounts payable	5,601,000	6,099,000
Unearned revenues	33,000	14,000
SELF assessment liability, current portion (note 8)	1,363,000	1,363,000
Claims liability for losses and loss adjustment expenses – current portion (note 5):		
Reported claims	19,214,000	17,033,000
Claims incurred but not reported	13,742,000	11,762,000
Total current liabilities	39,953,000	36,271,000
Noncurrent liabilities:		
SELF assessment liability, net of current portion (note 8)	10,906,000	12,269,000
Claims liability for losses and loss adjustment expenses – noncurrent portion (note 5)		
Reported claims	38,183,000	33,690,000
Claims incurred but not reported	27,310,000	23,264,000
Total liabilities	116,352,000	105,494,000
Net position:		
Unrestricted	60,736,000	61,741,000
Total net position	\$ 60,736,000	\$ 61,741,000

See accompanying notes to financial statements.

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Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenues:		
Member contributions (note 6)	\$ 90,181,000	91,025,000
Reinsurance premiums (note 7)	(11,626,000)	(3,005,000)
Total operating revenues	<u>78,555,000</u>	<u>88,020,000</u>
Operating expenses:		
Claim losses and loss adjustment expenses (note 5)	53,198,000	43,417,000
Claims administration	8,004,000	7,286,000
Insurance premiums	10,949,000	22,959,000
Dividend distributions (note 6)	8,921,000	9,207,000
General and administrative	1,421,000	1,609,000
Miscellaneous services	821,000	694,000
Total operating expenses	<u>83,314,000</u>	<u>85,172,000</u>
Operating income (loss)	<u>(4,759,000)</u>	<u>2,848,000</u>
Nonoperating revenues:		
Investment income, net	3,663,000	464,000
Interest income from loans	91,000	71,000
Total nonoperating revenues	<u>3,754,000</u>	<u>535,000</u>
Change in net position	<u>(1,005,000)</u>	<u>3,383,000</u>
Net position, beginning of year	<u>61,741,000</u>	<u>58,358,000</u>
Net position, end of year	<u>\$ 60,736,000</u>	<u>61,741,000</u>

See accompanying notes to financial statements.

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Statements of Cash Flows

Years ended June 30, 2014 and 2013

	2014	2013
Cash flows from operating activities:		
Receipts of member contributions	\$ 90,197,000	91,011,000
Payments to providers	(34,330,000)	(36,316,000)
Payments of claims	(40,533,000)	(33,576,000)
Dividend distribution to pool participants	(8,800,000)	(9,724,000)
Net cash provided by operating activities	6,534,000	11,395,000
Cash flows from noncapital and related financing activities:		
Payments received on loans to related entities	3,136,000	2,463,000
Loan interest income received	87,000	71,000
Net cash provided by noncapital and related financing activities	3,223,000	2,534,000
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	482,679,000	424,608,000
Purchases of investments	(495,149,000)	(441,251,000)
Investment income, net	3,663,000	464,000
Unrealized (gains) losses	(1,213,000)	2,513,000
Net cash used in investing activities	(10,020,000)	(13,666,000)
Net change in cash and cash equivalents	(263,000)	263,000
Cash and cash equivalents at beginning of year	263,000	—
Cash and cash equivalents at end of year	\$ —	263,000
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ (4,759,000)	2,848,000
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	12,000	3,000
Changes in assets and liabilities:		
Decrease (increase) in prepaid expenses	462,000	(110,000)
Increase in accounts receivable	(4,000)	(28,000)
Decrease (increase) in reinsurance recoverable – workers' compensation	(35,000)	381,000
Decrease in accounts payable	(498,000)	(703,000)
Increase in unearned revenues	19,000	14,000
Decrease in SELF assessment liability	(1,363,000)	(470,000)
Increase in claims liability for losses and loss adjustment expenses	12,700,000	9,460,000
Net cash provided by operating activities	\$ 6,534,000	11,395,000

See accompanying notes to financial statements.

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June 30, 2014 and 2013

(1) Organization

On January 1, 1997, the California State University (the CSU or University) and certain Auxiliary Organizations of the University established the California State University Risk Management Authority (the Authority) pursuant to the provisions of Section 6500 et seq. of the California Government Code (the Code). The Code authorizes the CSU and Auxiliary Organizations to establish and operate pooled coverage programs and to provide related services. The Authority provides entity risk pooling program of workers' compensation, general liability, industrial and nonindustrial disability, unemployment insurance coverage, property, construction, and other risk-related programs for its member organizations (the Members). The Members participating in the Authority's coverage programs at June 30, 2014 and 2013 are as follows:

<u>City Campus</u>	<u>Members</u>
Bakersfield	California State University, Bakersfield
Bakersfield	Associated Students, California State University, Bakersfield, Inc.
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs Administration
Bakersfield	California State University, Bakersfield Foundation
Bakersfield	California State University, Bakersfield Student Union, Inc.
Chancellor's Office	Office of the Chancellor
Chancellor's Office	California State University Foundation
Chancellor's Office	California State University Institute
Channel Islands	California State University, Channel Islands
Channel Islands	Associated Students of California State University, Channel Islands, Inc.
Channel Islands	California State University Channel Islands Foundation
Channel Islands	University Glen Corporation
Chico	California State University, Chico
Chico	Associated Students of California State University, Chico
Chico	Auxiliary Organization Associations
Chico	The CSU, Chico Research Foundation
Chico	The University Foundation, California State University, Chico
Dominguez Hills	California State University, Dominguez Hills
Dominguez Hills	Associated Students, California State University, Dominguez Hills
Dominguez Hills	California State University, Dominguez Hills Foundation
Dominguez Hills	Loker University Student Union, Incorporated
East Bay	California State University, East Bay
East Bay	Associated Students, California State University, East Bay
East Bay	Cal State East Bay Educational Foundation **
East Bay	California State University, East Bay Foundation, Inc.
Fresno	California State University, Fresno
Fresno	Associated Students, Inc. of California State University, Fresno
Fresno	California State University, Fresno Association, Inc.

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City Campus	Members
Fresno	California State University, Fresno Foundation
Fresno	CSU Fresno University Courtyard *
Fresno	Fresno State Programs for Children, Inc.
Fresno	The Agricultural Foundation of California State University, Fresno
Fresno	The California State University, Fresno Athletic Corporation
Fullerton	California State University, Fullerton
Fullerton	Associated Students, California State University, Fullerton, Inc.
Fullerton	Cal State Fullerton Philanthropic Foundation
Fullerton	CSU Fullerton Auxiliary Services Corporation
Fullerton	CSU Fullerton Housing Authority *
Humboldt	Humboldt State University
Humboldt	Associated Students, Humboldt State University
Humboldt	Humboldt State University Advancement Foundation
Humboldt	Humboldt State University Center Board of Directors
Humboldt	Humboldt State University Sponsored Programs Foundation
Long Beach	California State University, Long Beach
Long Beach	Associated Students, California State University, Long Beach
Long Beach	California State University, Long Beach Research Foundation
Long Beach	CSULB 49er Foundation
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach
Los Angeles	California State University, Los Angeles
Los Angeles	Associated Students, California State University, Los Angeles, Inc.
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
Los Angeles	California State University, Los Angeles Foundation
Los Angeles	University-Student Union Board, California State University, Los Angeles
Maritime Academy	California Maritime Academy
Maritime Academy	California Maritime Academy Foundation, Inc.
Maritime Academy	The Associated Students of the California Maritime Academy
Monterey Bay	California State University, Monterey Bay
Monterey Bay	Foundation of California State University, Monterey Bay
Monterey Bay	The University Corporation at Monterey Bay
Northridge	California State University, Northridge
Northridge	Associated Students, California State University, Northridge, Inc.
Northridge	California State University, Northridge Foundation
Northridge	North Campus University Park Development Corporation
Northridge	The University Corporation, CSU Northridge
Northridge	University Student Union of California State University, Northridge
Pomona	California State Polytechnic University, Pomona
Pomona	Associated Students Inc., California State Polytechnic University, Pomona

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City Campus	Members
Pomona	The Cal Poly Pomona Foundation, Inc.
Sacramento	California State University, Sacramento
Sacramento	Associated Students of California State University, Sacramento
Sacramento	Capital Public Radio, Inc., CSU Sacramento
Sacramento	The University Foundation at Sacramento State
Sacramento	University Enterprises, Inc., CSU Sacramento
Sacramento	University Union Operation of CSUS, Inc.
San Bernardino	California State University, San Bernardino
San Bernardino	Associated Students Inc., California State University, San Bernardino
San Bernardino	CSUSB Philanthropic Foundation
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
San Bernardino	University Enterprises Corporation at CSUSB
San Diego	San Diego State University
San Diego	Associated Students, San Diego State University
San Diego	Aztec Shops, Ltd., San Diego State University
San Diego	San Diego State University Research Foundation
San Diego	The Campanile Foundation
San Francisco	San Francisco State University
San Francisco	Associated Students, Inc., San Francisco State University
San Francisco	Cesar Chavez Student Center, San Francisco State University *
San Francisco	San Francisco State University Foundation
San Francisco	The University Corporation, San Francisco State
San Jose	San Jose State University
San Jose	Associated Student, San Jose State University
San Jose	San Jose State University Research Foundation
San Jose	Spartan Shops, Inc., San Jose State University
San Jose	The Student Union of San Jose State University
San Jose	The Tower Foundation, San Jose State University
San Luis Obispo	California Polytechnic State University, San Luis Obispo
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
San Luis Obispo	Cal Poly Corporation
San Luis Obispo	California Polytechnic State University Foundation
San Marcos	California State University, San Marcos
San Marcos	California State University San Marcos Foundation
San Marcos	San Marcos University Corporation
San Marcos	The Associated Students of California State University, San Marcos
San Marcos	University Auxiliary and Research Services Corporation
Sonoma	Sonoma State University

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City Campus	Members
Sonoma	Associated Students of Sonoma State University
Sonoma	Sonoma State Enterprises, Inc.
Sonoma	Sonoma State University Academic Foundation, Inc.
Stanislaus	California State University, Stanislaus
Stanislaus	Associated Students, Inc., California State University, Stanislaus
Stanislaus	California State University, Stanislaus Auxiliary and Business Services
Stanislaus	California State University, Stanislaus Foundation
Stanislaus	University Student Union of California State University, Stanislaus

* Members in fiscal year 2013 who exited in fiscal year 2014

** Member who started in fiscal year 2014

The accompanying financial statements are also included in the California State University financial statements.

The Authority is managed by a board of directors, which is composed of 30 directors appointed by the CSU Executive Vice Chancellor, Business and Finance, and 10 directors elected by the Auxiliary Organizations, which are members of the Authority. The Executive Vice Chancellor may also appoint alternate representatives who shall serve in the absence of the primary representatives. Directors elected by the Auxiliary Organizations serve subject to terms and conditions adopted by the Auxiliary Organizations for election and replacement of the same. Each director of the Authority must be an officer, director, or employee of the University or an Auxiliary Organization.

The Authority assumed the losses of the University's risk pool on January 1, 1997 (inception date) in exchange for a commitment from the University to fund incurred losses. In addition, the University has made the commitment to provide sufficient cash flows to the Authority to meet its operating needs.

All post development costs of the Authority's programs are funded by annual premiums charged to the Members participating in the program each policy year and by interest earnings on the accumulated funds. Premiums are based on a cost allocation plan and rating formula developed by the Authority with the assistance of an actuary, risk management consultant, and other qualified persons. The premium for each Member participating in the shared risk programs includes Member's share of expected program losses, program reinsurance costs, and program administrative costs for the year. If the Authority experiences unusually large losses in one of the aforementioned programs during a policy year, those pooled funds for the program may be exhausted or depleted before the next annual premiums are due, the board of directors may, upon consultation with an actuary, impose assessments on all participating Members in the respective program, which, in total amount, will assure adequate funds to the Authority for the payment of all incurred losses.

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The Authority coordinates the claims process in conjunction with various agencies actually processing the claims. These agencies include the State of California Attorney General's Office (AG), Sedgwick Claims Management Services, Inc. (Sedgwick), Carl Warren & Company, CSU's Office of General Counsel, the State of California's Victim Compensation and Government Claims Board, Alliant Insurance Services (Alliant), the CSU Office of the Chancellor, and the 23 CSU campuses. Sedgwick is the third-party administrator (TPA) for all workers' compensation claims involving campuses and auxiliary organizations. Carl Warren & Company is the TPA for auxiliary organization liability claims. AG Administrator is the TPA for Athletic Injury Medical Expense (AIME) and Club Sports Insurance Program (CSIP) claims. Alliant administers all entity risk pooling programs provided by the Authority.

(2) Summary of Significant Accounting Policies

(a) *Basis of Presentation*

The accompanying financial statements for the Authority have been prepared under the standards promulgated by the Governmental Accounting Standards Board (GASB) using the accrual basis of accounting and economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows. The Authority is considered a special-purpose government. The Authority records revenues primarily from fees collected from the campuses and auxiliary organizations and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for the Authority to be reported in a single column in each of the financial statements.

(b) *Classification of Current and Noncurrent Assets (Other than Investments) and Liabilities*

The Authority considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statements of net position date. Liabilities that can be reasonably expected, as part of normal Authority's business operations, to be liquidated within 12 months of the statements of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent. For classification of current and noncurrent investments, refer to paragraph (d).

(c) *Cash and Cash Equivalents and Statements of Cash Flows*

The Authority considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The Authority considers amounts included in the Morgan Stanley Smith Barney fixed income securities and CSU Consolidated Investment Pool to be investments. Certain transactions recorded as revenue or expenses in the accompanying statements of revenues, expenses and changes in net position include transactions between entities that are also

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participants in the Investment Pool. The Authority considers changes in the respective participants' equity in the Investment Pool resulting from these transactions to represent cash flows of the Authority in the accompanying statements of cash flows.

(d) Investments

Investments are reflected at fair value using quoted market prices. Realized and unrealized gains and losses are included in the accompanying statement of revenues, expenses, and changes in net position as a component of investment income, net.

Investments that are used for current operations are classified as short-term investments. Investments that are restricted for withdrawal or use for other than current operations, designated or restricted for the acquisition or construction of noncurrent assets, designated or restricted for the liquidation of the noncurrent portion of long-term debt, or restricted as to the liquidity of the investments are classified as other long-term investments.

(e) Accounts Receivable

Accounts receivable represents amounts due from the Members as of June 30, 2014 and 2013.

(f) Capital Assets

Capital assets with an original value of \$5,000 or more and with a useful life of one year or more are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

(g) Reinsurance Recoverable

Reinsurance recoverable represents estimated amounts due from reinsurers, who reinsured the CSU's workers' compensation claims liability for claims incurred during the fiscal year. The reported amounts represent recoverable estimates related to paid claims and claim adjustment expenses as of June 30, 2014 and 2013. The estimated amounts recoverable from the reinsurer that are related to the liabilities for unpaid claims and claim adjustment expenses are deducted from those claims liabilities for losses and loss adjustment expenses; refer to paragraph (i).

(h) Member Contributions

The Authority reports contributions in the statements of revenues, expenses, and changes in net position for those revenues received from its Members. The contribution calculation for the campuses is based on program funding policies and procedures, and a rating plan to meet their pro rata share of the anticipated claims liabilities for losses and loss adjustment expenses. The contribution calculation for auxiliary organizations is based on various rating plans, such as the actuary's projections and loss rates. Contributions are recorded as revenues for the policy year in which coverage is provided.

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(i) *Claims Liability for Losses and Loss Adjustment Expenses*

The claims liability for losses and loss adjustment expenses included in the accompanying financial statements reflects the estimated ultimate cost of settling claims relating to events that have occurred on or before June 30, 2014 and 2013. The liability includes the estimated amount that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not been reported. The liability is also reduced by estimated amounts recoverable from the reinsurer that are related to the liabilities for unpaid claims and claim adjustment expenses. The liability is estimated through an actuarial calculation using individual case basis valuations and statistical analyses. The liability is not discounted.

Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made.

In the estimate of the unpaid losses and loss adjustment expenses, the Authority has employed methods and assumptions they considered reasonable and appropriate given the information currently available. Given the inherent uncertainty in the nature of such estimates, future losses may deviate from those estimates.

(j) *Dividend Distributions*

The Authority reports dividends in the statements of revenues, expenses, and changes in net position for the return of contributions to the Members. The dividends to CSU campuses are based on the review of the funding status report by the Executive Committee and are distributed to each Member by their pro rata contributions over the past five completed fiscal years. Dividends to any participating auxiliary organization are calculated and distributed in accordance with the Dividends and Assessment Policy. Dividend distributions are accrued, as dividend expense, once they are approved and declared by the Executive Committee and Auxiliary Organizations Risk Management Alliance (AORMA) Committee.

(k) *Net Position*

The Authority's net position is classified as unrestricted. Unrestricted net position may be designated for use by the Authority. The Authority has adopted a policy of utilizing restricted funds, when available, prior to unrestricted funds.

(l) *Classification of Revenues and Expenses*

The Authority considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or other activities that are connected directly to the Authority's primary functions. Certain other transactions are reported as nonoperating revenues and expenses in accordance with

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GASB requirements. These nonoperating activities include the Authority's net investment income and interest income from loans.

(m) *Income Taxes*

The Authority was formed pursuant to California Government Code Section 6500 et seq. and, as a governmental entity, is not subject to federal or state income taxes under §115 of the Internal Revenue Code of 1986.

(n) *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(o) *New Accounting Pronouncements*

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective for the Authority's fiscal year beginning July 1, 2014. This Statement revises existing standards for measuring and reporting pension liabilities for pension plans provided by the Authority to its employees. This statement requires recognition of a liability equal to the net pension liability, which is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. The Authority is evaluating the effect that Statement No. 68 will have on its financial statements.

(p) *Reclassification*

Certain reclassifications have been made in the financial statements to conform 2013 information to 2014 presentation.

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(3) Cash and Cash Equivalents, Investments, and Investments Income, net

The Authority's cash, cash equivalents, and investments as of June 30, 2014 and 2013 are classified in the accompanying statements of net position as follows:

	2014	2013
Cash and cash equivalents	\$ —	263,000
Total cash and cash equivalents	\$ —	263,000
Short-term investments	\$ 38,118,000	27,726,000
Other long-term investments	128,713,000	125,423,000
Total investments	\$ 166,831,000	153,149,000

(a) Cash and Cash Equivalents

The Authority maintains centralized management for substantially all of its cash and cash equivalents. Cash in demand deposit accounts is minimized by sweeping available cash balances into the CSU Consolidated Investment Pool on a daily basis.

At June 30, 2014, there is no cash or cash equivalents. The carrying amount of the Authority's cash in demand deposit accounts is \$193,000 at June 30, 2014. Outstanding checks and cash awaiting investment are the primary differences. At June 30, 2013, total cash and cash equivalents was \$263,000.

(b) Custodial Credit Risk for Deposits

Custodial credit risk is the risk that in the event of the failure of the custodian, deposits may not be returned to the Authority. The Authority's deposits are maintained at financial institutions that are FDIC insured. As a result, custodial credit risk for deposits is remote.

(c) Investments

At June 30, 2014 and 2013, the Authority's investment portfolio consists of investments held in the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities. Separate accounting is maintained as to the amounts allocable to the various funds and programs.

(d) Custodial Credit Risk for Investments

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned to the Authority. Substantially all of the Authority's securities are registered in the Authority's name by the custodial bank as an agent for the Authority. As a result, custodial credit risk for investments is remote.

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(e) Investment Policy

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

The Authority's investment policy authorizes funds held in local trust accounts under Education Code Sections 89721 and 89724 to be invested in any of the securities authorized by Government Code Section 16430 and 53601 and Education Code Section 89724, subject to certain limitations. In general, the Authority's investment policy permits investments in obligations of the federal and California state governments, certificates of deposit, high quality domestic corporate and fixed income securities and certain other investment instruments.

(f) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Authority's investment guidelines manage interest rate risk. The guidelines include limits on the maximum effective maturity of any individual investment and the average duration of the portfolio. The effective maturity date reflects a bond with features such as a call, put, or reset date, and prepayment speed resulting in the maturity of a bond being less than the final maturity date. Duration is a measure of the sensitivity of the price of fixed income investment relative to changes in interest rates. The Authority also manages its exposure to interest rate risk by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity evenly over time as necessary to provide cash flow and liquidity needed for operations. Weighted average maturity is the average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount of the asset. The occurrence of interest rate risk is remote because of these risk mitigations.

(g) Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

By law, Authority invests in low credit risk securities such as: U.S. government securities; securities of federally-sponsored agencies; highly rated domestic corporate bonds; prime-rated commercial paper, repurchase and reverse repurchase agreements; banker's acceptances; and negotiable certificates of deposit. Therefore, occurrence of credit risk is remote.

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The following table represents the fair value, weighted average maturity, and actual rating by investment type of the Authority's allocated share of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities as of June 30, 2014:

Investment type	Fair value	Weighted average maturity (in years)	Rating as of year-end						
			AAA	AA	A	BBB	BB	Not rated	
Money market	\$ 4,095,000	—	\$ —	—	—	—	—	—	4,095,000
Repurchase agreements	31,000	—	—	—	28,000	—	—	—	3,000
Certificates of deposit	2,500,000	0.65	—	251,000	2,249,000	—	—	—	—
Commercial paper	51,000	0.03	—	—	51,000	—	—	—	—
U.S. agency securities	55,441,000	1.98	—	22,598,000	32,843,000	—	—	—	—
Municipal securities	5,696,000	6.03	—	3,733,000	1,530,000	433,000	—	—	—
Corporate and fixed income securities	41,560,000	5.61	9,078,000	6,611,000	16,748,000	8,645,000	478,000	—	—
International government	1,271,000	9.22	—	1,271,000	—	—	—	—	—
Mortgage-backed securities	16,118,000	23.84	—	16,118,000	—	—	—	—	—
Total	126,763,000		\$ 9,078,000	50,582,000	53,449,000	9,078,000	478,000		4,098,000
Not subject to rating:									
U.S. Treasury securities	40,068,000	3.24							
Total investments	\$ 166,831,000								

The following table represents the fair value, weighted average maturity, and actual rating by investment type of the Authority's allocated share of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities as of June 30, 2013:

Investment type	Fair value	Weighted average maturity (in years)	Rating as of year-end						
			AAA	AA	A	BBB	BB	Not rated	
Money market	\$ 3,359,000	—	\$ —	—	—	—	—	—	3,359,000
Repurchase agreements	244,000	—	—	—	242,000	—	—	—	2,000
Certificates of deposit	2,898,000	0.38	—	92,000	2,806,000	—	—	—	—
Commercial paper	272,000	0.20	—	—	272,000	—	—	—	—
U.S. agency securities	44,688,000	3.03	13,923,000	30,765,000	—	—	—	—	—
Municipal securities	4,748,000	10.44	—	2,774,000	1,974,000	—	—	—	—
Corporate and fixed income securities	38,401,000	5.63	3,669,000	11,615,000	15,481,000	6,953,000	683,000	—	—
International government	1,266,000	10.22	—	1,266,000	—	—	—	—	—
Mortgage-backed securities	22,155,000	21.61	—	22,060,000	95,000	—	—	—	—
Total	118,031,000		\$ 17,592,000	68,572,000	20,870,000	6,953,000	683,000		3,361,000
Not subject to rating:									
U.S. Treasury securities	35,118,000	1.78							
Total investments	\$ 153,149,000								

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(h) Concentration of Credit Risk

Concentration of credit risk rises as investments become concentrated relative to a portfolio characteristic such as issuance, issuer, market sector, counter-party, or sovereign nation and is best mitigated by diversification. The Authority's investment policy has concentration limits that provide sufficient diversification. Therefore, the occurrence of concentration of credit risk is remote.

As of June 30, 2014, the following investments of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities (other than U.S. Treasury securities, mutual funds, and external investment pools) represented 5% or more of the Authority's total investment portfolio: Federal National Mortgage Association (Fannie Mae), which totaled \$17,452,000 (10%), Federal Home Loan Mortgage Corporation (Freddie Mac), which totaled \$11,660,000 (7%), and Federal Home Loan Banks Office of Finance, which totaled \$32,439,000 (19%). As of June 30, 2013, the following investments of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities (other than U.S. Treasury securities, mutual funds, and external investment pools) represented 5% or more of the Authority's total investment portfolio: Federal National Mortgage Association (Fannie Mae), which totaled \$25,502,000 (17%), Federal Home Loan Mortgage Corporation (Freddie Mac), which totaled \$17,759,000 (12%), and Federal Home Loan Banks Office of Finance, which totaled \$15,500,000 (10%).

(i) Risks and Uncertainties

The Authority may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net position.

The Authority invests in securities with contractual cash flows, such as asset-backed securities and mortgage-backed securities. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

(j) Investment Income, net

Investment income, net, included within statements of revenues, expenses, and changes in net position is comprised of unrealized gains of \$1,213,000, realized gains of \$428,000, and interest and dividend income of \$2,022,000 as of June 30, 2014. Investment income, net included within statements of revenues, expenses, and changes in net position is comprised of unrealized losses of (\$2,513,000), realized gains of \$613,000, and interest and dividend income of \$2,364,000 as of June 30, 2013.

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(4) Loans Receivable from Affiliates

In May 2010, the Authority entered into a loan agreement with California State University, Northridge in the amount of \$5,000,000. The nonamortizing loan term is for a 5-year period with interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The maturity date of the loan is June 1, 2015.

In November 2008, the Authority entered into a loan agreement with California State University, Fresno, in the amount of \$4,500,000. The loan term is for a 5-year period that amortizes based on a 20-year amortization schedule, with principal and interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The initial maturity date of the loan was October 31, 2013. On September 12, 2013, Executive Members approved California State University, Fresno's loan extension request in the amount of \$2,542,000 for additional 5 years. The new extended maturity date of the loan is September 30, 2018.

In August 2008, the Authority entered into a loan agreement with Humboldt State University Advancement Foundation in the amount of \$2,535,000. The loan is nonamortizing, with interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The initial maturity date of the loan was October 31, 2013. On December 6, 2012, Executive Members approved Humboldt State University Advancement Foundation's loan extension request for an additional 5 years in the amount of \$2,000,000. The new extended maturity date of the loan is October 31, 2017.

In May 2014, the Authority entered into a line-of-credit agreement with California State University, Sacramento in the amount of \$4,000,000. The line of credit will be available for a 5-year period with principal and interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The maturity date of the line of credit is June 1, 2019. As of June 30, 2014, no funds have been borrowed from this line of credit.

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The following table summarizes the Authority's loans receivable from affiliates as of June 30, 2014 and 2013:

	2014	2013
California State University, Northridge	\$ 1,514,000	3,500,000
California State University, Fresno	1,492,000	2,642,000
Humboldt State University Advancement Foundation	2,000,000	2,000,000
Total loans receivable from affiliates	5,006,000	8,142,000
Less current portion	(1,778,000)	(2,642,000)
Loans receivable from affiliates, net of current portion	\$ 3,228,000	5,500,000

(5) Claims Liability for Losses and Loss Adjustment Expenses

The Authority establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related loss adjustment expenses. Although considerable variability is inherent in such estimates, management believes that the liability is reasonable at June 30, 2014 and 2013.

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Changes in the Authority's claims liability for the years ended June 30, 2014 and 2013 are as follows:

Claims liability for losses and loss adjustment expenses, June 30, 2012	\$ 76,289,000
Incurred claims for losses and loss adjustment expenses:	
Provision for insured events of the current year-end	59,095,000
Decrease in provision for insured events of prior year-end	<u>(15,678,000)</u>
Total incurred claims for losses and loss adjustment expenses	<u>43,417,000</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of the current year-end	(23,031,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of the current year-end	11,631,000
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(22,557,000)</u>
Total payments	<u>(33,957,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2013	85,749,000
Incurred claims for losses and loss adjustment expenses:	
Provision for insured events of the current year-end	59,313,000
Decrease in provision for insured events of prior year-end	<u>(6,115,000)</u>
Total incurred claims for losses and loss adjustment expenses	<u>53,198,000</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of the current year-end	(20,672,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of the current year-end	7,653,000
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(27,479,000)</u>
Total payments	<u>(40,498,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2014	98,449,000
Less current portion	<u>(32,956,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2014, net of current portion	<u>\$ 65,493,000</u>

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(6) Related-Party Transactions

The following represents a summary of the accounts receivable, contributions (premiums), dividends distribution, for the years ended June 30, 2014 and 2013, and general liability insurance deductibles for the policy period detailed by campus:

Members	June 30, 2014			
	Accounts receivable	Contributions for the fiscal year	Dividend distribution	General liability insurance deductibles per occurrence
Bakersfield	\$ —	1,384,000	(209,000)	35,000
California Maritime Academy	—	475,000	(59,000)	35,000
Channel Islands	—	1,440,000	(108,000)	35,000
Chico	—	2,489,000	(307,000)	100,000
Chancellor's Office	—	8,078,000	(123,000)	100,000
Dominguez Hills	—	2,426,000	(320,000)	100,000
East Bay	—	2,686,000	(153,000)	500,000
Fresno	—	4,231,000	(785,000)	250,000
Fullerton	—	3,679,000	(304,000)	250,000
Humboldt	—	2,087,000	(296,000)	35,000
Long Beach	—	5,030,000	(608,000)	250,000
Los Angeles	—	3,349,000	(299,000)	250,000
Monterey Bay	—	1,322,000	(216,000)	35,000
Northridge	—	4,330,000	(320,000)	500,000
Pomona	—	3,571,000	(281,000)	250,000
Sacramento	—	3,578,000	(281,000)	250,000
San Bernardino	—	2,550,000	(342,000)	50,000
San Diego	—	4,662,000	(299,000)	900,000
San Francisco	—	4,586,000	(533,000)	500,000
San Jose	—	4,590,000	(346,000)	500,000
San Luis Obispo	—	3,698,000	(233,000)	250,000
San Marcos	—	1,411,000	(319,000)	50,000
Sonoma	—	2,021,000	(230,000)	100,000
Stanislaus	—	1,658,000	(126,000)	35,000
Auxiliary Organizations	294,000	14,850,000	(1,824,000)	—
	<u>\$ 294,000</u>	<u>90,181,000</u>	<u>(8,921,000)</u>	

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June 30, 2013				
Members	Accounts receivable	Contributions for the fiscal year	Dividend distribution	General liability insurance deductibles per occurrence
Bakersfield	\$ —	1,436,000	(122,000)	35,000
California Maritime Academy	—	491,000	(136,000)	35,000
Channel Islands	—	1,377,000	(122,000)	35,000
Chico	—	2,600,000	(220,000)	100,000
Chancellor's Office	—	5,251,000	(135,000)	100,000
Dominguez Hills	—	2,537,000	(262,000)	100,000
East Bay	—	2,862,000	(361,000)	500,000
Fresno	—	4,403,000	(325,000)	250,000
Fullerton	—	3,842,000	(396,000)	250,000
Humboldt	—	2,298,000	(240,000)	35,000
Long Beach	—	5,466,000	(461,000)	250,000
Los Angeles	—	3,613,000	(469,000)	250,000
Monterey Bay	—	1,357,000	(96,000)	35,000
Northridge	—	4,675,000	(481,000)	500,000
Pomona	—	3,450,000	(466,000)	250,000
Sacramento	—	3,641,000	(361,000)	250,000
San Bernardino	—	2,584,000	(274,000)	50,000
San Diego	—	4,937,000	(497,000)	900,000
San Francisco	—	5,316,000	(578,000)	500,000
San Jose	—	4,874,000	(470,000)	500,000
San Luis Obispo	—	3,852,000	(482,000)	250,000
San Marcos	—	1,528,000	(194,000)	50,000
Sonoma	—	2,303,000	(192,000)	100,000
Stanislaus	—	1,638,000	(165,000)	35,000
Auxiliary Organizations	290,000	14,694,000	(1,702,000)	—
	<u>\$ 290,000</u>	<u>91,025,000</u>	<u>(9,207,000)</u>	

(7) Excess Insurance and Reinsurance

(a) Excess Insurance

For the years ended June 30, 2014 and 2013, the Authority purchased excess insurance to protect the Members from catastrophic losses. The Authority maintained excess public entity liability insurance coverage provided by School Excess Liability Fund (SELF), a Joint Power Authority, with coverage for individual claims above \$5,000,000 and up to \$45,000,000 per occurrence until December 2009.

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The Authority maintained excess general liability insurance coverage provided by Ironshore Specialty Insurance Company and other various insurers with coverage for individual claims above \$5,000,000 up to \$200,000,000 per occurrence. The Authority purchased excess workers compensation insurance provided by the Safety National to statutory limits in excess of the \$2,500,000 self-insured retention for fiscal years 2014 and 2013. For the AORMA workers' compensation program, the Authority purchased excess workers' compensation insurance provided by Safety National for fiscal years 2014 and 2013 to statutory limit in excess of \$500,000 self-insured retention. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

(b) Reinsurance

For the years ended June 30, 2014 and 2013, the Authority did not enter into the CSU's workers' compensation reinsurance contract. The Authority paid \$2,015,000 of reinsurance premiums during fiscal year 2013. The payment made during fiscal year 2013 was related to a true-up adjustment relating to policy year ended June 30, 2012. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

While such losses are reinsured, the Authority will not be relieved of its primary obligations to the policyholder in the reinsurance transaction. The estimated amounts that are recoverable from the reinsurer and that reduce the liabilities as of June 30, 2014 and 2013 for unpaid claims and claim adjustment expenses are \$6,046,000 and \$7,840,000, respectively.

The Authority purchased reinsurance for the campus and AORMA liability programs provided by the General Reinsurance Corporation for fiscal years 2014 and 2013. This transaction reinsured the AORMA claims liability for individual claims incurred in excess of \$350,000 and up to \$5,000,000 per occurrence. The Authority paid \$990,000 of reinsurance premium for fiscal year 2014 and 2013. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

The Authority purchased reinsurance for the campus and AORMA property programs provided by the Public Entity Property Insurance Program (PEPIP) for fiscal year 2014. This transaction reinsured campus and AORMA property programs for individual claims in excess of \$100,000 for AORMA program and \$1,000,000 for campus program and up to \$1,000,000,000 per occurrence. The Authority paid \$10,636,000 of reinsurance premium for the current year. The coverage terms and conditions are the same as provided by the PEPIP in prior years.

(8) SELF Assessment Liability

Prior to July 1, 2004, the Authority maintained excess workers' compensation insurance coverage provided by SELF, a public entity risk pool. The Authority remains liable for assessments from SELF in settlement of claims incurred prior to July 1, 2004. The assessment liability as of June 30, 2014 and 2013 is \$12,269,000 and \$13,632,000, respectively.

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(9) Subsequent Event

Subsequent events have been evaluated through September 18, 2014, which corresponds to the date when the financial statements were issued. There are no subsequent events that require disclosure.

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Supplementary Information

(Unaudited)

Reconciliation of Workers' Compensation Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's Workers' Compensation contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 54,567,000	40,227,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	27,757,000	25,372,000
Decrease in provision for insured events of prior fiscal years	<u>(5,615,000)</u>	<u>(5,372,000)</u>
Total incurred claims and claim adjustment expenses	<u>22,142,000</u>	<u>20,000,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(3,187,000)	(2,976,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	7,653,000	11,632,000
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(15,874,000)</u>	<u>(14,316,000)</u>
Total payments	<u>(11,408,000)</u>	<u>(5,660,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ 65,301,000</u>	<u>54,567,000</u>

See accompanying independent auditors' report.

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Reconciliation of General Liability Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's General Liability contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 18,044,000	23,570,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	8,197,000	8,055,000
Decrease in provision for insured events of prior fiscal years	<u>(628,000)</u>	<u>(9,339,000)</u>
Total incurred claims and claim adjustment expenses	<u>7,569,000</u>	<u>(1,284,000)</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	—	—
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(6,575,000)</u>	<u>(4,242,000)</u>
Total payments	<u>(6,575,000)</u>	<u>(4,242,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>19,038,000</u>	<u>18,044,000</u>

See accompanying independent auditors' report.

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Supplementary Information

(Unaudited)

**Reconciliation of Industrial Disability, Nonindustrial Disability, and Unemployment
Insurance (IDL/NDL/UI) Claims Liabilities**

The schedule below presents the changes in claims liabilities for the Authority's IDL/NDL/UI contracts for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>12,793,000</u>	<u>13,530,000</u>
Total incurred claims and claim adjustment expenses	<u>12,793,000</u>	<u>13,530,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(12,793,000)</u>	<u>(13,530,000)</u>
Total payments	<u>(12,793,000)</u>	<u>(13,530,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of Property Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's Property contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	\$ —
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>1,269,000</u>	<u>1,323,000</u>
Total incurred claims and claim adjustment expenses	<u>1,269,000</u>	<u>1,323,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(1,269,000)</u>	<u>(1,323,000)</u>
Total payments	<u>(1,269,000)</u>	<u>(1,323,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	\$ <u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of Athletic Injury Medical Expense (AIME) Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's AIME contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 2,056,000	2,042,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	2,870,000	3,237,000
Decrease in provision for insured events of prior fiscal years	—	(192,000)
Total incurred claims and claim adjustment expenses	<u>2,870,000</u>	<u>3,045,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(1,348,000)	(1,616,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(1,666,000)</u>	<u>(1,415,000)</u>
Total payments	<u>(3,014,000)</u>	<u>(3,031,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>1,912,000</u>	<u>2,056,000</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information
(Unaudited)

Reconciliation of AORMA Workers' Compensation Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Workers' Compensation contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 8,219,000	7,882,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	2,831,000	2,962,000
Increase (decrease) in provision for insured events of prior fiscal years	<u>303,000</u>	<u>(823,000)</u>
Total incurred claims and claim adjustment expenses	<u>3,134,000</u>	<u>2,139,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(259,000)	(372,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(2,024,000)</u>	<u>(1,430,000)</u>
Total payments	<u>(2,283,000)</u>	<u>(1,802,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>9,070,000</u>	<u>8,219,000</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information
(Unaudited)

Reconciliation of AORMA General Liability Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA General Liability contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 2,863,000	2,568,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	1,895,000	1,468,000
Increase (decrease) in provision for insured events of prior fiscal years	<u>(175,000)</u>	<u>48,000</u>
Total incurred claims and claim adjustment expenses	<u>1,720,000</u>	<u>1,516,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(115,000)	(67,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(1,340,000)</u>	<u>(1,154,000)</u>
Total payments	<u>(1,455,000)</u>	<u>(1,221,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ 3,128,000</u>	<u>2,863,000</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Property Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Property contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>210,000</u>	<u>69,000</u>
Total incurred claims and claim adjustment expenses	<u>210,000</u>	<u>69,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(210,000)</u>	<u>(69,000)</u>
Total payments	<u>(210,000)</u>	<u>(69,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ —</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Crime Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Crime contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>—</u>	<u>20,000</u>
Total incurred claims and claim adjustment expenses	<u>—</u>	<u>20,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>—</u>	<u>(20,000)</u>
Total payments	<u>—</u>	<u>(20,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ —</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Unemployment Insurance Program (UIP) Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA UIP contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>1,491,000</u>	<u>3,059,000</u>
Total incurred claims and claim adjustment expenses	<u>1,491,000</u>	<u>3,059,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(1,491,000)</u>	<u>(3,059,000)</u>
Total payments	<u>(1,491,000)</u>	<u>(3,059,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Schedule of Net Position

June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Assets:

Current assets:

Short-term investments	\$ 38,117,842
Accounts receivable, net	1,052,885
Notes receivable, current portion	1,778,365
Prepaid expenses and other assets	4,197,464
Total current assets	<u>45,146,556</u>

Noncurrent assets:

Notes receivable, net of current portion	3,228,215
Other long-term investments	128,712,851
Total noncurrent assets	<u>131,941,066</u>
Total assets	<u>177,087,622</u>

Liabilities:

Current liabilities:

Accounts payable	\$ 6,963,876
Unearned revenue	33,305
Claims liability for losses and LAE – current portion	32,956,274
Total current liabilities	<u>39,953,455</u>

Noncurrent liabilities:

Claims liability for losses and LAE, net of current portion	65,492,757
Other liabilities	10,905,650
Total noncurrent liabilities	<u>76,398,407</u>
Total liabilities	<u>116,351,862</u>

Net position:

Unrestricted	<u>60,735,760</u>
Total net position	<u>\$ 60,735,760</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Schedule of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Revenues:	
Operating revenues:	
Other operating revenues	\$ 78,555,250
Total operating revenues	<u>78,555,250</u>
Expenses:	
Operating expenses:	
Instruction	12,636,790
Research	159,530
Public service	237,056
Academic support	2,842,420
Student services	2,921,339
Institutional support	53,183,573
Operation and maintenance of plant	1,803,834
Auxiliary enterprise expenses	606,713
Depreciation and amortization	1,254
Total operating expenses	<u>74,392,509</u>
Operating income	<u>4,162,741</u>
Nonoperating revenues (expenses):	
Investment income, net	3,753,331
Other nonoperating expenses	<u>(8,921,245)</u>
Net nonoperating expenses	<u>(5,167,914)</u>
Decrease in net position	<u>(1,005,173)</u>
Net position:	
Net position, beginning of year	<u>61,740,933</u>
Net position, end of year	<u>\$ 60,735,760</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Composition of investments

	Current unrestricted	Total current	Noncurrent unrestricted	Total noncurrent	Total
CSU Consolidated Investment Pool	\$ 38,117,842	38,117,842	—	—	38,117,842
Morgan Stanley Smith Barney	—	—	128,712,851	128,712,851	128,712,851
Total investments	\$ 38,117,842	38,117,842	128,712,851	128,712,851	166,830,693

Transactions with related entities

	Amount
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 1,637,861
Accounts payable to University	(100,036)

See accompanying independent auditors' report.

**DELEGATION OF AUTHORITY TO EXTEND
OWNER CONTROLLED INSURANCE PROGRAM (OCIP)**

ISSUE: CSU launched via CSURMA its Owner Controlled Insurance Program (OCIP) effective January 1, 2012. The program covers capital projects for an initial three year term expiring December 31, 2014. As shown in the attachment to this item, CSU's OCIP has performed extremely well with very low claims experience to date. James Hoffman from the Chancellor's Office Capital Planning Design and Construction (CPDC) group has worked with the OCIP administrators at Alliant to negotiate extensions to the insurance programs in place. Due to CSU's excellent performance, underwriters have agreed to maintain the existing pricing despite increases in California workers' compensation rates over the past three years.

As an improvement to the program services, the OCIP administrator will now track bid deductions from contractors so that the cost of the CSU OCIP can be compared to the cost of insurance bid by the contractors.

RECOMMENDATION: CPDC requests that the CSURMA Executive Committee take action to delegate authority to the CSU Chancellor's Office to extend the CSU OCIP for three more years and authorize the CSURMA Chair and Secretary-Auditor to execute agreements necessary to continue the program.

FISCAL IMPACT: The cost of the OCIP coverages is paid from the capital project funds. The insurance rates and administration fees have been negotiated to remain flat as per the expiring terms.

BACKGROUND: Owner Controlled Insurance Programs (OCIP's) have been utilized by public and private organizations for several decades. As the name suggests, OCIP's offer owners control over the amount and quality of insurance programs for their construction projects. Also, owners are in a better position to negotiate claims under OCIPs as they have a direct relationship with the underwriters. In addition, insurance has become a profit center for large contractors who retain savings when claims are lower than the fees collected from owners. CSU's OCIP allows the University to retain the savings and caps the maximum cost at a level below the cost that would have been paid to contractors for insurance.

CSU's OCIP Program includes:

- General Liability including construction defect liability
- Workers' Compensation Coverage
- Owner's Protective Professional Indemnity (professional liability excess of coverage maintained by architects, engineers and construction managers); and,
- Contractor's Pollution Liability for pollution events caused by the construction

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

ATTACHMENT(S):

- a. CSU OCIP Status Report

Program Performance - Trending

	WIP as of 5/1/14	WIP To- Date	Projects Enrolled	@\$600M	@\$700M
Construction Value	\$127,248,048	\$297,662,257	\$549,082,844	\$600,000,000	\$700,000,000
Payroll	\$20,358,943	\$47,852,114	\$109,816,569	\$120,000,000	\$140,000,000
Contractor Insurance Cost	\$3,208,612	\$7,501,089	\$13,836,888	\$15,120,000	\$17,640,000
OCIP Fixed Cost	\$1,518,069*	\$3,551,111*	\$6,550,558*	\$7,158,000	\$8,351,000
Actual Losses + LCF	\$17,773	\$315,541	n/a	n/a	n/a
Losses at 30% + LCF	n/a	n/a	\$1,554,574	\$1,698,732	\$1,981,854
Savings @ Current Losses	\$1,672,769	\$3,634,437	n/a	n/a	n/a
Savings @ 30% Loss Rate	n/a	n/a	\$5,731,756	\$6,263,268	\$7,307,146
Savings as % of CV	1.31%	1.22%	1.04%	1.04%	1.04%

*Based on current adjustable project budget rates, does not consider program minimums.

WORKERS' COMPENSATION PROGRAM CLAIMS CLOSURE INITIATIVE UPDATE

ISSUE: As of October 10, 2014, settlement authority has been approved on three files. A second “double play” meeting will occur on October 16, 2015. Sedgwick is reviewing the open SELF inventory to select the second set of files to be reviewed by Corey Ingber. The discussions and recommendations have been well received by defense counsel and settlement negotiations have been initiated on the files with settlement authority. Progress toward resolution continues.

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

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

BACKGROUND:

At the May, 2014, CSURMA Board of Directors meeting, the Workers' Compensation Claims Closure Initiative was approved. The project will begin on a pilot basis, focusing on Southern California files. For future ease in discussion, this initiative has been name “Double Play.” Since the May, 2015 CSURMA Board of Directors meeting, the following Double Play activities have taken place.

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

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

The initial files identified for the project were sent to Mr. Ingber's offices the week of June 30, 2014. The initial file review from Mr. Ingber was received on July 25, 2014. Reviews of all the

files assigned continue to be received. The format and content of the reviews is thorough and focused on case resolution. The reviews and claim review meetings will be useful tools to bring these difficult files to conclusion.

The first “Double Play” claim review will take place on September 4, 2014. The recommendations from the file reviews will be discussed. Attendees at this meeting include Trish Daniels, Gabrielle Haas, Jacki Graf and Zachary Gifford. The defense attorneys assigned to the specific files under discussion are invited to attend in person or via teleconference as their schedules permit.

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

PUBLICATION: None.

ATTACHMENT(S): None.

STUDENT TRAVEL ACCIDENT POLICY RENEWAL

ISSUE: CSU purchases insurance to cover accidental injuries to students while travelling away from campus on school sponsored activities. The current policy expires December 31, 2014. The renewal has been quoted at \$23,330 with the same terms and conditions as the expiring policy. A summary of the coverage history, costs, and renewal options follows:

Coverage History

Year	Carrier	Limits	Deductible	Premium
2010/11	QBE Insurance Co.	\$10,000	\$ 0	\$21,000
2011/12	QBE Insurance Co.	\$10,000	\$ 0	\$21,000
2012/13	QBE Insurance Co.	\$15,000	\$ 0	\$21,000
2013/14	QBE Insurance Co. ¹	\$25,000	\$ 0	\$23,330

¹Coverage limit increased to \$25,000 effective December 31, 2013.

Renewal Options

Year	Carrier	Limits	Deductible	Premium
2014/15	QBE Insurance Co.(<i>as is</i>)	\$25,000	\$0	\$23,330
2014/15	QBE Insurance Co.(<i>option</i>)	\$35,000	\$0	\$24,077

RECOMMENDATION: Staff recommends the option to increase the coverage limits from \$25,000 to \$35,000 for \$747.00 additional premium. The Executive Committee is asked to select a coverage limit and approve the renewal of the Student Travel Accident insurance.

FISCAL IMPACT: The total cost with increased policy limit is \$24,077. The cost is contained in the operating budget for FY 2014/15.

BACKGROUND: Student Travel Accident Insurance provides coverage for accidental injuries to CSU students including Extended Education during travel to or from campus to participate in school sponsored activities, subject to policy terms and exclusions.

PUBLICATION: None.

ATTACHMENTS:

- a. 2013/14 Student Accident Insurance Summary

**Student Travel Accident
December 31, 2013 – December 31, 2014**

Insurer:	QBE Insurance Company	
Policy No.:	NHH000314	
A.M. Best Rating:	A	
Named Cover Entity:	Trustees of California State University, et al.	
Covered Parties:	Enrolled students, including students enrolled only in extended education programs, of the California State University	
Medical Expense Benefit:	Full Excess	
Limit:	\$25,000	Accident Medical Expenses - Total Maximum Benefit Amount
	\$10,000	Accidental Death
	\$10,000	Accidental Dismemberment
	\$500,000	Aggregate Limit of Liability
Medical Expense Deductible:	\$0	Each covered accident & included covered expense paid under another Health Care Plan
	180 days	First Covered Expenses must be incurred with Benefit Period
Hazards Insured Against:	Injuries to the Insured while: (1) away from Campus, or (2) traveling to or from or participating in a school sponsored activity.	
Covered Activities:	Travel or participation in activities away from campus which: (1) is a part of a course requirement, or (2) is sponsored by a university auxiliary organization or other recognized student organization or club, or (3) includes travel to or from intercollegiate athletic events away from campus but does not include participation in such events or practices. (4) Overnight Supervised and Sponsored Activities with duration of more than 14 days and related travel are not covered.	
Coverage Territory:	United States	

While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.

Exclusion(s):

- intentionally self-inflicted Injury, suicide or any attempt thereat while sane or insane;
- commission or attempt to commit a felony or an assault;
- commission of or active participation in a riot or insurrection;
- bungee jumping; parachuting; skydiving; parasailing; hang-gliding;
- declared or undeclared war or act of war;
- flight in, boarding or alighting from an Aircraft or any craft designed to fly above the Earth's surface, except as a fare-paying passenger on a regularly scheduled commercial or charter airline;
- travel in or on any off-road motorized vehicle not requiring licensing as a motor vehicle;
- participation in any motorized race or contest of speed;
- sickness, disease, bodily or mental infirmity, bacterial or viral infection or medical or surgical treatment thereof, except for any bacterial infection resulting from an accidental external cut or wound or accidental ingestion of contaminated food;
- travel or activity outside the United States
- voluntary ingestion of any narcotic, drug, poison, gas or fumes, unless prescribed or taken under the direction of a Physician and taken in accordance with the prescribed dosage;
- injuries compensable under Workers' Compensation law or any similar law;

Claims Reporting:

Report claims within 30 days after the covered loss occurs or begins or as soon as reasonably possible.

Claim Administrator:

Health Special Risk, Inc. (HSR)
4100 Medical Parkway
Carrollton, Texas 75007-1517
Phone: (972) 512-5600 Fax: (972) 512-5820
[Email: CSRM@hsri.com](mailto:CSRM@hsri.com)

While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.

**EVALUATION OF PRIMARY COVERAGE PROGRAM
FOR WORKERS' COMPENSATION**

ISSUE: CSURMA has generally taken the approach of retaining risk when it could do so at a lower cost than risk transfer. From July 1, 2008 to June 30, 2011, the CSURMA Executive Committee authorized the purchase of a primary reinsurance program for the Campus Workers' Compensation Risk Pool since the risk transfer was less expensive than the cost projected by CSURMA's actuary. After June 30, 2011, the cost of risk transfer exceeded the CSURMA actuary's projection of the cost to retain the risk, so the reinsurance program was discontinued.

In March 2014, staff received interest from the CSAC Excess Insurance Authority (EIA) to offer a primary coverage program to both the Campus WC Risk Pool and the AORMA WC Program. Several meetings have taken place to determine the viability of CSURMA participation in the EIA program, and operational hurdles have been addressed so that participation would be transparent to the campuses and auxiliary organizations. The financial terms of EIA's proposal are summarized below:

Table 1
EIA Proposed Coverage Program Compared to CSURMA Actuarial Cost*

18 months	Campus	AORMA	Total
CSURMA Agreed			
Actuarial Funding:	\$ 42,336,525	\$ 4,781,875	\$ 47,118,400
CSAC EIA Primary:	\$ 22,237,435	\$ 2,287,055	\$ 24,524,490
CSAC EIA EWC:	\$ 13,981,931	\$ 1,438,001	\$ 15,419,932
CSAC EIA Total:	\$ 36,219,366	\$ 3,725,056	\$ 39,944,422

*actuarial cost from Aon studies valued at June 30, 2014.

Due to financial considerations, the AORMA WC program can only participate in this risk transfer if the Campus WC Risk Pool also participates. Representatives from EIA will be present at today's meeting to discuss the proposed program. The AORMA Committee will evaluate the proposal at their meeting on October 23, 2014 and their recommendation will be discussed at today's meeting.

RECOMMENDATION: It is recommended that the Executive Committee consider the attached presentation and proposals and take action on whether to recommend that the CSURMA Board

of Directors delegate authority to the CSURMA Chair and Secretary Auditor to effect CSURMA's participation in the EIA Primary and Excess Workers' Compensation programs.

FISCAL IMPACT: The cost of a primary reinsurance program would be paid from AORMA and Campus WC Risk Pool deposits that would otherwise be used to self-insure the claims. If claims develop as projected by the CSURMA actuary, the proposed EIA program would result in a lower cost to CSURMA. If CSURMA's claims are less than the actuary's projection or if EIA has negative experience in their excess workers' compensation program, the cost of the proposed EIA program may be higher than CSURMA's actuarial projection.

BACKGROUND: In general, it is less costly to self-insure first dollar claims with high frequency. These savings are achieved by avoidance of the frictional costs of insurance transactions. In the case of workers' compensation claims, the frictional costs are reduced since claims are adjusted on statutory rules and regulations and the payments are processed with electronic feeds. As a result, large self-insureds can benefit from locking in their claims costs by purchasing primary layer coverage when a reinsurer can offer pricing that is close to or improves on the self-insured cost. Reinsurers may be able to offer better pricing options when their investment income outlook is strong since the claims will be paid over many years.

At the direction of the Executive Committee, Chancellor's Office and CSURMA Staff have met with representatives of the Excess Insurance Authority (EIA). EIA is a statewide joint powers authority (JPA) insurance pool dating from the 1970's and is the largest governmental entity insurance pool in the nation. The documents attached to this item offer more details on EIA's proposal.

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

ATTACHMENT(S):

- a. CSAC EIA Presentation
- b. CSAC EIA Primary WC Proposal
- c. CSAC EIA Excess WC Proposal
- d. CSAC EIA Claims Handling Memorandum



CSAC Excess Insurance Authority
Leader in Member-Directed Risk Management

CSURMA

Workers' Compensation Program

CSAC EIA EWC Options

October 2014



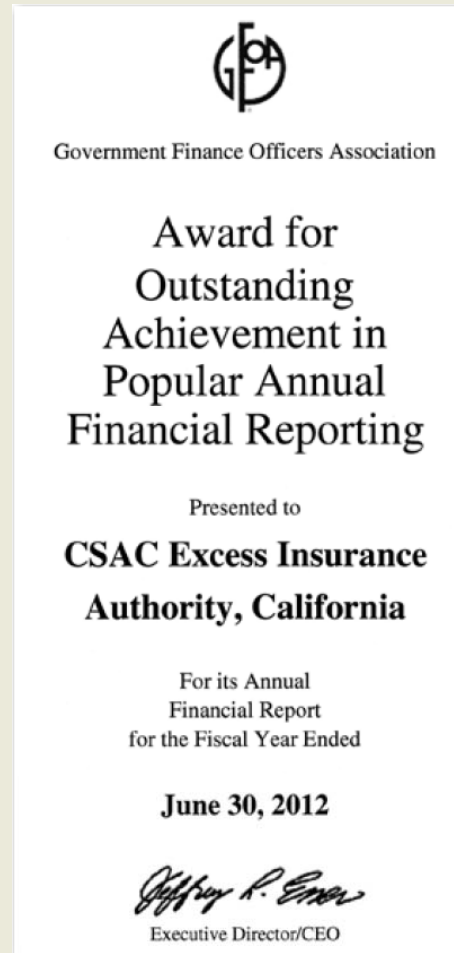
1



Who is the CSAC EIA?



2011 - 2013



2004 - 2013



2010 - 2016



**Certificate of
Achievement for
Excellence in
Financial Reporting
1994 - 2013**



1989 - 2016



Status at June 30, 2014

Member Contributions	\$574 million
Total Assets	\$593 million
Net Assets	\$113.3 million

Membership

- County members 54
- Public Entity members 254
 - Covering 1,800 agencies in 1 or more programs



Member Involvement

Board of Directors

- 61 Members
- 57 Alternates

Committees

- 15 Active Committees
- 141 Members
- 25 Alternates





CSURMA & CSAC EIA

- Original discussion in March 2014 regarding CSAC EIA Primary and Excess Comp programs
 - Indication of cost 2-8% above Expected/Discounted cost of CSU Program
 - Concern with joining another Pool
 - Claims Handling?
- Three specific meetings since on EIA and its financial / governance structure and proposed terms
- Specific meeting on claims handling
 - Outline of process presented after the claims meeting



CSURMA Actuarial Data

Updated Actuarial Report received in August 2014, from Aon.
 See Report pages 18 (Campus) and page 8/9 (AORMA).
 Based on current Campus SIR of \$2.5M and AORMA SIR of \$500K.

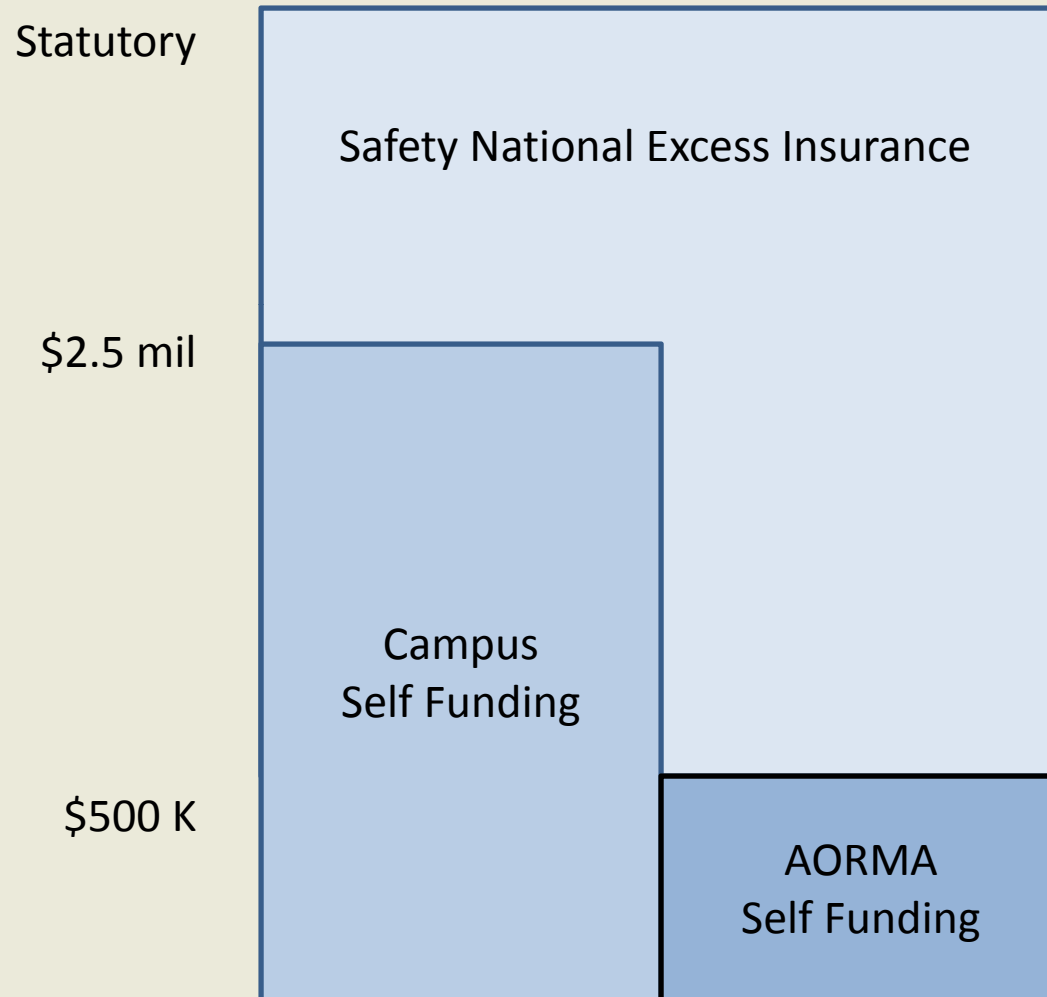
		1/1/15 - 7/1/15	7/1/15 - 7/1/16	18 month
Discounted				
Expected	Campus	\$ 11,876,000	\$ 25,320,000	\$ 37,196,000
	AORMA	\$ 1,258,500	\$ 2,567,000	\$ 3,825,500
	Total:	\$ 13,134,500	\$ 27,887,000	\$ 41,021,500
Discounted				
70%	Campus	\$ 12,469,500	\$ 26,586,000	\$ 39,055,500
80%	AORMA	\$ 1,573,125	\$ 3,208,750	\$ 4,781,875
	Total:	\$ 14,042,625	\$ 29,794,750	\$ 43,837,375
Undiscounted				
70%	Campus	\$ 13,517,175	\$ 28,819,350	\$ 42,336,525
80%	AORMA	\$ 1,700,000	\$ 3,467,500	\$ 5,167,500
	Total:	\$ 15,217,175	\$ 32,286,850	\$ 47,504,025

Highlighted amounts are the agreed funding amounts for each Program.
 Total agreed funding (from last meeting) of \$47,118,400



CSURMA / CSAC EIA

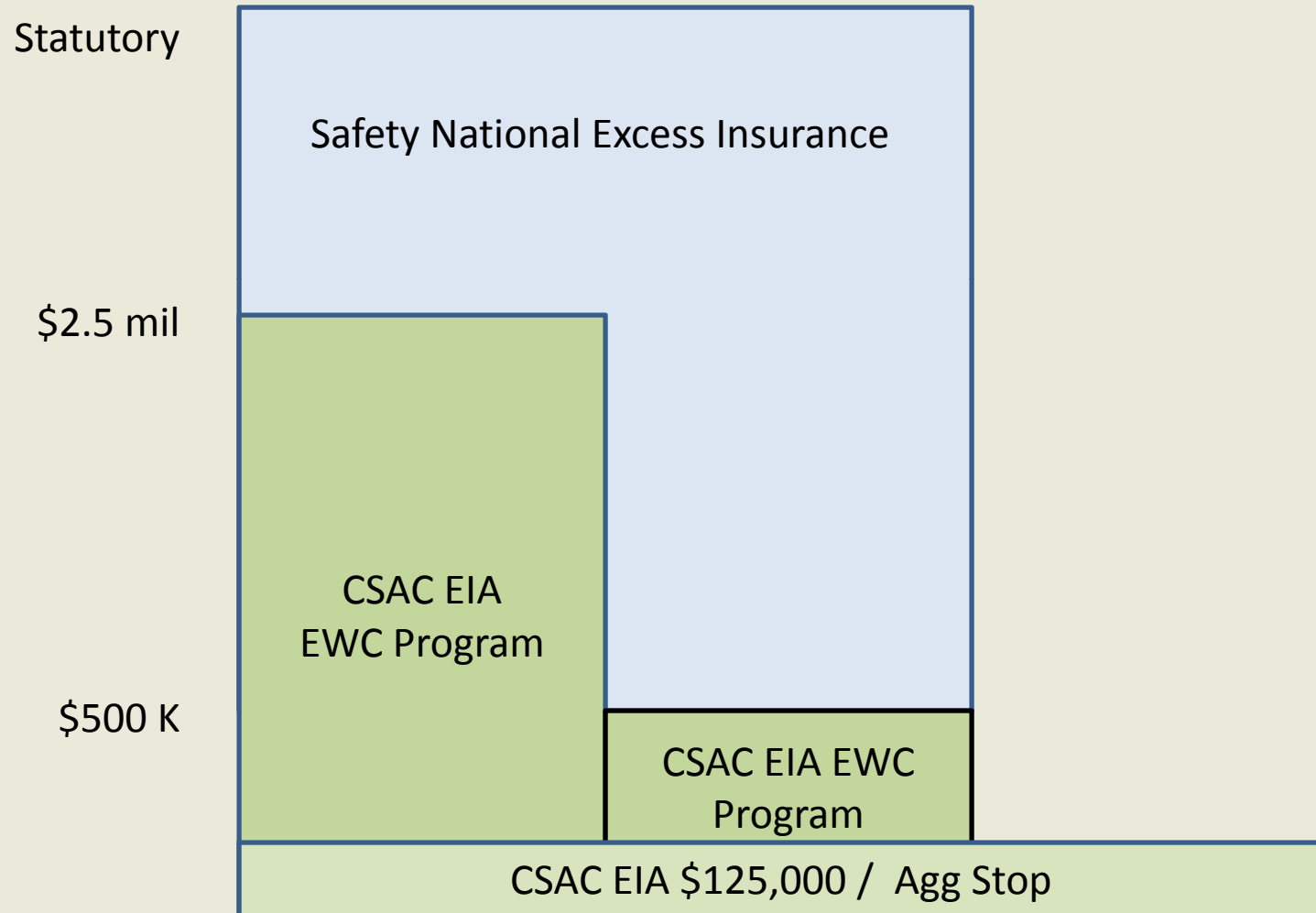
Current Structure





CSURMA / CSAC EIA

Proposed Structure





CSURMA / CSAC EIA

EIA Structure – Two Layers

CSAC EIA EWC Program
\$2,375,000 Excess of \$125,000 per accident
(Corridor Deductible applies before
reinsurance applies)

\$125,000 / Annual Aggregate – Corridor applies before reinsurance



CSURMA / CSAC EIA

Cost Comparison

18 months	Campus	AORMA	Total
Agreed Actuarial			
Funding:	\$ 42,336,525	\$ 4,781,875	\$ 47,118,400
CSAC EIA Primary:	\$ 22,237,435	\$ 2,287,055	\$ 24,524,490
CSAC EIA EWC:	\$ 13,981,931	\$ 1,438,001	\$ 15,419,932
CSAC EIA Total:	\$ 36,219,366	\$ 3,725,056	\$ 39,944,422

- Over \$7.1M savings compared with agreed funding
- Almost \$1.1M savings vs. Discounted Expected Funding Levels for both Programs
- Firm reinsurance terms; Subject to CSAC EIA Underwriting and Executive Committee approvals



CSAC EIA

Rating Methodology

- EIA Excess Workers' Compensation (EWC) Program has base rates promulgated by their independent actuary every year for three categories (County, City/other, and Education)
- For the layer below \$1M, the rating model has an Experience Modification Factor applied to the initial rate based on loss experience
- CSURMA program premium has been specifically negotiated with AmTrust given the size of the program.
- Primary Agg Stop/Corridor layer outside of the EWC Program – negotiated specific for CSURMA with AmTrust.



CSAC EIA

EWC Dividend / Assessment

- CSURMA Corridor amount is approximately 11% of overall CSAC EIA EWC Program (\$3.7M vs. \$34.8M of overall program with CSURMA included).
- Dividends and Assessments are calculated using 10 years of prior EWC Program premiums in the EWC Pool and/or Corridor Deductible Layers:
 - So, as an example, if the CSURMA were to stay in the program for the next 3.5 years, and an assessment or dividend is declared in August of 2018, the CSURMA would receive 4.5% of the dividend or pay 4.5% of the assessment (CSURMA applicable premium for 3.5 years of \$12.95M vs. 10 yr EIA EWC applicable premium of \$284.8M for 10 yrs of 08 – 18). This assumes that all applicable premiums for the next 3.5 years are unchanged.



Dividend / Assessment Calculation

	Retained / Pool Premium	CSU Pool Premium
2008/09	23,406,286	
2009/10	19,333,449	
2010/11	16,851,829	
2011/12	17,812,736	
2012/13	39,502,703	
2013/14	30,520,270	
2014/15	32,958,288	\$ 1,850,000
2015/16	34,800,000	\$ 3,700,000
2016/17	34,800,000	\$ 3,700,000
2017/18	34,800,000	\$ 3,700,000
	\$ 284,785,562	\$ 12,950,000
	Percentage	4.55%



CSU / AORMA & CSAC EIA

- **Other advantages:**
 - Both layers of placement fully reinsured
 - Joining forces with larger program – over \$22 Bil Payroll in EIA EWC Program
 - Maintain control over losses
 - Renewal of current excess layer may include EIA school business; increase size/leverage of placement
 - More risk financing options with larger program
 - Access to CSAC EIA risk management / loss control services



Loss Prevention Resources & Services

Loss Prevention Platform

DMV Electronic Pull
Notice Services
Policy Compliance
Tracking
Reporting & Analytics
Event/Credential
Manager
Community Resource
Center

Resources

Video Resource Library
On Site & Telephonic
Consultation
Specialist Referrals
Policy/Procedure
Development & Review
Subsidy Program
Drug & Alcohol Testing
Consortium
Topic Specific Resource
Pages

Training

On Site Custom
Programs
On-line Training
On-Demand Playback
of Recorded Sessions
Professional Webinars
Hosted Programs
Regional Training
Programs
Participation in Safety
Training Days & Fairs



Next Steps

Steps for CSURMA to Participate at 1/1/15

- CSURMA Board action to delegate authority to execute participation documents. (Oct 24, 2014)
- CSAC EIA Underwriting Committee final approval (Oct 2014) and Executive Committee (Nov 2014)
- CSU Chancellor's Office Review and approval (November 2014)
- Execution of agreements by CSURMA Chair and Secretary-Auditor (December 2014)
- Coverage commences January 1, 2015



CSAC EIA Contact Information

Mike Fleming, Chief Executive Officer

916-850-7300

m Fleming@csac-eia.org

Gina Dean, Chief Operating Officer

916-850-7300

gdean@csac-eia.org

Brian Kelley, Underwriting Manager

916-850-7300

bkelly@csac-eia.org

**WORKERS' COMPENSATION & EMPLOYERS LIABILITY
PRIMARY CORRIDOR LAYER
PROPOSAL**

COVERED PARTY	California State University Risk Management Authority <ul style="list-style-type: none"> • California State University (CSU) • Auxiliary Organizations Risk Management Alliance (AORMA)
COVERAGE TERM	January 1, 2015 to January 1, 2016 MOC to be canceled at 7/1/15 and replaced with new MOC for the period 7/1/15 to 7/1/16
COMPANIES AFFORDING COVERAGE	CSAC Excess Insurance Authority (CSAC EIA) with reinsurance provided by AmTrust
COVERAGE PROVIDED	Workers' Compensation and Employers' Liability Aggregate Stop Loss. Coverage per the CSAC EIA Excess Workers' Compensation Memorandum of Coverage including: <ul style="list-style-type: none"> • Employers' Liability • Other States • Volunteers and Board Members (subject to Board resolution) • United States Longshore & Harbor Workers' Act • Jones Act
LIMITS OF INDEMNITY	<p><u>CSU</u></p> <p>\$ 125,000 Workers' Compensation each Occurrence</p> <p>\$ 125,000 Employers' Liability each Occurrence</p> <p><u>AORMA</u></p> <p>\$ 125,000 Workers' Compensation each Occurrence</p> <p>\$ 125,000 Employers' Liability each Occurrence</p> <ul style="list-style-type: none"> • Limits excess of \$125,000 to be provided by the CSAC EIA Excess Workers' Compensation Program • Limits eroded by allocated claims expenses
CSU / AORMA Retention:	\$ 0 (nil), after exhaustion of the Corridor Retention <ul style="list-style-type: none"> • Corridor exhausted by allocated claims expenses • Corridor amounts apply prior to any reinsurance protection

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**WORKERS' COMPENSATION & EMPLOYERS LIABILITY
PRIMARY CORRIDOR LAYER
PROPOSAL**

	provided by AmTrust
MAJOR EXCLUSIONS (Including but not limited to)	<p>Per the CSAC EIA Excess Workers' Compensation Memorandum of Coverage, including:</p> <p>Workers' Compensation Exclusions</p> <ul style="list-style-type: none"> • Punitive or exemplary damages, fines or penalties • Labor Code 4850 benefits (optional buy-back available) • Labor Code 4856 benefits • Any payments in excess of the benefits regularly provided by the Workers' Compensation law <p>Employer's Liability Exclusions</p> <ul style="list-style-type: none"> • Contractual liability • Injury/disease to an employee employed in violation of the law with knowledge by the Covered Party • Workers' Compensation and similar laws • Injury/disease intentionally caused or aggravated by the Covered Party • Employment practices (harassment, discrimination, termination, etc.) • Fines or penalties, punitive or exemplary damages • Failure to comply with workers' compensation law • Rejection of workers' compensation law
PREMIUM AUDIT	Premiums are auditable and adjustable at June 30, 2015 and June 30, 2016 based on actual payroll
CONDITIONS	<ul style="list-style-type: none"> • Claims review by AmTrust • Subject to approval from CSAC EIA Underwriting and Executive Committees • Premium/quote contemplates both CSU and AORMA binding • Online "read only" access to CSU claims system by AmTrust • Annual financial claims audit requirement
CLAIMS HANDLING	<ul style="list-style-type: none"> • CSU to have full control of claims & settlements up to \$125K • Bordereaux reimbursements for claims up to \$125K upon exhaustion of Aggregate Stop loss Retention • Excess reporting/monitoring for losses at \$62,500 total incurred <p>SEE CLAIM DOCUMENT FOR FULL DETAILS OF AGREED</p>

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**WORKERS' COMPENSATION & EMPLOYERS LIABILITY
PRIMARY CORRIDOR LAYER
PROPOSAL**

	PROCESS	
ESTIMATED ANNUAL PAYROLL	\$ 3,208,659,700	Estimated annual payroll
ESTIMATED PREMIUM (Annual)	CSU	
	\$ 3,395,300 Deposit Premium 11,169,217 Corridor Premium 90,674 CSAC EIA Administration Fee 169,765 Alliant Broker Fee <hr/> \$ 14,824,956 Total Estimated Deposit Premium	
	AORMA	
	\$ 349,197 Deposit Premium 1,148,721 Corridor Premium 9,326 CSAC EIA Administration Fee 17,460 Alliant Broker Fee <hr/> \$ 1,524,704 Total Estimated Deposit Premium	
	\$ 16,349,660	Total Estimated Deposit Premium
ESTIMATED PREMIUM (18 Month Prorated)	CSU	
	\$ 5,092,950 Deposit Premium 16,753,825 Corridor Premium 136,012 CSAC EIA Administration Fee 254,648 Alliant Broker Fee <hr/> \$ 22,237,435 Total Estimated Deposit Premium	
	AORMA	
	\$ 523,795 Deposit Premium 1,723,082 Corridor Premium 13,988 CSAC EIA Administration Fee 26,190 Alliant Broker Fee <hr/> \$ 2,287,055 Total Estimated Deposit Premium	
	\$ 24,524,490	Total Estimated Deposit Premium
	<ul style="list-style-type: none"> • Premiums/fees for the period 1/1/15 to 1/1/16 will be due at 2/1/15 	

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**WORKERS' COMPENSATION & EMPLOYERS LIABILITY
PRIMARY CORRIDOR LAYER
PROPOSAL**

	<ul style="list-style-type: none"> Premium/fees for cancelation/re-write at 7/1/15 will be due at 8/1/15 <p>Premiums and Corridor Amounts auditable based on final payroll</p>
BROKER	<p>ALLIANT INSURANCE SERVICES, INC. Gordon DesCombes, Executive Vice President Nazie Arshi, Senior Vice President Tom E. Corbett, Senior Vice President Lilian A. Vanvieldt, Senior Vice President Rhiannon Cabral, CSAC Program Specialist</p>
INDICATION DATE	October 13, 2014

Provider	California Status	A.M. Best's Guide Rating	Standard & Poor's Rating
CSAC Excess Insurance Authority	Not Applicable	Not Applicable	Not Applicable
With reinsurance provided by AmTrust	Not Applicable (reinsurance)	A (Excellent) Financial Size Category IX (\$250,000,000 to \$500,000,000)	Not Applicable

ALLIANT EMBRACES A POLICY OF TRANSPARENCY WITH RESPECT TO ITS COMPENSATION FROM INSURANCE TRANSACTIONS. DETAILS ON OUR COMPENSATION POLICY, INCLUDING THE TYPES OF INCOME THAT ALLIANT MAY EARN ON A PLACEMENT, ARE AVAILABLE ON OUR WEBSITE AT WWW.ALLIANTINSURANCE.COM. FOR A COPY OF OUR POLICY OR FOR ANY INQUIRIES REGARDING COMPENSATION ISSUES PERTAINING TO YOUR ACCOUNT YOU MAY ALSO CONTACT US AT: ALLIANT INSURANCE SERVICES, ATTENTION: CHIEF OPERATING OFFICER, 1301 DOVE STREET, SUITE 200, NEWPORT BEACH, CA 92660.

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CSAC EXCESS
INSURANCE AUTHORITY
A Public Agency



**WORKERS' COMPENSATION & EMPLOYERS LIABILITY
PRIMARY CORRIDOR LAYER
PROPOSAL**

INSURANCE WEBSITE AT WWW.INSURANCE.CA.GOV

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Alliant Insurance Services, Inc. • 1301 Dove Street • Suite 200 • Newport Beach, CA 92660
PHONE (949) 756-0271 • www.alliantinsurance.com • License No. 0C36861

Page 5 of 5

EXCESS WORKERS' COMPENSATION PROGRAM PROPOSAL

COVERED PARTY	California State University Risk Management Authority <ul style="list-style-type: none"> • California State University (CSU) • Auxiliary Organizations Risk Management Alliance (AORMA)
COVERAGE TERM	January 1, 2015 to January 1, 2016 MOC to be canceled at 7/1/15 and replaced with new MOC for the period 7/1/15 to 7/1/16
COMPANIES AFFORDING COVERAGE	CSAC Excess Insurance Authority (CSAC EIA) with reinsurance provided by AmTrust
COVERAGE PROVIDED	Per the CSAC EIA Excess Workers' Compensation Memorandum of Coverage including: <ul style="list-style-type: none"> • Employers' Liability • Other States • Volunteers and Board Members (subject to Board resolution) • United States Longshore & Harbor Workers' Act • Jones Act
LIMITS OF INDEMNITY	<p><u>CSU</u> \$ 2,375,000 Workers' Compensation \$ 2,375,000 Employers' Liability</p> <p><u>AORMA</u> \$ 375,000 Workers' Compensation \$ 375,000 Employers' Liability</p> <ul style="list-style-type: none"> • Limits excess of the SIR shown below • Limits eroded by allocated claims expense
SELF-INSURED RETENTION	\$ 125,000 Each occurrence Self-insured retention is eroded by allocated claims expense

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EXCESS WORKERS' COMPENSATION PROGRAM PROPOSAL

<p>MAJOR EXCLUSIONS (Including but not limited to)</p>	<p>Per the CSAC EIA Excess Workers' Compensation Memorandum of Coverage, including:</p> <p>Workers' Compensation Exclusions</p> <ul style="list-style-type: none"> • Punitive or exemplary damages, fines or penalties • Labor Code 4850 benefits (optional buy-back available) • Labor Code 4856 benefits • Any payments in excess of the benefits regularly provided by the Workers' Compensation law <p>Employer's Liability Exclusions</p> <ul style="list-style-type: none"> • Contractual liability • Injury/disease to an employee employed in violation of the law with knowledge by the Covered Party • Workers' Compensation and similar laws • Injury/disease intentionally caused or aggravated by the Covered Party • Employment practices (harassment, discrimination, termination, etc.) • Fines or penalties, punitive or exemplary damages • Failure to comply with workers' compensation law • Rejection of workers' compensation law
<p>PREMIUM AUDIT</p>	<p>Premiums are auditable and adjustable at June 30, 2015 and June 30, 2016 based on actual payroll</p>
<p>CONDITIONS</p>	<ul style="list-style-type: none"> • Same Claim conditions found in Primary apply here • Premium/quote contemplates both CSU and AORMA binding • Subject to approval by CSAC EIA Underwriting and Executive Committees • Premium does not include cost for claim audit requirement • Annual financial claims audit requirement • Membership Conditions: <ul style="list-style-type: none"> • Receipt of the executed Joint Powers Agreement (JPA) prior to binding • Receipt of the executed Excess Workers' Compensation Memorandum of Understanding prior to binding • Receipt of executed of Designated Representative form prior to binding

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EXCESS WORKERS' COMPENSATION PROGRAM PROPOSAL

ESTIMATED ANNUAL PAYROLL	\$ 3,208,659,700 Estimated annual payroll																												
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**EXCESS WORKERS' COMPENSATION PROGRAM
PROPOSAL**

	<p>\$ 1,438,001 Total Estimated Deposit Premium</p> <p>\$ 15,419,932 Total Estimated Deposit Premium</p> <ul style="list-style-type: none"> • Premiums/fees for the period 1/1/15 to 1/1/16 will be due at 2/1/15 • Premium/fees for cancelation/re-write at 7/1/15 will be due at 8/1/15 <p>Premium and Corridor Amounts auditable based on final payroll</p>
BROKER	<p>ALLIANT INSURANCE SERVICES, INC. Gordon DesCombes, Executive Vice President Nazie Arshi, Senior Vice President Tom E. Corbett, Senior Vice President Lilian A. Vanvieldt, Senior Vice President Rhiannon Cabral, CSAC Program Specialist</p>
INDICATION DATE	October 13, 2014

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EXCESS WORKERS' COMPENSATION PROGRAM PROPOSAL

Provider	California Status	A.M. Best's Guide Rating	Standard & Poor's Rating
CSAC Excess Insurance Authority	Not Applicable	Not Applicable	Not Applicable
With reinsurance provided by Wesco Insurance Company (AmTrust)	Not Applicable (reinsurance)	A (Excellent) Financial Size Category IX (\$250,000,000 to \$500,000,000)	Not Applicable

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To: Mike Fleming, CEO, CSAC EIA

From: Jack Blyskal, CCO, CSAC EIA

Re: CSURMA possibly joining the EWC

Mike,

As we discussed yesterday, we are exploring the possibility that CSURMA will join the EWC, possibly as of January 1, 2015. It is expected they will join with an SIR of \$25,000. You asked me to determine the impact of this account on EWC staffing, and any issues we would need to address, and how those might be accommodated.

Our current program structure, and staffing supporting same, considers minimum EWC SIRs of \$125,000. As this account will join the program with a significantly lower SIR, we recommend that full settlement authority be granted to the Member up to \$125,000. As needed their TPA, Sedgewick, could contact our Senior Specialist on complex claim issues within that layer, but would not need to come to staff or CRC for settlement authority. Appropriate handling within this layer could be monitored through loss runs. Additionally, I recommend this account be placed on an annual audit schedule to review appropriate fiscal handling within their authority level along with normal audit elements.

Assuming this authority is granted, we can handle this account like any other account with a \$125,000 SIR. Claims would be "excess reportable" at \$62,500 and staff providing authority, directly or through CRC, above \$125,000. (We will need to have CRC "bless" that staff authority is above \$125,000, not above the SIR of \$25,000. Also, normally with Members reporting claims which are below 80% of their retention, the claims are set up and then closed. As this Member will be fully in the pooled layer at the time of reporting I recommend these claims all remain open.) Based on the 10-year history, the Member would average 90 claims per year in the \$25,000-\$62,500 range which would not have direct staff oversight.

Based on the 10-year experience provided by Max, there would be approximately 64 new claims which would be excess reportable annually. (For the January 1-June 30 period, this would total approximately 32 claims.) That volume should be able to be subsumed with the existing staff through June 30, 2015. However, with expected program growth, potential other new members, and account growth for CSU, staffing additions of at least one should be considered for July, 2015.

EIA staff will need to be educated that the Reinsurer attachment for this account is \$2,500,000, and appropriate reporting standards will be needed (half the attachment?). Also, training will be needed on the difference between AROMA and CSU, as AROMA attaches to Safety National at \$500,000 (reportable at \$250,000?). Hopefully these account differences can be identified in the system for appropriate tracking.

For claims between \$25,000 and \$125,000, for which the entity will have settlement authority, we propose a bordereau reporting, probably quarterly, from which the EWC will reimburse the Member for claims paid. (Payments above \$125,000 will be handled per normal excess claim reimbursement protocol and practice.) We will provide a template for the bordereau report, in Excel format, to meet our needs for reimbursement, as well as to use this data for CSR completion. Also, there should be some language in the MOU or other contract in which the Member agrees to reimburse the EIA for any payments found to be covered inappropriately, such as penalties or extended benefits (Ed Code or 4850, others?).

Cc: Kathy McLean
Jen Hamelin

RISK MANAGEMENT INNOVATION GRANT PROGRAM

ISSUE: At its September 12, 2014 meeting, the Executive Committee directed staff to conduct a “last call” to all campuses for Risk Management Innovation Grant applications for review at today’s meeting. The final call will enable the Executive Committee to assess the fund balance and determine whether to unencumber funds for other risk management or environmental health & safety endeavors that reduce loss exposures to the CSU. The final call resulted in applications submitted by four additional campuses, bringing the total to twelve campuses.

The Executive Committee also desired a review of the criteria for the risk management grants, and directed staff to draft possible amendments for use of the grants.

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

FISCAL IMPACT: \$100,000 (\$50,000 each for Safety & Risk Control and Employee Health & Wellness) was budgeted in FY 2014/15 for the Liability and Workers’ Compensation funds respectively; \$0 has been disbursed to date. If all grants are approved as submitted, the remaining balance is \$73,433.

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

Previously, applications have been received from: Chico (2), East Bay (1), Fullerton (2), Los Angeles (2), Monterey Bay (2), Pomona (1), San Marcos (1). Additional applications have been submitted by: Dominguez Hills (1), Fresno (1), Humboldt (1), San Bernardino (1), and San Francisco (2).

PUBLICATION: None.

ATTACHMENT(S):

- a. Summary of Applications
- b. Revised Risk Management Grant Program Description and Procedures
- c. Safety Program Reimbursement Request
- d. Wellness Program Reimbursement Request

Campus Risk Management Innovation Grant Program

Campus	Grant Type	Date of Application	Description	Estimated Start Date	Estimated Completion	Estimated Cost	Requested Amount	Grant Amount
Chico	Health & Wellness	5/21/14	Ergonomics Services	12/11/13		\$ 800.00	\$ 800.00	\$ 400.00
	Safety & Risk Control	5/21/14	Automated External Defibrillator	10/25/13		\$ 3,644.25	\$ 2,000.00	\$ 1,822.13
Dominguez Hills	Safety & Risk Control	9/30/14	Pop up safety cones, signs.	tbd	tbd	\$ 3,468.00	\$ 1,734.00	\$ 1,734.00
East Bay	Safety & Risk Control	7/10/14	Satellite phones	6/24/14		\$ 1,336.17	\$ 1,336.17	\$ 668.09
Fresno	Safety & Risk Control	10/8/14	EVM 7 Indoor Air Quality Monitor	11/20/13	11/30/13	\$ 12,627.65	\$ 2,000.00	\$ 2,000.00
Fullerton	Safety & Risk Control	6/27/14	Incident Investigation/Report Training	2/3/14		\$ 3,100.00	\$ 1,550.00	\$ 1,550.00
	Health & Wellness	6/27/14	Managing Change Workshops	5/6/14		\$ 3,125.91	\$ 1,562.00	\$ 1,562.96
Humboldt	Health & Wellness	9/23/14	Ergonomics Awareness Training & Equipment (2 sessions)	9/17/14		\$ 3,369.82	\$ 3,369.82	\$ 1,684.91
Los Angeles	Safety & Risk Control	6/26/14	Emergency Supply Storage Lockers	3/26/14	tbd	\$ 5,338.65	\$ 2,000.00	\$ 2,000.00
	Health & Wellness	6/26/14	Mental Health First Aid Training	3/1/14	tbd	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00
Monterey Bay	Health & Wellness	8/14/13	Self-Defense Protective Suits	6/19/13	tbd	\$ 2,208.00		\$ 1,104.00
	Safety & Risk Control	6/14/13	Supplemental First Aid Equipment	8/6/13	tbd	\$ 2,168.96		\$ 1,084.48
Pomona	Health & Wellness	8/19/14	Police Protective Utility Vest	tbd	Prior to Jan	\$ 5,440.00		\$ 2,000.00
San Bernardino	Health & Wellness	10/7/14	Laptops, video camera, training software	tbd	tbd	tbd	tbd	tbd
	Safety & Risk Control	10/7/14	Building and Floor Marshal Equip Bags	tbd	tbd	\$ 3,830.00	\$ 1,915.00	\$ 1,915.00
San Francisco	Health & Wellness	10/8/14	Q-Trak IAQ Monitor	6/16/14	6/16/14	\$ 4,492.51	\$ 2,000.00	\$ 2,000.00
	Safety & Risk Control	10/8/14	P-TRAK Ultrafine Particle Counter	6/20/14	6/20/14	\$ 6,137.54	\$ 2,000.00	\$ 2,000.00
San Marcos	Safety & Risk Control	3/27/14	Automated External Defibrillator	3/27/14	tbd	\$ 2,082.24	\$ 2,000.00	\$ 1,041.12
TOTAL						\$ 67,169.70		\$ 26,566.68

Campuses: 12

Requests: 18

24-Oct-14

RISK MANAGEMENT INNOVATION GRANT PROGRAM

Effective: July 1, 2013

Adopted: September 13, 2013

PURPOSE:

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

POLICY:

1. Annually, the Program Administrator and Systemwide Risk Management will:
 - a. Propose to the Executive Committee a budget for the Program.
 - b. Review the Liability and Workers' Compensation loss information and other resources to identify patterns and claims which may be preventable with the (1) purchase, replacement or upgrade of physical property; (2) development of specialized training; or (3) development of risk management programs.
 - c. Identify the focus of the Program for the upcoming fiscal year.
 - d. Draft the Grant Application and recommend a maximum grant amount per Member.
 - e. Send a memo to all Members describing the Program and invite Members to apply for a grant by completing the Grant Application.
2. To access funds under the Program, and previous to the Member expending funds, Member must complete the Grant Application which is to include:
 - a. A description of the proposed risk reduction project.
 - b. The anticipated timeline for completion of the risk reduction project.
 - c. An estimate of the total cost for the proposed risk reduction project.
 - d. Agreement and approval of Grant Application by the Campus VP of Business & Finance or his/her designee; e.g., Environmental Health & Safety Director, Risk Manager, etc.
3. Members working collaboratively via the Risk Managers and/or Environmental Health & Safety working groups of CSUWERCs, may complete a Grant Application that would be applicable to systemwide risk mitigation endeavors. Other than item 2(d), the requirements remain the same.

4. The Program Administrator will review completed Grant Applications, and if found appropriate and consistent with the purpose of the Program, refer the Grant Application to the Executive Committee for approval.
5. The Member will be expected to complete the proposed risk reduction project within the time period described in the Grant Application. The Executive Committee may rescind the grant if the Member has not started, or made substantive progress towards completion, the risk reduction project within the timeframe proposed.
6. Fifty percent (50%) of the Member's risk reduction project costs (up to the maximum grant amount approved for each Member) may be reimbursed by the Program. The Member will submit to the Program Administrator the final paid receipt(s) to be used to calculate the Program reimbursement amount.
 - a. Submissions completed under section 3, approved projects will be 100% reimbursed by the program.
7. After the grant funds are utilized, the Member or working group will provide a brief report providing information that will assist the Executive Committee in monitoring this Program's effectiveness and the merits of future Program funds.
8. The Program Administrator and Systemwide Risk Management will work with the Grant Recipients to develop benchmarks to evaluate the success of the Program. The Program Administrator and Systemwide Risk Management will also provide guidance to future Grant Recipients based on these historical benchmarks.



FY 2014/15 Campus Safety & Risk Control Reimbursement Program

Please Complete All Fields

Member Campus/Working Group:		Date:
Member/Group Contact:	Phone:	Email:
Reimbursement Requested For <i>(please describe)</i> :		
Planned Date of Purchase <i>(Please attach cost estimate)</i> :	Reimbursement Amount Requested <i>(Up to \$10,000 per fiscal year - please see guidelines at the bottom)</i> :	
This is a <i>(check all that apply)</i> :		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other <i>(please describe)</i> :	
Please explain how this will improve or enhance your safety and risk control efforts:		
Signature <i>(VP- Business & Admin, or designee)</i> : _____ <i>(Member submission only)</i>		
Date: _____		
Please submit this completed reimbursement request form to Rob Leong at either: (email) rluong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. The Campus Safety and Risk Control Reimbursement Program is available to members in the CSURMA Campus Liability Risk Pool Program. 2. Each member can request reimbursement for up to a total of \$10,000 per fiscal year (7/1-6/30). 3. The amount of reimbursement requested cannot exceed the estimated/documentated cost of the item(s) purchased. 4. Requests must include signed Request Form and copies of receipts and estimates identifying which expenses are qualifying for reimbursements. Email submittals are acceptable. 5. Reimbursement requests must be submitted during the same fiscal year that the proposed expense is to be incurred. 6. <i>Equipment, trainings, personal protective equipment, etc. that employers are <u>required</u> by law or regulation to provide are <u>not</u> eligible for reimbursement. This reimbursement program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.</i> 7. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA. 8. Please contact Rob Leong at 415.403.1441 or rluong@alliant.com if you have any questions. 		



FY 2014/15 Campus Employee Health & Wellness Reimbursement Program

Please Complete All Fields

Member Campus/Working Group:		Date:
Member/Group Contact:	Phone:	Email:
Reimbursement Requested For <i>(please describe):</i>		
Planned Date of Purchase <i>(Please attach cost estimate):</i>		Reimbursement Amount Requested <i>(Up to \$10,000 per fiscal year - please see guidelines at the bottom):</i>
This is a <i>(check all that apply):</i>		
<input type="checkbox"/> Service	<input type="checkbox"/> Software	<input type="checkbox"/> Equipment
<input type="checkbox"/> Training	<input type="checkbox"/> Safety Program Development	<input type="checkbox"/> Safety Program Management
<input type="checkbox"/> Safety Consulting	<input type="checkbox"/> Other <i>(please describe):</i>	
Please explain how this will improve or enhance your safety and risk control efforts:		
Signature <i>(VP- Business & Admin, or designee):</i> _____ <i>(Member submission only)</i>		
Date: _____		
Please submit this completed reimbursement request form to Rob Leong at either: (email) rluong@alliant.com or (fax) 415-874-4810		
<ol style="list-style-type: none"> 1. The Campus Employee Health & Wellness Reimbursement Program is available to members in the CSURMA Campus Workers' Compensation Risk Pool Program. 2. Each member can request reimbursement for up to a total of \$10,000 per fiscal year (7/1-6/30). 3. The amount of reimbursement requested cannot exceed the estimated/documentated cost of the item(s) purchased. 4. Requests must include signed Request Form and copies of receipts and estimates identifying which expenses are qualifying for reimbursements. Email submittals are acceptable. 5. Reimbursement requests must be submitted during the same fiscal year that the proposed expense is to be incurred. 6. <i>Equipment, trainings, personal protective equipment, etc. that employers are <u>required</u> by law or regulation to provide are <u>not</u> eligible for reimbursement. This reimbursement program is intended to encourage members to enhance existing risk control efforts. Please feel free to contact the Program Administrator to discuss whether an item or service is eligible for reimbursement prior to submitting a request form.</i> 7. It is the member's responsibility to obtain confirmation from CSURMA that all reimbursement requests submitted were received by CSURMA. 8. Please contact Rob Leong at 415.403.1441 or rluong@alliant.com if you have any questions. 		

APPROVAL OF THE POLICY AND PROCEDURE NO. 22
CLAIMS HANDLING GUIDELINES

ISSUE: A recent experience with a complex claim highlighted the benefit for effective coordination among the campus, the Chancellor's Office, the insurer's claims administrator, the broker, and other claims service responders. At its September 12, 2014 meeting, upon staff's recommendation, the Executive Committee directed staff to develop a Policy & Procedure to address claims processing of insured programs as a reference for future claims to assure effective claims administration among all stakeholders.

RECOMMENDATION: The Executive Committee is asked to review and adopt draft Policy & Procedure No. 22 with edit(s) it deems appropriate, if any, to facilitate the claims process for CSURMA's insured programs.

FISCAL IMPACT: None; not applicable.

BACKGROUND: CSURMA has followed traditional insurance industry practices, and resolved complex claim matters on a case by case basis. The recent property claim at San Francisco State University highlighted the potential benefit to adopt a policy and procedure for CSURMA's insured programs so that stakeholders would have a reference point as needed. Draft Policy & Procedure No. 22 is broadly framed to be applicable for all CSURMA's insured programs. The draft policy and procedure does not apply to CSURMA's self-insured programs (Campus Risk Pools) as these are managed under CSU's operating structure.

PUBLICATION: The approved policy and procedure will be communicated to the members and posted on CSURMA's website.

ATTACHMENT(S):

- a. Draft CSURMA Policy and Procedure No. 22. – Claims Handling Guidelines

CSURMA

POLICY AND PROCEDURE NO. 22

ADOPTED: October 24, 2014

EFFECTIVE: October 24, 2014

SUBJECT: Claims Handling Guidelines

PURPOSE:

CSURMA operates various insured and self-insured coverage programs. This policy and procedure advises in a general manner how claims will be resolved, and how to address a coverage dispute.

POLICY:

It is the policy of CSURMA that claims presented under applicable CSURMA programs will be resolved in a timely and professional manner and that Members will have the opportunity to present information supporting their recovery position should a disagreement arise. This Policy and Procedure No. 22 will apply except where a Policy and Procedure more specific to a coverage program has been duly adopted. If there is a conflict between coverage documents and this Policy and Procedure No. 22, the coverage documents will take precedence and be determinative of how the coverage matter is to be decided.

PROCEDURE:

1. Notice of a Claim - Members will provide notice of a claim to the designated claims representative of CSURMA as provided in the coverage documents. Notice will include the required information and CSURMA claims representatives will work with the Member to gather the information required to present the claim. CSURMA's claims representative will advise the Member of the assigned claims adjuster and maintain contact through disposition of the claim.
2. Claim Process – CSURMA's claim representative will:
 - a. Advise the Member of the status of the claim
 - b. Assist the member in presenting the claim for payment, including identification of professionals who may assist the member in presenting the claim.
 - c. Respond timely and provide appropriate documentation during the claim process.
 - d. The claim process will vary from program to program as provided in the coverage document or in a policy and procedure specific to the program.

The Member will:

- e. Cooperate with the CSURMA claims representative and insurance company adjusters to assist in completing the claim process.
- f. Notify CSURMA claims representative and insurance company adjusters of questions or concerns relative to the claims adjustment process.
3. Coverage Determinations – CSURMA’s claims representative will advise the Member of issues that may prevent or reduce coverage of a claim. For claims arising under insured coverage programs, the adjuster will perform the claim adjusting process in compliance with the applicable coverage documents and laws of the State of California.
4. Coverage Disputes – When a dispute arises, the Member will advise CSURMA’s claims representative of the dispute and seek to resolve the matter as provided in the governing coverage documents or policy and procedure. If a coverage dispute cannot be resolved, it will be referred to the CSURMA Executive Committee, which will take action in open or closed session, and advise the Member of the decision. In no event will a member take action against CSURMA, its representatives or insurers except upon review and consent by CSURMA’s general legal counsel.

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

ISSUE: At its September 12, 2014 meeting, the Executive Committee heard a report from Zachary Gifford that the Chancellor's Office has begun a process to support efforts in the University's athletics programs and club sports programs to mitigate concussive injuries to participants. The Executive Committee directed staff to develop a plan for the roll out of the concussive injury management policy, including possible development of best practices webinars and learning management modules, and to estimate associated costs.

RECOMMENDATION: The Executive Committee is asked to approve the roll out of a concussive injury management plan and establish an appropriate budget for FY 2014/15 as a midterm budget amendment.

FISCAL IMPACT: TBD

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

A needs assessment survey among CSU campuses was conducted by Dr. Justus Ortega, Associate Professor / Director, Biomechanics Lab at Humboldt State University, regarding concussive injury management. Additionally, a meeting with CSU's lead excess liability underwriters was arranged at CSU Fresno on October 3, 2013 to discuss CSU's concussive injury management practices, meetings with CSUF Athletic Department representatives, and attendance at an athletic event with CSU officials.

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

ATTACHMENT(S):

- a. A draft of the Systemwide Concussive Injury Management plan will be handed out for discussion at this meeting.

ADOPTION OF MEETING DATES FOR CALENDAR YEAR 2015

ISSUE: The Committee will be asked to adopt a Meeting Calendar for the period of January 2015 - December 2015. The attached calendar records the dates of all Committee and Board meetings, various conferences, and special events.

Description	Date	Day	Time	Location
Executive Committee	2/08	Sunday	3:00 PM	Pasadena (AOA Conference)
Executive Committee	3/19	Thursday	2:30 PM	TBD
Executive Committee – Long Range Planning Meeting	3/20	Friday	8:00 AM	TBD
Board of Directors – New Member Orientation	4/23	Thursday	2:00 PM	Teleconference
BOD Committee	4/27	Monday	4:00 PM	San Diego (Fitting the Pieces Conference)
Executive Committee	5/08	Friday	8:00 AM	Long Beach
Executive Committee Orientation	9/10	Thursday	4:00 PM	TBD
Executive Committee	9/11	Friday	8:30 AM	TBD
Board of Directors – New Member Orientation	10/22	Thursday	2:00 PM	Teleconference
Executive Committee	10/23	Friday	9:00 AM	Long Beach
Board of Directors	10/23	Friday	9:00 AM	Long Beach
Executive Committee	12/4	Friday	8:30 AM	TBD

RECOMMENDATION: Staff recommends that the Executive Committee discuss the meeting dates noted above and adopt the 2015 meeting calendar, with revisions as applicable.

FISCAL IMPACT: Staff continues to consolidate meetings to reduce travel time and expenses.

BACKGROUND: CSURMA's Joint Powers Agreement establishes a Board and Executive Committee structure for governance. The CSURMA Board meets twice a year.

ATTACHMENT(S):

- a. CSURMA Proposed Meeting Dates for Calendar Year 2015



California State University Risk Management Authority
 Auxiliary Organizations Risk Management Alliance

2015 CSURMA • AORMA MEETING CALENDAR

JANUARY, 2015	FEBRUARY, 2015	MARCH, 2015
	8 EC: Pasadena: 3:00 p.m. 8-11 AOA Conference: Pasadena	19 AORMA: Newport Beach: 10:00 a.m. 19 EC: Newport Beach: 2:30 p.m. 20 EC LRP: Newport Beach: 8:00 a.m.
APRIL, 2015	MAY, 2015	JUNE, 2015
23 BOD Orientation: Teleconference: 2:00 p.m. 27 BOD: San Diego: 4:00 p.m. 28-29 Fitting the Pieces Conference: San Diego	7 AORMA: Long Beach; 10:00 a.m 8 EC: Long Beach: 8:00 a.m	

AORMA = Auxiliary Organizations Risk Management Alliance Committee	PC = AORMA Programs Committee	EC = CSURMA Executive Committee
AOUIT = Auxiliary Organizations Unemployment Insurance Trust	AORMA LRP = AORMA Long Range Planning Meeting	EC LRP = EC Long Range Planning Meeting
MSLCTC = AORMA Member Services, Loss Control & Training Committee	AOA = CSU Auxiliary Organizations Association	BOD = CSURMA Board of Directors



2015 CSURMA • AORMA MEETING CALENDAR

JULY, 2015	AUGUST, 2015	SEPTEMBER, 2015
15/16 AORMA Officers Retreat, Sonoma		9 AORMA New Member Orientation: 9 AORMA LRP: Newport Beach: 10:00 a.m. 10 AORMA: Newport Beach: 9:00 a.m. 10 EC Orientation: Newport Beach: 4:00 pm 11 EC: Newport Beach: 8:30 a.m.
OCTOBER, 2015	NOVEMBER, 2015	DECEMBER, 2015
22 AORMA: Long Beach: 10:00 a.m. 22 BOD Orientation: Teleconference: 2:00 p.m. 23 EC: Long Beach: 9:00 a.m. 23 BOD: Long Beach: 10:30 a.m.		3 AORMA: Long Beach: 10:00 a.m. 4 EC: Long Beach: 8:30 a.m.

AORMA = Auxiliary Organizations Risk Management Alliance Committee	PC = AORMA Programs Committee	EC = CSURMA Executive Committee
AOUIT = Auxiliary Organizations Unemployment Insurance Trust	AORMA LRP = AORMA Long Range Planning Meeting	EC LRP = EC Long Range Planning Meeting
MSLCTC = AORMA Member Services, Loss Control & Training Committee	AOA = CSU Auxiliary Organizations Association	BOD = CSURMA Board of Directors

PREVENTION OF SEXUAL MISCONDUCT AND ABUSE OF MINORS

ISSUE: The announcement of the contract with Praesidium for prevention of sexual misconduct and abuse of minors while on or off campus was sent out to CABO, the HRO's, Campus Risk Managers, Campus Athletic Directors and Auxiliary Organization staff. The announcement along with the informational attachments is included for the committee's review.

Alliant hosted the first webinar on Tuesday, October 7th which allowed Praesidium staff to explain how the self-assessment tool operates. Two more webinars are scheduled for:

- ✓ Wednesday, October 17th at 1:00 PM
- ✓ Monday, October 20th at 11:00 AM

Praesidium staff will attend today's Board of Directors meeting to provide an in-person presentation.

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

FISCAL IMPACT: The contract costs of \$50,000 is already included in the FY 14/15 budget.

BACKGROUND: Along with the announcement and the informational attachments, the master access codes were provided to the Campus Risk Managers only. The Auxiliary Organization staff received the program access codes but not the master access codes.

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

ATTACHMENT(S):

- a. Announcement E-Mail
- b. Webinar presentation
- c. CSU Instruction Guide for Risk Managers
- d. Self-Assessment Overview
- e. CSU Quick Start Guide for Program Directors
- f. On-Line Training Course Description

Mimi Long

Subject: CSURMA - Prevention of Sexual Misconduct and Abuse of Minors -
Attachments: Online Self Assessment Webinar 10062014 CDC.PPT; 1 Self Assessment Overview.pdf; 2 CSU Instruction Guide for Risk Managers.pdf; 3 CSU Quick Start Guide for Program Directors.pdf; 2014 09 15 - CSU_Armatus Online Training Course Descriptions_09092014.pdf; 10/17/14 @ 1PM - Prevention of Sexual Misconduct and Abuse of Minors Webinar; 10/20/14 @ 11AM - Prevention of Sexual Misconduct and Abuse of Minors Webinar

Hello Campus Risk Managers:

The risk management service through Praesidium for the prevention of sexual misconduct and abuse of minors is now available. The two services available to the campuses and well as the auxiliary organizations are the Online Self-Assessment Tool and the corresponding Online Training. A brief description of each service is noted below.

1. *Online Self-Assessment Tool* – The self-assessment tool allows each youth program to identify those areas in which abuse may occur and it provides a customized action plan based on the program’s strengths and weaknesses. Sample policies and procedures are then provided for use by the program director and staff.
2. *Online Training* – Six online training courses are available; the training can be accessed via SkillPort for state employees, and directly through Praesidium for auxiliary organization staff. The courses are listed below and a description of each is attached.
 - a. Meet Sam
 - b. It Happened to Me
 - c. A Day at Day Camp
 - d. Keeping Your School Safe
 - e. Preventing Bullying
 - f. Preventing Sexual Activity Between Young Children

Several documents are attached for your review:

1. Online Self-Assessment Webinar
2. Self-Assessment Overview
3. Instruction Guide for Risk Managers
4. Quick Start Guide for Program Directors
5. Program Director Access Codes
6. Online Training Course Descriptions

In order to begin the Self-Assessment process, each campus program must enter an access code. The codes for your campus are attached to this email. Praesidium created several program descriptions each with a corresponding access code. The program description might not be completely accurate for your program, but each program should chose the description that best describes its minor operation and then use that corresponding access code.

Please distribute the access codes to any campus staff member that may need to access the self-assessment tool. We are sending to codes only to the Campus Risk Managers.

Praesidium scheduled three webinars to describe the services available. The first webinar was on Tuesday. There were 23 attendees. Two additional webinars are scheduled on Friday, October 17th at 1:00 PM and Monday, October 20th at 11:00 AM (invitations are also attached). In addition, Praesidium will attend the CSURMA Board meeting on October 24th to provide instructions regarding this new risk management service.

Please feel free to contact me with any questions.

Tevea Him for Mimi Long

Account Manager / JPA Administrator
Public Entity Group
Alliant Insurance Services, Inc.

100 Pine Street
11th Floor
San Francisco, CA 94111

D 415 403 1416

**KNOW
YOUR
SCORE!**

Online Self-Assessment



Presented by Praesidium, Inc.

The Praesidium Safety Equation[®]



Know Your Score! Online Self-Assessment

- A customized self assessment tool that allows each program to assess their operations against our Safety Equation.
- Each program receives a customized action plan that lists strengths and exposures.
- Each program receives resources to address the identified exposures.
- Programs can compare their score to the average score of similar programs.
- Programs can take the self assessment on an annual basis and track their score from year to year.
- Risk managers can track who has completed the self assessment and view the reports and scores.



Getting Started: Risk Managers


- Go to: <http://armatus2.praesidiuminc.com/kys/#register>
- Enter the requested information.
 - Remember your username and password. You will need these each time you log in to *Know My Score!*
 - In the Enter Access Code field, enter the Risk Manager registration code for your campus.
Obtain the campus-specific code from the Instruction Guide for Risk Managers.

- Click

Register Account



Getting Started: Program Directors

- Go to: <http://armatus2.praesidiuminc.com/kys/#register>
- Enter the requested information.
 - Remember your username and password. You will need these each time you log in to *Know My Score!*
 - In the Enter Access Code field, enter the Program Director registration code that best describes your program and campus.
Obtain your list of campus-specific Program Director access codes from your campus Risk Manager.
- Click 
- Click the sign in link to log in using the username and password you entered during registration.

CONGRATS!

Now [sign in](#) to enter..



Additional Resources

Online courses are available to teach you how to complete the *Know Your Score!* self-assessment.

- The Praesidium Safety Equation
- Preparing for *Know Your Score!*
- Using *Know Your Score!*

Access these courses at

<http://website.praesidiuminc.com/landing/kys/>



Praesidium Resources

- Online Self Assessment
- Youth Protection Policies
- Armatus Online Training
- On-site Training
- Criminal Background Checks
- Confidential Reporting Hot Line
- Incident Response and Investigation
- Victim's Assistance
- Consultation Services
- Risk Assessment



For questions and more information:

Aaron Lundberg, LMSW
VP of Account Services/COO
ALundberg@PraesidiumInc.com

Candace Collins, JD
Higher Education Account Manger
CCollins@PraesidiumInc.com

Praesidium, Inc.
800.743.6354
www.PraesidiumInc.com

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Praesidium *Know Your Score!*™

Self-Assessment Tool

Quick Start Guide for Program Managers

Introduction

Thank you for your commitment to keeping minors safe! Using the Praesidium *Know Your Score!* tool will give your program an accurate measure of the strength of existing policies and practices to keep minors safe and to protect your employees and volunteers from false allegations. The self-assessment provides sample resources that you can use to address any identified exposures.


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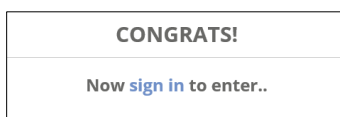
Using *Know Your Score!*

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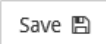

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 - Access incomplete self-assessments

- Access resources
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**Complete the Background Info Screen**

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2. Before leaving the Background Info screen, save the information you entered.
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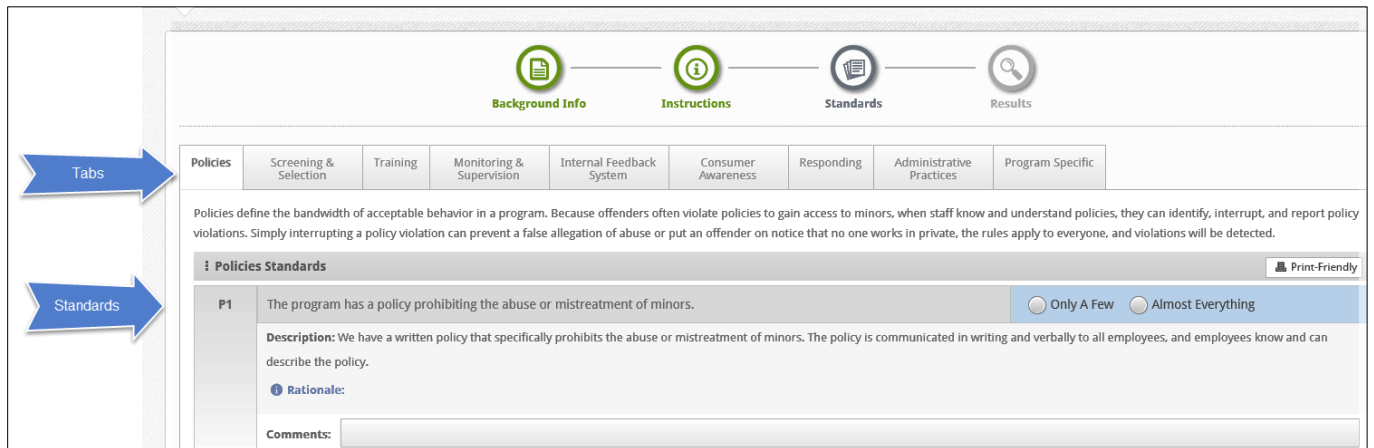


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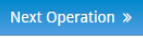

Complete a Self-Assessment

When you have completed the Background Info screen and read the Instructions screen, continue to the Standards screens to start the self-assessment. You will see the Standards icon highlighted in dark gray at the top of these screens.

The Standard screens are the heart of the self-assessment. Click the tabs along the top of the screen to access the standards for that tab.



1. For each standard, complete a 4-step information gathering process:
 - **Step 1:** Read the standard, the description, and the rationale.
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 - Policies and procedure manuals
 - Handbooks
 - Training materials
 - Other written materials, including employment application forms, local licensing requirements, and surveys.

- **Step 3:** Ask questions. If necessary, talk to other employees to determine how well the standard is being met for the program.
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2. After completing the 4-step information gathering process, select the response from the provided options. See the Instructions screen for an explanation of how to determine which response to select.
Note: If desired, write a note in the Comments field explaining why you selected a particular score for the standard.
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Thank you for your participation!

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

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

What it is

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

What it does

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

Why you need it

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



The Praesidium Safety Equation®

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

Overview of how Self-Assessment works



Program Director completes Online Self-Assessment.



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



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

Sample Self-Assessment Report



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



Click for Sample Policies

Contact us today at 800.743.6354 to see how we can help

Candace Collins, JD
 Account Manager
 CCollins@PraesidiumInc.com

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Praesidium *Know Your Score!*™ Self-Assessment Tool

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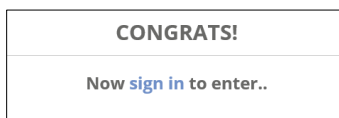
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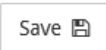

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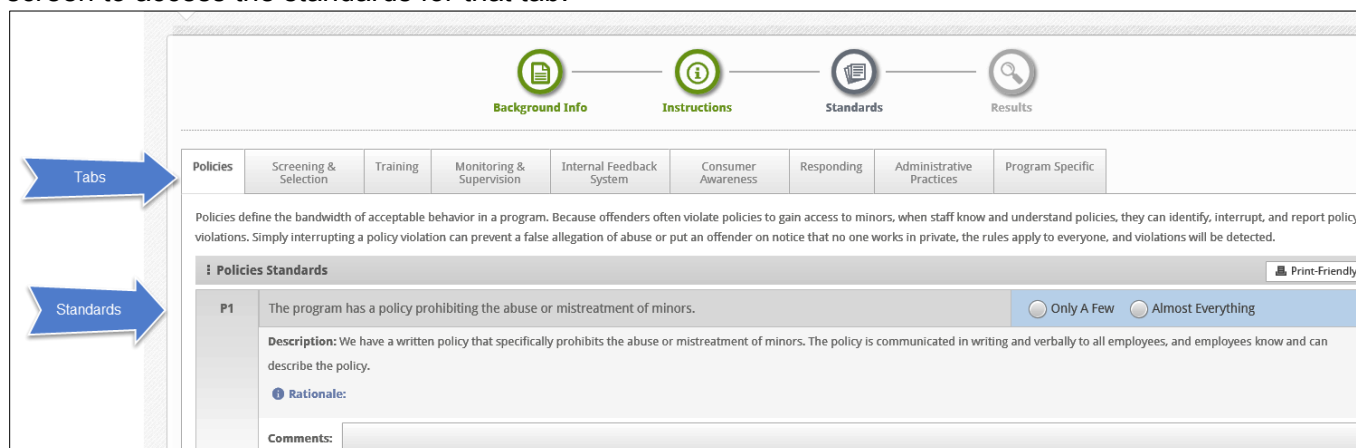


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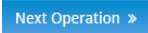

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California State University and Praesidium are pleased to announce the availability of new online abuse prevention training courses for programs that serve minors and complete the *Know Your Score!* online self assessment.

Praesidium’s Armatus® online training is accessible anytime, from anywhere. Participants learn what they need to know to keep minors in CSU programs safe from abuse—no excuses or delays, no need to worry about dates, times, or locations, reaching new or temporary individuals, or scheduling trainers. Each course takes between 30-45 minutes to complete and includes a brief quiz over key elements.

Below is a description of each available course.

AVAILABLE COURSES	
<i>Meet Sam</i>	<i>It Happened to Me</i>
<p>Sam molests children. Hear him tell how he gets away with it. Participants will learn:</p> <ul style="list-style-type: none"> • The three types of molesters • The three things molesters need in order to offend • The types of boundaries offenders often violate 	<p>Anger. Failing grades. Depression. These are just some of the effects of sexual abuse. Participants will learn:</p> <ul style="list-style-type: none"> • The long-term effects of abuse • Which children are most vulnerable to abuse • Why children don’t report abuse • What to do if a child tells you about abuse
<i>A Day at Day Camp</i>	<i>Keeping Your School Safe</i>
<p>“A Day at Day Camp” takes you through a typical day at camp. Participants will learn:</p> <ul style="list-style-type: none"> • How to keep day campers safe from sexual abuse • How to protect yourself from false allegations of abuse • How to identify and manage high risk situations at day camp • What to do if you see something suspicious or inappropriate 	<p>Parents send their children to school to have fun, meet challenges, make friends, practice skills, and learn. They also expect them to be safe. Participants will learn:</p> <ul style="list-style-type: none"> • When, where, and by whom child abuse is most likely to occur at school • Specific steps to take to keep children safe at school • How to prevent false allegations of abuse
<i>Preventing Bullying</i>	<i>Preventing Sexual Activity Between Young Children</i>
<p>Bullying, in some way is a part of everybody’s childhood memories. However, the severity of recent bullying incidents has shown that bullying can no longer be a “normal” part of growing up. Participants will learn:</p> <ul style="list-style-type: none"> • What is bullying • Why it’s a problem • What the different types of bullying are • How bullying happens • How you can prevent a child from being bullied 	<p>Recent statistics show that incidents of sexual acting out between children have increased 300% in the past three years. Participants will learn:</p> <ul style="list-style-type: none"> • How – and where – sexual activity between children typically occurs • Steps to prevent sexual activity between children • How to respond if sexual activity between children occurs

**DELEGATION OF AUTHORITY TO ENGAGE CONSULTANT TO
PERFORM CSURMA OPERATIONAL REVIEW**

ISSUE: At the last meeting the Executive Committee determined that it would have a consultant perform an operational review along the lines of a California Association of Joint Powers Authorities (CAJPA) accreditation review. It has been three years since the last review and the Executive Committee's practice has been to perform the review every three years, as if CSURMA were seeking CAJPA accreditation. The Executive Committee determined that the scope of this year's review will be limited to an operational review of the Program Administration and not include CSURMA accounting services since those services are already audited on an annual basis.

Staff has identified Robin Johnson as a qualified consultant who can perform the review and deliver the report at the Executive Committee's Long Range Planning Meeting in March 2015. Robin's resume is attached.

RECOMMENDATION: It is recommended that the Executive Committee discuss the proposed engagement of Robin Johnson and delegate authority to the Secretary-Auditor to retain a consultant as appropriate.

FISCAL IMPACT: Robin Johnson has proposed a fee of \$7,500 for the review including delivery of the audit report. Travel expenses to perform the review are included in the review, but the cost to attend the Long Range Planning meeting (from the Sacramento area to the likely meeting location in Southern California) would be in addition to the fee.

BACKGROUND: Robin Johnson is a practicing attorney in the Sacramento area who has previously worked with joint powers authorities as an administrator for Bickmore Risk Services and Alliant Insurance Services. He has served as Chair of the CAJPA Legislative Committee for several years and performed CAJPA accreditation reviews. For CSURMA, he understands that his review will be essentially like an accreditation review, making sure that CSURMA is abiding by the laws applicable to JPA's, following its own policies and procedures, and pointing out areas where CSURMA might improve its policies and procedures, increase the efficiency of the JPA operations and minimize potential disputes with members in the future. Robin understands that the scope of this project would not include a review of CSURMA's accounting services.

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

ATTACHMENT(S):

- a. Resume of Robin K. Johnson.

Robin Johnson, J.D., C.P.C.U., A.R.M.



Law Office of Robin Johnson

701 Halidon Way, Folsom, CA 95630

Phone: 916.984.1646 | E-mail: rjohnson@rkjlaw.net

Experience

- Sole Proprietor – Law and Risk Management Consulting, June 2011 to Present, Folsom, CA
 - Accreditation Consultant to California Association of Joint Powers Authorities
 - Clients include joint powers authorities for healthcare districts, transit agencies, schools and cities as well as a self-insured group for non-profit schools.
- Bickmore Risk Services: Senior Consultant, 2007– May 2011, Sacramento, CA
 - Management services to joint powers authorities and a risk purchasing group
 - Consulting with public entities on risk pooling and risk management
 - Risk management consulting, including means of transferring or funding risk
 - Evaluation of Workers Compensation Self Insured Group
- Alliant Insurance Services, Inc.: Account Executive, 1997 – 2007, Sacramento, CA
 - Management of a California self-insurance pool of cities
 - Consultant to a Nevada self-insurance pool of hospitals
 - Consultant to a captive whose members were state self-insurance pools for counties
 - Brokerage responsibilities for the State of California, a large irrigation district, and other public entities
- Other Experience:
 - Management of captive insurance companies, risk retention groups and risk purchasing groups for private industries
 - Member of the Board of Directors of Government Entity Mutual, a captive insurance company

Academic Achievements

- L.L.M. in Taxation, Golden Gate University
- J.D., Golden Gate University
- Masters in International Management, American Graduate School of International Management
- Bachelors of Arts, Business Administration, California State University, Sacramento
- Bachelors of Science, Economics, California State University, San Francisco

Professional Certifications

- California Bar Association
- Certified Workplace Investigator
- Chartered Property and Casualty Underwriter (CPCU)
- Associate in Risk Management (ARM)

Industry Involvement

- Chair of the Litigation, Insurance and Tort Liability Committee, California Association of Joint Powers Authorities
- Chair of the Tort Liability Section of the Legislative Committee, California Association of Joint Powers Authorities

AORMA PROGRAMS UPDATE

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

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

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

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S): None.

REVIEW OF FY 2014/2015 LONG RANGE PLANNING GOALS

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

RECOMMENDATION: None.

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

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

PUBLICATION: None.

ATTACHMENT(S):

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

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

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

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

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

FY 2014/15 CSURMA LONG RANGE ACTION PLAN

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

BOD: CSURMA Board of Directors

CABO: CSU Chief Administrators and Business Officers

CO: Chancellor's Office

CPDC: CO Capital Planning Design & Construction

EC: CSURMA Executive Committee

OGC: CSU Office of General Counsel

PA: CSURMA Program Administrator

SRM: CSU Systemwide Risk Management

LISTING OF CSURMA POLICIES AND PROCEDURES

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

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

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

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Listing of CSURMA Policies and Procedures

CSURMA Policies and Procedures
Review Schedule

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

CSURMA ADMINISTRATIVE SERVICE CALENDAR

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

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

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

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Administrative Service Calendar



CSURMA SERVICE CALENDAR 2014

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

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



CSURMA SERVICE CALENDAR 2014

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DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Review of Policies and Procedures No. 20. OCIP & BRIP Emergency Services Consulting Presentation Development of New Programs and Services: Consideration of Student Tenant Insurance Program (STIP) Development of New Programs and Services: Student Health Insurance Program Development of New Programs and Services: Unemployment Insurance Aggregate Stop Loss Coverage Development of New Programs and Services: Coverage for Unmanned Aerial Vehicles CSURMA Rolling OCIP Status Report Service Provider Performance Evaluation of CSURMA Vendors Development of CSURMA Goals for next 1 to 3 years			
APRIL 2014				
04/01/14	Form 700's - file with FPPC	Alliant Staff	Tevea	Completed
04/03/14	CSURMA EC 03/20/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
04/04/14	CSURMA EC LRP 03/21/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
04/08/14	CSURMA BOD NMO 05/08/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
04/09/14	CSURMA BOD 05/09/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
04/09/14	CSURMA BOD NMO 05/08/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
04/09/14	CSURMA EC 05/09/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
04/10/14	CSURMA BOD 05/09/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
04/10/14	CSURMA EC 05/09/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
04/15/14	Send annual renewal certificate spreadsheet to members - due 1 month	Alliant Staff	Van	Completed
04/17/14	CSURMA BOD NMO 05/08/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
04/18/14	CSURMA BOD 05/09/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
04/18/14	CSURMA EC 05/09/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
04/28/14	CSURMA BOD NMO 05/08/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
04/29/14	CSURMA BOD 05/09/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
04/29/14	CSURMA EC 05/09/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
04/03/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
04/07/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
MAY 2014				
05/08/14	CSURMA BOD NMO Meeting	Alliant Staff	Mimi Long	Completed
05/09/14	CSURMA BOD Meeting	Alliant Staff	Mimi Long	Completed
05/09/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	Completed
05/15/14	Send Member Vehicle Schedule/APD Proposal for review	Alliant Staff	Hsan	Completed
05/22/14	CSURMA BOD NMO 05/08/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
05/23/14	CSURMA BOD 05/09/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
05/23/14	CSURMA EC 05/09/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
05/01/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
05/08/14	AORMA Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed

CSURMA SERVICE CALENDAR 2014

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
05/09/14	Executive Committee Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	Completed
	Receipt and Review of the Draft Financial Statements at March 31, 2014 Treasurer's Report – March 31, 2014 Approval of Member Loan Underwriters' Meeting Report Student Insurance Programs Rating Plan Task Group Extension of Emergency Services Contract with Witt-O'Briens Minors on Campus Training Cyber Risk Insurable Exposure Project Review of 2014/2015 Long Range Action Plan Overview of Investment Update - Loan portfolio Overview of Investment Update - SWIFT portfolio Overview of Investment Update - Fixed income portfolio Litigation Report from the Office of General Counsel 2015 Fitting The Pieces Together Conference			
05/09/14	Board of Directors Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	Completed
	Campus Risk Pools Program Funding Status Rating Plans Task Group Reports <ul style="list-style-type: none"> a. Campus Program b. Student Insurance Programs FY 2014/2015 Campus Pooled Program Gross Funding Adoption of the FY 2014/2015 CSURMA Operating Budget Recommendation of Adoption of Revised Investment Policies Proposed Amendment to the Liability Memorandum of Coverage Nominating Committee Report and Executive Committee Elections Annual Review of Policies and Procedures Workers' Compensation Program Claims Closure Initiative Minors on Campus Training Initiative Review of FY 2014/2015 Long Range Planning Goals Fitting the Pieces Together Conference 2015 Unemployment Insurance Update Status of Form 700 Filings Update on Concussive Injuries Initiatives CSURMA Vendor Survey			
05/27/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting		Canceled
JUNE 2014				
06/05/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
06/30/14	AORMA Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed



CSURMA SERVICE CALENDAR 2014

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DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
JULY 2014				
07/01/14	Financial audit prep with KPMG	Alliant Staff / RM	Van	Completed
07/15/14	Final FY Payroll - request from Chancellor's Office	Alliant Staff	Rob	Completed
07/21/14	Upon receipt of loss data begin semi-annual loss charts for RM meeting in October and to be sent to members	Alliant Staff	Rob	Completed
07/31/14	Actuarial Study - receive draft and forward to RM	Alliant Staff	Rob	Completed
07/02/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Alliant Staff	Completed
07/15/14	<i>AORMA Officers Retreat - Agenda Items</i>	AORMA Officers	Alliant Staff	Completed
07/28/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Alliant Staff	Completed
AUGUST 2014				
08/13/14	CSURMA EC 09/12/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/14/14	CSURMA EC 09/12/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
08/22/14	CSURMA EC 09/12/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
08/21/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Alliant Staff	Scheduled to 9/25/14
SEPTEMBER 2014				
09/01/14	Annual Report of Financial Transactions - start process	Alliant Staff / Accounting	Van	Completed
09/01/14	Stewardship Report	Alliant Staff	Rob	Started
09/02/14	CSURMA EC 09/12/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
09/12/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	Completed
09/12/14	Begin preparation of CAJPA Standards review (2014 and every 3 years thereafter)	Alliant Staff	Mimi	Pending
09/23/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/24/14	CSURMA BOD 10/24/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/24/14	CSURMA BOD NMO 10/23/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
09/24/14	CSURMA EC 10/24/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/25/14	CSURMA BOD 10/24/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
09/25/14	CSURMA EC 10/24/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
09/26/14	CSURMA EC 09/12/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
09/11-13/14	CAJPA Fall Conference and Training Seminar			
09/01/14	Confirm BOD Member and Alternate on file (prior to October BOD meeting)	Alliant Staff	Mimi Long	Pending
09/01/14	Confirm holders of Campus Claims Settlement Authorities (Prior to October BOD meeting)	Alliant Staff	Mimi Long	Pending
09/10/14	<i>AORMA Committee Long Range Planning Meeting</i>	AORMA Meeting	Alliant Staff	Completed
09/11/14	<i>AORMA Committee Meeting</i>	AORMA Meeting	Alliant Staff	Completed



CSURMA SERVICE CALENDAR 2014

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10/13/2014

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
09/12/14	Executive Committee Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	Completed
	Brokerage Service Agreement – Addendum A-1			
	Insurance Renewal Report			
	Discussion of CAJPA Comparative Review in FY 15/16			
	Workers' Compensation Program Claims Closure Initiative Update			
	Risk Management Innovative Grant Program			
	a. Approval of Risk Management Innovation Grant Program Applications Received from Members			
	b. Approval to Unencumber Non-Used Risk Innovation Grant Funds for Systemwide Endeavors			
	Prevention of Sexual Misconduct and Abuse of Minors			
	AIME Claims Service Agreement			
	Evaluation of CSURMA Equipment per Policy & Procedure No. 16 – Use of CSURMA Equipment			
	Adoption of CSURMA Executive Committee and Board of Directors 2014 Meeting Calendar			
	Foreign Travel Approval and Tracking Process			
	Fiscal Year 2015/2016 Campus Risk Pool Program Funding			
	a. Review and acceptance of the Campus Programs Actuarial Reports for Liability, Workers' Compensation and Athletic Injury Medical Expense (AIME) Programs			
	b. Campus Risk Pools Funding Status at June 30, 2014			
	Delegation of Authority to Negotiate Extension of iVOS Services Agreement			
	Review of FY 2014/2015 Long Range Planning Goals			
09/25/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
09/29/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
OCTOBER 2014				
10/01/14	Annual Report of Financial Transactions - File	Alliant Staff / Accounting	Van	Completed
10/02/14	CSURMA BOD NMO 10/23/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
10/03/14	CSURMA BOD 10/24/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
10/03/14	CSURMA EC 10/24/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
10/13/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
10/14/14	CSURMA BOD 10/24/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
10/14/14	CSURMA EC 10/24/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
10/23/14	CSURMA BOD NMO Meeting	Alliant Staff	Mimi Long	Completed
10/24/14	CSURMA BOD Meeting	Alliant Staff	Mimi Long	Completed
10/24/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	Completed
10/23/14	AORMA Committee Meeting	AORMA Meeting	Alliant Staff	
10/24/14	Executive Committee Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	
	Quarterly Financials (as of 09/30) - submit for approval			
	Quarterly Investment Reports (as of 09/30) - submit for approval			
	Financial Audit - review draft submission			
	2015 Meeting Calendar - submit for approval			
	2015 Service Calendar - submit for approval			
	Student Travel Accident Insurance Renewal			
	Claims Administration Audit (GL Odd years, WC even years) - submit for approval			

CSURMA SERVICE CALENDAR 2014

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
10/24/14	Board of Directors Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	
	Quarterly Financials (as of 06/30 and 09/30) - submit for adoption Quarterly Investment Reports (as of 06/30 and 09/30) - submit for adoption Financial Audit - submit for adoption 2015 Meeting Calendar - submit for adoption CAJPA review report (2014 and every 3 years thereafter)			
NOVEMBER 2014				
11/05/14	CSURMA EC 12/05/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	
11/06/14	CSURMA BOD NMO 10/23/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
11/06/14	CSURMA EC 12/05/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	
11/07/14	CSURMA BOD 10/24/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
11/07/14	CSURMA EC 10/24/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
11/14/14	CSURMA EC 12/05/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	
11/25/14	CSURMA EC 12/05/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	
11/28/14	Campus Risk Pool Deductible - Confirm (every 3 years - 2014, 2017, 2020)	Alliant Staff	Rob	
11/28/14	Email program manual to members	Alliant Staff	Van	
11/28/14	Send campus risk pool renewal budget	Alliant Staff	Rob	
11/17/14	MSLCT Committee Meeting (Teleconference)	AORMA Meeting	Alliant Staff	
DECEMBER 2014				
12/01/14	Send out member survey	Risk Management	Zachary	
12/05/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	
12/15/14	Property Schedules to Members for review - deadline 30 days	Alliant Staff	Van	
12/19/14	CSURMA EC 12/05/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
12/30/14	Financial Audit - mail to Secretary of State and County of Official Address	Alliant Staff/Accounting	Myron	
12/04/14	AORMA Committee Meeting	AORMA Meeting	Alliant Staff	
12/05/14	Executive Committee Meeting - Agenda Items	CSURMA Meeting	Alliant Staff	
	Quarterly Financials (as of 09/30) - submit for approval????? Are these reviewed at the October meeting? Quarterly Investment Reports (as of 09/30) - submit for approval????? Would this be reviewed at Oct meeting? Annual review of Conflict of Interest Code Claims Audit Report (GL odd years, WC even years) - review and provide recommendations to BOD			
12/11/14	Program Committee Meeting (Teleconference)	AORMA Meeting	Alliant Staff	

CSURMA EXECUTIVE COMMITTEE AND STAFF CONTACT LIST

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

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

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee and Staff Contact List

CSURMA EXECUTIVE COMMITTEE MEMBERS
Effective at July 1, 2014

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

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
JPA Program Administrator – Alliant Insurance Services, Inc.				
Certificate of Insurance Requests	Hsan Htein Van Rin	hhhtein@alliant.com vrin@alliant.com	415-403-1452 415-403-1408	415-874-4810 415-874-4810
General CSURMA Coverage Questions	Robert Leong Van Rin Hsan Htein Daniel Howell	rleong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
General AORMA Coverage Questions	Mimi Long Van Rin Hsan Htein Daniel Howell Melissa Diaz	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com mdiaz@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426 415-403-1444	415-874-4810 415-874-4810 415-874-4810 415-874-4810 415-874-4810
Inland Marine	Van Rin Hsan Htein Mimi Long	vrin@alliant.com hhhtein@alliant.com mlong@alliant.com	415-403-1408 415-403-1452 415-403-1423	415-874-4810 415-874-4810 415-874-4810
Participant Accident Insurance (PAI)	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Special Events Insurance	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Foreign Travel Program	Stacey Weeks Van Rin	sweeks@alliant.com vrin@alliant.com	415-403-1448 415-403-1408	415-874-4810 415-874-4810
General Risk Management Questions	Mimi Long Van Rin Hsan Htein Daniel Howell	mlong@alliant.com vrin@alliant.com hhhtein@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1452 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
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