

- 2. **Campus Risk Pool Funding Program Year FY 15/16**
 - a. **Review of Draft Actuarial Reports for General Liability, Workers' Compensation and Athletic Injury Medical Expense (AIME) Programs** I p.67
The Board will be asked to review and accept the Draft Actuarial Reports for the General Liability, Workers' Compensation and AIME programs
 - b. **Recommendation of FY 15/16 Campus Coverage Programs Pooled Program Gross Funding** A p.77
The Board will be asked to review and adopt program rates and funding for the program year 15/16
- 3. **Approval of Campus Risk Pools Dividends and Assessments** A p.86
The Board will receive a report on the proposed dividend and assessments being considered by the Executive Committee.
- 4. **Evaluation of Primary Coverage Program for Worker's Compensation** A p.92
The Board will be asked to evaluate the proposal and take action as appropriate.
- 5. **Review of FY 14/15 Long Range Planning Goals** I p.123
The Board will be asked to review the FY 14/15 Long Range Planning Goals
- 6. **Approval of the Policy and Procedure No. 22 – Claims Handling Guidelines** A p.127
The Committee will be asked to review and discuss the proposed Policy and Procedure No. 22 and take action if appropriate
- 7. **Approval of Concussive Injury Mitigation Training** A p.130
The Board will be asked to approve an expenditure for implementation of the proposed concussion management training.
- E. **AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS**
 - 1. **AORMA Programs Update** I p. 132
The Board will receive a verbal report on the AORMA programs

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

Action may be taken per Government Code Section 11126(e)(1) & 11126(f)(1). Please refer to the below list of claims that may be discussed. The Committee may assess and evaluate pending claims and related issues and take action or provide direction to Staff regarding the litigation described below.

No items scheduled for closed session.

G. INFORMATION ITEMS

- | | | |
|--|----------|--------------|
| 1. Program Administrator’s Stewardship Report | I | <i>p.133</i> |
| <i>Staff will present the Stewardship Report to the Board</i> | | |
| 2. Fitting the Pieces Together Conference 2015 | I | <i>p.166</i> |
| <i>The Board will receive a report on the 2015 Fitting the Pieces Together Conference</i> | | |
| 3. Status of Form 700 Filings | I | <i>p.167</i> |
| <i>The Board will receive a status report on the Form 700 filing process</i> | | |
| 4. Foreign Travel Approval and Tracking Process | I | <i>p.190</i> |
| <i>Staff will present the Foreign Travel Approval and Tracking Process to the Board</i> | | |
| 5. CSURMA Administrative Service Calendar | I | <i>p.191</i> |
| <i>The Board will be asked to review the CSURMA Administrative Service Calendar and provide direction to staff as appropriate.</i> | | |
| 6. CSURMA Board of Directors and Staff Contact List | I | <i>p.209</i> |
| <i>The Board will be asked to review the CSURMA Board of Directors contact information and provide Staff with revisions.</i> | | |

H. PRESENTATIONS

- | | | |
|--|----------|--------------|
| 1. Prevention of Sexual Misconduct and Abuse of Minors | I | <i>p.215</i> |
| <i>The Board will hear a presentation from Praesidium regarding the new on-line self-assessment tool that is now available to all CSU Campuses and Auxiliary Organizations</i> | | |
| 2. Presentation on CSURMA Cyber Coverage Program | I | <i>p.232</i> |
| <i>The Board will hear a presentation from Beazley regarding the new Breach Response Services available to all of the CSU Campuses and Auxiliary Organizations</i> | | |

- 3 Demonstration of Updated CSURMA Web Site** I p.281
The Board will view a demonstration of the updated web site and provide input on further improvements as necessary.
- 4 Ironshore’s Crisis Three-Sixty Crisis Management Resources** I p.283
Staff will present an overview of Crisis ThreeSixty resources

I. ADJOURNMENT

The next Board of Directors meeting is scheduled for Monday, April 27, 2015 at 4:00p.m in San Diego, CA (during the Fitting the Pieces Together conference)

If you have questions regarding the agenda package, please contact Tevea Him at 415-403-1416 / thim@alliant.com or Mimi Long at 415-403-1423 / mlong@alliant.com

APPROVAL OF THE AGENDA

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

RECOMMENDATION: The Board of Directors is asked to review and approve the proposed agenda before discussion of any business.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None.

APPROVAL OF MINUTES – MAY 9, 2014

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

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

FISCAL IMPACT: None.

BACKGROUND: The minutes reflect the actions taken by the Board of Directors at its last meeting.

PUBLICATION: These minutes are posted on the CSURMA website.

ATTACHMENT(S):

- a. CSURMA Board of Directors Meeting Minutes – May 9, 2014

**MINUTES OF THE
CSURMA BOARD OF DIRECTORS MEETING**

MAY 9, 2014

**CSU CHANCELLOR'S OFFICE, DUMKE ROOM
401 Golden Shore • Long Beach, CA**

10:30 AM

A. CALL TO ORDER

The meeting was called to order at 10:38 a.m. by Vice-Chair, Linda Hawk.

A1. Approval of the Agenda

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

MOTION: Kirtland Stout **SECOND:** Guy Dalpe **MOTION CARRIED**

B. PUBLIC COMMENTS

There were no public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – November 6, 2013

C2. Treasurer's Report at March 31, 2014

A motion was made to approve each action on the Consent Calendar as presented.

MOTION: Kirtland Stout **SECOND:** Kevin Brady **MOTION CARRIED**

D. GENERAL ADMINISTRATION

D1. Campus Risk Pools Program Funding Status

Robert Leong reviewed the program funding status with the Board of Directors. Rob directed the Board of Directors' attention to the chart on page 33 of the agenda packet.

The Liability program has an unencumbered reserve of \$7,686,905 projected at June 30, 2014 after declaring dividends; while the Workers' Compensation program has a reserve of \$7,611,662. Both programs are well-funded at a 70% confidence level. The Self-Insured Program Funding Policy & Procedure outlines that the University will fund the programs on an

accrual basis and if there is a shortfall in the prior year liabilities, it would be recovered on a pay as you go basis over the time of the plan.

A motion was made to accept the Campus Risk Pools Funding Status Report as presented.

MOTION: Mike Neal **SECOND:** Frank Mumford **MOTION CARRIED**

D2. Rating Plans Task Group (RPTG) Reports

D2a. Campus Programs

FUNDING POLICY

FP-1. The Campus Programs RPTG finds that the goals of the CSURMA Policy and Procedure No. 7 – “Self-Insured Program Funding” have been achieved. Upon review of the policy, no changes to the policy are recommended at this time.

FP-2. The Campus Programs RPTG recommends that future program years continue to be funded in accordance with Policy and Procedure No. 7.

RATING PLANS

LIABILITY

L-1. The Campus Programs RPTG recommends that the Liability Deductible credits should be adjusted per the Actuary’s recommendation dated November 1, 2013. The task group affirms that self-supporting funds should continue to have a \$35,000 deductible regardless of the campus selected deductible. The effect of the new deductible credit factors would increase FY 2014/15 Liability program funding by \$552,738 – at present campus deductible selections.

L-2. As an assignment for the next rating plans review, the Campus Programs RPTG recommends a re-evaluation of the rating tiers used to determine Creditability Factors based on campus size. The assignment is to analyze and identify natural tiers among CSU campuses to define campus size into categories such as Small, Medium, Large which are, or may be, in use by Analytic Studies or others within the Chancellor’s Office for systemwide reports.

WORKERS’ COMPENSATION

WC-1. The Campus Programs RPTG recommends the elimination of funding for claims with industrial injury dates occurring prior to July 1, 1999 since the Workers’ Compensation Risk Pool is fully-funded per the actuary’s recommendation at the 70% confidence interval (which exceeds expected loss funding defined to be 50-55% confidence). The effect of this recommendation reduces total deposit by \$1,556,520.

IDL/ NDL/ UI

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

PROPERTY

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

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

AUTO LIABILITY (VELSIP)

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

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

GENERAL RECOMMENDATION

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

D2b. Student Insurance Programs

CLUB SPORTS INSURANCE PROGRAM (CSIP)

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

CS-2. The task group recommends the Coverage Summary include a definition of the coverage territory, particularly as respects off-campus activities including out-of-state and foreign countries.

CS-3. After sufficient history per recommendation CS-1, the task group recommends a review of club/intramural/recreational sports by Hazard Group be initiated to consider development of rates by hazard group.

B. STUDENT PROFESSIONAL LIABILITY INSURANCE PROGRAM (SPLIP)

SP-1. The task group recommends the current rating plan be continued with no change.

SP-2. The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects out-of-state internships or in foreign countries.

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

SC-1. The task group recommends the current rating plan be continued with no change.

SC-2. The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects out-of-state internships or in foreign countries.

STUDENT TRAVEL ACCIDENT INSURANCE PROGRAM (STAIP)

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

TA-2. The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, particularly as respects school-sponsored activities occurring out-of-state, including foreign countries.

TA-3. The task group recommends the Coverage Summary be amended to state the maximum duration of trips that can be covered (currently 14 days).

FOREIGN TRAVEL INSURANCE PROGRAM (FTIP)

FT-1. The task group recommends the current rating plan be extended to include travel up to 365 days with rate segments based on duration of travel. A sample rating plan proposed for FY 2014/15 is included in the Appendix.

FT-2. The task group recommends that FTIP create an “overlay coverage” to cover gaps in insurance coverage at a rate to be determined to reconcile duplicate cost and redundant coverage concerns arising from CSU approved independent study abroad program vendors who require their participants to purchase insurance provided by their programs. “Overlay coverage” would be limited to CSU-approved independent study abroad programs.

FT-3. The task group recommends the Coverage Summary be amended to include a definition of the coverage territory, including coverage limitations as respects travel to “high risk” territories.

FT-4. The task group recommends a review of foreign travel by risk factors such as the U.S. Department of State travel warnings.

GENERAL RECOMMENDATIONS

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

A motion was made to accept the draft reports and to adopt the Rating Plan task Groups recommendations as described herein, with the changes becoming effective for FY 2014/15.

MOTION: George Ashkar **SECOND:** Lori Gentles **MOTION CARRIED**

D3. FY 2014/2015 Campus Pooled Program Gross Funding

Rob Leong reviewed the item with the Board of Directors and directed their attention to the year over year comparison chart of funding recommendations in the agenda packet on page 85 where the CSURMA programs are looking at a 5.2% increase overall for the fiscal year 2014/2015. Rob reviewed the programs as follows:

	FY 13/14 Adopted	FY 14/15 Proposed	FY 14/15 Revised	\$ Chg from FY 13/14	% Chg from FY 13/14
Liability*	\$13,670,600	\$14,217,698	\$14,384,185	\$713,585	5.2%
Workers' Comp	29,448,933	34,752,679	33,196,159	3,747,226	12.7%
IDL NDI UI	13,500,000	13,500,000	12,500,000	(1,000,000)	-7.4%
Property	9,500,000	9,500,000	9,000,000	(500,000)	-5.3%
AIME	2,932,489	2,932,489	3,577,749	645,260	22.0%
Auto Liability	648,727	648,727	688,468	39,741	6.1%
Total	\$69,700,749	\$75,551,593	\$73,346,561	\$3,645,812	5.2%

A motion was made to adopt the revised Campus Coverage Programs Funding for FY 14/15 as presented in the table above totaling \$73,346,561.

MOTION: Mike Neal **SECOND:** Kevin Brady **MOTION CARRIED**

D4. Adoption of the FY 2014/2015 CSURMA Operating Budget

Daniel Howell reviewed the agenda item with the Board of Directors. The Chancellor's Office and the Program Administrators worked together to develop a draft FY 2014/15 budget, which was reviewed and approved by the Executive Committee on March 20, 2014. Daniel stepped through the major points as below:

Major features of the proposed **Campus Programs** budget include:

- Projected increase in Total contributions from \$69,700,749 to \$73,346,561.
- Projected increase in Liability contributions from \$13,670,600 to \$14,384,185 due to actuarial projected claim trend.
- Projected increase in Workers' Compensation contributions from \$29,448,933 to \$33,196,159 due to actuarial projected claim trend.
- Projected decrease in IDL/NDL/UI contributions from \$13,500,000 to \$12,500,000 improving claim trend.
- Projected decrease in Property contributions from \$9,500,000 to \$9,000,000 due to change in Property rates. Premiums are subject to adjustment based on final reported total insured values (TIV).
- Projected increase in AIME contributions from \$2,932,489 to \$3,577,749 due to actuarial projected claim trend.
- Projected increase in Auto Liability contributions from \$648,727 to \$688,468 due to projected claim trend.

The proposed Campus programs operating budget would develop Total Contributions of \$73,346,561; Total Operating Expenses of \$61,139,956; and Total Non-Operating Revenues of \$4,288,548; generating excess revenue to expenses of \$16,330,154 in projected additions to reserves. *The preceding does not include projected Dividend Distributions during FY 2014/15, which, if any, will increase expenditures and decrease fund reserves.*

The AORMA Committee separately develops a budget for its coverage programs and is incorporated into the CSURMA operating budget for adoption by the Board of Directors.

Major features of the proposed **AORMA Programs** budget include:

- Projected increase in Total contributions from \$14,293,685 to \$14,716,434.
- Projected increase in Liability contributions from \$3,665,132 to \$3,823,115 due to actuarial projected claim trend and projected reinsurance premiums.
- Projected decrease in Workers' Compensation contributions from \$4,444,743 to \$4,382,449 due to actuarial projected claim trend and projected excess insurance premium.
- Projected decrease in Property contributions from \$3,539,254 to \$3,179,019 due to change in total insured values and expected insurance premiums. Premiums are subject to adjustment based on final reported total insured values (TIV) and final negotiated rates.
- Projected decrease in Crime from \$351,104 to \$337,000 due to claims experience.
- Projected increase in Unemployment Insurance contributions from \$2,293,452 to \$2,994,851 due to claims experience.

The proposed AORMA programs operating budget would develop Total Contributions of \$14,716,434; Total Operating Expenses of \$14,292,806; and Total Non-Operating Revenues of \$711,452; generating excess revenue to expenses of \$310,080 in projected additions to reserves. *The preceding does not include projected Dividend Distributions during FY 2014/15, which, if any, will increase expenditures and decrease fund reserves.*

The proposed operating budget would develop Total Contributions of \$94,821,327; Total Operating Expenses of \$78,801,806; and Total Non-Operating Revenues of \$5,000,000; generating excess revenue to expenses of \$20,029,521 in projected additions to reserves. *The preceding does not include projected Dividend Distributions during FY 2014/15, which, if any, will increase expenditures and decrease fund reserves.*

A motion was made to approve adoption of the budget for FY 2014/15 as presented above.

MOTION: Guy Dalpe **SECOND:** George Ashkar **MOTION CARRIED**

D5. Recommendation of Adoption of Revised Investment Policies

At the 2013 Long Range Planning meeting, the Executive Committee received a report from the committee's appointed Investment Task Group. Staff having reviewed the applicable sections and issues with CSURMA's General Counsel; the Board of Directors, at its November 6, 2013 meeting amended the JEPA in order to clarify that CSURMA's original intent was to allow for maximum flexibility in making investment decisions, including the decision as to whether or not to invest in the securities and other investments identified in Government Code section 53601.

Earlier today, TCW/ Metropolitan West Asset Management, LLC (MetWest); presented an overview of CSURMA's Fixed Income Portfolio to the Executive Committee.

A key piece of the update was the review of the benchmark used for management of the portfolio by Metropolitan West Asset Management, LLC (MetWest). The portfolio is currently benchmarked against Barclays U.S. Intermediate Government-Credit (G/C) Index, and is comprised of U.S. Government, Agency and Investment Grade Credit securities. The CSURMA portfolio guidelines permit these investments as well as Agency Mortgage-Backed securities (MBS), and Asset-Backed securities (ABS). Investments in non-government related assets are limited to a rating of A or better for Corporates and AAA for ABS. The high quality orientation of the CSURMA portfolio precludes an allocation to BBB-rated securities, which comprise 14% of the benchmark but are absent from the CSURMA portfolio.

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

This change in benchmark would allow an opportunity to take on additional risk and explore longer duration instruments, within policy guidelines.

As has been the delegated practice, the Executive Committee has adopted the amendment to the investment policy and the Board of Directors is requested to ratify the amended investment policy as well as delegate authority to the Executive Committee to make future amendments to the policy.

A motion was made to ratify the amendment of the CSURMA investment policy Fixed Income Portfolio benchmark.

MOTION: Guy Dalpe **SECOND:** George Ashkar **MOTION CARRIED**

D6. Proposed Amendment to the Liability Memorandum of Coverage

Daniel Howell reviewed the item with the Board of Directors. **ISSUE:** Some Campus and Auxiliary Organization members own, use or operate Unmanned Aerial Vehicles (aka: UAVs, Drones). The Liability Memorandum of Coverage (MOC) excludes coverage “for any liability for damages arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft capable of flight, airfields, runways, hangars, buildings or other properties in connection with aviation activities. This exclusion does not apply to static aircraft.” As such, CSURMA excludes Liability coverage for UAVs. Staff proposes that the Liability MOC be amended to extend coverage to members who own, use or operate UAVs as follows (*proposed changes in italics*):

- Amend Definition B to read: “**Aircraft** means a vehicle designed for the transport of persons or property principally in the air, *but does not include an unmanned aerial vehicle.*”
- Add Definition T to read: “**Unmanned Aerial Vehicle** (aka: “Drone”) means any vehicle without a human pilot aboard capable of flight principally in the air that is designed for the transport of equipment weighing no more than 100 lbs. for the purpose of aerial surveillance.”
- Amend Exclusion I to read: “For any liability for damages arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft capable of flight, airfields, runways, hangars, buildings or other properties in connection with aviation activities. This exclusion does not apply to static aircraft, *or to an unmanned aerial vehicle.*”

A motion was made to adopt the proposed amendments to the Liability Memorandum of Coverage stated above with the changes to be effective July 1, 2014.

MOTION: Brian Nowlin **SECOND:** Kirtland Stout **MOTION CARRIED**

D7. Nominating Committee Report and Executive Committee Elections

Michael Thorpe reviewed this item with the Board of Directors. At its' January meeting, the Executive Committee Chair appointed a nominating committee of George Ashkar, Lisa Chavez and Michael Thorpe.

Michael explained that members of the Executive Committee serve two year terms, with half the seats up for election in odd-numbered years, and half in even-numbered years. As shown below, four seats are up for election at today's meeting:

- Chair, incumbent Cynthia Teniente-Matson
- Vice Chair, incumbent Linda Hawk
- Seat 3, incumbent Lori Gentles
- Seat 4, incumbent Mike Lee

A motion was made to close nominations as there were no nominations from the floor.

MOTION: Guy Dalpe **SECOND:** George Ashkar **MOTION CARRIED**

A motion was made to accept the Nominating Committee's report and to elect the proposed slate of candidates for another term.

MOTION: Guy Dalpe **SECOND:** Kirtland Stout **MOTION CARRIED**

D8. Annual Review of Policies and Procedures

Daniel Howell reviewed the item with the Board of Directors. CSURMA's annual service calendar calls for a review of policies and procedures to ensure they remain relevant and up to date. Even numbered policies and procedures are to be reviewed in even numbered years and odd numbered policies and procedures are to be reviewed in odd numbered years. At their Long Range Planning meeting on March 20-21, the Executive Committee reviewed the following policies and procedures:

- No. 2. Resolution of Coverage and Claim Disputes
- No. 4. Periodic Actuarial Studies
- No. 6. Payment Terms
- No. 8. Coverage Determination For Claims Designated "Systemwide
- No. 10. Member Loans
- No. 12. CSURMA Committee Members Attendance of Conferences
Professional Development
- No. 14. Campus Risk Pool Dividends & Assessments
- No. 16. Use of CSURMA Equipment

- No. 18. Board of Directors Participation and Executive Committee Nominations and Elections Process
- No. 20. OCIP & BRIP

The modifications as adopted by the Executive Committee to Policy and Procedure Nos. 8 and No. 12 are as follows:

Policy and Procedure No. 8: Amend the title of *Secretary* to *Secretary-Auditor* throughout; and to amend the party to whom determination appeals are made to from *CSURMA Claims & Coverage Committee* to *CSU Executive Vice Chancellor, Business and Finance*.

The Board of Directors is asked to ratify the adoption of the modification of Policy and Procedure No. 8.

Policy and Procedure No. 12: Addition of a provision for a budget line item in place; submission of request to the Secretary-Auditor for approval of expense before attendance; an increase in the registration amount to match current costs; adherence to CSURMA Policy and Procedure No. 17 – Travel Reimbursement; and the attendee to provide a report to the Executive Committee or Board of Directors on the information gained from attendance, as appropriate.

As Policy and Procedure No. 12 is an Executive Committee policy, it is presented here for information only with no additional action needed.

A motion was made to ratify the adoption of the modification of Policy and Procedure No. 8 as outlined above.

MOTION: Brian Nowlin **SECOND:** Robert De Wit **MOTION CARRIED**

D9. Workers' Compensation Program Claims Closure Initiative

Zachary Gifford reviewed this item with the Board of Directors. This is a FY 2014/15 Long Range Action Plan item. The CSURMA Campus Workers' Compensation Risk Pool has 1,561 open indemnity and future medical claims files as of January 31, 2014. Claim files become more costly with age and result in higher actuarial loss estimates due to trending. During FY 12/13, CSURMA engaged Sedgwick for an internal claims closure effort.

Staff is now proposing a new project that involves engaging Ingber and Weinberg, LLP, workers' compensation claims counsel, to implement their "Operation Doubleplay" program, on those claims files identified as good targets for closure. Staff is recommending that the project be authorized on a pilot basis focused on Southern California files with a cost not to exceed \$50,000.00 prior to further review by the Executive Committee.

A motion was made to authorize the project on a pilot basis, focused on Southern California files, with a cost not to exceed \$50,000.00, prior to further review by the Executive Committee.

MOTION: Kirtland Stout **SECOND:** Kevin Brady **MOTION CARRIED**

D10. Minors on Campus Training Initiative

Daniel Howell reviewed the item with the Board of Directors. At the January, 2014 meeting, the Executive Committee delegated authority to the Secretary-Auditor to execute the Praesidium, Inc. Contract for Services. The Executive Committee also sought support from the Chief Administrative & Business Officials (CABO) and the Human Resources Officer (HRO) and thereby requested that Praesidium and the training goals be presented to CABO and HRO by Executive Committee representatives.

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

It has not been determined if the training will be available only through Praesidium or if the campus SkillSoft system will be an accessible platform as well.

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

This is an informational item only.

D11. Review of FY 2014/2015 Long Range Planning Goals

Daniel Howell reviewed the item with the Board of Directors. This year’s Long Range Action Plan draft presented seven (7) items that will be worked by the Executive Committee and Program Administrators this year, as below:

- Development of “An Introduction to CSURMA” PowerPoint presentation for new staff.
- Evaluate CSU’s Unemployment Insurance claim trends and establish methods to improve results.
- Develop and implement plan to reduce Workers’ Compensation claims liability with specific goals to improve claims settlement and closure of very old claims.
- Re-evaluate Primary Workers’ Compensation Reinsurance as a vehicle to mitigate CSU’s cost of WC claims funding.
- Develop process and establish timeline to renew the OCIP covering CSU’s capital construction.
- Develop and implement coverage plan to cover CSU’s liability arising from the ownership and operation of UAV’s (drones) used for research activities.
- Implement more master insurance and indemnity agreements with key hosting partners.

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E1. AORMA Programs Status Report

Robert DeWit, AORMA Vice-Chair was in attendance at the meeting and offered the following highlights from the AORMA meeting yesterday:

- Alliant Risk Control Consulting Renewal Contract Proposal for FY 14/15
- Employers Group Renewal Contract for FY 14/17
- CSURMA AORMA Committee Election Results
- Update of Excess Insurance Renewals and Approval of Binding Authority
- Revisions to Policy and Procedure A-2 – AORMA Committee and Standing Committee Roles and Responsibilities
- Revisions to Policy and Procedure UI-1 – Formula for Determining UIP Annual Contributions
- 2013 Vendor Survey Results

F. CLOSED SESSION

There were no items scheduled for closed session.

G. INFORMATION ITEMS

G1. Fitting the Pieces Together Conference 2015

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

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

G2. Unemployment Insurance Update

Rose Mizak, Equifax, presented an overview of the current status of the CSURMA Unemployment Program to the Board of Directors.

G3. Status of Form 700 Filings

Daniel Howell reviewed the item with the Board of Directors. He stressed the importance of timely filing of Form 700 with the FPPC to avoid fines and penalties. If you are assuming or leaving office, please let the Program Administrators know as soon as possible, to help you complete the necessary paperwork.

G4. Update on Concussive Injuries Initiatives

Zachary Gifford reviewed this item with the Board of Directors. CSU's approach to preventing and managing concussive injuries was a significant topic during the Liability Insurance Program renewal negotiations with underwriters. While operating plans are in place and reviewed as a part of compliance with the NCAA, CSU has been considering proactive and innovative approaches to preventing and assessing injuries.

At present, the CSU is conducting a review of all policies and procedures and is holding off on a systemwide implementation until that process is complete.

G5. CSURMA Vendor Survey

Zachary Gifford reviewed this item with the Board of Directors. The CSU Office of Risk Management contacted all CSURMA/AORMA members requesting comments on vendor performance. Periodic discussions seek comments from members concerning the management of CSURMA, the quality of services provided by its staff and vendors, and offers suggestions for program enhancements that may be beneficial for all members.

The results of the survey were very favorable for the vendors involved.

G6. CSURMA Administrative Services Calendar

Daniel Howell directed Board of Directors attention to the CSURMA Administrative Services Calendar contained in the agenda packet. He encouraged everyone to review the Administrative Services Calendar as part of their fiduciary responsibility as Board of Directors members.

G7. CSURMA Board of Directors and Staff Telephone, Postal Address and E-mail List

The Board was asked to review the attached Board of Directors contact information and provide Staff with revisions.

H. PRESENTATIONS

H1. CSURMA Rolling OCIP

Jim Holobaugh and Josh Schultz of Alliant Insurance Services presented an overview of the CSURMA OCIP Program.

There was a concern from some members that the OCIP program is not cost effective for smaller campus projects.

H2. Insurance Program Renewals & State of the Insurance Market

Daniel Howell presented a report to the BOD on the Insurance Program Renewals and the State of the Insurance Market.

I. ADJOURNMENT

The meeting was adjourned at 12:39 p.m.

MEMBERS PRESENT

George Ashkar, CSU Office of the Chancellor
John Beisner, CSU Fullerton Auxiliary Services
Kevin Brady, CSU Los Angeles
Michael Burghart, Humboldt State University
David Carroll, California Polytechnic State University, SLO
Guy Dalpe, Cesar Chavez Student Center, San Francisco State University
Leslie Davis, University Union Operation of CSUS, Sacramento
Robert de Wit, Forty-Niner Shops, Inc., CSU Long Beach
Vineeta Dhillon, California Maritime Academy
Lori Gentles, CSU Fullerton
Linda Hawk, CSU San Marcos
Katharine Hullinger, CSU Channel Islands
Keith Kompsi, CSU Fresno, Fresno Association, Inc.
Haleh Minakary, Cal Poly Pomona Foundation
Frank Mumford, CSU Fullerton Auxiliary Services Corporation
Michael A. Neal, CSU Bakersfield
Brian Nowlin, CSU Long Beach Foundation
Kevin Saunders, CSU Monterey Bay
Kirtland Stout, CSU Sacramento
Sharon Swart-Reiter, California State Polytechnic University, Pomona
Michael Thorpe, CSU Chico
Jody Van Leuven, CSU Northridge
Jeff Wood, CSU Dominguez Hills

MEMBERS ABSENT

Ed Barnes, California State Polytechnic University, Pomona
Kurt Borsting, CSU Fullerton, Associated Students, Inc.
Dwayne Brummett, Associated Students, Inc., Cal Poly SLO
Debbie Burns, CSU, San Bernardino
Lisa Chavez, CSU Los Angeles
Melinda Coil, San Diego State University Research Foundation
Ronald Cortez, San Francisco State University
Kellie Garcia, CSU Bakersfield
Robert Gardner, CSU San Bernardino
Marna Genes, CSU San Jose State University
John Griffin, The University Corporation, CSU Northridge
Tyson Hill, Sonoma State University
Lorraine Hoffman, CSU Chico
Lisa Kao, CSU Fresno
Gigi Kiama, University Corporation, CSU Monterey Bay
William Kupfer, CSU Channel Islands
Mike Lee, CSU Sacramento
Mark Loftus, San Jose State University

Kurtis Lohide, California Maritime Academy
Joyce Lopes, Humboldt State University
Nyassa Love, CSU East Bay
Michael Martin, San Francisco State University
Thomas McCarron, San Diego State University
Ron Norton, CSU Northridge
David Ragsdale, California Polytechnic State University
Lenore Reed, CSU Monterey Bay
Jessica Rentto, San Diego State University
Cynthia Teniente-Matson, CSU Fresno
Sharon Taylor, CSU Long Beach
Amy Thomas, CSU Stanislaus
Bill Thomas, CSU San Marcos
Brad Wells, CSU East Bay
Stephanie Williams, CSU Long Beach
Pat Worley, Associated Students, CSU Sacramento

STAFF, GUESTS AND CONSULTANTS

Kelly Cox, CSU Office of the Chancellor
Robert Eaton, CSU Office of the Chancellor
Zachary Gifford, CSU Office of the Chancellor
Jim Hoffman, CSU Office of the Chancellor, CPDC
Jim Holobaugh, Alliant Insurance Services, Inc.
Daniel Howell, Alliant Insurance Services
William Hsu, CSU, Office of General Counsel
Myron Leavell, Alliant Insurance Services
Robert Leong, Alliant Insurance Services
Mimi Long, Alliant Insurance Services
Rose Mizak, Equifax
Josh Schultz, Alliant Insurance Services, Inc.
Rebecca Skidmore, CSU, Office of the Chancellor
Colleen Zenger, CSU Office of the Chancellor

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 Board is asked to review the Quarterly Investment Report ending September 30, 2014. The CSURMA Treasurer will be on hand to answer questions.

RECOMMENDATION: Staff recommends the Board accept the Quarterly Investment Report ending September 30, 2014, as presented at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: The objective of reviewing the investment of funds is to assure that policies and procedures are in effect to protect and preserve the JPA's financial assets.

PUBLICATION: None.

ATTACHMENT(S):

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

ADOPTION OF MEETING DATES FOR CALENDAR YEAR 2015

ISSUE: The CSURMA has adopted 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	10:30 AM	Long Beach
Executive Committee	12/4	Friday	8:30 AM	TBD

RECOMMENDATION: It is recommended that the Board of Directors adopt these meeting dates for Calendar Year 2015 as recommended by the Executive Committee, per the attached calendar.

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: TBD: 10:00 a.m. 19 EC: TBD: 2:30 p.m. 20 EC LRP: TBD: 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, TBD		9 AORMA New Member Orientation: 9 AORMA LRP: TBD 10:00 a.m. 10 AORMA: TBD: 9:00 a.m. 10 EC Orientation: TBD: 4:00 pm 11 EC: TBD: 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: TBD: 10:00 a.m. 4 EC: TBD: 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

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

ISSUE: Pursuant to Section 16(d) of the CSURMA Joint Exercise of Powers Agreement, CSURMA engaged 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: The Executive Committee has reviewed the audited financial reports and is recommending acceptance of the financial report by the Board of Directors.

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: The financial audit has been posted on the CSURMA website.

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)

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of
the California State University

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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
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of California State University

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of California State University

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of California State University

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of
the California State University

Notes to Financial Statements

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.

**CALIFORNIA STATE UNIVERSITY
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A Discretely Presented Component Unit of
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Notes to Financial Statements

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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

**CALIFORNIA STATE UNIVERSITY
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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

**CALIFORNIA STATE UNIVERSITY
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the California State University

Notes to Financial Statements

June 30, 2014 and 2013

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of
the California State University

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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					Not rated	
			AAA	AA	A	BBB	BB		
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					Not rated	
			AAA	AA	A	BBB	BB		
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
Incurring 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
Incurring 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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of
the California State University

Notes to Financial Statements

June 30, 2014 and 2013

(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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

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.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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	—	20,000
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	—	(20,000)
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
	<u>45,146,556</u>
Noncurrent assets:	
Notes receivable, net of current portion	3,228,215
Other long-term investments	128,712,851
	<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
	<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
	<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.

CAMPUS RISK POOLS ACTUARIAL REPORTS

ISSUE: CSURMA's retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The complete reports for the General / Errors & Omissions Liability and Workers' Compensation campus risk pools are included separately with the agenda packet. The information provided by the actuary is used to establish fiscal year-end financial reports, serve as the starting point for FY 2015/15 rates and funding, and help determine potential campus dividends or assessments. Highlights of 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).

RECOMMENDATION: The Executive Committee reviewed and accepted the actuary's reports at its September 12, 2014 meeting. This item is presented to the Board of Directors for its information.

FISCAL IMPACT: The action recommended will have the direct effect of establishing liabilities reported in CSURMA's financial statements. Information from the accepted actuarial studies will be used in FY 2015/16 rate setting and funding forecasts. The Board of Directors will take action on FY 2015/16 rates and funding in a separate item at today's meeting.

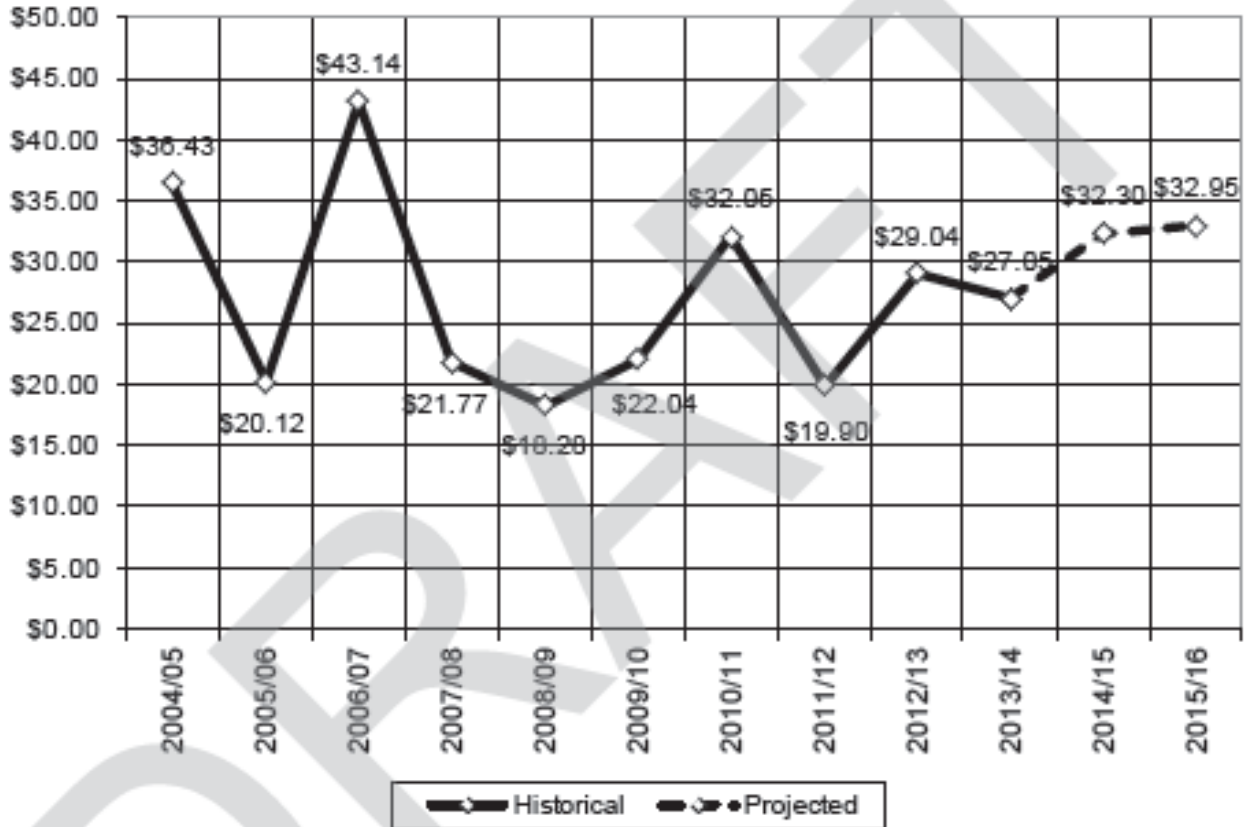
BACKGROUND: The complete actuarial studies include discussion on the methodology used by the actuary to establish the financial projections for each coverage program. Staff will be present at today's meeting to review and comment on the findings in the reports.

PUBLICATION: None

ATTACHMENT(S):

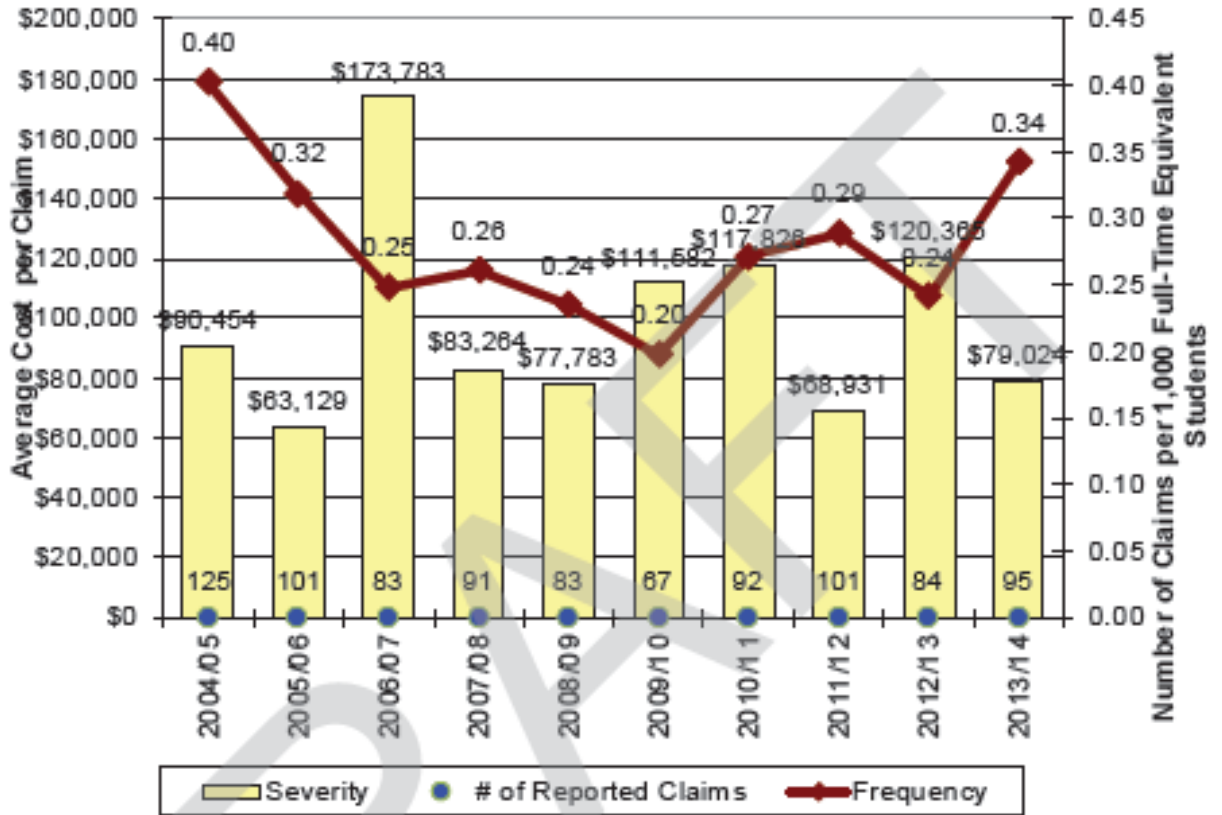
- a. Charts and exhibits from the Liability and Workers' Compensation draft actuarial reports valued at June 30, 2014.
- b. Complete copies of the studies dated September 15, 2014 are included separately with the Agenda packet.

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



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

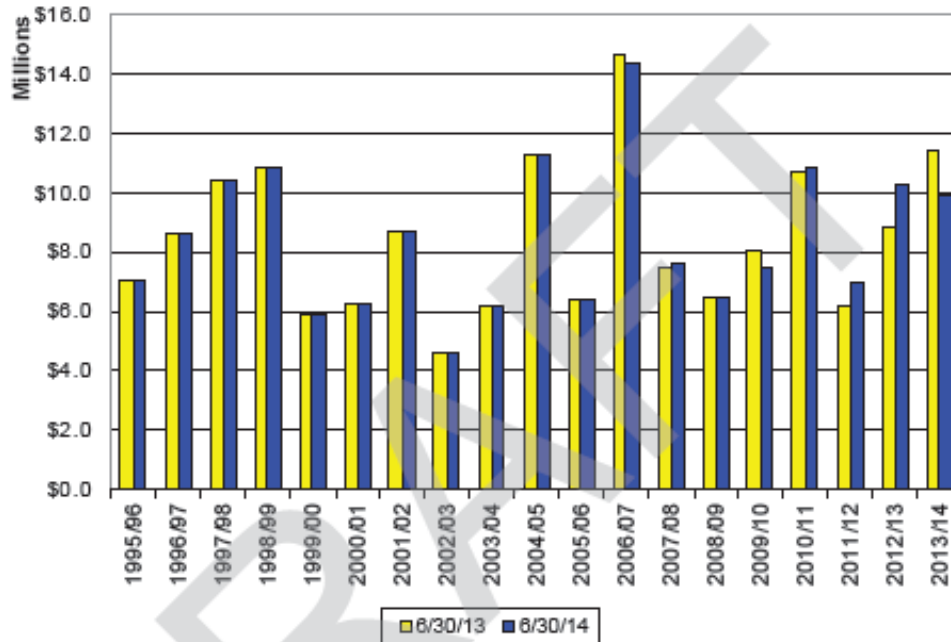
Graph I-2
Frequency and Severity
(Gross of Member Deductibles)



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

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

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



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

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

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

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

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

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

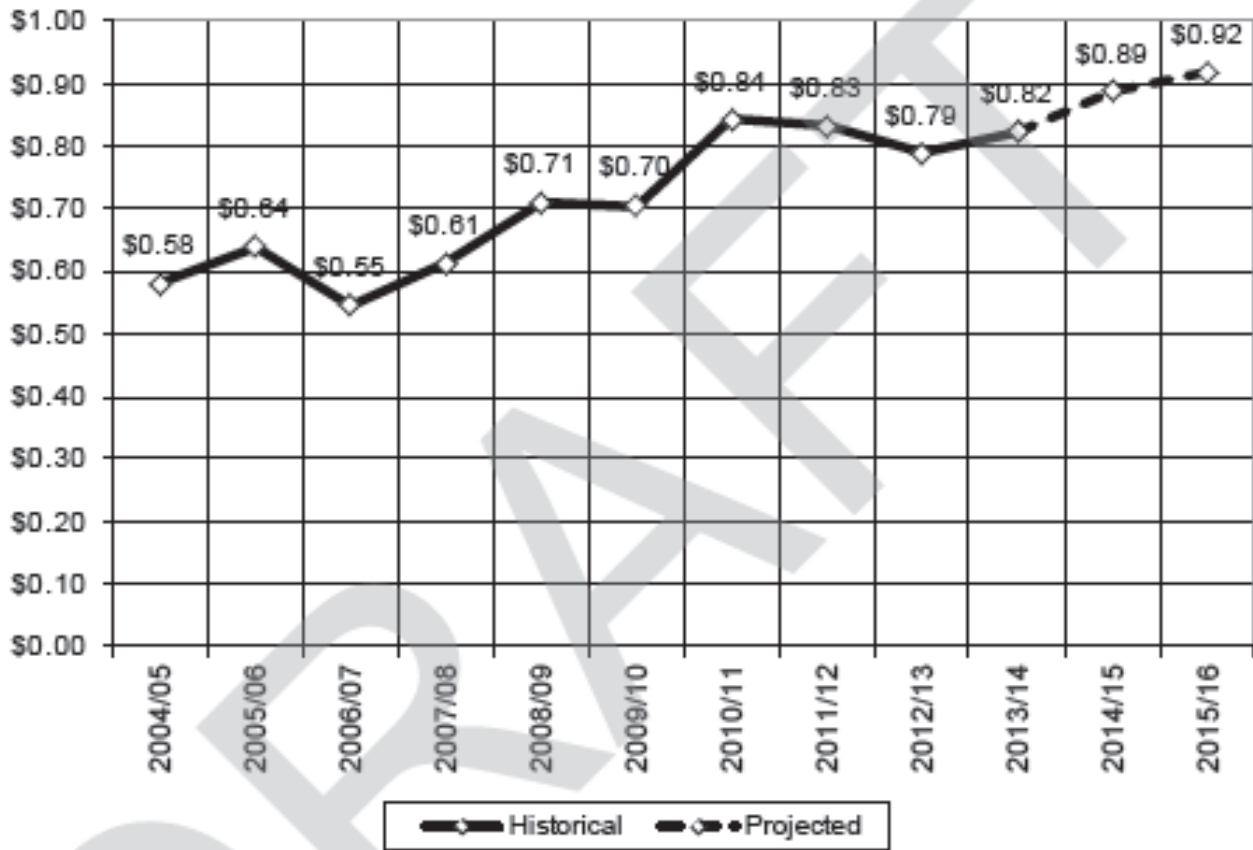
CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
GENERAL LIABILITY

Exhibit GL-18

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

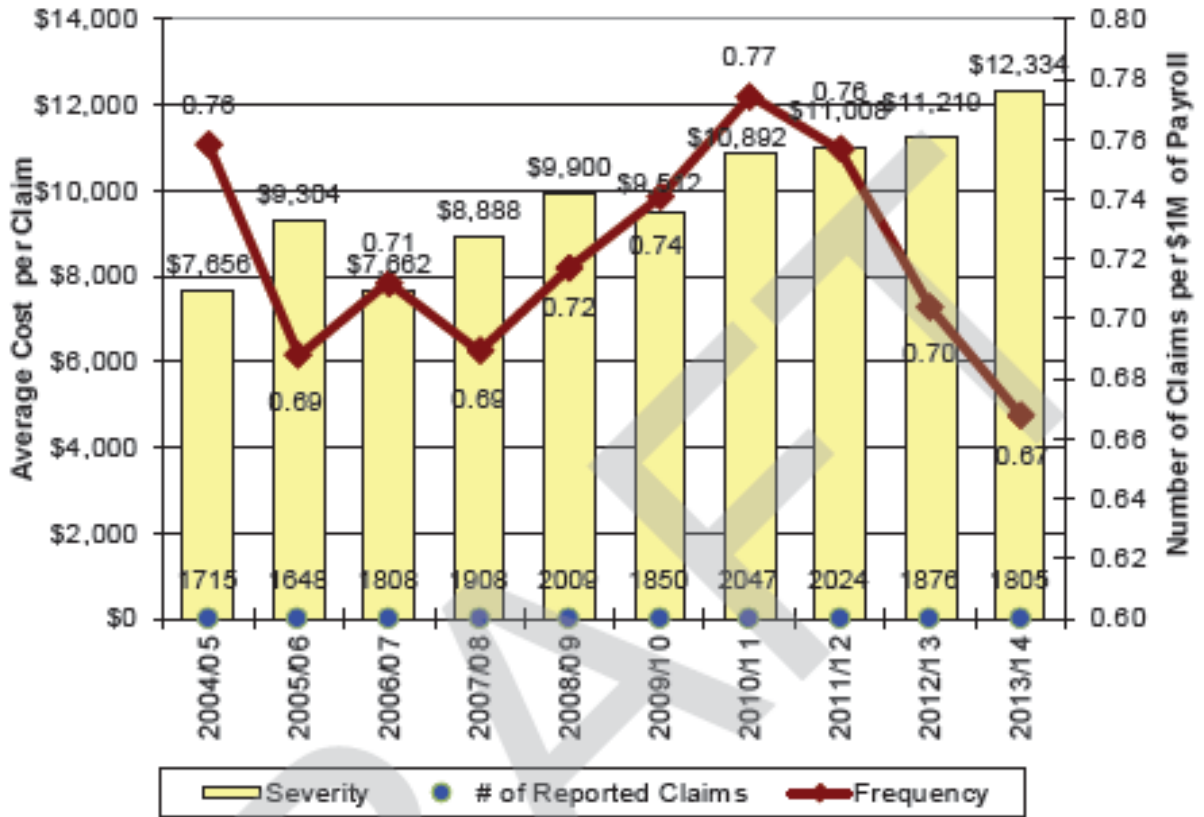
Claim Period (1)	Months of Development 6/30/15 (2)	Percent Losses Paid (3)	Months of Development 6/30/16 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/15 to 6/30/16 [(5)-(3)] [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/15 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding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

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



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

Graph I-2
Frequency and Severity

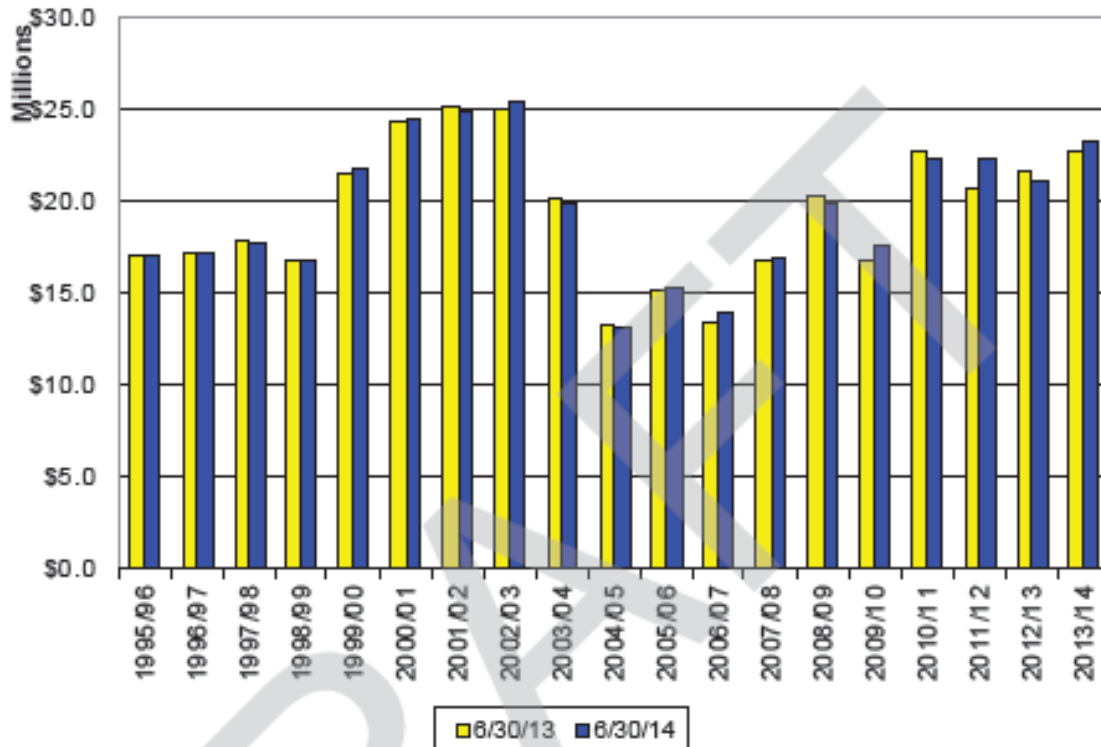


Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).
Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate losses in Exhibit WC-9.

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

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

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



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

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

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

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
WORKERS' COMPENSATION

Exhibit WC-13

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

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

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

ISSUE: Upon the recommendation of the Executive Committee, the Board of Directors adopts rates and funding for the upcoming fiscal year at its fall meeting. The Program Administrators have drafted FY 2015/16 calculations using the actuarial reports dated September 15, 2014.

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

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

Campus Coverage Programs Funding Comparison

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

Present Value Discount = \$2,275,671

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

RECOMMENDATION: The Executive Committee recommends that the Board of Directors adopt the Campus coverage programs funding for FY 2015/16 as presented in the Table above.

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

BACKGROUND: CSURMA employs an independent actuarial firm, Aon Risk Solutions to project claim costs for its General / Errors & Omissions Liability and Workers' Compensation coverage programs. Aon's actuarial reports dated September 15, 2014 were used to calculate the recommended funding for FY 2015/16.

The Board of Directors is asked to focus on the aggregate program funding at this time. Campuses may contact Rob Leong (415-403-1441) for specific questions regarding their cost.

PUBLICATION: None.

ATTACHMENT(S):

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

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

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

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

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

\$42,323 PV Discount

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

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

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

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

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

Industrial Disability Leave, Nonindustrial Disability Leave, Unemployment Insurance

CSURMA RISK POOL FY 2015/16
Property Program Cost

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

Includes Crime (Fidelity), Cyber Risks.

Estimate Only

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

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

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

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

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

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

Subject to Final MVIA Assessment from DGS in March 2015.

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

**APPROVAL OF CAMPUS RISK POOLS
DIVIDENDS AND ASSESSMENTS**

ISSUE: Per CSURMA Policy and Procedure No. 14 – Campus Risk Pool Dividends & Assessments, the Executive Committee evaluates and recommends 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.

At its September 12, 2014 meeting, the Executive Committee reviewed the risk pools’ funding position and claims liabilities as of June 30, 2014 and determined a dividend can be paid per Policy and Procedure No. 14 as follows:

PROPOSED CAMPUS RISK POOLS DIVIDENDS & ASSESSMENTS

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

RECOMMENDATION: The Executive Committee recommends that the Board of Directors approve the proposed dividends in the amount of \$8,677,515 and to distribute the dividend in accordance with Policy & Procedure No. 14.

FISCAL IMPACT: The proposed dividend will reduce the Liability program fund by one-half of its excess reserves.

BACKGROUND: CSURMA adopted a funding policy that calls for each program to fund its liabilities. CSURMA allows inter-fund borrowing if a fund has a deficit position. Last year, the Board of Directors declared a dividend in the amount of \$7,097,512.

PUBLICATION: None

ATTACHMENT(S):

- a. Dividends and Assessments Summary
- b. Policy and Procedure #14 – Campus Risk Pool Dividends & Assessments

CSURMA

Recommended Campus Risk Pools Dividends/Assessments

September 12, 2014

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

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

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



CSURMA

POLICY AND PROCEDURE NO. 14

ADOPTED: OCTOBER 28, 2011

EFFECTIVE: OCTOBER 28, 2011

SUBJECT: CAMPUS RISK POOL DIVIDENDS & ASSESSMENTS

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

POLICY

It is the policy of Executive Committee that:

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

PROCEDURE

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

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

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

MEMBER APPEAL PROCESS

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



DEFINITIONS:

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

MEMBER – Any campus participating in Campus Risk Pool Programs

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

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

**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: The CSURMA AORMA and Executive Committees will have considered the proposals from CSAC EIA and may request that the CSURMA Board take action for CSURMA to join the CSAC EIA joint powers authority so that CSURMA may participate in the 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



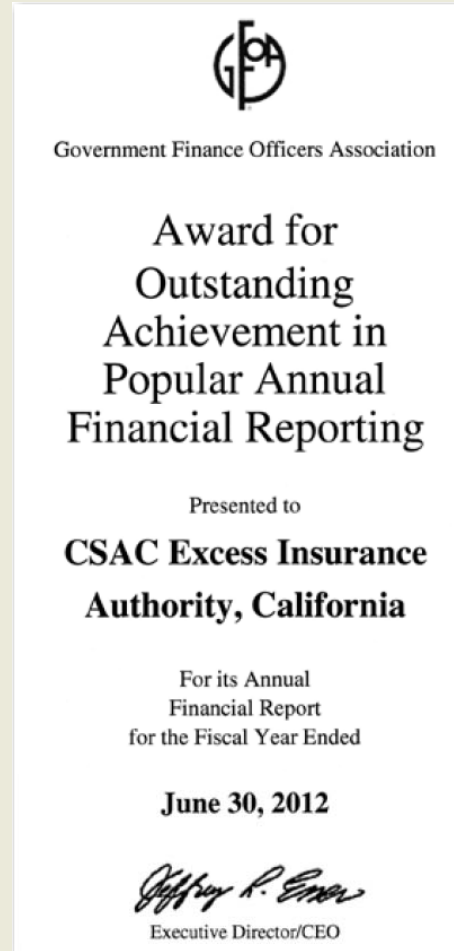
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Who is the CSAC EIA?



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.

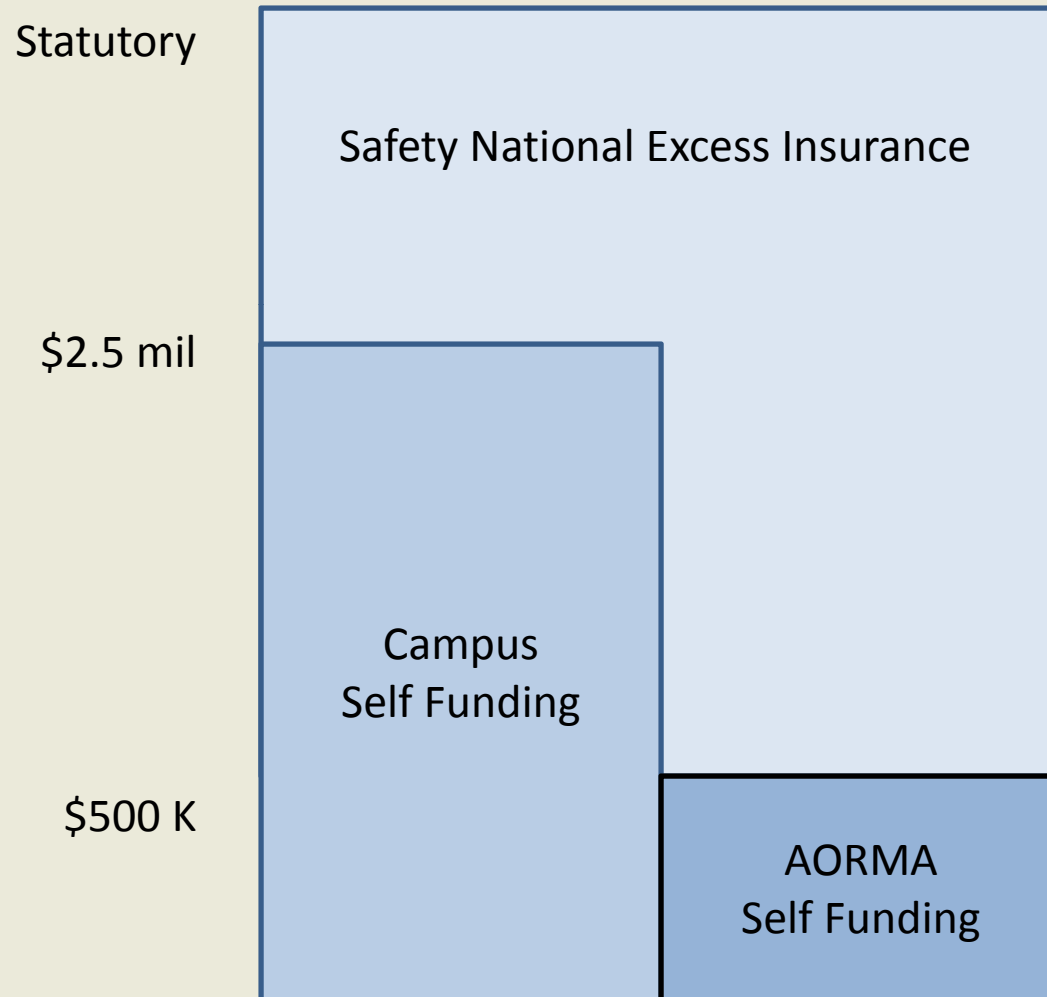
		1/1/15 - 7/1/15	7/1/15 - 7/1/16	18 month
Discounted				
Expected	Campus	\$ 11,876,000	\$ 25,320,000	\$ 37,196,000
	AORMA	\$ 1,258,500	\$ 2,567,000	\$ 3,825,500
	Total:	\$ 13,134,500	\$ 27,887,000	\$ 41,021,500
Discounted				
70%	Campus	\$ 12,469,500	\$ 26,586,000	\$ 39,055,500
80%	AORMA	\$ 1,573,125	\$ 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

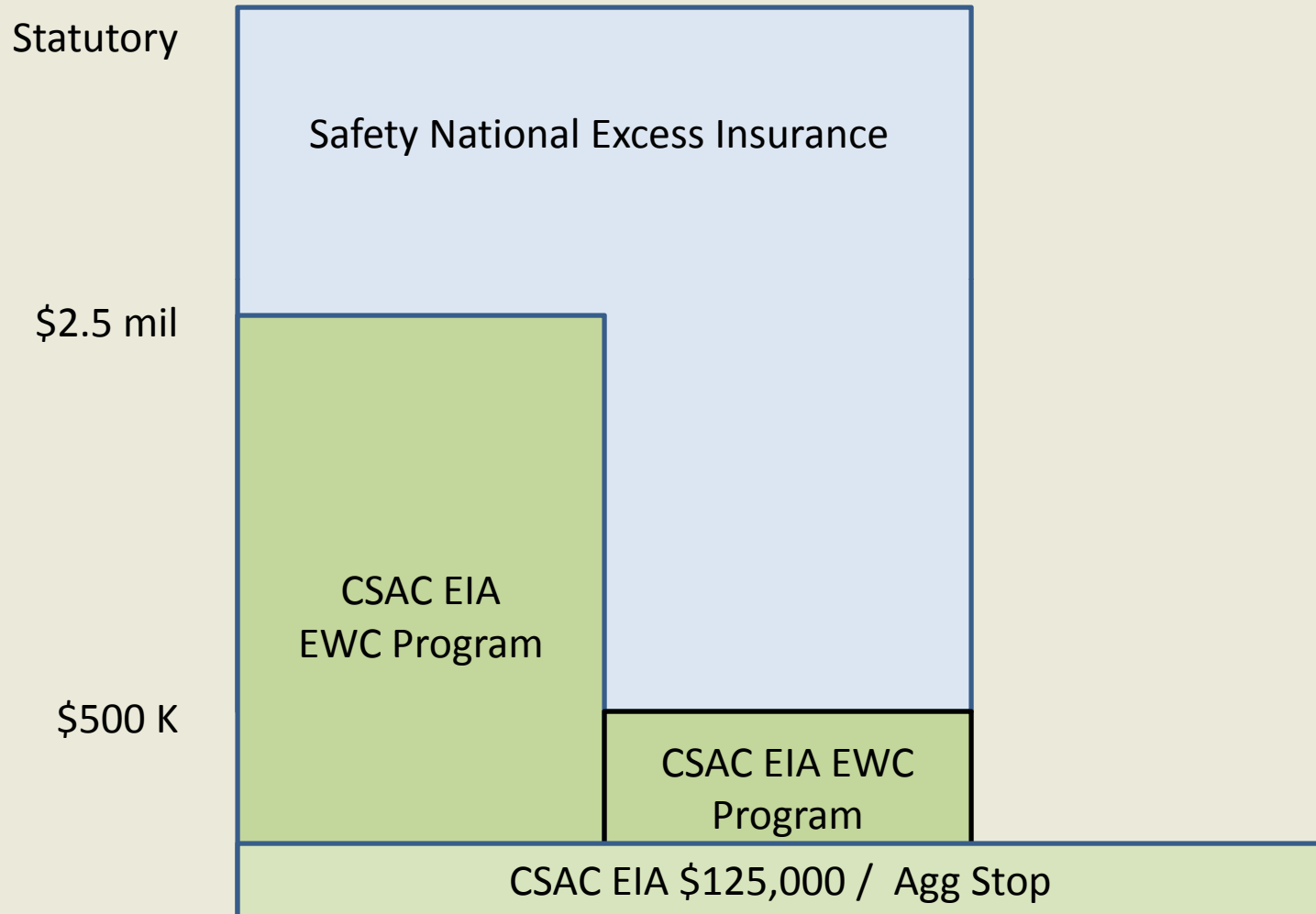
Current Structure





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

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Brian Kelley, Underwriting Manager

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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

NOTE: THIS PROPOSAL IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY FORM IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION

**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)	<p>CSU</p> <p>\$ 3,395,300 Deposit Premium 11,169,217 Corridor Premium 90,674 CSAC EIA Administration Fee 169,765 Alliant Broker Fee <u> </u> \$ 14,824,956 Total Estimated Deposit Premium</p> <p>AORMA</p> <p>\$ 349,197 Deposit Premium 1,148,721 Corridor Premium 9,326 CSAC EIA Administration Fee 17,460 Alliant Broker Fee <u> </u> \$ 1,524,704 Total Estimated Deposit Premium</p> <p>\$ 16,349,660 Total Estimated Deposit Premium</p>	
ESTIMATED PREMIUM (18 Month Prorated)	<p>CSU</p> <p>\$ 5,092,950 Deposit Premium 16,753,825 Corridor Premium 136,012 CSAC EIA Administration Fee 254,648 Alliant Broker Fee <u> </u> \$ 22,237,435 Total Estimated Deposit Premium</p> <p>AORMA</p> <p>\$ 523,795 Deposit Premium 1,723,082 Corridor Premium 13,988 CSAC EIA Administration Fee 26,190 Alliant Broker Fee <u> </u> \$ 2,287,055 Total Estimated Deposit Premium</p> <p>\$ 24,524,490 Total Estimated Deposit Premium</p> <p>• Premiums/fees for the period 1/1/15 to 1/1/16 will be due at 2/1/15</p>	

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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 14, 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.

ANALYZING INSURERS' OVER-ALL PERFORMANCE AND FINANCIAL STRENGTH IS A TASK THAT REQUIRES SPECIALIZED SKILLS AND IN-DEPTH TECHNICAL UNDERSTANDING OF ALL ASPECTS OF INSURANCE COMPANY FINANCES AND OPERATIONS.

INSURANCE BROKERAGES SUCH AS ALLIANT INSURANCE TYPICALLY RELY UPON RATING AGENCIES FOR THIS TYPE OF MARKET ANALYSIS. BOTH A.M. BEST AND STANDARD AND POOR HAVE BEEN INDUSTRY LEADERS IN THIS AREA FOR MANY DECADES, UTILIZING A COMBINATION OF QUANTITATIVE AND QUALITATIVE ANALYSIS OF THE INFORMATION AVAILABLE IN FORMULATING THEIR RATINGS.

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TO LEARN MORE ABOUT COMPANIES DOING BUSINESS IN CALIFORNIA, VISIT THE CALIFORNIA DEPARTMENT OF

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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

NOTE: THIS PROPOSAL IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY FORM IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION

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

NOTE: THIS PROPOSAL IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY FORM IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION

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

NOTE: THIS PROPOSAL IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY FORM IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION

EXCESS WORKERS' COMPENSATION PROGRAM PROPOSAL

ESTIMATED ANNUAL PAYROLL	\$ 3,208,659,700 Estimated annual payroll																												
ESTIMATED PREMIUM (Annual)	<p>CSU</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%;">\$ 3,361,549</td><td>Corridor Premium</td></tr> <tr><td>5,203,322</td><td>Pool Deposit Premium</td></tr> <tr><td>517,830</td><td>CSAC EIA Administration Fee</td></tr> <tr><td>46,374</td><td>CSAC EIA Public Entity Fee</td></tr> <tr><td>192,002</td><td>Alliant Broker Fee</td></tr> <tr><td>317</td><td>CSAC EIA One-Time Development Fee</td></tr> <tr><td>\$ 9,321,394</td><td>Total Estimated Deposit Premium</td></tr> </table> <p>AORMA</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%;">\$ 345,726</td><td>Corridor Premium</td></tr> <tr><td>535,146</td><td>Pool Deposit Premium</td></tr> <tr><td>53,257</td><td>CSAC EIA Administration Fee</td></tr> <tr><td>4,769</td><td>CSAC EIA Public Entity Fee</td></tr> <tr><td>19,747</td><td>Alliant Broker Fee</td></tr> <tr><td>33</td><td>CSAC EIA One-Time Development Fee</td></tr> <tr><td>\$ 958,678</td><td>Total Estimated Deposit Premium</td></tr> </table> <p>\$ 10,280,072 Total Estimated Deposit Premium</p>	\$ 3,361,549	Corridor Premium	5,203,322	Pool Deposit Premium	517,830	CSAC EIA Administration Fee	46,374	CSAC EIA Public Entity Fee	192,002	Alliant Broker Fee	317	CSAC EIA One-Time Development Fee	\$ 9,321,394	Total Estimated Deposit Premium	\$ 345,726	Corridor Premium	535,146	Pool Deposit Premium	53,257	CSAC EIA Administration Fee	4,769	CSAC EIA Public Entity Fee	19,747	Alliant Broker Fee	33	CSAC EIA One-Time Development Fee	\$ 958,678	Total Estimated Deposit Premium
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ESTIMATED PREMIUM (18 Month Prorated)	<p>CSU</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%;">\$ 5,042,324</td><td>Corridor Premium</td></tr> <tr><td>7,804,982</td><td>Pool Deposit Premium</td></tr> <tr><td>776,745</td><td>CSAC EIA Administration Fee</td></tr> <tr><td>69,560</td><td>CSAC EIA Public Entity Fee</td></tr> <tr><td>288,003</td><td>Alliant Broker Fee</td></tr> <tr><td>317</td><td>CSAC EIA One-Time Development Fee</td></tr> <tr><td>\$ 13,981,931</td><td>Total Estimated Deposit Premium</td></tr> </table> <p>AORMA</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%;">\$ 518,588</td><td>Corridor Premium</td></tr> <tr><td>802,720</td><td>Pool Deposit Premium</td></tr> <tr><td>79,886</td><td>CSAC EIA Administration Fee</td></tr> <tr><td>7,154</td><td>CSAC EIA Public Entity Fee</td></tr> <tr><td>29,620</td><td>Alliant Broker Fee</td></tr> <tr><td>33</td><td>CSAC EIA One-Time Development Fee</td></tr> </table>	\$ 5,042,324	Corridor Premium	7,804,982	Pool Deposit Premium	776,745	CSAC EIA Administration Fee	69,560	CSAC EIA Public Entity Fee	288,003	Alliant Broker Fee	317	CSAC EIA One-Time Development Fee	\$ 13,981,931	Total Estimated Deposit Premium	\$ 518,588	Corridor Premium	802,720	Pool Deposit Premium	79,886	CSAC EIA Administration Fee	7,154	CSAC EIA Public Entity Fee	29,620	Alliant Broker Fee	33	CSAC EIA One-Time Development Fee		
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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 14, 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

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.

ANALYZING INSURERS' OVER-ALL PERFORMANCE AND FINANCIAL STRENGTH IS A TASK THAT REQUIRES SPECIALIZED SKILLS AND IN-DEPTH TECHNICAL UNDERSTANDING OF ALL ASPECTS OF INSURANCE COMPANY FINANCES AND OPERATIONS.

INSURANCE BROKERAGES SUCH AS ALLIANT INSURANCE TYPICALLY RELY UPON RATING AGENCIES FOR THIS TYPE OF MARKET ANALYSIS. BOTH A.M. BEST AND STANDARD AND POOR HAVE BEEN INDUSTRY LEADERS IN THIS AREA FOR MANY DECADES, UTILIZING A COMBINATION OF QUANTITATIVE AND QUALITATIVE ANALYSIS OF THE INFORMATION AVAILABLE IN FORMULATING THEIR RATINGS.

A.M. BEST HAS AN EXTENSIVE DATABASE OF NEARLY 6,000 LIFE/HEALTH, PROPERTY CASUALTY AND INTERNATIONAL COMPANIES. YOU CAN VISIT THEM AT WWW.AMBEST.COM.

FOR ADDITIONAL INFORMATION REGARDING INSURER FINANCIAL STRENGTH RATINGS VISIT STANDARD AND POOR'S WEBSITE AT WWW.STANDARDANDPOORS.COM

TO LEARN MORE ABOUT COMPANIES DOING BUSINESS IN CALIFORNIA, VISIT THE CALIFORNIA DEPARTMENT OF INSURANCE WEBSITE AT WWW.INSURANCE.CA.GOV

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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

REVIEW OF FY 2014/2015 LONG RANGE PLANNING GOALS

ISSUE: The Executive Committee conducts a Long Range Action Planning meeting each year in March and establishes a long range action plan for the year. Periodically during the year, the Executive Committee receives a report to gauge progress and to re-evaluate where efforts should be focused.

RECOMMENDATION: The Board will hear a report from Staff on the status of the long range action plan items.

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

BACKGROUND: The Executive Committee adopted the FY 2014/15 Long Range Action Plan and goals to be accomplished. The Board 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

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	Completed
	2. Draft proposed master insurance and indemnity language for student placement agreements and contact key hosting partners	PA, SRM, OGC	Jul - Aug 2014	Completed
	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	Ongoing

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

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

ISSUE: CSURMA has developed claims process Policy and Procedure (P&P) documents for CSURMA's self-insured programs. These P&P's go beyond the coverage documents to describe such things as:

- Claim Reporting
- Roles and responsibilities
- Handing of disputes

For insured programs, we have followed traditional insurance industry practices and resolved complex matters on a case by case basis. The Program Administrator has developed the attached draft Policy and Procedure No. 22 – Claims Handling Guidelines. It is worded broadly and allows that more specific policies and procedures may be adopted for programs.

RECOMMENDATION: It is recommended that the Board of Directors review and discuss the proposed policy and procedure and take action if appropriate to adopt the Proposed Policy and Procedure No. 22.

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

BACKGROUND: CSURMA uses P&P's to define essential principles and processes of its core functions.

PUBLICATION: None at this time. Upon adoption, it would be communicated to the membership and posted to the CSURMA web site.

ATTACHMENT(S):

- a. Draft 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.

APPROVAL OF CONCUSSIVE INJURY MITIGATION TRAINING

ISSUE: Working with Dr. Ortega at Humboldt State University, a CSU campus concussion needs assessment was completed. Based on the results of the survey, Systemwide Risk Management, CSURMA counsel, Dr. Ortega and the Program Administrators will be working towards enhancing concussion management good practices systemwide, with a particular focus on club activities and intramurals. This will initially be completed by developing materials and content for regional and/or campus workshops pertaining to “good practices in concussion management.” Dr. Ortega has confirmed his availability to speak at the 2015 Fitting the Pieces Together Conference.

Working with Systemwide Professional Development, we will assess the need and feasibility of developing one or more online concussion related learning modules for CSU staff, faculty and students. Going forward and based on the results of the needs assessment while gauging the needs and interest from individual CSU campus communities, we will explore the development of supplemental resource materials.

Potential costs are initially expected to be moderate and we are requesting that authority be delegated to the Secretary-Auditor to approve expenditures not to exceed a gross of \$10,000 related to the development and deployment of the above initiatives. This would include but not limited to costs/fees from Systemwide Professional Development, additional consultations with Dr. Ortega, workshops, etc.

RECOMMENDATION: It is recommended that the CSURMA Board of Directors authorize the Secretary-Auditor to expend up to \$10,000 for implementation of the proposed concussion management training.

FISCAL IMPACT: The cost of the proposed training will be paid from the AORMA and Campus Risk Pool liability programs’ risk control budget.

BACKGROUND: Prevention and mitigation of concussive injuries to athletic participants has become a key point with CSURMA’s liability underwriters. Recently, three of CSURMA’s excess liability underwriters attended a presentation at Fresno State University regarding that campus’ programs. The underwriters were extremely impressed by the campus program.

In addition, a section was added to the 2014 Sport Clubs Resource Guide addressing good concussion management practices.

PUBLICATION: Training resources developed from approval of this item will be published to the campuses.

ATTACHMENT(S): None.

AORMA PROGRAMS UPDATE

ISSUE: The Auxiliary Organizations Risk Management Alliance (AORMA) continues to address the insurance and risk management needs of its Auxiliary Organizations membership. Staff is pleased to report that CSURMA now has 100% participation by Auxiliary Organizations in good standing.

Robert de Wit, AORMA Committee Chair, will be on hand at today's meeting to discuss other activities of AORMA.

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

FISCAL IMPACT: None.

BACKGROUND: The AORMA was first aggressively marketed to CSU Auxiliary Organizations for the July 1, 1998 policy inception. Since that time, the program has grown from 12 members to 87+ members, and represents 100% participation.

PUBLICATION: None.

ATTACHMENT(S): None.

PROGRAM ADMINISTRATOR'S STEWARDSHIP REPORT

ISSUE: Each year the Program Administrators prepare a Stewardship Report for the CSURMA Board of Directors. The Stewardship Report describes the activities and accomplishments of CSURMA and its Program Administrators. The Stewardship Report will be presented to the Board at today's meeting.

RECOMMENDATION: This item is presented for the Board's information. No action is requested for this item.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: A complete copy of the 2013/14 CSURMA Annual Stewardship Report will be posted on the CSURMA website

ATTACHMENT:

- a. CSURMA Annual Stewardship Report for FY 2013/14.



CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

Annual Stewardship Report FYE June 30, 2014



Alliant Insurance Services, Inc.

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San Francisco, CA 94111
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www.alliant.com



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Appendices:

- Appendix A – Alliant Team Organization Chart for CSURMA
- Appendix B – CSURMA Meeting Calendar
- Appendix C – CSU and AORMA Member Listing

EXECUTIVE SUMMARY

CSURMA and ALLIANT

Alliant Insurance Services (Alliant) is proud of its history and continuing partnership with the California State University and its Auxiliary Organizations, collectively the CSU. Key principals of the Alliant team have consistently provided creative solutions for CSU since 1995. We are proud of our accomplishments for the CSU, and in particular, the opportunity to develop and manage a number of effective and very efficient insurance and coverage plans through the entity we helped form, namely the California State University Risk Management Authority (CSURMA). Launched in 1997, CSURMA is a joint powers authority created under the Government Code of the State of California, and established specifically to address and manage the operational risks of the CSU.

Alliant is a specialty insurance brokerage firm that also provides joint powers authority (JPA) program administration, risk management, and insurance brokerage services. We regard working with the CSU as an exciting professional opportunity. As Program Administrators, Alliant oversees CSURMA's risk pool programs, excess and reinsurance placements, group purchase insurance, and provides risk management consultation and joint power authority administration for all members of the authority.

Alliant is committed to working with the CSU at the system level and directly with all twenty-three campuses (23) and all eighty-five (85) auxiliary organizations. We provide direct consultative and program management services for the Office of the Chancellor, including Systemwide Risk Management, Public Safety, General Counsel, Capital Planning Design & Construction, and the Chief Administrative & Business Officials (CABO) representing the campuses. On the campuses, Alliant provides risk management consultation and advice for Campus Risk Management, Environmental Health & Safety, Human Resources, Student Health Centers, Athletics, Student Life & Leadership, Facilities, and others, and of course, CSU's Auxiliary Organizations.

Alliant has responded to CSURMA's evolving needs and adapted its services to deliver high quality and stable risk management programs that support CSU's mission and CSURMA's vision.

STEWARDSHIP REPORT

Alliant prepared this Annual Stewardship Report for CSURMA Board of Directors and Members summarizing the Program Administrators' activities and accomplishments during the past fiscal year. Also, this stewardship report offers Alliant the opportunity to reflect on areas for improvement in providing program management services for all CSURMA members. We appreciate the opportunity to work with dynamic, creative and forward thinking leaders of the CSU, and enjoy the opportunity to deliver creative and cost effective products and services addressing the complex risk management needs of the CSU's campuses and auxiliary organizations.

PROGRAM ADMINISTRATORS

Alliant is proud of its team of dedicated professionals who are assigned to serve you. The team is lead by Daniel Howell as CSURMA Program Director, Robert Leong for Campus Coverage Programs, and Mimi Long for AORMA Coverage Programs. Robert Frey provides expert consultation for Property and Liability claims. Jacki Graf consults exclusively for the campuses and auxiliary organizations in all areas of Workers’ Compensation claims, including the hosting of CSU’s monthly meetings of the Workers’ Compensation Coordinators for all CSURMA members. The team is supported by an experienced and quality administrative staff including Stacey Weeks, Van Rin, Hsan Htein, Myron Leavell, Melissa Diaz, Tevea Him and Yung Lam.

Alliant’s CSURMA Program Administration Service Team is depicted herein:

Program Administrators



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The Alliant Team Organization Chart for CSURMA is in the Appendices as Appendix A.

FINANCIAL PERFORMANCE

CSURMA adopted funding policies for each of its risk pools to ensure that each coverage program maintains adequate funds to meet its operating expenses, particularly the claims payment obligations for the current year, and for the outstanding claims liabilities as they become due, which in many cases can be years into the future. Alliant prepares the Risk Pool Funding Status reports, incorporating the findings and recommendations of CSURMA’s independent actuary and accountant, to help guide decision-making for the Executive Committee in regards to rate setting and contribution calculations, with the goals of maintaining safe risk margins, budget stability, and fairness to all members.

The Risk Pools Funding Status at June 30, 2014 are depicted below and highlighted as follows:

Campus Risk Pools:

Per the Executive Committee’s action, the Campus Liability and Campus Workers’ Compensation coverage programs are funded in excess of the actuary’s expected losses to a 70% actuarial confidence. This develops a risk margin of about 15-18%. Similarly, the AIME Committee recommended that CSURMA adopt a funding policy for the AIME Risk Pool at no less than at a 70% actuarial confidence. All programs are fully-funded (100%) to at least the 70% actuarial confidence level. Reserve funds in excess of the targeted funding to 70% actuarial confidence for the Campus Risk Pools at FYE 2013 and 2014 are as follows:

CAMPUS RISK POOLS RESERVE FUNDS

	<u>FYE 2013</u>	<u>FYE 2014</u>
Liability	\$29,195,024	\$22,355,033
Workers’ Compensation	\$7,488,169	\$10,882,377
IDL/NDI/UI	\$1,209,019	\$1,626,259
Athletics (AIME)	\$403,564	\$310,550

AORMA Risk Pools:

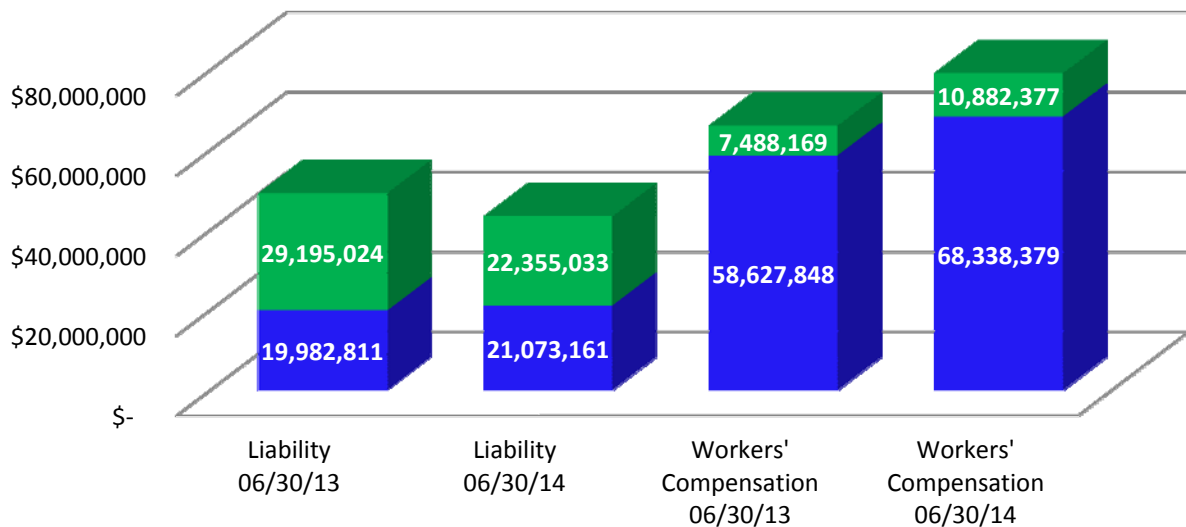
Historically, both the Workers’ Compensation and Liability programs were funded at an 80% confidence level; however, effective July 1, 2014, the committee made the decision to fund the Liability Program at a 70% confidence level. This develops a risk margin of about 15-18%. This decision was made because the Liability Program was extremely well funded and the committee determined that increasing surplus in the program was not necessary. The committee did decide to fund the Workers’ Compensation Program at an 80% confidence level. This develops a risk margin of about 25-28%. This decision was made because the surplus within the Workers’ Compensation Program was not as abundant as in the Liability Program and therefore increasing surplus was desirable. All programs are fully-funded (100%) to at least the 80% actuarial confidence level. Reserve funds in excess of the funding goal for the AORMA Risk Pools at FYE 2013 and 2014 are as follows:

AORMA RISK POOLS RESERVE FUNDS

	<u>FYE 2013</u>	<u>FYE 2014</u>
Liability	\$5,680,760	\$4,379,923
Workers' Compensation	\$4,381,917	\$3,815,805

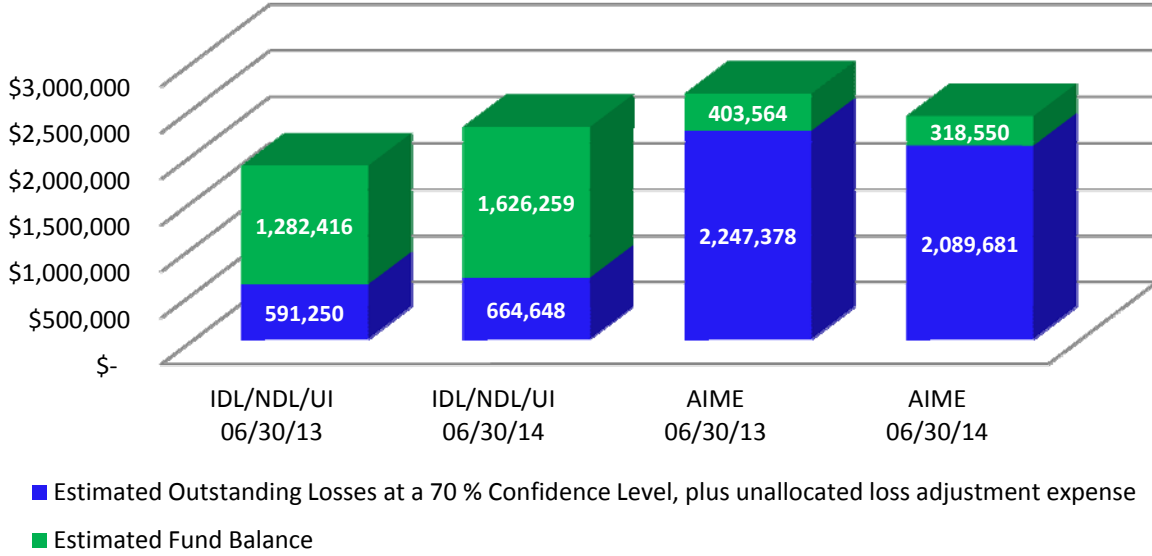
ESTIMATED FUND BALANCE

Campus Programs
Estimated Fund Balance at June 30, 2014 (undiscounted)

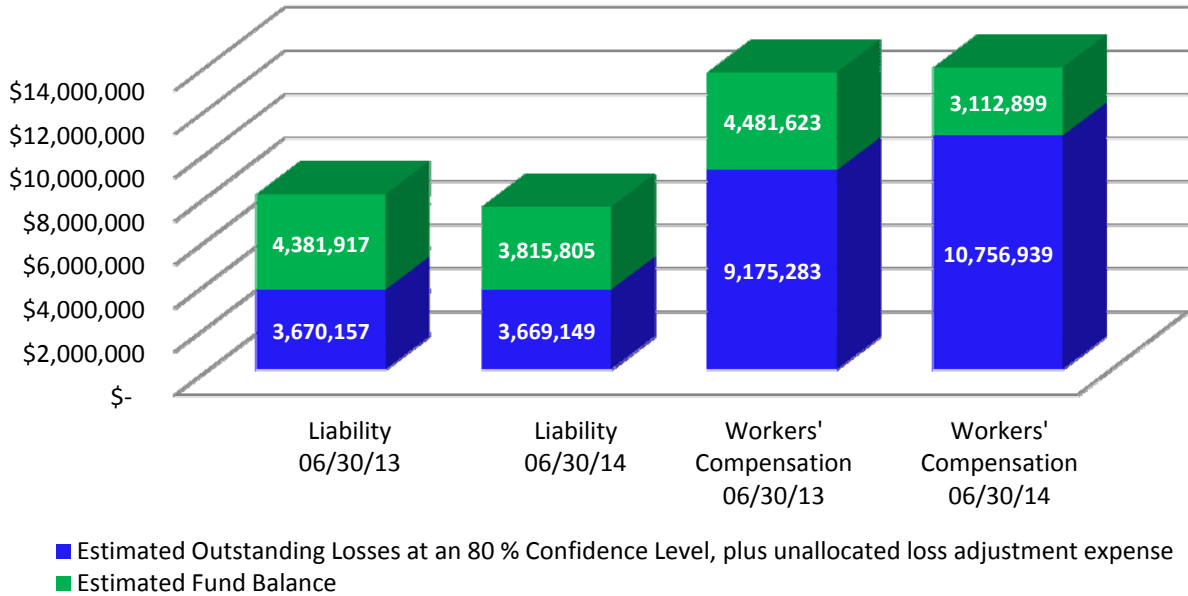


- Estimated Outstanding Losses at a 70 % Confidence Level, plus unallocated loss adjustment expense
- Estimated Fund Balance

Campus Programs
Estimated Fund Balance at June 30, 2014 (undiscounted)



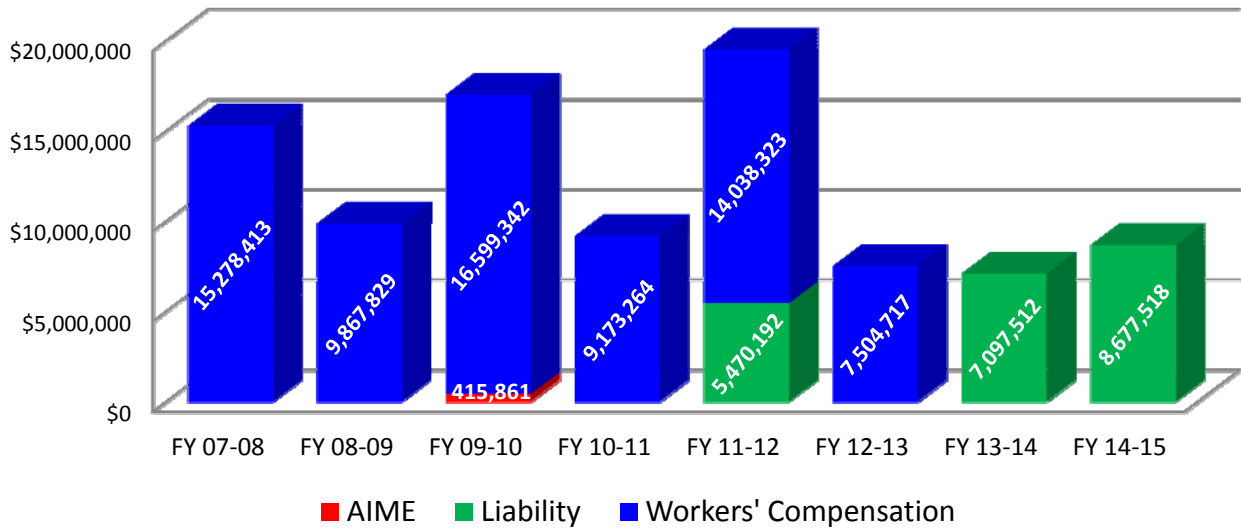
AROMA Programs
Estimated Fund Balance at June 30, 2014 (undiscounted)



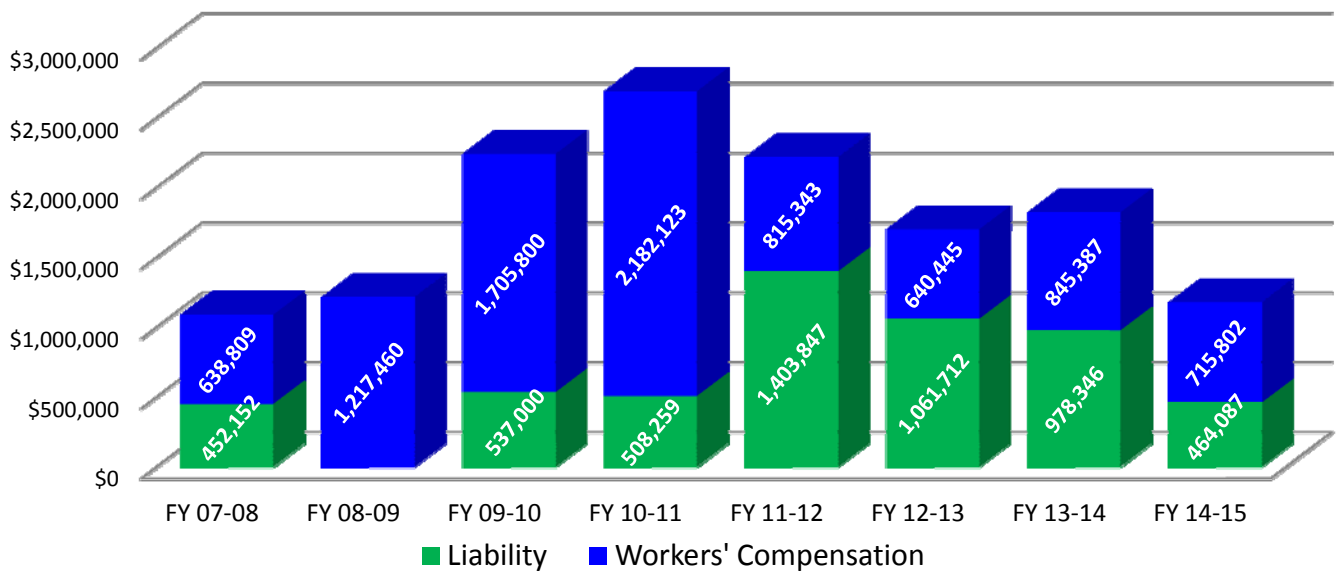
MEMBER REWARDS (Dividends)

CSURMA’s dedication to maintain the funding policies in the face of budget pressures at the State level enabled CSURMA to reward its members with distributions of excess reserve funds in the form of cash dividends. A history of the dividends paid to members is summarized in the following charts. *To date, CSURMA returned dividends totaling \$109,442,599 to members*, which if commercially insured, the carriers would have reaped as underwriting profits rather than being restored to members as dividends.

Campus Programs Dividend Payments



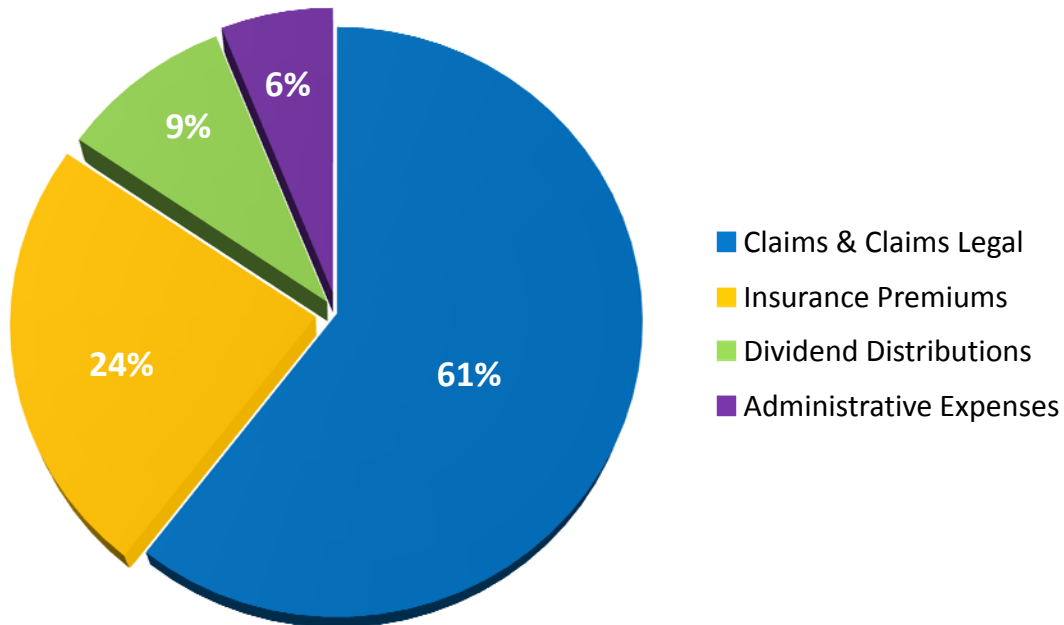
AORMA Programs Dividend Payments



PROGRAM ECONOMICS

The chart below shows a breakdown of expenses for the fiscal year ending June 30, 2014. Sixty-one percent (61%) of your premium deposits are used to pay Claims. Program Administration Expenses amounted to only 6%, while continuing at a high level of service performance. This is a remarkable achievement when compared to similar joint powers insurance authorities which typically operate at 12-17% expense ratios.

***"Your Premium Dollars at Work"
As of June 30, 2014***



COVERAGE PROGRAMS

Alliant manages a number of risk management and coverage programs for CSURMA that serve the University and its Auxiliary Organizations. In addition to program administration of CSURMA's risk pools (group self-insurance programs), Alliant places and manages a number of insurance and reinsurance policies to supplement and support CSURMA's coverage program structures. These are highlighted and described in the following:

CAMPUS PROGRAMS

Campus Liability Coverage Program

The Campus Liability Coverage Program was established to fund the exposures of General Liability, Errors & Omissions, Professional Liability, Employment Practices Liability, and other similar public liability exposures of the University system. The participants include all twenty-three (23) campuses of the CSU and the Chancellor's Office. The Campus Liability Coverage Program increased its self-insured limit from \$3,000,000 to \$5,000,000 per occurrence on July 1, 2010.

Each campus selects its own deductible, which is offered from \$35,000 to \$1,000,000 per occurrence. Every three years, campuses have the opportunity to choose another deductible. The last deductible selection became effective July 1, 2014 and applicable to July 1, 2017.

Auto Liability is provided by the State Motor Vehicle Self-insurance Plan (VELSIP) and managed by the Office of Risk & Insurance Management (ORIM). VELSIP's coverage for state-salaried employees is unlimited, but liability for non-state operators is capped at \$1,000,000 per accident. The pool purchases reinsurance to insure Auto Liability for non-state employees driving for University business from \$1,000,000 self-retention limit to \$5,000,000 each occurrence. Additionally, the pool purchases excess/reinsurance above the \$5,000,000 self-retention limit from various commercial carriers in the global market.

Campus Workers' Compensation Coverage Program

The Campus Workers' Compensation Coverage Program was established to provide statutory Workers' Compensation and Employer's Liability coverage for all CSU state employees and designated volunteers at all campuses and the Office of the Chancellor. The program includes a risk pool and specific excess insurance. The risk pool is self-insured with no deductible and retains the first \$2,500,000 each occurrence. Claims in excess of the risk pool retention are covered by commercial insurance from the \$2,500,000 self-retention to the Statutory Workers' Compensation limits proscribed by the State of California.

Campus IDL/NDI/UI Coverage Program

The Industrial Disability Leave/Non-Industrial Disability Leave/Unemployment Insurance (IDL/NDI/UI) Program Fund was established to provide a funding mechanism for these mandatory employment benefit programs. The IDL/NDI/UI Program Fund is entirely self-insured, and costs are allocated to the campuses based on each campus' actual utilization (claims) over a five year period.

Campus Athletic Injury Medical Expense Coverage Program (AIME)

The Athletic Injury Medical Expense Program (AIME) was established to provide coverage for medical expenses incurred by CSU students participating in NCAA and NAIA intercollegiate athletic activities. The AIME program replaced individual insurance programs previously purchased by the campuses.

The AIME program is self-insured for the members' deductible limit defined by the catastrophe coverage policies purchased by their respective national governing bodies, NCAA or NAIA. NCAA purchased catastrophe liability insurance on behalf of all its member schools with a \$90,000 deductible. NAIA purchased catastrophe liability insurance on behalf of its member schools with a \$25,000 deductible.

Campus Property Coverage Program

The Campus Property Coverage Program was established to provide Property and Boiler & Machinery Insurance covering physical damage to buildings and other specified structures. Building contents (furnishings, equipment, etc.) may also be covered as may be required by bond covenants. The program insures all CSU campuses and the Chancellor's Office. CSU chose to not purchase coverage for Earthquake because of the high cost for that insurance, unless Earthquake insurance is specifically required by bond covenants.

Beginning July 1, 2013, CSURMA changed its coverage structure from insurance to reinsurance to save costs, specifically in regards to premium taxes and associated fees. The Campus Property Coverage Program is now fully reinsured by a syndication of insurance companies known as the Public Entity Property Insurance Program (PEPIP), an Alliant exclusive. Until July 1, 2010, CSURMA purchased a Deductible Buydown policy to provide coverage from \$100,000 to \$1,000,000 within PEPIP's \$1,000,000 deductible limit. Beginning July 1, 2010, CSURMA self-insured the Deductible Buydown to an aggregate limit of \$2,000,000 for all losses subject to the Deductible Buydown (i.e., \$900,000 excess \$100,000 deductible). All campuses except San Diego State University participate in the Deductible Buydown plan.

Campus Crime Program

The Campus Crime Program insures the University covering all state employees for Employee Fidelity, including faithful performance of duties, theft of monies & securities, counterfeit, fraud, computer crime, and other misappropriation of the University's funds. The coverage is excess of a \$250,000 deductible.

Student Professional Liability Insurance Program (SPLIP)

On August 1, 2006 CSU purchased a systemwide professional liability insurance program to provide coverage for students enrolled in the Nursing, Allied Health or Education internship curricula. This systemwide program is designed to satisfy the requirements of host institutions that students maintain professional liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and personal liability coverage with broad protection for the students, affiliates and the University. SPLIP provides coverage limits up to \$5 million per occurrence with a \$25 million annual aggregate.



Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP)

On July 1, 2007 CSU purchased the Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP) to provide coverage for students involved in the University's service learning programs while performing service or volunteer work for academic credit. SAFECLIP similarly covers CSU students in Radio, Television or Film academic programs. This systemwide program is designed to satisfy the requirements of host institutions that students maintain liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and personal liability coverage with broad protection for the students, affiliates and the University. SAFECLIP provides coverage limits up to \$2 million per occurrence with a \$10 million annual aggregate.

AORMA PROGRAMS

The CSU Auxiliary Organizations coverage programs operate within CSURMA as the Auxiliary Organizations Risk Management Alliance (AORMA). Alliant works with a dedicated Committee composed of executive officials who are elected from among AORMA members. Participation in the program is voluntary. AORMA coverage programs include:

AORMA Liability Program

The AORMA Liability Program was established on July 1, 2002 to provide liability insurance coverage for participating Auxiliary Organizations. The Liability coverage includes General Liability, Automobile Liability, Directors' & Officers' Liability, Employment Practices Liability, Professional Liability, and Fiduciary Liability. The AORMA Liability Fund is self-insured for the first \$5,000,000 of each occurrence. AORMA purchased reinsurance in the amount of \$4,650,000 excess of \$350,000. Therefore, AORMA's self-insured layer retains only \$350,000 of each occurrence. Additional coverage excess of the \$5,000,000 limit is provided by AORMA's participation in the Campus Liability excess insurance placements.

AORMA Workers' Compensation Coverage Program

AORMA-WC is self-insured for the first \$500,000 of each occurrence. Excess insurance is purchased from a commercial insurer to provide statutory limits excess of the \$500,000 self-insured limit for Workers' Compensation, and to \$5,000,000 per occurrence for Employers' Liability.

AORMA Property Program

The AORMA Property Coverage Program has a shared risk layer of \$100,000 per occurrence with an aggregate stop loss limit of \$250,000. Members deductibles are \$5,000 for business personal property and business interruption / loss of rents. The member deductible for real property is 1% of the total insurable value, subject to a minimum of \$5,000 and a maximum of \$50,000. If the claims paid out of the "stop-loss" layer exceed the limit agreed upon by AORMA and the insurer, the insurer then pays all claims in excess of the members' selected deductibles. All members in the Liability Program automatically participate in the AORMA Property Program.

AORMA Crime Program

The AORMA Crime Program has a shared risk layer of \$25,000 per occurrence with an aggregate stop loss limit of \$100,000. All members have a deductible of \$5,000. If the claims paid out of the "stop-loss" layer exceed the limit agreed upon by AORMA and the insurer, the insurer then pays all claims in excess of the members' selected deductibles. All members in the Liability Program automatically participate in the AORMA Crime Program.

AORMA Unemployment Insurance Program (UIP)

The AORMA Unemployment Insurance Program was established July 1, 2011 and is the successor to the Auxiliary Organization Unemployment Insurance Trust (AOUIT). The AORMA UIP was established to provide a funding mechanism for the mandatory unemployment benefits program. The UIP is entirely self-insured and costs are allocated to the UIP members based on the members' actual claims over a five year period.

CAMPUS and AORMA PROGRAMS

Builder's Risk Insurance Program (BRIP)

CSURMA implemented the Builder's Risk Insurance Program (BRIP) beginning July 1, 2005. BRIP covers direct physical loss to the University's and/or the Auxiliary Organizations' construction projects in the course of construction. All Major Capital Improvement Projects are to be insured by the BRIP in place of the contractor's insurance. The program is managed by Alliant and the University's Capital Planning Design & Construction (CPDC) department at the Chancellor's Office. This program includes coverage for Earthquake damage that is self-funded by the University.

Owner-Controlled Insurance Program (OCIP)

Upon review of the cost savings and effective administration of CSURMA's Builder's Risk Insurance Program (BRIP), the Office of the Chancellor Capital Planning Design & Construction (CPDC) requested Alliant to explore an insurance program to provide General/Completed Operations Liability and Workers' Compensation coverage for all contractors doing work on CSU building projects via a CSU-controlled insurance plan. An Owner-Controlled Insurance program (OCIP) was implemented in January 2012 to cover major building projects of the University and Auxiliary Organizations with initial total construction cost of \$10,000,000 and more.

Club Sports Insurance Program

The Club Sports Insurance Program was launched on August 1, 2012. The program is designed to cover CSU students for medical expense due to accidental injuries while participating in the University's or Auxiliary Organization's club sports programs that are officially recognized by the University as a student organization. Beginning August 1, 2013, the program was expanded to include Intramural and Recreational sports. The program maintains a risk pool for primary accidental medical expense up to a \$30,000 limit per accident, subject to a \$100 deductible. The deductible operates to preclude "first aid" claims, and to promote safe play. Catastrophe accident medical expense coverage is provided by commercial insurance to \$5,000,000 lifetime benefit. Additionally, the program purchases primary General Liability insurance with a \$1,000,000 limit; no deductible.

MISCELLANEOUS PROGRAMS

Difference in Conditions Insurance Program (Earthquake)

Difference in Conditions (DIC) coverage for Earthquake losses is not provided as part of CSURMA's blanket coverage through PEP. DIC coverage can be purchased on a stand-alone basis for any member wishing to secure this coverage.

Participant Accident Insurance Program (PAI)

Participant Accident insurance provides coverage for a broad range of non-employer groups. Its primary benefit—accident medical insurance—is designed to provide insurance protection for participants of a group or organization while they are engaged in the group's sponsored activities. The plan is sold as blanket coverage, purchased by a group for all of its participants.

Student Travel Accident Insurance

Beginning in 1994, CSU purchased the Student Travel Accident policy to provide medical expense coverage for injuries to CSU students (including Extended Education Program students) during travel to or from campus to participate in a school sponsored activity. In 2013 the policy limit increased to \$25,000 with a \$0 deductible. Additionally, coverage for overnight supervised and sponsored travel was increased from up to 7 days to up to 14 days.

Foreign Travel Insurance Program (FTIP)

This program provides coverage for employees and students while traveling outside the United States. The program provides General Liability, Non-owned and Excess Hired Auto Liability, Employee Benefits Liability, Foreign Workers' Compensation (if applicable), Primary Accident and Illness, and Executive Assistance Services. Beginning July 1, 2014, FTIP can provide Liability insurance only to supplement the insurance mandated by certain third-party travel program providers under approved agreements with the University.

Inland Marine Insurance Program

This is a specialized form of insurance to cover physical damage to specific objects such as: computer and other EDP equipment including media and laptops; scientific and laboratory equipment; cameras, audio, industrial lighting; fine arts; valuable collections; specialized mobile equipment; etc. Rates are based on the type of equipment insured.

Public Entity Automobile Physical Damage Program

CSU participates with select public entities in the Public Entity Automobile Physical Damage Program. The program was designed specifically for public agencies including CSU with a limited number of higher valued vehicles. The program was expanded to include other types of vehicle and mobile equipment.

The insurance is an "All Risk" Equipment Floater including earthquake and flood for scheduled equipment on file with the insurer. Claims are adjusted on a replacement cost basis. The deductible varies for each member as selected annually. The plan covers all risks of direct physical loss or damage from any external cause, including salvage charges, except perils excluded.

Non-Owned Aircraft Liability Insurance

As CSU occasionally uses non-owned aircraft for university business, effective July 1, 2011 a special Aviation Liability policy was placed to insure against non-owned aircraft liability. Because of the increased exposure in athletics and in international travel, air travel involving faculty, staff, students, and auxiliary organizations makes this insurance essential, and it is relatively inexpensive. Beginning July 1, 2014, the insurance was expanded to offer Aircraft Liability coverage for unmanned aerial systems (UAS) aka: “drones” operated by the University.

Special Events Liability Insurance Program

The Special Events Program of Alliant offers public entities premises liability coverage for a broad range of events held by underinsured third parties in public assembly facilities. The program has the added feature of allowing the host institution to insure its own events if circumstances warrant. The three coverage components are:

- *Tenant/User Liability* – Coverage is provided for events held or sponsored by companies, organizations, or individuals that have been permitted to use a campus or auxiliary organization meeting room or other facility. Liability insurance protects the owner and the user of the facility. The campus or auxiliary organization determines the premium for the event based on published rates and provides a certificate of insurance to the user. Events are reported quarterly, and reports, copies of certificates, and a check for the premium for all events held within the quarter are remitted to Alliant.
- *Instructor/Recreation Classes* – This provides coverage for events that are instructional to participants. Also covered are instructors who are not employed by the campus or auxiliary organization but who provide instructional services for a fee. The events are reported quarterly to Alliant, premiums are determined and certificates are issued to the instructor. Participant coverage requires signed waivers and prior approval from the underwriter.
- *Nominee Events* – Coverage is offered for events held or sponsored by a campus or auxiliary organization itself or by any of its departments or divisions. Coverage can be expanded to cover co-sponsors if desired. This is not a self-rated program, and events must be approved and rated by Alliant, who issues the insurance certificates.

Vendors / Contractors Liability Insurance Program

The Vendors/Contractors Program was developed to meet the needs of public entities such as CSU for those situations when the public entity enters into a contract with a contractor/vendor, and the contractor/vendor is unable to provide the insurance required. The program allows the contractor/vendor to purchase General Liability insurance for the work to be performed for the University or Auxiliary Organization at a significantly reduced cost.

MILESTONES – A Proud History of Accomplishments

Alliant is proud of its history of developing and implementing meaningful and cost effective coverage programs for CSU since the establishment of the Campus Risks Pool in 1995 and its successor joint powers authority, CSURMA, in 1997. Many of the coverage programs for the University, and including the formation of the Auxiliary Group Purchase Insurance Program (AGPIP) for auxiliary organization members, which evolved into Auxiliary Organizations Risk Management Alliance (AORMA), remain viable today and continue to provide highly-valued, cost-effective, state-of-the-art protection for all its member participants.

These accomplishments for CSU campuses and auxiliary organizations can be considered “Milestones” for CSURMA. From the establishment of the risk pools, formation of the joint powers authority, creation of additional coverage, development of loss-sensitive yet equitable rating plans, commissioning independent professional actuarial reviews, setting budget goals to ensure adequate funding, measuring rating adequacy, and recommending dividends to members, to the more recent challenges addressing sound program management that is expected of a public joint powers insurance authority and the administrative expectations of CSU’s Internal Auditors to ensure fiscal responsibility, Alliant has welcomed and embraced these essential tasks and responsibilities for the betterment of all CSURMA members.

The Milestones are highlighted in a chart on pages 20 and 21.

2013/2014 – A Year of Challenges and Performances

There have been many challenges during the past fiscal period, which the dedicated members of Alliant have risen to meet and resolve for CSURMA. The major challenges of the year and how Alliant responded for the Campuses and Auxiliary Organizations are highlighted below.

Campus Programs:

1. Expanded the Club Sports Insurance Program to insure Intramural and Recreational Sports.
2. Conducted monthly meetings of the Campus Workers’ Compensation Coordinators.
3. Calculated premium deposits and funding recommendations for all Campus programs.
4. Coordinated and managed new construction and major renovation projects with Capital Planning Design & Construction (CPDC), and reconciling project premiums with the insurer.
5. Managed application forms for Risk Reduction Incentive Grants for Health & Wellness and Loss Control & Safety.
6. Prepared Educational Memos for Workers’ Compensation Coordinators.
7. In-person campus visits.
8. Workers’ Compensation Claims Settlement Authorization Requests (SAR) review and discussions – ongoing.
9. Investigation Vendor Panel and Oversight Program – annual review.
10. Workers’ Compensation Claims Coding Task Group.
11. Industrial Injury Prevention Program (IIPP) Task Group.

12. Drafted memo regarding First Aid claims for the Student Health Centers.
13. Launched Theater Safety Assessment & Loss Prevention Program
14. Launched Unmanned Aerial Systems (aka: Drones) Coverage Program
15. Developed and implemented Foreign Travel Supplemental Insurance Plan in response to third-party travel providers who mandate purchase of their own insurance.
16. Convened and managed Rating Plans Task Group for Campus Risk Pools
17. Convened and managed Rating Plans Task Group for Student Insurance Programs
18. Calculated and presented Deductible Options for Campus Liability Program.
19. Calculated Risk Pools Funding Status and Potential Dividends
20. Assisted Accounting staff in preparation for the annual independent financial audit.
21. Assisted Sport Clubs Committee in redraft of the Sport Club Administration Guidelines.
22. Presented with Humboldt State (Dr. Justus Ortega, Beth Larson) and Chancellor's Office (Zachary Gifford) issues involving Concussive Injuries exposures in athletics, etc.
23. Presented synopsis of the Affordable Care Act ("Obamacare") to CCAA Athletic Trainers.

AORMA Programs:

1. Set-up a procedure to review all Policies and Procedures every other year
2. Reviewed all of the Workers' Compensation Policies and Procedures
3. Provided assistance to the Programs Committee and AORMA Committee in setting new rates for the Workers' Compensation Program
4. Provided assistance to the Programs Committee and AORMA Committee in order to finalize the new Property Program Member Allocation Formula
5. Provided assistance to the Programs Committee and AORMA Committee in order to finalize the new Crime Program Member Allocation Formula
6. Assisted the Programs Committee in revising the member allocation formula for the Liability Program
7. Launched the Shoes for Crews program
8. Launched the Risk Reduction Matching Grant Program
9. Worked with Chancellor Office staff, the Executive Committee and the AORMA Committee to begin the process of launching the Praesidium contract for Managing the Risks of Minors on Campus
10. Calculated premium deposits and funding recommendations for all AORMA programs
11. Contracted Bickmore Risk Services for the AORMA Liability Program Claims Administration Audit
12. Prepared and presented the Target Surplus Funding Report and Dividend Calculation for the AORMA Committee's review and approval
13. Calculated the individual member employment practices deductibles
14. Negotiated with the excess fiduciary insurer to add coverage for the Auxiliaries Multiple Employer VEBA trust within the primary and excess fiduciary program
15. Suggested revisions to the AORMA Liability Program Memorandum of Coverage
16. Marketed the property program which ultimately resulted in a 38% rate reduction for the FY 14/15 policy term
17. Negotiated a three-year contract with the Employers Group
18. Visited the majority of the campuses to meet with the individual auxiliary organizations

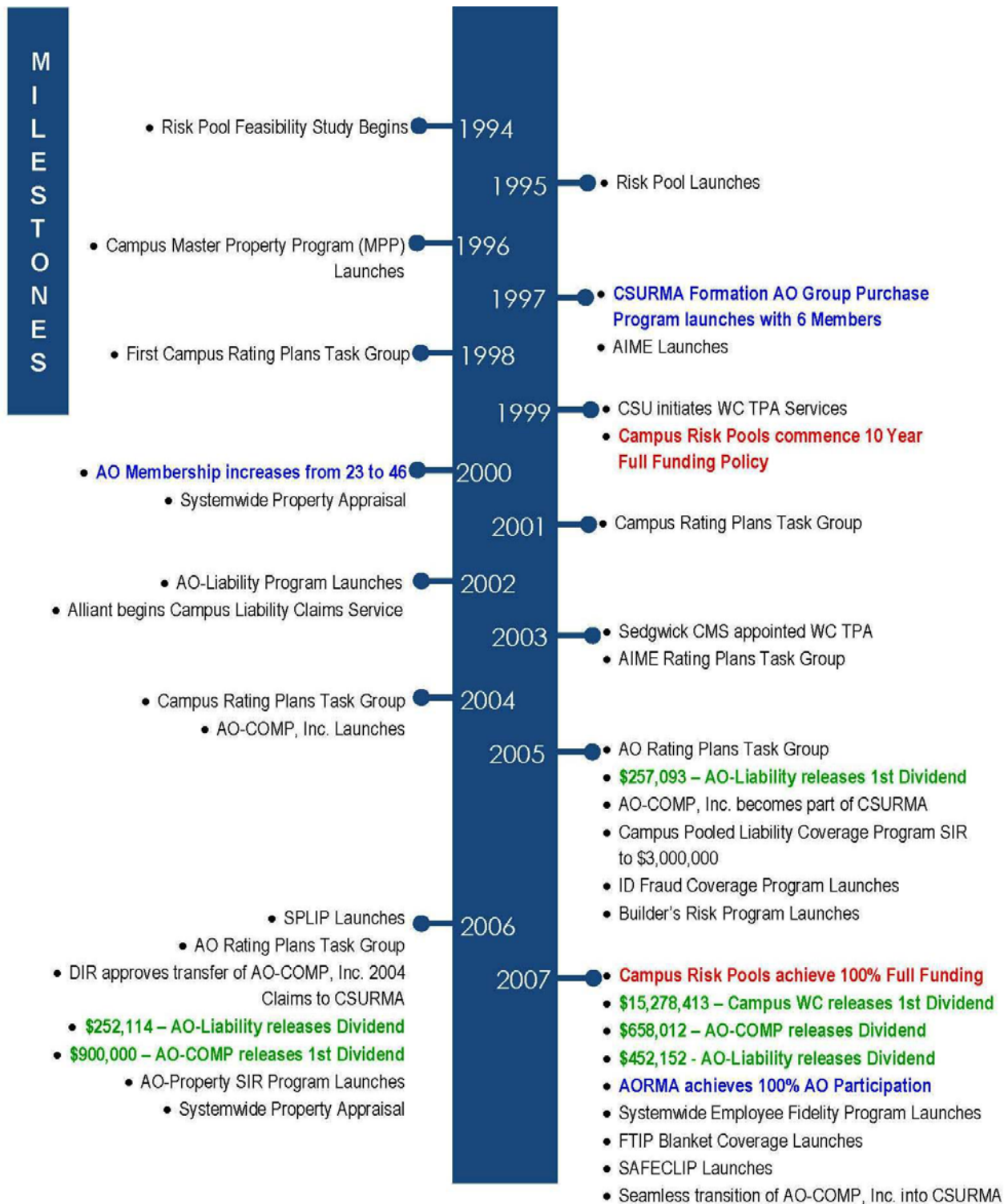
19. Negotiated with Actuary to provide additional scope of service for the Liability Program
20. Issued nine AORMA Bulletins

JPA Administration:

1. Conducted an “Orientation to CSURMA” for all members via webinar.
2. Completed Trustees’ Audit of CSURMA Operations and responded to auditor’s findings and recommendations.
3. Developed and recommended several policies & procedures to update operating practices, many of which were brought forth by the Trustees’ Auditors.
4. Coordinated and participated in the CSURMA Investment Policy Task Group, which resulted in a recommendation and subsequent drafting of formal procedures that is consistent with the State’s regulation regarding investments of public funds.
5. Drafted, managed distribution of meeting agendas, and participated in meetings for the Board of Directors, Executive Committee, AORMA Committee, AIME Committee, and several subcommittees and task groups.
6. Prepared the updated version of the Service Calendar

The accomplishments described above highlight Alliant’s role in supporting CSURMA’s achievements during the year. These would not have been possible without the commitment and professionalism of the Alliant team members working with CSU’s Systemwide Office of Risk Management and with the Campuses’ and Auxiliary Organizations’ leadership.

CSURMA Milestones



- Identity Fraud Expense Reimbursement Coverage for AORMA Member Employees added
 - **\$9,867,829 – Campus WC releases Dividend**
 - Cyber Liability Program Launches
 - **\$1,217,462 – AO-COMP releases Dividend**
 - AORMA WC Code consolidation project
 - Campus WC On Time reporting: 90%
 - Replacement of SELF XS liability program
 - **CSURMA and AORMA logos developed**
 - **\$2,242,800 – dividends for AORMA members liability and workers comp program**
 - **\$16,599,342 – Campus WC releases Dividend**
 - **\$415,861 – Campus AIME releases Dividend**
 - Campus WC On Time reporting: 93%
 - Self-insured layer to campus property program added (savings of over \$3 million per year)
 - Change Management training for all campuses
 - **Completed digitization of CSURMA records**
 - **\$9,173,264 – Campus WC releases Dividend**
 - **\$1,199,767 – Dividends for AORMA members**
 - CSU International Programs launches (CSUIP)
 - Owner Controlled Insurance Program (OCIP) launches
 - Published new facilities use agreement template for auxiliary organizations
 - Completed regional trainings for IRIC manual
 - Club Sports Insurance Program (CSIP) launched
 - **AIME achieves 100% campus participation**
 - **\$7,504,717 – Campus WC releases Dividend -**
 - **\$2,219,190 – Dividends for AORMA members**
 - CSU Doctor's Medical Practice Program launches
 - **csurma.org website re-launched**
 - **\$1,702,157 – Dividends for AORMA members**
 - Campus Liability Claims Audit
 - AIME Claims Audit
 - AORMA Liability Claims Audit
 - CSIP adds Intramural/Recreational Sports
 - **\$7,097,512 – Campus Risk Pool releases Dividend**
- Campus WC On Time reporting: 96%
 - Enhancements to CSURMA Foreign Travel Prgm
 - Enhancements to Catastrophic AIME coverage
 - Fiduciary Liability coverage added to Liability program
 - AORMA added Human Resources support counseling
 - Systemwide Property Appraisal
 - AORMA Bulletins launches
 - AORMA Toolkit (updated)
 - CSU IRIC Manual (updated)
 - **Launched AORMA UIP freeing up over \$10 million dividend to members**
 - AORMA Risk Reduction Incentive Plan implemented
 - **External comparative review of CSURMA Administration shows programs in good position to CAJPA standards**
 - **\$14,038,323 – Campus WC releases Dividend -**
 - **\$5,470,192 – Campus Liability releases Dividend**
 - **\$1,490,744 – Dividends for AORMA members**
- Theater Safety Risk Management Roll out
 - **\$8,677,518 – Campus Risk Pool releases Dividend**
 - Campus Liability includes coverage for unmanned aerial system ("Drones")
 - Campus Member offered new deductibles for Liability
 - Rating Plans Task Group for Campus Risk Pools
 - Rating Plans Task Group for Student Insurance Programs
 - Campus Property Program restructured as Reinsurance
 - Coverage for Unmanned Aerial Vehicles added
 - Addition of auto physical damage coverage for rented RVs and Limousines
- **\$1,823,733 – Dividends for AORMA members**
- CSU IRIC Manual (updated)
- Shoes for Crews Program launched

LOOKING AHEAD - Opportunities for Improvement

In serving such a vibrant and growing program, Alliant recognizes there are opportunities for improvement in its performance. As a result of our internal review and planning process, we have identified the following priority opportunities for improvement which are contained in the 2014/15 CSURMA Long Range Action Plans:

Campus Programs Long Range Action Plan

- LRP-1: CSURMA 101
- LRP-2: UNEMPLOYMENT INSURANCE
- LRP-3: WORKERS' COMPENSATION CLAIMS CLOSURE INITIATIVE
- LRP-4: WORKERS' COMPENSATION REINSURANCE
- LRP-5: OCIP RENEWAL
- LRP-6: UNMANNED AERIAL VEHICLES (UAVs, Drones)
- LRP-7: STUDENT PLACEMENT AGREEMENTS

AORMA Programs Long Range Action Plan

- A-1: WORKERS' COMPENSATION POLICIES AND PROCEDURES
- A-2: CLOSED SESSION POLICY AND PROCEDURE
- A-3: MEMBER ALLOCATION FORMULA – RATING PLAN REVIEW
- P-1: LIABILITY PROGRAM MEMBER ALLOCATION FORMULA (for FY 15/16 term)
- P-2: EARTHQUAKE COVERAGE FOR CONDOMINIUM OWNERS (WHEN HOA DOES NOT PURCHASE EARTHQUAKE COVERAGE)
- M-1: RISK REDUCTION INNOVATIVE MATCHING GRANT PROGRAM
- M-2: AORMA INSURANCE HANDBOOK – IS THIS COVERED
- M-3: REAL PROPERTY ACQUISITIONS CHECKLIST
- M-4: KEEPING MINORS SAFE WHILE ON CAMPUS HANDBOOK

Alliant expects there to be other opportunities for improving our performance, and we encourage CSURMA members to assist us by bringing performance improvement items to our attention. The service team regards working with the CSURMA as an exciting opportunity with our professional promise to provide the highest level of services. We are committed to improving our effectiveness and value to all members. We appreciate your support and encouragement as we move forward.

CALENDARS

Meeting Calendar





An organization as complex as CSURMA requires regular meetings of its Board of Directors, the Executive Committee, AORMA Committee, AIME Committee, and a number of subcommittees and task groups who are focused on specific tasks and responsibilities. These meetings are important to ensure member needs are met, to communicate program development, and to provide reports to all members regarding status of the program's objectives. As a governmental entity, CSURMA's Campus programs and AORMA programs ascribe to the Bagley-Keane Open Meeting Law. A copy of the Meeting Calendars for 2014 and 2015 are included as Appendix B.

SUMMARY

We are excited to have the opportunity to work with dynamic, creative and forward thinking leaders who are willing to invest energy and resources that is essential for program success. We are extremely proud to be associated with CSU and its Auxiliary Organizations. We are committed to meet the current and future needs of CSURMA.

Appendix A – Alliant Team Organization Chart for CSURMA as of July 1, 2014



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



Appendix B – CSURMA Meeting Calendar

2014 CSURMA MEETING CALENDAR

JANUARY, 2014		FEBRUARY, 2014		MARCH, 2014	
12-15	AOA Conference: Sacramento	3	MSLCTC: Teleconference, 11:00 a.m.	3	MSLCTC: Teleconference, 11:00 a.m.
28	AIME: Long Beach, 10:30 a.m.	6	PC: Teleconference, 2:00 p.m.	6	PC: Teleconference, 1:00 p.m.
				20	AORMA: Newport Beach, 10:00 a.m.
				20	EC: Newport Beach: 2:30 p.m.
				21	EC LRP: Newport Beach, 8:00 a.m.
				21	AOA EC: Pasadena: 8:30 a.m.
APRIL, 2014		MAY, 2014		JUNE, 2014	
3	PC: Teleconference, 1:00 p.m.	1	PC: Teleconference, 1:00 p.m.	5	PC: Teleconference, 1:00 p.m.
7	MSLCTC: Teleconference, 11:00 a.m.	8	AORMA: Long Beach, 10:00 a.m.	20	AOA EC: Long Beach
		9	EC: Long Beach, 8:00 a.m.		
		9	BOD: Long Beach, 10:30 a.m.		
		19	AIME: Sacramento, 10:30 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	

Appendix B – CSURMA Meeting Calendar (cont'd)

2014 CSURMA MEETING CALENDAR

JULY, 2014		AUGUST, 2014		SEPTEMBER, 2014	
02	PC: Teleconference, 1:00 p.m.	15	AOA EC: San Diego	10	AORMA New Committee Member Orientation:
15/16	AORMA Officers Retreat, Sonoma			10	Newport Beach, 9:00 a.m.
28	MSLCTC: Teleconference, 11:00 a.m.			11	AORMA LRP: Newport Beach, 10:00 a.m.
				12	AORMA: Newport Beach, 9:00 a.m.
				25	EC: Newport Beach, 8:30 a.m.
				29	PC: Teleconference, 1:00 p.m.
					MSLCTC: Teleconference, 11:00 a.m.
OCTOBER, 2014		NOVEMBER, 2014		DECEMBER, 2014	
23	AORMA: Long Beach, 10:00 a.m.	03	AIME: San Diego, 10:30 a.m.	4	AORMA: TBD, 10:00 a.m.
24	EC: Long Beach, 9:00 a.m.	17	MSLCTC: Teleconference, 11:00 a.m.	5	EC: TBD, 8:30 a.m.
24	BOD: Long Beach, 10:30 a.m.	21	AOA EC: Pasadena	11	PC: Teleconference, 1:00 p.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	

Appendix B – CSURMA Meeting Calendar (cont'd)

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: TBD: 10:00 a.m. 19 EC: TBD: 2:30 p.m. 20 EC LRP: TBD: 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

Appendix B – CSURMA Meeting Calendar (cont'd)

2015 CSURMA • AORMA MEETING CALENDAR

JULY, 2015	AUGUST, 2015	SEPTEMBER, 2015
15/16 AORMA Officers Retreat, TBD		9 AORMA New Member Orientation: 9 AORMA LRP: TBD: 10:00 a.m. 10 AORMA: TBD: 9:00 a.m. 10 EC Orientation: TBD: 4:00 pm 11 EC: TBD: 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: TBD:: 10:00 a.m. 4 EC: TBD: 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

Appendix C – CSU and AORMA Member Listing

#	Location	Campus
1	Bakersfield	California State University, Bakersfield
2	Chancellor's Office	California State University, Chancellor's Office
3	Channel Islands	California State University, Channel Islands
4	Chico	California State University, Chico
5	Dominguez Hills	California State University, Dominguez Hills
6	East Bay	California State University, East Bay
7	Fresno	California State University, Fresno
8	Fullerton	California State University, Fullerton
9	Humboldt	Humboldt State University
10	Long Beach	California State University, Long Beach
11	Los Angeles	California State University, Los Angeles
12	Maritime Academy	California Maritime Academy
13	Monterey Bay	California State University, Monterey Bay
14	Northridge	California State University, Northridge
15	Pomona	California State Polytechnic University, Pomona
16	Sacramento	California State University, Sacramento
17	San Bernardino	California State University, San Bernardino
18	San Diego	San Diego State University
19	San Francisco	San Francisco State University
20	San Jose	San Jose State University
21	San Luis Obispo	California Polytechnic State University, San Luis Obispo
22	San Marcos	California State University, San Marcos
23	Sonoma	Sonoma State University
24	Stanislaus	California State University, Stanislaus

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

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

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

FITTING THE PIECES TOGETHER CONFERENCE 2015

ISSUE: CSURMA sponsors the Fitting the Pieces risk management conference that is developed and delivered by the Chancellor's Office Systemwide Office of Risk Management. The historical schedule has been once every 18 months. The last conference was November 6-8, 2013, and the Chancellor's Office has begun work on a conference in Spring 2015 that would incorporate CSURMA's regular Board of Directors and Executive Committee meetings to minimize travel expenses and time commitments.

The tentative dates are Monday, April 27 through Wednesday, April 29, 2015 at the San Diego Sheraton Hotel & Marina. Staff will be present today to discuss the planning process.

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

FISCAL IMPACT: The cost of the conference is included in the proposed FY 14/15 CSURMA general fund budget.

BACKGROUND: None.

PUBLICATION: The conference dates will be published to the CSURMA web site and also to the CSURMA mailing list in a "save the date" communication.

ATTACHMENT(S): None.

STATUS OF FORM 700 FILINGS

ISSUE: The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

RECOMMENDATION: Staff recommends that the Board of Directors review the process currently in place and adjust as needed.

FISCAL IMPACT: None.

BACKGROUND: Annually, in late January, the Program Administrator begins the process of transmitting Form 700 documents to the membership via email. There is schedule of reminders in place to be sure that all forms are returned to the Program Administrators, who then in turn forwards them to the FPPC for permanent filing. The completed forms are due to the FPPC no later than April 1, 2014.

PUBICATION: None.

ATTACHMENT(S):

- a. Form 700 Booklet – 2013-14

2013/2014 Statement of Economic Interests



Form 700

A Public Document

Also available on the FPPC website:

- ***Form 700 in Excel format***
- ***Reference Pamphlet for Form 700***

California Fair Political Practices Commission

428 J Street, Suite 620 • Sacramento, CA 95814

Email Advice: advice@fppc.ca.gov

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2013

What's New

Gifts and Travel Payments

The Commission is continually updating regulations and rules that pertain to gifts and travel payments. For the most current information, including new travel rules effective January, 2014, refer to the fact sheets and FAQs on our website. The rules contained in this publication were those in effect through December 31, 2013 and apply to gifts and travel payments received during 2013.

New Gift Tracking Mobile Application

FPPC has created and launched a new gift tracking app for mobile devices. The app helps filers track gifts they receive in a calendar year and provides a quick and easy way to upload the information to the Form 700. The data is not collected electronically, it is fully stored on the phone. This app is currently available for Android Phone running version 4.0 or higher, with an iOS version coming in the near future.

Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers"). **Obtain your disclosure categories, which describe the interests you must report, from your agency;** they are not part of the Form 700
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

See Reference Pamphlet, page 3, at www.fppc.ca.gov or obtain from your filing officer.

Where to file:

87200 Filers

State offices	➔	Your agency
Judicial offices	➔	The clerk of your court
Retired Judges	➔	Directly with FPPC
County offices	➔	Your county filing official
City offices	➔	Your city clerk
Multi-County offices	➔	Your agency

Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

Employees in Newly Created Positions of Existing

Agencies: File with your agency or with your agency's code reviewing body. See Reference Pamphlet, page 3.

Candidates: File with your local elections office.

How to file:

The Form 700 is available at www.fppc.ca.gov. Form 700 schedules are also available in Excel format. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions.

When to file:

Annual Statements

➔ March 3, 2014

- Elected State Officers
- Judges and Court Commissioners
- State Board and Commission Members listed in Government Code Section 87200

➔ April 1, 2014

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

Exception:

If you assumed office between October 1, 2013, and December 31, 2013, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2015, or April 1, 2015, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2014. See Reference Pamphlet, pages 6 and 7, for additional exceptions.

Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents.

Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at www.fppc.ca.gov.

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (Regulation 18723)

Statements of 30 pages or less may be faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

Introduction

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. During 2013, the gift limit was \$440 from a single source for the calendar year. This gift limit is effective until December 31, 2014.

In addition, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose (i.e., a personal residence is often not reportable, but may be disqualifying). Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must identify orally the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18702.5, and the Overview of the Conflict of Interest Laws at www.fppc.ca.gov.

Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. See Reference Pamphlet, page 10.

Loan Restrictions

Certain state and local officials are subject to restrictions on loans. See Reference Pamphlet, page 14.

Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

For assistance concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to advice@fppc.ca.gov.
- Call the FPPC toll-free at (866) 275-3772.

Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

Types of Form 700 Filings

Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

Annual Statement:

Generally, the period covered is January 1, 2013, through December 31, 2013. If the period covered by the statement is different than January 1, 2013, through December 31, 2013, (for example, you assumed office between October 1, 2012, and December 31, 2012 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2013.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Leaving Office Statement:

Generally, the period covered is January 1, 2013, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2013, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2012, and December 31, 2012, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2013.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, and water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at www.fppc.ca.gov.

Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
- To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April 1 annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

Example:

Scott Baker is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Scott will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Scott will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.
- If your agency is a multi-county office, list each county in which your agency has jurisdiction.

- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the "other" box and enter the county or city in which the agency has jurisdiction.

Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

Part 3. Type of Statement

1. Office, Agency, or Court	
Agency Name _____	
South Sutter Water District	
Division, Board, Department, District, if applicable _____	Your Position _____
	Board Member
▶ If filing for multiple positions, list below or on an attachment.	
Agency: _____	Position: _____
2. Jurisdiction of Office (Check at least one box)	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input type="checkbox"/> Multi-County _____	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input checked="" type="checkbox"/> Other _____Portions of Yuba & Sutter Counties

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2013 annual statement, **do not** change the pre-printed dates to reflect 2014. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2014, through December 31, 2014, will be disclosed on your statement filed in 2015. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

Part 4. Schedule Summary

- Enter the total number of completed pages including the cover page and either:

Check the box for each schedule you use to disclose interests;

- or -

if you have nothing to disclose on any schedule, check the "No reportable interests" box. Please **do not** attach any blank schedules.

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions. **When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

FPPC Form 700 (2013/2014)

FPPC Advice Email: advice@fppc.ca.gov

FPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov

Instructions – 1

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____ Position: _____

2. Jurisdiction of Office (Check at least one box)

- State
- Multi-County _____
- City of _____
- Judge or Court Commissioner (Statewide Jurisdiction)
- County of _____
- Other _____

3. Type of Statement (Check at least one box)

- Annual:** The period covered is January 1, 2013, through December 31, 2013.
- Leaving Office:** Date Left ____/____/_____
(Check one)
 - The period covered is January 1, 2013, through the date of leaving office.
 - The period covered is ____/____/_____, through the date of leaving office.
- Assuming Office:** Date assumed ____/____/_____
 Candidate: Election year _____ and office sought, if different than Part 1: _____

4. Schedule Summary

Check applicable schedules or "None."

► Total number of pages including this cover page: _____

- Schedule A-1 - Investments** – schedule attached
 - Schedule A-2 - Investments** – schedule attached
 - Schedule B - Real Property** – schedule attached
 - Schedule C - Income, Loans, & Business Positions** – schedule attached
 - Schedule D - Income – Gifts** – schedule attached
 - Schedule E - Income – Gifts – Travel Payments** – schedule attached
- or-
- None** - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER () E-MAIL ADDRESS (OPTIONAL)

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____ Signature _____
(month, day, year) (File the originally signed statement with your filing official.)

Which Schedule Do I Use?

Common Reportable Interests

Schedule A-1	Stocks, including those held in an IRA or a 401K
Schedule A-2	Business entities (including certain independent contracting), sole proprietorships, partnerships, LLCs, corporations, and trusts
Schedule B	Rental property in the jurisdiction
Schedule C	Non-governmental salaries of public official and spouse/registered domestic partner
Schedule D	Gifts from businesses (such as tickets to sporting or entertainment events)
Schedule E	Travel payments from third parties (not your employer)

Common Non-Reportable Interests

Schedule A-1	Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 12, for detailed information. (Regulation 18237)
Schedule A-2	Savings and checking accounts and annuities
Schedule B	A residence used exclusively as a personal residence (such as a home or vacation cabin)
Schedule C	Governmental salary (such as a school district)
Schedule D	Gifts from family members
Schedule E	Travel paid by your government agency

Remember:

- ✓ Mark the “No reportable interests” box on Part 4 of the Schedule Summary on the Cover Page if you determine you have nothing to disclose and file the Cover Page only. **Make sure you carefully read all instructions to ensure proper reporting.**
- ✓ The Form 700 is a public document.
- ✓ **Most individuals must consult their agency’s conflict of interest code for reportable interests.**
- ✓ Most individuals file the Form 700 with their agencies.

Questions and Answers

General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.

On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.

- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. See Reference Pamphlet, page 13.
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the “Acquired” and “Disposed” fields?
- A. No. You must only report dates in the “Acquired” or “Disposed” fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

Questions and Answers Continued

Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

Income Disclosure

Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients doing business on a regular basis in your jurisdiction must be disclosed.

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California law. This regulation may be obtained from our website at www.fppc.ca.gov. See Reference Pamphlet, page 14.

Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the

"comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. See Reference Pamphlet, page 8, for the definition of "business entity."

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before her name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. See Reference Pamphlet, page 14, for additional information.

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Questions and Answers Continued

Q. I am running for re-election to city council and made a personal loan to my campaign committee. Is this reportable on my Form 700?

A. No, the loan is not reportable on Form 700; however, loan repayments from a campaign committee are reported on Schedule C as income.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. My daughter is buying her first home and I am the co-signer on the loan. I won't occupy the home, but my daughter will. The home is located in my agency's jurisdiction. Must I report this property?

A. No. Property occupied by a family member is not reportable as long as you are not receiving rental income or using the property for business purposes.

Gift Disclosure

Q. If I received a gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

Q. Mary and Joe Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?

A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2013 the gift limit was \$440, so the Bensons may have given the supervisor artwork valued at no more than \$880. The supervisor must identify Joe and Mary Benson as the sources of the gift.

Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?

A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.

Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.

A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?

A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.

Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. See Reference Pamphlet, page 13.

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments that are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. See Reference Pamphlet, page 15, for more information on disclosing trusts.
- Business trusts

You are not required to disclose:

- Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 12, for detailed information. (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

Use Schedule A-1 to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. See second example below.

Use Schedule A-2 to report ownership of 10% or greater (e.g., a sole proprietorship).

To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively.
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

Examples:

John Smith holds a state agency position. His conflict of interest code requires full disclosure of investments. John must disclose his stock holdings of \$2,000 or more in any company that does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Susan Jones is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Susan must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

**SCHEDULE A-1
Investments**

Stocks, Bonds, and Other Interests
(Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

Name _____

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____
(Describe)

Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/13 ____/____/13
ACQUIRED DISPOSED

Comments: _____

Instructions – Schedule A-2 Investments, Income, and Assets of Business Entities/Trusts

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13. A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

To Complete Schedule A-2:

Part 1. Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

Part 2. Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

Part 3. Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting period. See Reference Pamphlet, page 11, for examples.

Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. See Reference Pamphlet, page 8, for an explanation of commission income. You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Using phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" may trigger a request for an amendment to your statement. See Reference Pamphlet, page 14, for details about requesting an exemption from disclosing privileged information.

Part 4. Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

SCHEDULE A-2

Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
 Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/13 ____/____/13</p> <p style="text-align: center;">ACQUIRED DISPOSED</p>
--	--

NATURE OF INVESTMENT
 Partnership Sole Proprietorship _____ Other

YOUR BUSINESS POSITION _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
 Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/13 ____/____/13</p> <p style="text-align: center;">ACQUIRED DISPOSED</p>
--	--

NATURE OF INVESTMENT
 Partnership Sole Proprietorship _____ Other

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
 INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property _____

Description of Business Activity or City or Other Precise Location of Real Property _____

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/13 ____/____/13</p> <p style="text-align: center;">ACQUIRED DISPOSED</p>
--	--

NATURE OF INTEREST
 Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Yrs. remaining Other _____

Check box if additional schedules reporting investments or real property are attached

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
 INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property _____

Description of Business Activity or City or Other Precise Location of Real Property _____

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <p style="text-align: center;">____/____/13 ____/____/13</p> <p style="text-align: center;">ACQUIRED DISPOSED</p>
--	--

NATURE OF INTEREST
 Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Yrs. remaining Other _____

Check box if additional schedules reporting investments or real property are attached

Comments: _____

Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. See Reference Pamphlet, page 13.

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

You are not required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)

Please note: A non-reportable residence can still be grounds for a conflict of interest and may be disqualifying.

- Interests in real property held through a blind trust (See Reference Pamphlet, page 16, for exceptions.)

To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.
- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single

Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 are not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."

- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

Example:

Joe Nelson is a city planning commissioner. Joe received rental income of \$12,000 during the reporting period from a single tenant who rented property Joe owned in the city's jurisdiction. If Joe had received the \$12,000 from two or more tenants, the tenants' names would not be required as long as no single tenant paid \$10,000 or more. A married couple would be considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street	
CITY Henry Wells	
FAIR MARKET VALUE <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input checked="" type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	IF APPLICABLE, LIST DATE: ACQUIRED <u> </u> / <u> </u> / <u>13</u> DISPOSED <u> </u> / <u> </u> / <u>13</u>
NATURE OF INTEREST <input checked="" type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement <input type="checkbox"/> Leasehold Yes, remaining <u> </u> <input type="checkbox"/> Other <u> </u>	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED <input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. <input type="checkbox"/> None Henry Wells	
NAME OF LENDER* Sophia Petroillo	
ADDRESS (Business Address Acceptable) 2121 Blue Sky Parkway, Sacramento	
BUSINESS ACTIVITY, IF ANY, OF LENDER Restaurant Owner	
INTEREST RATE 8 % <input type="checkbox"/> None	TERM (Month/Years) 15 Years
HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
<input type="checkbox"/> Guarantor, if applicable	

FPPC Form 700 (2013/2014)

FPPC Advice Email: advice@fppc.ca.gov

FPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov

Instructions – 11

Instructions – Schedule C

Income, Loans, & Business Positions

(Income Other Than Gifts and Travel Payments)

Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. See Reference Pamphlet, page 11. You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

A source of income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13, for more information about doing business in the jurisdiction. Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others, including loan repayments from a campaign committee (including a candidate's own campaign committee)
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10, concerning your ability to receive future honoraria.)
- Incentive compensation (See Reference Pamphlet, page 12.)

Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

You are **not** required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

See Reference Pamphlet, page 11, for more exceptions to income reporting.

To Complete Schedule C:

Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. See Reference Pamphlet, page 8. **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
 - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
 - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10, regarding your ability to receive future honoraria.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

You are not required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes

Reminders

- Gifts from a single source are subject to a \$440 limit during 2013. See Reference Pamphlet, page 10.
- Code filers – you only need to report gifts from reportable sources.

- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- During 2013, the cost of food, beverages, and necessary accommodations provided directly in connection with an event at which you gave a speech, participated in a panel or seminar, or provided a similar service but only if the cost is paid for by a federal, state, or local government agency. **This exception does not apply to a state or local elected officer, as defined in Section 82020, or an official specified in Section 87200.**
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

**SCHEDULE D
 Income – Gifts**

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: _____

Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" at www.fppc.ca.gov.

You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C
- During 2013, payments for admission to an event at which you make a speech, participate on a panel, or make a substantive formal presentation, transportation, and necessary lodging, food, or beverages, and nominal non-cash benefits provided to you in connection with the event so long as both the following apply:
 - The speech is for official agency business and you are representing your government agency in the course and scope of your official duties.
 - The payment is a lawful expenditure **made only by a federal, state, or local government agency** for purposes related to conducting that agency's official business.

The above exception does not apply to a state or local elected officer, as defined in Section 82020, or an official specified in Section 87200.

Note: Effective January, 2014, certain travel payments may not be reportable if reported on Form 801 by your agency.

- A travel payment that was received from a non-profit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration

To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
 - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement. When reporting travel payments that are gifts, you must provide a description of the gift and the **date(s)** received.
 - **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling \$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

Example:

City council member Rick Chandler is the chairman of a trade association and the association pays for Rick's travel to attend its meetings. Because Rick is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for Rick to attend other events for which Rick is not providing services are likely considered gifts.

▶ NAME OF SOURCE	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Ste. 610	
CITY AND STATE	
Sacramento, CA	
BUSINESS ACTIVITY, IF ANY, OF SOURCE	<input type="checkbox"/> 501 (c)(3)
Association of Healthcare Workers	
DATE(S): / / - / /	AMT: \$ 588.00
<small>(If applicable)</small>	
TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input checked="" type="checkbox"/> Income	
DESCRIPTION: Travel reimbursement for board meeting	

Name _____

SCHEDULE E

Income – Gifts

Travel Payments, Advances, and Reimbursements

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. These payments are not subject to the \$440 gift limit, but may result in a disqualifying conflict of interest.

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

BUSINESS ACTIVITY, IF ANY, OF SOURCE 501 (c)(3)

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ *(If gift)*

TYPE OF PAYMENT: (must check one) Gift Income

Made a Speech/Participated in a Panel

Other - Provide Description _____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

BUSINESS ACTIVITY, IF ANY, OF SOURCE 501 (c)(3)

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ *(If gift)*

TYPE OF PAYMENT: (must check one) Gift Income

Made a Speech/Participated in a Panel

Other - Provide Description _____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

BUSINESS ACTIVITY, IF ANY, OF SOURCE 501 (c)(3)

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ *(If gift)*

TYPE OF PAYMENT: (must check one) Gift Income

Made a Speech/Participated in a Panel

Other - Provide Description _____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

CITY AND STATE

BUSINESS ACTIVITY, IF ANY, OF SOURCE 501 (c)(3)

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ *(If gift)*

TYPE OF PAYMENT: (must check one) Gift Income

Made a Speech/Participated in a Panel

Other - Provide Description _____

Comments: _____

FOREIGN TRAVEL APPROVAL AND TRACKING PROCESS

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

- **Delegation of Travel Approval to Campuses** - Campus Presidents would be authorized to delegate approval of all international travel except to "war risk" countries requiring underwriter approval.
- **Approval of "war risk" Country Travel** – Campuses would be referred to the Chancellor's Office for prior approval, travel to countries designated "war risk" by FTIP underwriters.
- **International Travel Registration** – all international travel would be registered by the campus designee via an on-line questionnaire. The questionnaire will include basic information relative to destinations, activities, traveler contact information and modes of transport, with additional risk management related questions for travel to designated high hazard and "war risk" countries.
- **Overlay Coverage** – covers gaps in insurance coverage 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 at January 1, 2015. CSURMA is developing a travel registration portal at the csurma.org web site. This would register the campus approved travel, refer "war risk" travel to the Chancellor's Office and calculate premium charges.

RECOMMENDATION: This item is presented for information purposes. No action is requested at today's meeting.

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

BACKGROUND: None.

PUBLICATION: A new technical letter is being drafted to supersede Technical Letter RM 2013-01. The new technical letter should be published shortly.

ATTACHMENT(S): None

CSURMA ADMINISTRATIVE SERVICE CALENDAR

ISSUE: This item is provided as an information item to advise the Board of Directors 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 Board of Directors 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 Services Calendar

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
JANUARY 2014				
01/01/14	MSLCTC: Announcement of AORMA Smartphone App at AoA Conference	AORMA Chair	Mimi Long	Terminated
01/01/14	MSLCTC: Discuss the idea of contracting with an outside vendor who could audit an auxiliary's human resources and payroll procedures and practices	AOA HR Committee	Mimi Long	On-Going
01/01/14	MSLCTC: Preview on-line training platform and provide recommendation to the MSLCTC for future utilization.	AORMA Members	Mimi Long	On-Going
01/01/14	MSLCTC: Review loss runs and recommend three to five risk reduction grant project for FY 14/15	Staff	Mimi Long	Completed
01/01/14	PC: Review all workers' compensation policies and procedures and recommend revisions as necessary.	Staff (Alliant)	Mimi Long	Completed
01/02/14	CSURMA EC 01/12/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
01/02/14	FORM 700 - JPA ADMIN finalizes current year member listing	Alliant Staff	Tevea Him	Completed
01/04/14	AORMA MSLCTC 02/03/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
01/06/14	Statement of Facts – Roster of Public Agencies - file with State & County	Alliant Staff	Myron Leavell	Completed
01/07/14	Announce the new Vice Chair as well as open seats on the AORMA Committee	Nominations Committee	Mimi Long	Completed
01/07/14	AORMA PC 02/06/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	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
01/13/14	AORMA MSLCTC 02/03/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
01/15/14	FORM 700 - JPA ADMIN sends Form 700 to CSURMA FILERS, including EC, BOD, AORMA, Standing Committees, and designated consultants, including identified Alliant personnel	Alliant Staff	Tevea Him	Completed
01/16/14	AORMA PC 02/06/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
01/24/14	AORMA MSLCTC 02/03/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
01/26/14	CSURMA EC 01/12/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
01/27/14	AORMA PC 02/06/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
01/31/14	Final premium / rate letter to all AORMA members	Alliant Staff	Mimi Long	Completed
01/31/14	PC: Notify AO's of their new premium allocation	Staff (Alliant)	Mimi Long	Completed
01/12/14	Executive Committee Meeting - Agenda Items	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				
02/01/14	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff		Completed
02/02/14	PC: Review all workers' compensation policies and procedures and recommend approval to the AORMA Committee, with revisions as appropriate.	PC	Mimi Long	Completed

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
02/03/14	AORMA MSLCTC Meeting	Alliant Staff	Mimi Long	Completed
02/03/14	MSLCTC: Announce the formation of the Shoes for Crews program and distribute information to the AORMA members	Staff	Mimi Long	Completed
02/03/14	MSLCTC: Review grant project ideas for FY 14/15. Approve grant for FY 14/15	MSLCTC	Mimi Long	Project Revised
02/06/14	AORMA PC Meeting			Completed
02/06/14	PC: Review alternative Liability member allocation formula (first review)	PC	Mimi Long	Completed
02/06/14	PC: Review revisions to the FY 14/15 MOC for the Property and Crime Programs	PC	Mimi Long	Completed
02/14/14	Send out watch list for the liability claims review on February 18, 2014	Liability TPA		Completed
02/15/14	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff		Completed
02/17/14	AORMA MSLCTC 02/03/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
02/17/14	Reminder - Form 700s to Board and Alternate Members	Alliant Staff	Tevea	Completed
02/18/14	AORMA 03/20/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
02/18/14	AORMA liability claims review	Liability TPA		Completed
02/18/14	CSURMA EC 03/20/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
02/19/14	AORMA 03/20/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	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	AORMA PC 02/06/14 Mtg - Meeting Minutes completion	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	AORMA 03/20/14 Mtg - Get Quorum	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
02/28/14	Schedule the AORMA liability claims audit (every odd year)	Alliant Staff	Mimi Long	N/A
02/28/14	Schedule the AORMA workers' compensation claims audit (every even year)	Alliant Staff	Mimi Long	Completed
02/28/14	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 12/31	Alliant Staff	Tevea Him	Completed
02/03/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting	Alliant Staff	Completed
	2014 MSLCTC Meeting Dates FY 14/15 Risk Reduction Matching Grant Projects AORMA Smart Phone Application Shoes for Crews Program Praesidium – Prevention and Management of Child Sexual Abuse in Higher Education On-Line Safety Training Approval to Reimburse Presenter, Elizabeth A. Larson, for her Travel Expenses to the AOA Conference Procedures and Practices Audit of the Auxiliary Organization's HR and Payroll Function			
02/06/14	<i>Programs Committee Meeting - Agenda Items</i>	AORMA Meeting	Alliant Staff	Completed
	Property Program Memorandum of Coverage Crime Program Memorandum of Coverage Workers' Compensation Program – Volunteer Claims Programs Committee Meeting Dates FY 15/16 Liability Program Member Allocation Formula			
MARCH 2014				
03/01/14	Alliant begins contact with various contractors regarding renewal terms	Alliant Staff		
03/01/14	AORMA Excess Workers' Compensation Renewal Specs	Alliant Staff	Hsan	Completed
03/01/14	AORMA ID Fraud Renewal Specs	Alliant Staff	Van	

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
03/01/14	AORMA Re-Insurance Renewal Specs	Alliant Staff	Mimi	Completed
03/01/14	FORM 700 - Follow up No. 3 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea	Completed
03/08/14	AORMA MSLCTC 04/07/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
03/10/14	AORMA 03/20/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
03/10/14	CSURMA EC 03/20/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
03/11/14	AORMA PC 04/10/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
03/11/14	CSURMA EC LRP 03/21/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
03/11/14	Prepare AORMA summary for AOA Executive Committee meeting on March 21, 2014	AORMA Chair/Alliant Staff		Completed
03/14/14	Completion of the claims audit of the Liability program (every odd-numbered year)	Liability Claims Auditor		N/A
03/15/14	FORM 700 - Follow up No. 4 - JPA ADMIN follows up with FILER, prepares status report for CSURMA EC review at Long Range Planning meeting	Alliant Staff	Tevea	Completed
03/17/14	AORMA MSLCTC 04/07/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
03/20/14	AORMA Committee Meeting			Completed
03/20/14	AORMA PC 04/10/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
03/20/14	CSURMA EC Meeting			Completed
03/20/14	Forward slate of nominees to fill the open seats on the AORMA Committee to the AOA Executive Committee for review and comment	Alliant Staff		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
03/28/14	AORMA MSLCTC 04/07/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
03/31/14	AORMA PC 04/10/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
03/31/14	Begin the claims audit of the Workers' Compensation program (every even-numbered year)	WC Claims Consultant	Mimi	Completed
03/31/14	Completion of the Form 700 – Statement of Economic Interest	BOD and Alliant Staff	Tevea	Completed
03/03/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	FY 13/14 Risk Reduction Matching Grant Projects Procedures and Practices Audit of the Auxiliary Organization's HR and Payroll Function			
03/06/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Revisions to Policy and Procedure W-2 – Contribution Payments Revisions to Policy and Procedure W-3 – Requirement to Maintain Experience Modification Factor of 1.25 or Less Revisions to Policy and Procedure W-4 – Claims Handling Procedures and Guidelines Revisions to Policy and Procedure W-5 – Claims Settlement Authority Deletion of Policy and Procedure W-7 – Workers' Compensation Safety Program Award – Safety Superstar Revisions to Policy and Procedure W-8 – Workers' Compensation Program Payroll Reporting Responsibilities			
03/20/14	AORMA Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Alliant Loss Control Services Contract Review and Approval of FY 13/14 CSURMA Budget – Midterm Adjustments Review and Approval of FY 14/15 CSURMA Budget Chancellor's Office Services Budget Proposal for FY 14/15 Property Program Memorandum of Coverage Crime Program Memorandum of Coverage Liability Insurance Program Auxiliaries Multiple Employer Veba Revisions to Policy and Procedure A-1 – Composition, Election and Term Limits Revisions to Policy and Procedure A-5 –Calendar of Reports, Audits, Filings and Reviews Revisions to Policy and Procedure A-6 - Risk Reduction Matching Grant Incentive Program			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	<p>Revisions to Policy and Procedure W-2 – Contribution Payments</p> <p>Revisions to Policy and Procedure W-3 – Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less</p> <p>Revisions to Policy and Procedure W-4 – Claims Handling Procedures and Guidelines</p> <p>Revisions to Policy and Procedure W-5 – Workers’ Compensation Coverage Claims Settlement Authority</p> <p>Workers’ Compensation Program W-6 – Volunteer Claims</p> <p>Deletion of Policy and Procedure W-7 – Workers’ Compensation Safety Program Award – Safety Superstar</p> <p>Revisions to Policy and Procedure W-8 – Workers’ Compensation Program Payroll Reporting Responsibilities</p> <p>Review of the Slate of Nominees for the AORMA Committee</p> <p>Delegation of the Authority to Renew Insurance Programs</p> <p>Review of Auxiliary Service Provider Report</p>			
03/20/14	<i>Executive Committee Meeting - Agenda Items</i>	CSURMA Meeting	Alliant Staff	Completed
	<p>Receipt and Review of the Draft Financial Statements at December 31, 2013</p> <p>Treasurer’s Report – December 31, 2013</p> <p>FY 2013/2014 Midterm Budget Amendments and Adoption of Resolution No. 02-14 (EC)</p> <p>Chancellor’s Office Services Budget Proposal for FY 2014/15</p> <p>CSU International Programs FTIP Renewal and Funding</p> <p>Delegation of the Authority to Renew Insurance Program</p> <p>Recommendation for Approval of the FY 2014/2015 Operating Budget</p> <p>FY 2014/15 Premium Deposits</p> <p>Report of Nominating Committee on Executive Committee Elections</p> <p>Proposed Revision to Policy & Procedure 5 – Claims Audits</p> <p>Status of Form 700 Filings</p> <p>Minors on Campus Training</p> <p>Cyber Risk Insurable Exposure Project</p> <p>Fitting the Pieces Conference 2015</p> <p>Concussive Injuries</p>			
03/21/14	<i>CSURMA Executive Committee Long Range Planning Meeting</i>	CSURMA Meeting	Alliant Staff	Completed
	<p>Review of CSURMA 2013/2014 Long Range Action Plan</p> <p>Campus Pooled Program Funding Status</p> <p>Annual Review of the Data security policies</p> <p>Annual Review of the Applicable ICSUAM policies</p> <p>Workers Compensation Program: Claims Audit Presentation</p> <p>Workers Compensation Program: Approval of Proposed Claims Closure Initiative</p> <p>Workers Compensation Program: Evaluation of Restarting Primary Reinsurance Program</p> <p>Rating Plans Task Groups: Campus Risk Pool</p> <p>Rating Plans Task Groups: Student Programs</p> <p>Review of Policies and Procedures No. 2. Resolution of Coverage and Claim Disputes</p> <p>Review of Policies and Procedures No. 4. Periodic Actuarial Studies</p> <p>Review of Policies and Procedures No. 6. Payment Terms</p> <p>Review of Policies and Procedures No. 8. Coverage Determination For Claims Designated “Systemwide</p> <p>Review of Policies and Procedures No. 10. Member Loans</p> <p>Review of Policies and Procedures No. 12. CSURMA Committee Members Attendance of Conferences Professional Development</p>			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Review of Policies and Procedures No. 14. Campus Risk Pool Dividends & Assessments Review of Policies and Procedures No. 16. Use of CSURMA Equipment Review of Policies and Procedures No. 18. Board of Directors Participation and Executive Committee Nominations and Elections Process Review of Policies and Procedures No. 20. OCIP & BRIP Emergency Services Consulting Presentation Development of New Programs and Services: Consideration of Student Tenant Insurance Program (STIP) Development of New Programs and Services: Student Health Insurance Program Development of New Programs and Services: Unemployment Insurance Aggregate Stop Loss Coverage 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	Campus Risk Pool Administrator verifies Campus Primary and Alternate representative remain in place by contacting campus representatives (i.e. ensure no leave of absence, retirement, change in duties, etc.)	Alliant Staff	Mimi/Tevea	Completed
04/01/14	FORM 700 - JPA ADMIN sends all forms received to FPPC for processing	Alliant Staff	Tevea	Completed
04/01/14	Form 700's - file with FPPC	Alliant Staff	Tevea	Completed
04/01/14	Send out ballot for AORMA Committee term beginning on July 1, 2014	Alliant Staff	Tevea	Completed
04/03/14	AORMA 03/20/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	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
04/04/14	Send out watch list for the liability claims review on April 8, 2014	Liability TPA	Tevea	Completed
04/07/14	AORMA MSLCTC Meeting	Alliant Staff	Mimi Long	Completed
04/08/14	AORMA 05/08/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
04/08/14	AORMA liability claims review (Every Odd Year)	Liability TPA	Mimi	Completed
04/08/14	CSURMA BOD NMO 05/08/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
04/09/14	AORMA 05/08/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	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	AORMA PC Meeting	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
04/10/14	PC: Review alternative Liability member allocation formula (second review)	PC	Mimi Long	Completed
04/15/14	Send annual renewal certificate spreadsheet to members - due 1 month	Alliant Staff	Van	
04/17/14	AORMA 05/08/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	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
04/21/14	AORMA MSLCTC 04/07/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
04/24/14	AORMA PC 04/10/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
04/28/14	AORMA 05/08/14 Mtg - Agenda Mailing	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

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
04/29/14	CSURMA EC 05/09/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
04/30/14	Receive back all AORMA Committee ballots for the term beginning on July 1, 2014	Alliant Staff	Tevea	Completed
04/03/14	Programs Committee Meeting - Agenda Items FY 15/16 Liability Program Member Allocation Formula	AORMA Meeting	Alliant Staff	Completed
04/07/14	MSLCT Committee Meeting - Agenda Items Policy and Procedure A-6 – Risk Reduction Matching Grant Incentive Program Alliant Risk Control Consulting Contract – July 1, 2013 to June 30, 2014 FY 14/17 Alliant Risk Control Consulting – Renewal Contract Proposal Employers Group – Renewal Contract TargetSolutions Contract / SkillsSoft Platform Praesidium, Inc. – Contract for Services Vendor Survey	AORMA Meeting	Alliant Staff	Completed
MAY 2014				
05/01/14	Campus Risk Pool Administrator confirms replacement appointees with campus president, reports changes to JPA ADMIN, JPA ADMIN sends entering and leaving office notices to FILER, Campus Risk Pool Administrator conducts BOD orientation	Alliant Staff	Mimi/Tevea	pending
05/06/14	AORMA PC 06/05/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
05/08/14	AORMA Committee Meeting	Alliant Staff	Mimi Long	Completed
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	AORMA PC 06/05/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
05/15/14	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea	pending
05/15/14	Send Member Vehicle Schedule/APD Proposal for review	Alliant Staff	Hsan	
05/22/14	AORMA 05/08/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	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
05/26/14	AORMA PC 06/05/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
05/27/14	AORMA MSLCTC Teleconference	Alliant Staff	Mimi Long	Canceled
05/30/14	Send out appointment letters to the newly appointed AORMA Standing Committee Chairs for the term beginning on July 1, 2014	AORMA Chair/Alliant Staff	Tevea Him	Completed
05/30/14	Send out appointment letters to the newly elected AORMA Committee members for the term beginning on July 1, 2014	AORMA Chair/Alliant Staff	Tevea Him	Completed
05/30/14	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 3/31/14	Alliant Staff	Tevea Him	Completed
05/30/14	Update the AORMA Committee and Standing Committee Org Chart for the term beginning July 1, 2014	Alliant Staff	Tevea Him	Completed
05/30/14	Update the AORMA Committee and Standing Committee Roster for the term beginning July 1, 2014	Alliant Staff	Mimi Long	Completed
05/01/14	Programs Committee Meeting - Agenda Items Discussion and Recommendation for New Programs Committee Chair for the Term of July 1, 2014 to July 1, 2015 FY 15/16 Liability Program Member Allocation Formula	AORMA Meeting	Alliant Staff	Completed
05/08/14	AORMA Committee Meeting - Agenda Items Alliant Risk Control Consulting Renewal Contract for FY 14/15	AORMA Meeting	Alliant Staff	Completed

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Employers Group Renewal Contract for FY 14/17 AORMA Committee Election Results Update of Excess Insurance Renewals Revisions to Policy and Procedure A-2 – Committee Roles and Responsibilities Revisions to Policy and Procedure UI-1 – Formula for Determining UIP Annual Deposit Vendor Survey Results			
05/09/14	<i>Executive Committee Meeting - Agenda Items</i>	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	<i>Board of Directors Meeting - Agenda Items</i>	CSURMA Meeting	Alliant Staff	Completed
	Campus Risk Pools Program Funding Status Rating Plans Task Group Reports a. Campus Program b. Student Insurance Programs FY 2014/2015 Campus Pooled Program Gross Funding Adoption of the FY 2014/2015 CSURMA Operating Budget Recommendation of Adoption of Revised Investment Policies Proposed Amendment to the Liability Memorandum of Coverage Nominating Committee Report and Executive Committee Elections Annual Review of Policies and Procedures Workers' Compensation Program Claims Closure Initiative Minors on Campus Training Initiative Review of FY 2014/2015 Long Range Planning Goals Fitting the Pieces Together Conference 2015 Unemployment Insurance Update Status of Form 700 Filings Update on Concussive Injuries Initiatives CSURMA Vendor Survey			
05/27/14	<i>MSLCT Committee Meeting - Agenda Items</i>	AORMA Meeting		Canceled
JUNE 2014				

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
06/01/14	AOA EC Meeting: Send out AORMA Summary	Alliant Staff	Mimi	Completed
06/01/14	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea	Pending
06/02/14	AORMA PC 07/02/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
06/05/14	AORMA PC Meeting	Alliant Staff	Mimi Long	Completed
06/11/14	AORMA PC 07/02/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
06/15/14	AORMA Officers Retreat 07/15/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
06/19/14	AORMA PC 06/05/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
06/20/14	AOA EC Meeting - Long Beach	AORMA Chair	AORMA Chair	Completed
06/22/14	AORMA PC 07/02/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
06/24/14	AORMA Officers Retreat 07/15/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
06/28/14	AORMA MSLCTC 07/28/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
06/30/14	PC: Code all losses on the workers' compensation loss run @12/31/13 using the new WCIRB class code and AORMA class code.	Staff (Alliant)	Mimi Long	Completed
06/05/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Actuarial Proposal for Additional Scope of Services for FY 15/16 Liability Program FY 15/16 Liability Program Member Allocation Formula – ISO Rating Comparison AORMA Liability Program Memorandum of Coverage Revisions New Programs Committee Members			
06/30/14	AORMA Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Actuarial Proposal for Additional Scope of Services for FY 15/16 Liability Program AORMA Liability Program Memorandum of Coverage Revisions			
JULY 2014				
07/01/14	Financial audit prep with KPMG	Alliant Staff / RM	Van	
07/01/14	FORM 700 - JPA ADMIN sends entering and leaving office notices to AORMA FILERS who will be taking office on AORMA and Standing Committees	Alliant Staff	Tevea	Completed
07/01/14	Send to CSU Accounting the approved dividends and allocation of program costs for invoicing	Alliant Staff	Van Rin	Completed
07/02/14	AORMA PC Meeting	Alliant Staff	Mimi Long	Completed
07/04/14	Send out AORMA binder, insurance summary and invoice to all members	Alliant Staff		Completed
07/05/14	AORMA Officers Retreat 07/15/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
07/05/14	Request a review of the claims activity within the UIP – claims activity variations of more than 10% above or below pricing levels used will resulting in a pricing adjustment	Alliant Staff	Mimi Long	Completed
07/05/14	Request Workers' Compensation and Liability loss runs @ 6/30 – Forward to Actuary	Alliant Staff	Mimi Long	Completed
07/07/14	AORMA MSLCTC 07/28/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
07/07/14	Request Liability (EPL check register) for minimum EPL deductible calculation for upcoming fiscal year	Alliant Staff	Tevea Him	Completed
07/14/14	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
07/15/14	AORMA Officers Retreat – Sonoma	AORMA Officers	Mimi Long	Completed
07/15/14	Final FY Payroll - request from Chancellor's Office	Alliant Staff	Rob	
07/15/14	Process the Liability and Workers' Compensation dividend checks and forward to Alliant for distribution	CSU Accounting	Van Rin	Completed
07/16/14	AORMA PC 07/02/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
07/18/14	AORMA MSLCTC 07/28/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
07/21/14	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
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	
07/28/14	AORMA MSLCTC Meeting	Alliant Staff	Mimi Long	Completed
07/28/14	FORM 700 - FORMS DUE TO FPPC ON THIS DATE [ASSUMING/LEAVING	Alliant Staff	Tevea	Completed

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
07/29/14	AORMA Officers Retreat 07/15/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
07/31/14	Actuarial Study - receive draft and forward to RM	Alliant Staff	Rob	Completed
07/31/14	Distribute the Liability and Workers' Compensation dividend checks	Alliant Staff	Van Rin	Completed
07/31/14	Request final audited payroll from all Workers' Compensation program members for expired year	Alliant Staff	Hsan Htein	
07/31/14	Survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate	Liability TPA	Mimi Long	
07/02/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	New Programs Committee Member(s)			
	Policy and Procedure W-1 – Workers' Compensation Member Allocation Formula			
07/15/14	AORMA Officers Retreat - Agenda Items	AORMA Officers	Alliant Staff	Completed
	PC: Review alternative Liability member allocation formula			
	Long Range Action Plan			
	a. AORMA Committee – FY 13/14			
	b. CSURMA Executive Committee – FY 14/15			
	Alliant Loss Control Services			
	a. Creation of Loss Control Handbook for Camps			
	b. ADA compliance for auxiliary owned rental properties			
	EPL defense proposal by Richard Bromley			
	CSURMA AORMA – Effectiveness of communication to the membership			
	Explanation of current and proposed liability allocation formula			
	Requirement that members shall be recused from closed session deliberations relative to coverage questions and settlement of matters affecting that member's entity			
	a. Policy and Procedure L-2 – Liability Claims Administration and Litigation Management			
	Discussion of prospective AORMA committee and standing committee members			
	AOA Conference – Session Topics			
	Annual Member Report for Campus Visits			
	a. Campus Visit Presentation			
	Ideas for Creation or Modification of AORMA Programs and/or Services			
	Liability Program			
	a. List of member EPL deductibles			
	b. Estimated fund balances @ March 31, 2014			
	c. Total funding report for FY 14/15			
	d. Liability loss ratios			
	e. Loss exhibit			
	f. Policy & Procedure L-1 – Claims Reporting			
	g. Policy & Procedure L-2 – Liability Claims Administration and Litigation Management			
	h. Policy & Procedure L-3 – Legal Counsel Selection			
	i. Policy & Procedure L-4 – Employee Driving Standards			
	j. Policy & Procedure L-5 – Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations			
	k. Policy & Procedure L-6 – Requirement to Purchase PAI for all Activities Involving Minors			
	l. Policy & Procedure L-7 – Employment Practices Deductible			
	Workers' Compensation Program			
	a. Explanation of allocation formula			
	b. Estimated fund balances @ March 31, 2014			
	c. Total funding report for FY 14/15			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	d. Workers' compensation loss ratios			
	e. Loss exhibit			
	f. W-1 - Workers' Compensation Deposit Development Plan (current)			
	g. W-1 - Workers' Compensation Deposit Development Plan (proposed)			
	h. W-2 - Contribution Payments			
	i. W-3 - Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less			
	j. W-4 - Claims Handling Procedures and Guidelines			
	k. W-5 - Workers' Compensation Coverage Claims Settlement Authority			
	l. W-6 - Volunteer Coverage			
	m. W-8 - Workers' Compensation Program Payroll Reporting Responsibilities			
	Property Program			
	a. Explanation of allocation formula			
	b. Total funding report for FY 14/15			
	c. P-1 – Property Program Member Allocation Formula			
	Crime Program			
	a. Explanation of allocation formula			
	b. Total funding report for FY 14/15			
	c. Loss exhibit			
	d. C- 1 – Crime Program Member Allocation Formula			
	Unemployment Insurance Program			
	a. UI -1 - Formula for Determining Unemployment Insurance Program Annual Contributions			
	Target Surplus Funding Policy / Dividends			
	a. Policy & Procedure A-3 – Target Surplus Funding Policy			
	b. Target surplus funding report			
	c. History of dividends declared			
	d. Policy & Procedure A-4 – Dividends and Assessments			
	AORMA Committee and Standing Committees: Structure and Succession Planning			
	a. AORMA Committee and Standing Committee Roster and Org Chart @ July 1, 2014			
	b. Policy & Procedure A-1 – AORMA Committee Composition, Elections and Term Limits			
	c. Policy & Procedure A-2 – AORMA Committee and Standing Committee Roles and Responsibilities			
	AORMA Policies and Procedures			
	a. Schedule for review of AORMA's policies and procedures			
	CSURMA Financial Statement @ March 31, 2014			
	CSURMA Financial Audit @ June 30, 2013			
	CSURMA AORMA Policies and Procedures			
	a. Policy & Procedure A-5 – Annual Calendar of Reports, Audits and Filings			
	b. Policy & Procedure A-6 – Risk Reduction Matching Grant Program			
	c. Policy & Procedure A-7 – Travel Reimbursement Policy			
	CSURMA Joint Powers Authority Agreement			
	CSURMA Bylaws			
	AORMA Participation Agreement			
07/28/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Alliant Risk Control Consulting Update SkillSoft Analysis Survey Tool Praesidium, Inc. – Contract for Services			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Vendor Survey			
AUGUST 2014				
08/01/14	Completion of draft actuarial studies for Workers' Compensation and Liability programs	Actuary		Completed
08/01/14	AOA EC Meeting: Send out AORMA Summary	Alliant Staff	Mimi Long	Completed
08/11/14	AORMA LRP 09/10/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/11/14	AORMA MSLCTC 07/28/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
08/11/14	AORMA NMO 09/10/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/12/14	AORMA 09/10/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
08/12/14	AORMA 09/11/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/12/14	AORMA NMO 09/10/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
08/13/14	AORMA 09/11/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
08/13/14	CSURMA EC 09/12/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/14/14	AORMA PC 07/31/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
08/14/14	CSURMA EC 09/12/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	Completed
08/15/14	AOA EC Meeting - San Diego	Alliant Staff	Mimi Long	Completed
08/20/14	AORMA LRP 09/10/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
08/20/14	AORMA NMO 09/10/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
08/21/14	AORMA 09/11/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
08/22/14	CSURMA EC 09/12/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
08/30/14	AORMA MSLCTC 09/29/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
08/31/14	AORMA LRP 09/10/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
08/31/14	AORMA MNO 09/10/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
08/31/14	AORMA NMO 09/10/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
08/31/14	Calculate additional premium or return premium for each Workers' Compensation program member based on the audited payroll	Alliant Staff		
08/31/14	Calculate each member's minimum EPL deductible for the upcoming program term	Alliant Staff		
08/31/14	Complete CSURMA's portion of the Public Self-Insurer's Annual Report for CSURMA – then forward to Sedgwick for TPA completion	Alliant Staff		
08/31/14	Complete Target Surplus Funding Report	Alliant Staff		
08/31/14	Completion of Financial Audit	CSU Accounting		
08/31/14	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 6/30	Alliant Staff		
08/21/14	Programs Committee Meeting - Agenda Items	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	
09/01/14	AORMA 09/11/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
09/01/14	Stewardship Report	Alliant Staff	Rob	Completed
09/02/14	CSURMA EC 09/12/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
09/04/14	AORMA PC 08/21/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/08/14	AORMA MSLCTC 09/29/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
09/10/14	AORMA Long Range Plan meeting	Alliant Staff	Mimi Long	Completed
09/10/14	AORMA New Committee Member Orientation meeting	Alliant Staff	Mimi Long	Completed
09/10/14	Completion of the AORMA UIP Financial Statement	Alliant Staff		Completed

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
09/11/14	AORMA Committee Meeting	Alliant Staff	Mimi Long	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
09/14/14	AORMA PC 08/21/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	Completed
09/15/14	AORMA PC 08/21/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
09/15/14	Prepare invoices or checks for the Workers' Compensation payroll audit	CSU Accounting		
09/19/14	AORMA MSLCTC 09/29/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
09/23/14	AORMA 10/23/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/23/14	Completion of the Public Self-Insurer's Annual Report for CSURMA (must be filed with the state by Oct 1st.)	Sedgwick		
09/23/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	Completed
09/24/14	AORMA 09/10/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	Completed
09/24/14	AORMA 10/23/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	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	AORMA PC Meeting	Alliant Staff	Mimi Long	Completed
09/25/14	AORMA 09/11/14 Mtg - Meeting Minutes completion	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
09/29/14	AORMA MSLCTC Teleconference	Alliant Staff	Mimi Long	Completed
09/30/14	Completion of the AORMA Committee (September Letter) updating all AORMA members on the funding and dividends approved for the upcoming fiscal year	Alliant Staff/AORMA Chair		
09/30/14	Completion of workers' compensation claims audit (every even year)	Alliant Staff	Mimi Long	
09/30/14	Completion of Workers' Compensation payroll desk audits	Alliant Staff		
09/30/14	Send out invoices or checks for the Workers' Compensation payroll audit	Alliant Staff		
09/11-13/14	CAJPA Fall Conference and Training Seminar			Completed
N/A this year	Completion of Liability claims audit (every odd year)	Alliant Staff	Mimi Long	
09/10/14	AORMA Committee Long Range Planning Meeting	AORMA Meeting	Alliant Staff	Completed
	Introduction of New Committee Member			
	CSURMA JPA Administration – Alliant Team Assignments and Additions			
	Review of FY 13/14 AORMA Long Range Action Plan			
	AORMA Officers' Retreat Recap			
	2015 AOA Conference Risk Management Sessions			
	AOA and AORMA Relationship			
	CSU Auxiliary Organization – Revised Campus Visit Presentation			
	Prevention of Sexual Misconduct and Abuse of Minors			
	Alliant Risk Control Consulting – Scope of Services			
	Review of FY 15/16 AORMA Liability and Workers' Compensation Program Actuarial Reports			
	Estimated Pool Layer Funding Exhibit			
	Target Surplus Funding and Dividend Calculation			
	Employment Practices Liability Member Deductibles for FY 15/16			
	AORMA Historical Premium Payments, Dividends and Loss Ratios report			
	Evaluation of Primary Reinsurance Program for Workers' Compensation			
	Review of the Draft Liability Program Member Allocation Formula for FY 15/16			
	On-Line Safety Training through SkillSoft			
	Discussion of AORMA's Continuity Plan			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	CSURMA Website			
	Development of the Long Range Action Plan Items for FY 14/15			
09/11/14	AORMA Committee Meeting	AORMA Meeting	Alliant Staff	Completed
	FY 15/16 AORMA Liability and Workers' Compensation Program Actuarial Studies			
	Insurance Renewal Report			
	Target Surplus Funding Report and Dividend Calculation			
	Review and Approval of the FY 15/16 – Liability, WC, Property, & Crime Funding			
	Maximum Allowable Hourly Rate for Legal Counsel			
	AORMA Workers' Compensation Program Claims Administration Audit Report			
	Carl Warren & Company Claims Administration – Extension of Agreement			
	Approval of Policy and Procedure Review Schedule			
	Adoption of CSURMA AORMA 2015 Meeting Calendar			
	2015 AOA Conference Sponsorship Amount and Attendees			
	Employment Litigation Proposal from Nixon Peabody			
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			
	c. Recommendation for Campus Pool Programs FY 2015/2016 Rates and Gross Funding			
	Evaluation of Potential Campus Risk Pool Dividends and Assessments			
	Development of Insured Program Claims Policy and Procedure			
	CSURMA Website Update			
	CSURMA Support of Systemwide Efforts Related to Mitigation of Concussive Injuries			
	CSURMA Administration Service Team Assignments and Addition			
	Changes to CSURMA Cyber Coverage Program			
	Delegation of Authority to Negotiate Extension of iVOS Services Agreement			
	AORMA Programs Update			
	Review of FY 2014/2015 Long Range Planning Goals			
	CAJPA Fall Conference and Training Seminar			
09/25/14	Programs Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	New Programs Committee Member – Jun Reina			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Liability Program Member Allocation Formula Revision to AORMA's Liability Program Memorandum of Coverage			
09/29/14	MSLCT Committee Meeting - Agenda Items	AORMA Meeting	Alliant Staff	Completed
	Update to Alliant Risk Control Consulting Scope of Services Risk Reduction Matching Grant Program SkillSoft Analysis Survey Tool Prevention of Sexual Misconduct and Abuse of Minors			
OCTOBER 2014				
10/01/14	Annual Report of Financial Transactions - File	Alliant Staff / Accounting	Van	
10/01/14	Request completion of the Liability application	Alliant Staff		
10/01/14	Request estimated Workers' Compensation payroll	Alliant Staff		
10/02/14	AORMA 10/23/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	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	AORMA 10/23/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	Completed
10/13/14	AORMA MSLCTC 09/29/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
10/13/14	CSURMA BOD NMO 10/23/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	
10/14/14	CSURMA BOD 10/24/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	
10/14/14	CSURMA EC 10/24/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	
10/15/14	Poll eligible AORMA Committee members to determine which members are willing to be nominated for the Vice Chair position	Nominations Committee		
10/18/14	AORMA MSLCTC 11/17/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	
10/23/14	AORMA Committee Meeting	Alliant Staff	Mimi Long	
10/23/14	CSURMA BOD NMO Meeting	Alliant Staff	Mimi Long	
10/24/14	CSURMA BOD Meeting	Alliant Staff	Mimi Long	
10/24/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	
10/27/14	AORMA MSLCTC 11/17/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	
10/31/14	Send out notification of minimum Employment Practices Liability deductibles	Alliant Staff/AORMA Chair		
10/23/14	AORMA Committee Meeting	AORMA Meeting	Alliant Staff	
	Approval of long range action plan Vice Chair election will be held during the AORMA Committee meeting			
10/24/14	Exeuctive 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			
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			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
	Quarterly Investment Reports (as of 06/30 and 09/30) - submit for adoption Financial Audit - submit for adoption 2015 Meeting Calendar - submit for adoption 2015 Service Calendar - submit for adoption CAJPA review report (2014 and every 3 years thereafter)			
NOVEMBER 2014				
11/01/14	AOA EC Meeting: Send out AORMA Summary	Alliant Staff		
11/01/14	FORM 700 - Campus Risk Pool Administrator sends request to campus president to confirm appointments of primary and alternate representative to BOD (Note: AORMA Representatives are maintained through their election process)	Alliant Staff		
11/01/14	MSLCTC: Provide recommendation to the AORMA Committee regarding renewal of the current TargetSolutions contract or utilization of SkillSoft / LawRoom effective July 1, 2015.	MSLCTC	Mimi Long	
11/01/14	Prepare AORMA summary for AOA Executive Committee meeting on November 15, 2014	AORMA Chair/Alliant Staff		
11/04/14	AORMA 12/04/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	
11/05/14	AORMA 12/04/14 Mtg - TOC to Chancellor's Office	Alliant Staff	Tevea Him	
11/05/14	CSURMA EC 12/05/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	
11/06/14	AORMA 10/23/14 Mtg - Meeting Minutes completion	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	AORMA MSLCTC 11/17/14 Mtg - Agenda Mailing	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	
11/11/14	AORMA PC 12/11/14 Mtg - Agenda TOC/Prep	Alliant Staff	Mimi Long	
11/12/14	AORMA liability claims review	Liability TPA		
11/13/14	AORMA 12/04/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	
11/14/14	CSURMA EC 12/05/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	
11/15/14	Send out Program Manuals	Alliant Staff		
11/17/14	AORMA MSLCTC Meeting	Alliant Staff	Mimi Long	
11/20/14	AORMA PC 12/11/14 Mtg - Get Quorum	Alliant Staff	Tevea Him	
11/21/14	AOA EC Meeting - Pasadena	Alliant Staff		
11/24/14	AORMA 12/04/14 Mtg - Agenda Mailing	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	Confirm BOD Member and Alternate on file	Alliant Staff	Myron	
11/28/14	Confirm holdres of Campus Claims Settlement Authorities	Alliant Staff	Myron	
11/28/14	Email program manual to members	Alliant Staff	Van	
11/28/14	Send campus risk pool renewal budget	Alliant Staff	Rob	
11/30/14	Completion of the Crime program member allocation for FY 14/15	Alliant Staff		
11/30/14	Completion of the Liability and Workers' Compensation dividend allocation for distribution in July, 2014	Alliant Staff		
11/30/14	Completion of the Liability program member allocation for FY 14/15	Alliant Staff		
11/30/14	Completion of the Property program member allocation for FY 14/15	Alliant Staff		
11/30/14	Completion of the Unemployment Insurance Program member allocation for FY 14/15	Alliant Staff		
11/30/14	Completion of the Workers' Compensation program member allocation for FY 14/15	Alliant Staff		
11/30/14	Review volunteer losses within the Workers' Compensation program	Alliant Staff		
11/30/14	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 9/30/13	Alliant Staff		

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
11/17/14	MSLCT Committee Meeting (Teleconference)	AORMA Meeting	Alliant Staff	
	Approval of meeting dates Approval of MSLCTC long range action plan			
DECEMBER 2014				
12/01/14	AORMA MSLCTC 11/17/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
12/01/14	AORMA PC 12/11/14 Mtg - Agenda Mailing	Alliant Staff	Tevea Him	
12/01/14	Send out member survey	Risk Management	Zachary	
12/04/14	AORMA Committee Meeting	Alliant Staff	Mimi Long	
12/05/14	CSURMA EC Meeting	Alliant Staff	Mimi Long	
12/11/14	AORMA PC Meeting	Alliant Staff	Mimi Long	
12/15/14	FORM 700 - Campus Risk Pool Administrator sends revised Campus Primary and Alternate CSURMA BOD member listing to JPA ADMIN	Alliant Staff		
12/15/14	Property Schedules to Members for review - deadline 30 days	Alliant Staff	Van	
12/18/14	AORMA 12/04/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
12/19/14	CSURMA EC 12/05/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
12/25/14	AORMA PC 12/11/14 Mtg - Meeting Minutes completion	Alliant Staff	Mimi Long	
12/27/14	Prepare AORMA summary for AOA Executive Committee meeting on January 11, 2014	AORMA Chair/Alliant Staff		
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	
	Provide recommendation to the AORMA Committee regarding renewal of the current TargetSolutions contract or utilization of SkillSoft / LawRoom effective July 1, 2015.			
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	
	Review Workers' Compensation payroll desk audits Approval of meeting dates Approval of PC long range action plan Review of approved funding for the Liability, Workers' Compensation, Property and Crime programs Review of the Liability and Workers' Compensation actuarial studies Review of the Target Surplus Funding report Approval of the minimum Employment Practices Liability deductibles Approval of the Liability and Workers' Compensation dividend allocation Approval of the Workers' Compensation AORMA class codes rates Approval of the Unemployment Insurance Program member allocation Approval of the Liability program member allocation Approval of the Workers' Compensation program member allocation Approval of the Property program member allocation Approval of the Crime program member allocation Review of all Workers' Compensation member's experience modification factors			

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS

CSURMA BOARD OF DIRECTORS AND STAFF CONTACT LIST

ISSUE: Attached is a list of phone numbers and e-mail addresses for members of the CSURMA Board of Directors and CSURMA Staff.

RECOMMENDATION: Staff recommends 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 via email at thim@alliant.com.

FISCAL IMPACT: None

BACKGROUND: An accurate and current list facilitates better communication among the Board members and with staff.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Board of Directors and Staff Contact List

CSURMA BOARD OF DIRECTORS MEMBERS

Effective at July 1, 2014

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
Representative	Kellie Garcia	Associate Vice President, Human Resources & Administrative Services	Bakersfield	California State University, Bakersfield	kgarcia@csub.edu	661-654-3206
Alternate	Tim Ridley, CSP, ARM-P	Associate Vice President Human Resources	Bakersfield	California State University Bakersfield	tridley1@csub.edu	661-654-2066
Representative	George V. Ashkar	Assistant Vice Chancellor, Financial Services	Chancellors Office	CSU Office of the Chancellor	gashkar@calstate.edu	562-951-4671
Alternate	<i>Vacant</i>		<i>Chancellors Office</i>	<i>CSU Office of the Chancellor</i>		
Representative	Katharine Hullinger	Risk Manager	Channel Islands	California State University, Channel Islands	katharine.hullinger@csuci.edu	805-437-8846
Alternate	Bill Kupfer	Director EH&S & Risk Management	Channel Islands	California State University, Channel Islands	bill.kupfer@csuci.edu	805-437-8847
Representative	Michael Thorpe	Risk Manager	Chico	California State University, Chico	methorpe@csuchico.edu	530-898-6588
Alternate	Lorraine B. Hoffman	Vice President, Business & Finance	Chico	California State University, Chico	lbhoffman@csuchico.edu	530-898-6231
Representative	<i>Vacant</i>		<i>Dominguez Hills</i>	<i>California State University, Dominguez Hills</i>		
Alternate	Jeff Wood	Risk Manager	Dominguez Hills	California State University, Dominguez Hills	jwood@csudh.edu	310-243-2895
Representative	Nyassa Love	Risk Management & Internal Control	East Bay	California State University, East Bay	nyassa.love@csueastbay.edu	510-885-2743
Alternate	Brad Wells	Interim Vice President Administration & Finance/CFO	East Bay	California State University, East Bay	bradley.wells@csueastbay.edu	510-885-3803
Representative	Cynthia Teniente-Matson	Vice President for Administration	Fresno	California State University, Fresno	cmatson@csufresno.edu	559-278-2083
Alternate	Lisa Kao	Associate Dir EHS, Risk Mgmt & Sustainability	Fresno	California State University, Fresno	lisak@csufresno.edu	559-278-6910
AORMA Rep	Keith Kompzi	Director, Foundation Financial Services	Fresno	Fresno Association Inc., CSU Fresno	kkompzi@csufresno.edu	559-278-0838
Representative	Lori Gentles	Vice President Human Resources, Diversity and Inclusion	Fullerton	California State University, Fullerton	lgentles@fullerton.edu	714-278-2425
Alternate	John Beisner	Director of University Risk Management	Fullerton	California State University, Fullerton	jbeisner@fullerton.edu	657-278.4937
AORMA/EC	Frank Mumford	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	fmumford@fullerton.edu	657-278-4101
AORMA Rep	Kurt Borsting	Director	Fullerton	Titan Student Union, CSU Fullerton	kborsting@fullerton.edu	714-278-4214
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Alternate	Joyce Lopes	Vice President for Administration and Finance	Humboldt	Humboldt State University	joyce.lopes@humboldt.edu	707-826-3351
Representative	Mary Stephens	VP Administration & Finance	Long Beach	California State University, Long Beach	mestephens@csulb.edu	562-985-5578
Alternate	Felissa Waynick, ARM-P	Risk Manager	Long Beach	California State University, Long Beach	felissa.waynick@csulb.edu	562-985-2396
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AORMA Rep	Brian Nowlin	Chief Operating Officer	Long Beach	California State University, Long Beach Foundation	nowlinb@csulb.edu	562-985-4690
Representative	Lisa Chavez	VP, Administration/CFO	Los Angeles	California State University, Los Angeles	lchavez10@cslanet.calstatela.edu	323-343-3500

CSURMA BOARD OF DIRECTORS MEMBERS

Effective at July 1, 2014

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
Alternate	Kevin Brady	Director Risk Mgmt & EHS	Los Angeles	California State University, Los Angeles	kbrady@cslanet.calstatela.edu	323-343-3527
Representative	Vineeta Dhillon	Purchasing & Risk Manager	Maritime	California Maritime Academy	vdhillon@csum.edu	707-654-1086
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Representative	Kevin Saunders	Vice President Administration & Finance	Monterey	California State University, Monterey Bay	kesaunders@csumb.edu	831-582-3398
Alternate	Lenore Reed	Director of Enterprise Risk Management & Records	Monterey	California State University, Monterey Bay	lreed@csumb.edu	831-582-4766
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Alternate	Valerie Eberle	University Risk Manager	Pomona	California State Polytechnic University	vjeberle@csupomona.edu	909-869-4846
AORMA Rep	Haleh Minakary	General Business Manager	Pomona	The Cal Poly Pomona Foundation, Inc.	hminakary@csupomona.edu	909-869-2910
Representative	Mike Lee	Vice President, Administration and Chief Financial Officer	Sacramento	California State University, Sacramento	mikelee@csus.edu	916-278-6312
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Representative	Debbie Burns	Associate Vice President, Aux & Business Svcs & Risk Management	San Bernardino	California State University, San Bernardino	dburns@csusb.edu	909-537-3939
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AORMA Rep	Mark Day	Executive Director	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	mday@csusb.edu	909-537-7201
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AORMA Rep	Melinda Coil	Chief Financial Officer	San Diego	San Diego State University Research Foundation	mcoil@foundation.sdsu.edu	619-594-1076
Representative	Ronald Cortez	Vice President Administration & Finance/CFO	San Francisco	San Francisco State University	rcortz@sfsu.edu	415-338-2521
Alternate	Michael Martin	Executive Director, Risk Management	San Francisco	San Francisco State University	mjmartin@sfsu.edu	415-338-1124
AORMA Rep	Guy Dalpe	Managing Director	San Francisco	Cesar Chavez Student Center, San Francisco	gdalpe@sfsu.edu	415-338-1044
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CSURMA BOARD OF DIRECTORS MEMBERS

Effective at July 1, 2014

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
Representative	Dru Zachmeyer	Director, Contracts & Procurement/Risk & Real Estate Management	San Luis Obispo	California Polytechnic State University, San Luis Obispo	dzachmey@calpoly.edu	805-756-6473
Alternate	David Ragsdale	Director EH&S & Safety	San Luis Obispo	California Polytechnic State University, San Luis Obispo	dragsdal@calpoly.edu	805-756-6662
AORMA Rep	Dwayne Brummett	Director of Business Services	San Luis Obispo	Associated Students, Inc., Cal Poly San Luis Obispo	dbrummet@calpoly.edu	805-756-5768
Representative	Linda Hawk	Vice President Finance & Administrative Services	San Marcos	California State University, San Marcos	lhawk@csusm.edu	760-750-4950
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Representative	Tyson Hill	Interim Senior Director for Risk Management	Sonoma	Sonoma State University	tyson.hill@sonoma.edu	707-664-4039
Alternate	<i>Vacant</i>		<i>Sonoma</i>	<i>Sonoma State University</i>		
Representative	Amy Thomas	Asst Director of Safety & Risk Management	Stanislaus	California State University, Stanislaus	Althomas@csustan.edu	209-667-3035
Alternate	Julie Benevedes	Associate Vice President for Financial Services	Stanislaus	California State University, Stanislaus	JBenevedes@csustan.edu	



CONTACT LIST

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California State University Risk Management Authority

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A Public Entity Joint Powers Authority

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PREVENTION OF SEXUAL MISCONDUCT AND ABUSE OF MINORS

ISSUE: Aaron Lundberg from Praesidium Inc. will present an overview of the new risk management service at today's meeting.

The two services available to the campuses as 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.

RECOMMENDATION: This item is for information only;

FISCAL IMPACT: The cost of this contract, \$50,000, has been included in the FY 14/15 budget.

BACKGROUND: 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

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 conducted to walk members through the on-line self-assessment and corresponding training platform. 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.

ATTACHMENT(S):

- a. Online Self-Assessment Webinar
- b. Self-Assessment Overview
- c. Quick Start Guide for Program Directors
- d. Online Training Course Descriptions

**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:

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VP of Account Services/COO
ALundberg@PraesidiumInc.com

Candace Collins, JD
Higher Education Account Manger
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Praesidium, Inc.
800.743.6354
www.PraesidiumInc.com

Follow us for the latest updates in sexual abuse prevention!

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www.linkedin.com/company/praesidium-inc





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%)
	- 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

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800.743.6354
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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.

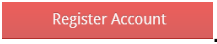
Note: If you oversee multiple programs or activities involving minors, you should complete a **separate self-assessment** for **each** program (each camp, conference, mentor program, childcare program, etc.).

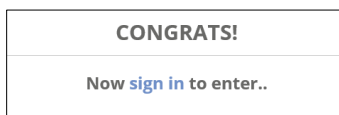
Using *Know Your Score!*

Register an Account

Before you take your first self-assessment, register your account in *Know Your Score!* Once registered, you can use this account to complete multiple self-assessments.

To register your account and log in:


1. Click on this link: <http://armatus2.praesidiuminc.com/kys/#register>
2. 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 registration code that best describes your program. Obtain your access code from your campus Risk Manager.
3. Click .
4. Click the sign in link to log in using the username and password you entered during registration.



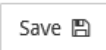

5. After you log in, the *Know Your Score!* Dashboard displays. From here you can:
 - Start a new self-assessment

- Access incomplete self-assessments
- Access resources
- Access complete self-assessments

To start a new self-assessment:

1. Log in to *Know Your Score!* at <http://armatus2.praesidiuminc.com/kys>
2. On the Know Your Score! Dashboard, under “Start a New Assessment,” select 
3. Each self-assessment consists of four screen types: Background Info, Instructions, Standards, and Results. Use the icons at the top of the screens to navigate between screens. If an icon is dark gray, the screen is selected.

**Complete the Background Info Screen**

1. When you start a new self-assessment, the Background Info screen appears. Answer all questions on this screen to create your customized self-assessment. You will need to know:
 - How many minors your program serves
 - How many employees and/or volunteers you have
 - Details about transportation, program activities, and the physical facilities
 - Program description
2. Before leaving the Background Info screen, save the information you entered.
 - Click  to save the information you entered without continuing to the self-assessment. You can return later to finish entering information into this screen.
 - Click  to save your information and continue to the next screen.

Read the Instructions Screen

After you complete the Background Info screen, the Instructions screen will appear, as indicated by the dark gray Instructions icon at the top of the screen. (The green Background Info icon indicates that all information was entered into that screen.)



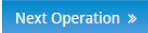

1. Read the information on the Instructions screen about how to score the self-assessment.
2. From this screen, you can return to the Background Info screen or continue to the self-assessment.

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.
 - **Step 2:** Collect and review all documents you need to score the standard. It is never sufficient to “think” that a document or written policy exists. Documents to collect could include:
 - 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.
 - **Step 4:** Observe programming. This can be one of the most important steps. While some of the information needed to complete the self-assessment can be acquired through document review and asking questions, you may need to make simple observations to make sure the written policies are being carried out in practice.
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.
 3. Once you complete the standards in a tab, click . Complete this process for each tab (Policies, Screening and Selection etc.).
 4. Once you have completed the standards under all tabs, click .
 5. On the Assessment Scorecard screen, review your answers and download provided resources.

Thank you for your participation!

Additional Resources

In addition to the webinars presented by Praesidium, three 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/>

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

PRESENTATION ON CSURMA CYBER COVERAGE PROGRAM

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

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

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

The Program Administrator will review the attached presentations on the Cyber Coverage Program at today's CSURMA Board of Directors meeting.

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

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

BACKGROUND: Liability and Property insurers have largely excluded losses caused by data breaches. Losses from breaches can be caused by lost or stolen laptops, system attacks and other means. Losses include loss of Personally Identifiable Information (PII), HIPPA protected data, and PCI regulated credit card data. There can be third party liability, first party system damage, and penalties and fines. CSURMA has purchased coverage for the University and auxiliary organization members for the past several years.

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

ATTACHMENT(S):

- a. Cyber Claims Reporting Bulletin – July 2014
- b. Beazley Breach Response Checklist
- c. Presentations from Beazley Underwriters and McGladrey LLP



Claims Reporting Requirements for Property, Cyber and Pollution Losses

Hello CSURMA Members:

The CSURMA Property Insurance Programs include the following major coverages:

- **Property Coverage** - “All Risk” property damage coverage to all structures and scheduled contents, excluding earthquake coverage.
- **Cyber Coverage** – Covering damage to CSU and auxiliary organization electronic data systems and liability coverage for data breaches.
- **Pollution Coverage** – Response and clean up coverage for CSU and Auxiliary organization owned properties as well as liability coverage third party property damage and bodily injury.

To trigger coverage and the maximum coverage benefits it is critical that claims be reported timely. Please review the attached reporting acknowledgements and take steps to make sure they are known to the appropriate personnel in your organization. The acknowledgements can also be found at CSURMA’s web site, www.csurma.org.

Please contact one of your Alliant claims reporting representative with questions:

- Michelle Maffei / mmaffei@alliant.com at 415-403-1418 (regular business hrs.)
- Bob Frey / rfrey@alliant.com at 415-403-1447 (nights and weekends)

ALLIANT INSURANCE SERVICES

APIP Claims Reporting Acknowledgement(s) Receipt Form

The Claims Reporting Forms are being included with your packet to ensure claims reporting procedures are known and available for future reference. Please review the information. We ask that you share these critical documents with all members of your team (and Pool Members and their staffs where applicable.)

We request that you review the items indicated attached, then complete the bottom portion, sign and submit to your Alliant Insurance Services representative either by a scanned email or mail to have it be included in your insurance records.

APIP Property Claims Reporting

Cyber Claims Reporting (*this is a claims made policy*) if coverage is purchased

Pollution Liability Claims Reporting (*this is a claims made policy*) if coverage is purchased

Acknowledgement for Claims reporting procedures under Alliant Property Insurance Programs

In effect: July 1, 2014 until further notice

I have read and been informed about these separate reporting requirements under the coverage parts that apply to our entity as indicated above and provided through APIP by Alliant.

Insured Entity Name: California State University Risk Management Authority - Campuses

Authorized Signature: _____



ROBERT EATON

Print Name

6/26/14

Date

SECRETARY - AUDITOR

Title



ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM SUMMARY OF CLAIMS REPORTING

- I. First Notice of Claim should be reported to Alliant Insurance Services via telephone, fax, mail or e-mail to our San Francisco Office:

Bob Frey First Vice President, Claims Manager Voice: (415) 403-1445 Email: rfrey@alliant.com Cell: (415) 518-8490 <i>After hours claims reporting number</i>	Diana Walizada Assistant Vice President Voice: (415) 403-1453 Email: dwalizada@alliant.com
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Address: Alliant Insurance Services, Inc.
100 Pine St, 11th Floor
San Francisco CA 94111
Toll Free Voice: (877) 725-7695 Fax: (415) 403-1466

Please be sure to copy APIP's Claim Administrator on all Claims correspondence:

Cathryn O'Meara
McLaren's
1301 Dove St., Suite 200
Newport Beach, CA 92660
Voice: (949) 757-1413 Fax: (949) 757-1692
Email: cathryn.omeara@mcclarens.com

- II. Cyber Carrier Beazley NY needs to also be provided with Notice of Claim immediately (If coverage applies):

Bob Frey First Vice President, Claims Manager Voice: (415) 403-1445 Cell: (415) 518-8490 After hours Email: rfrey@alliant.com	Beth Diamond Beazley Group 1270 Avenue of the America's, Suite 1200 New York, NY 10020 Telephone: (646) 943-5900 Fax: (546) 378-4039 Email: tmbclaims@beazley.com
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Elaine G. Kim, CISR
Claims Advocate, Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1458 Fax: (415) 403-1466
Email: ekim@alliant.com

- III. Pollution Liability Carrier ACE Environmental, Risk Claims Manger (if coverage applies):

Bob Frey First Vice President, Claims Manager Voice: (415) 403-1445 Cell: (415) 518-8490 After hours Email: rfrey@alliant.com	ACE USA Claims PO Box 5103 Scranton, PA 18505-0510 Environmental Emergency: (888) 310-9553 Fax: (800) 951-4119 Email: CasualtyRiskEnvironmentalFirstNotice@acegroup.com
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Diana Walizada
Assistant Vice President
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1453 Fax: (415) 403-1466
Email: dwalizada@alliant.com

PROPERTY LOSS REPORTING:

- 1) Follow your organization's procedures for reporting and responding to an incident*
- 2) Alert local emergency authorities, as appropriate*
- 3) Report the incident to Alliant Insurance Services immediately at:*

877-725-7695

All property and boiler & machinery losses must be reported as soon as practicable upon knowledge within the risk management or finance division of the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) Report the incident to McLarens AND your Alliant representative*



PROPERTY FIRST NOTICE OF LOSS FORM

SEND TO: Alliant Insurance Services, Inc.

BY MAIL: 100 Pine Street, 11th Floor, San Francisco, CA 94111

BY FAX: (415) 403-1466

BY EMAIL: dwalizada@alliant.com

COPY APIP Claims Administrator: cathryn.omeara@mclarens.com and your Alliant representative

Today's Date: _____

Type of Claim: (check all that apply)

Real Property

Vehicles

Personal Property

Boiler & Machinery

Other

Insured's Name & Contact Information

Company Name: _____

Point of Contact: _____

Phone #: _____

Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims

Point of Contact: Diana Walizada

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 1-877-725-7695

Fax #: 415-403-1466

Policy Information

Policy Number: _____

Policy Period: 07/01/2014 to 07/01/2015

Limits of Liability: _____ per _____ agg

Self-Insured Retention/Deductible: _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____



CYBER LOSS REPORTING:

- 1) *Follow your organization's procedures for reporting and responding to an incident*
- 2) *Alert authorities, as appropriate*
- 3) *Report the incident to Beazley Group immediately at:*

646-943-5900

All Cyber losses must be reported as soon as practicable upon knowledge by the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) *Report the incident to Alliant Claims Department and your Alliant representative*

SPECIAL NOTE REGARDING PRIVACY NOTIFICATION COSTS:

The policy provides a \$500,000 Aggregate Limit for Privacy Notification Costs. If you utilize a Beazley claims response vendor, the limit is increased to \$1,000,000.

Please contact Beazley for a list of approved vendors.

SEND TO: Beazley Group

BY MAIL: 1270 Avenue of the America's, Suite 1200, New York, NY 10020

BY FAX: (546) 378-4039

BY EMAIL: tmbclaims@beazley.com

CC Alliant Claims Department: ekim@alliant.com And your Alliant representative

Today's Date: _____

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** Elaine G. Kim, CISR

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 877-725-7695 Fax #:415-403-1466

Policy Information

Policy Number: _____ **Policy Period:** 7/1/14 to 7/1/15

Limits of Liability: _____ per _____ agg **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____

CYBER LOSS REPORTING

A. REFER TO YOUR POLICY FOR COMPLETE CLAIM REQUIREMENTS

B. IMPORTANT POLICY LANGUAGE REGARDING:

NOTICE OF CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. If any **Claim** is made against the **Insured**, the **Insured** shall, as soon as practicable upon knowledge by the **Insured**, forward to the Underwriters through persons named in Item 9.A. of the Declarations written notice of such **Claim** in the form of a telecopy, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative; provided that with regard to coverage provided under Insuring Agreements I.A. and I.C., all **Claims** made against any **Insured** must be reported no later than the end of the **Policy Period**, in accordance with the requirements of the **Optional Extension Period** (if applicable), or within thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against the Insured during the last thirty (30) days of the **Policy Period**.
2. With respect to Insuring Agreement I.B. for a legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Clause I.A.1 or I.A.2, such incident or reasonably suspected incident must be reported as soon as practicable during the **Policy Period** after discovery by the Insured. For such incidents or suspected incidents discovered by the **Insured** within 60 days prior to expiration of the Policy, such incident shall be reported as soon as practicable, but in no event later than 60 days after the end the **Policy Period**, provided; if this Policy is renewed by Underwriters and covered **Privacy Notification Costs** are incurred because of such incident or suspected incident reported during the 60 day post **Policy Period** reporting period, then any subsequent **Claim** arising out of such incident or suspected incident is deemed to have been made during the **Policy Period**.
3. With respect to Insuring Agreements I.A. and I.C., if during the **Policy Period**, the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** it may give written notice to Underwriters in the form of a telecopy, or express or certified mail through persons named in Item 9.A. of the Declarations as soon as practicable during the **Policy Period** of:
 - a. the specific details of the act, error, omission, or **Security Breach** that could reasonably be the basis for a **Claim**;
 - b. the injury or damage which may result or has resulted from the circumstance; and
 - c. the facts by which the **Insured** first became aware of the act, error, omission or **Security Breach**

Any subsequent **Claim** made against the **Insured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.

4. A **Claim** or legal obligation under section X.A.1 or X.A.2 above shall be considered to be reported to the Underwriters when written notice is first received by Underwriters in the form of a telecopy, or express or certified mail or email through persons named in Item 9.A. of the Declarations of the **Claim** or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with sub-paragraph X.A.3. above.

POLLUTION CLAIMS REPORTING



Environmental Risk

IN THE EVENT OF AN ENVIRONMENTAL EMERGENCY:

- 1) *Follow your organization's procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident to ACE Environmental Risk immediately at:*

888-310-9553

All pollution incidents must be reported within 7 days of discovery

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident. You will be contacted by a trained representative of ACE to discuss further response steps as soon as possible.

- 4) *Report the incident to your Alliant representative*

DO follow your organization's detailed response plan
DO contact your management as well as appropriate authorities
DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak
DO NOT attempt to respond beyond your level of training or certification



ACE ENVIRONMENTAL RISK FIRST NOTICE OF LOSS FORM

SEND TO: ACE Environmental Risk Claims Manager

BY MAIL: ACE USA Claims, P.O. Box 5103, Scranton, PA 18505-0510

BY FAX: (800) 951-4119

BY EMAIL: CasualtyRiskEnvironmentalFirstNotice@acegroup.com

CC Alliant Insurance: dwalizada@alliant.com And your Alliant representative

Today's Date: _____

Notice of: (check all that apply)

- Pollution Incident Potential Claim Other _____
 Third-Party Claim Litigation Initiated

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** Diana Walizada

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 415) 403-1453

Policy Information

Policy Number: _____ **Policy Period:** 7/1/14 to 7/1/15

Limits of Liability: _____ per _____ agg **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Claimant Name/Address: _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____ Signature: _____

A. REFER TO YOUR POLICY FOR COMPLETE CLAIM REQUIREMENTS

B. IMPORTANT POLICY LANGUAGE REGARDING:

VII. REPORTING AND COOPERATION

A. The “insured” must see to it that the Insurer receives written notice of any “claim” or “pollution condition”, as soon as practicable, at the address identified in Item 7.a. of the Declarations to this Policy. Notice should include reasonably detailed information as to:

1. The identity of the “insured”, including contact information for an appropriate person to contact regarding the handling of the “claim” or “pollution condition”;
2. The identity of the “covered location” or “covered operations”;
3. The nature of the “claim” or “pollution condition”; and
4. Any steps undertaken by the “insured” to respond to the “claim” or “pollution condition”. In the event of a “pollution condition”, the “insured” must also take all reasonable measures to provide immediate verbal notice to the Insurer.

B. The “insured” must:

1. As soon as practicable, send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any “claim”;
2. Authorize the Insurer to obtain records and other information;
3. Cooperate with the Insurer in the investigation, settlement or defense of the “claim”;
4. Assist the Insurer, upon the Insurer’s request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “bodily injury”, “property damage”, “remediation costs” or “legal defense expense” to which this Policy may apply; and
5. Provide the Insurer with such information and cooperation as it may reasonably require.

C. No “insured” shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any “claim” without the written consent of the Insurer. **Nor shall any “insured” retain any consultants or incur any “remediation costs” without the prior express written consent of the Insurer, except in the event of an “emergency response”. (Emergency Response coverage is limited to the first 7 days)**

D. Upon the discovery of a “pollution condition”, the “insured” shall make every attempt to mitigate any loss and comply with applicable “environmental law”. The Insurer shall have the right, but not the duty, to mitigate such “pollution conditions” if, in the sole judgment of the Insurer, the “insured” fails to take reasonable steps to do so. In that event, any “remediation costs” incurred by the Insurer shall be deemed incurred by the “insured”, and shall be subject to the “self-insured retention” and Limits of Liability identified in the Declarations to this Policy.

Beazley Breach Response Checklist

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

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

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

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

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

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



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

The Data Breach: How to stay defensible before, during and after the incident.



Alex Ricardo, CIPP/US
Breach Response Services

beazley

What we are NOT doing today

Providing Legal Advice

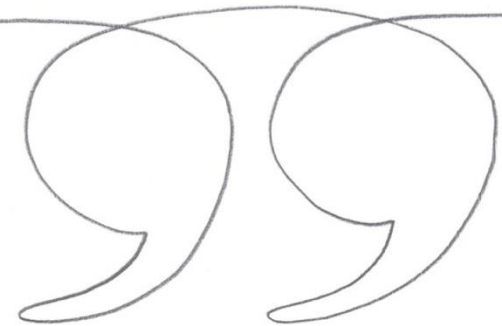
- Informational Purposes Only
- You should consult with Privacy Counsel for any decisions surrounding your Incident Response Plan or Data Breach Response Methodology

Agenda

- A Brief Review of Data Breaches and Breach Response
- Regulatory Landscape
- Cases
- Final Thoughts



A Brief Review of Data
Breaches and Breach
Response



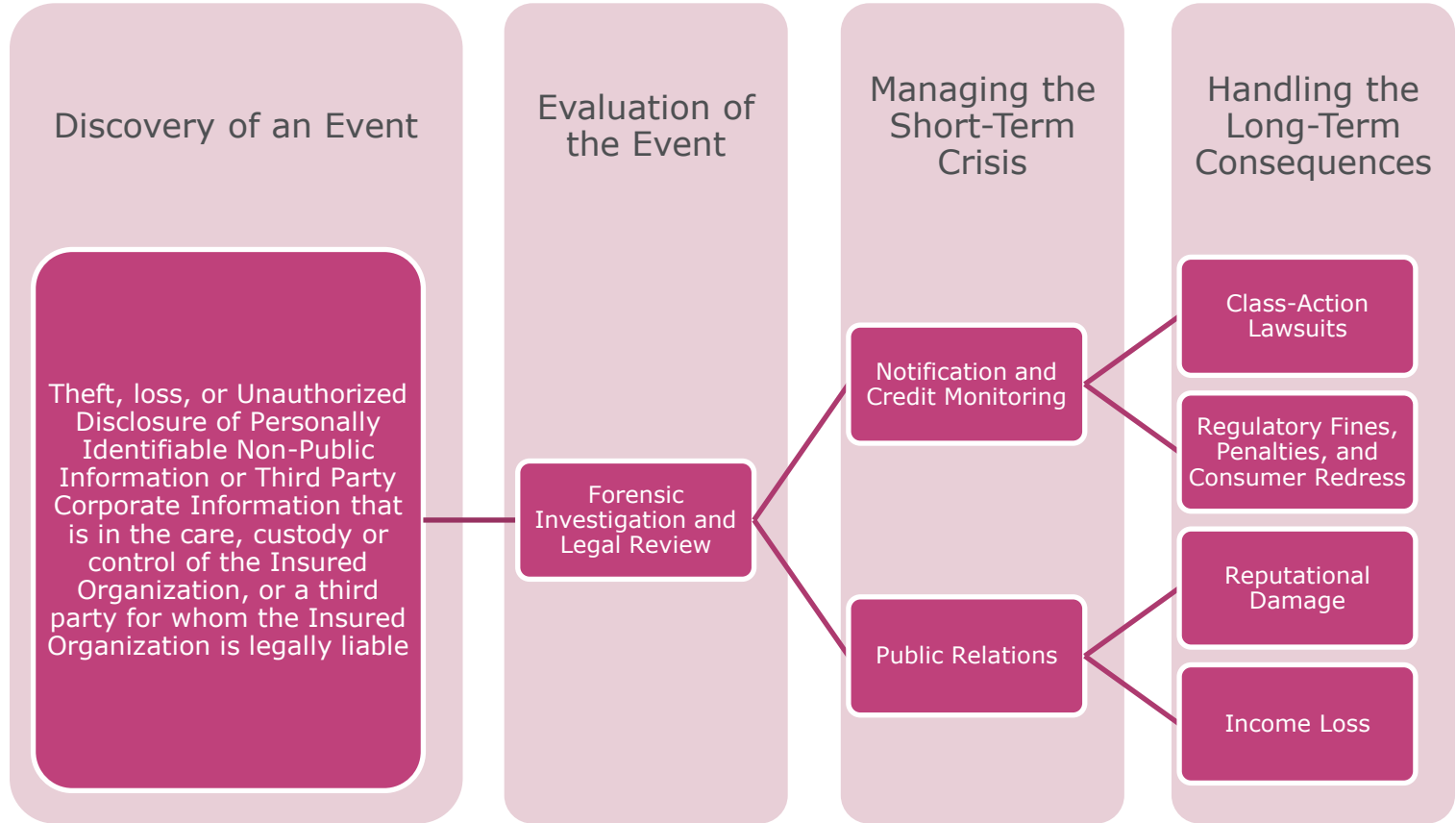
What is a Data Breach?

- Actual release or disclosure of information to an unauthorized individual/entity that relates to a person and that:
 - May cause the person inconvenience or harm (financial/reputational)
 - Personally Identifiable Information (PII)
 - Protected Healthcare Information (PHI)
 - May cause your company inconvenience or harm (financial/reputational)
 - Customer Data, Applicant Data
 - Current/Former Employee Data, Applicant Data
 - Corporate Information/Intellectual Property
- Paper or Electronic

Types of Data Security Breaches

- Improper Disposal of Data
 - Paper
 - Un-shredded Documents
 - File cabinets without checking for contents
 - X-Ray Images
 - Electronic assets
 - computers, smart phones, backup tapes, hard drives, servers, copiers, fax machines, scanners, printers
- Phishing/Spear Phishing Attacks
- Network Intrusions/Hacks/Malware Viruses
- Lost/Missing/Stolen Electronic Assets
- Mishaps due to Broken Business Practices
- Rogue Employees

A Simplified View of a Data Breach Response Methodology



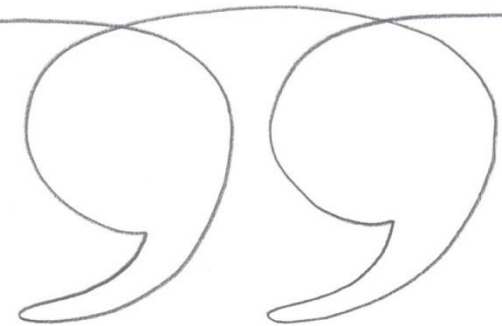
Why we should be careful with the word “Breach”

Perception is Half the Battle

- People use “breach” too frequently and you don’t want your customers or regulators to think you are subject to numerous breaches
- “Breach” suggests something bad happened or is going to happen
- “Breach” has legal significance
 - Train your Incident Response Team to not use “Breach” within internal communications as you vet out or investigate the “Security Incident”



Regulatory Landscape



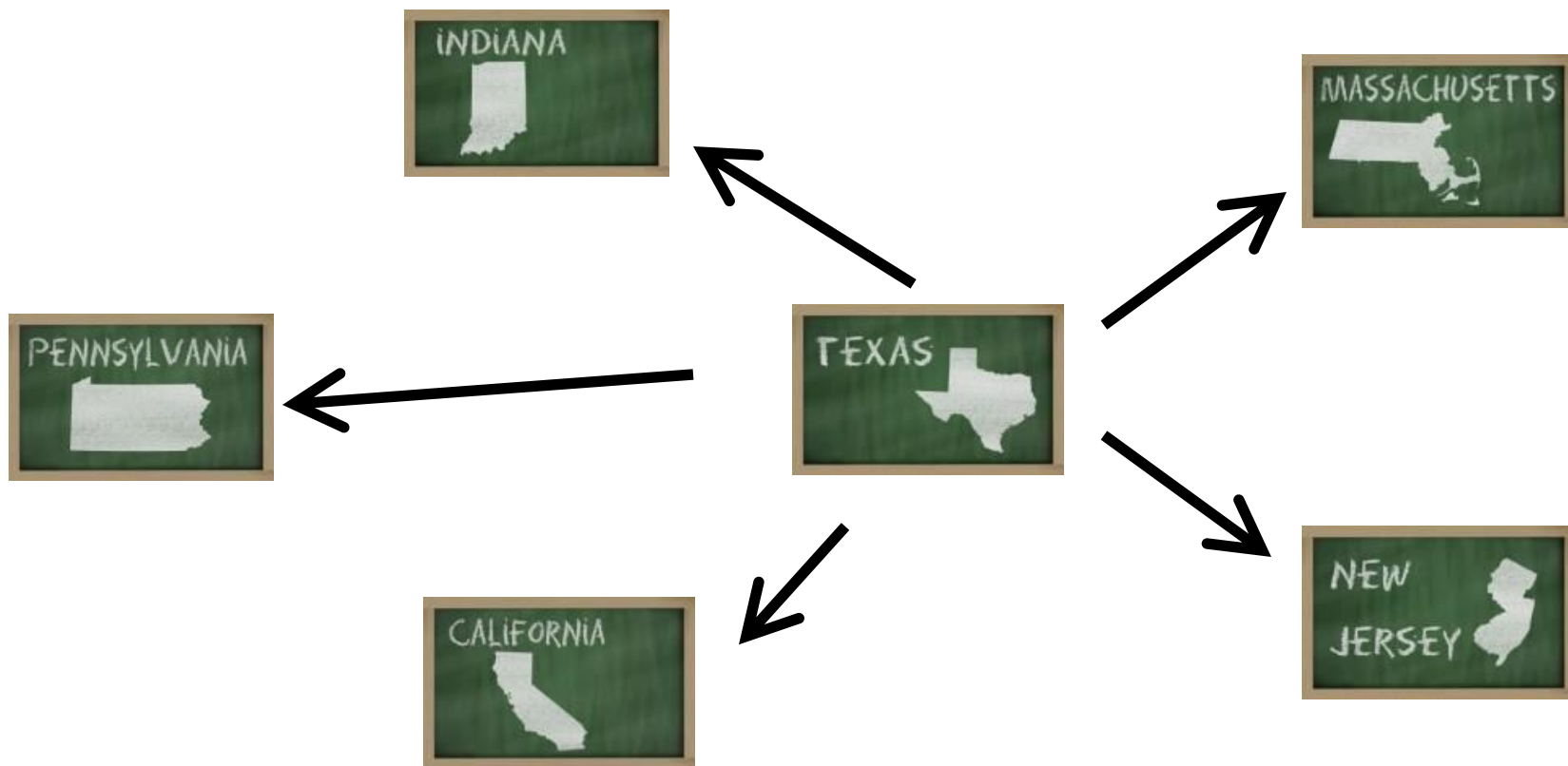
The Legal Landscape – US Federal Laws

- HIPAA-HITECH
 - Do you handle PHI?
- PCI-DSS
 - Do you accept transactional data? (Credit Card Data)
- FTC's Red Flags Rule
 - Are you a creditor?
- FACTA (Fair & Accurate Credit Transactions Act)
 - Do you use credit reports in the course of pre-employment background screening? (Not allowed – CA, CO, CT, IL, HI, OR, NV, MD, WA)
- FISMA (Federal Information Security Management Act of 2002)
 - Are you a federal contractor?
- FTC – Section 5a
 - Do you engage in unfair or deceptive acts or practices?
 - Do you comply with your website's privacy policy?

The Legal Landscape – US State Laws

- State Laws
 - 47 States + DC, PR, VI
- Encryption is a safe harbor to most (not all) – (i.e. MA)
- Laws differ with respect to:
 - Notice Triggers
 - Data types (definition of PII)
 - Format of data (paper, electronic)
 - Timeliness
 - Required content for notification
 - Notification of attorneys general and various state agencies

The Reach of State Laws

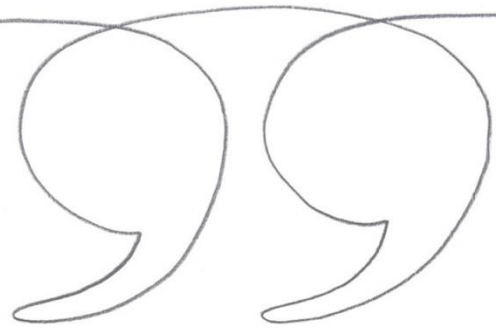


The Legal Landscape – International Laws

- Canada
 - PIPEDA, Ontario, Manitoba, Trans-Border Data Flow Laws
- EU Directive
 - DPAs moving into mandatory notification. Some already do.
 - Cookie Consent
- LatAm, APEC – various privacy frameworks
 - Some DPAs have mandatory notification.
- Safe Harbor Provisions
 - Some nations are “Adequate” with privacy requirements to the EU.
 - (Argentina, New Zealand, among others) - US is NOT.
 - US Dept. of Commerce – Safe Harbor Provisions (EU, Switzerland)
- Binding Corporate Rules (BCRs)



Cases



Why background screening / vendor vetting is important.

- Entity Affected: College/University
- Incident Details: Lack of proper vetting of employer-attendees allowed criminals impersonating an employer to attend a job fair for college seniors. Criminals successfully secured identities via job application forms.
- Data Format: Paper records
- Information Compromised: Name, DOB, SSN#, Email Address, Address, Phone #
- Breach Universe: 500+

Why forensics is important. Don't assume you know the facts.

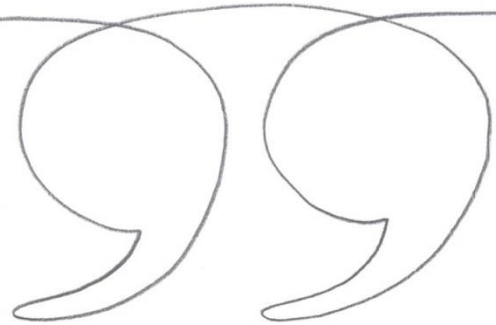
- Entity Affected: Financial Services Firm
- Incident Details: Company suffered a malware intrusion and initially believed all 280,000 customers' PII was compromised. Forensics reversed engineered the malware to determine it was only collecting credit card numbers beginning with "3". (American Express Cards) Without Forensics, the company would have notified the entire population.
- Data Format: Electronic
- Information Compromised: Name, Credit Card #
- Breach Universe: 30,000+

Don't assume you know the facts.

- Entity Affected: Hospital
- Incident Details: Hospital did a "disaster drill". Set up 20 laptops, one in each ER suite. To replicate lost power, each laptop was to be set up with all 500,000 EHRs of the hospital. During course of drill, 1 laptop went missing.
- Initial Response: Hospital called a press conference to acknowledge a loss of 500,000 EHRs. They held the press conference BEFORE the investigation.
- Investigation: Investigation identified time of loss via surveillance cameras in the ER. IT reviewed network logs for downloading the 500,000 EHRs to each laptop and noticed 1 laptop did not receive the 500,000 EHRs. Investigation took 48 hours.
- Conclusion: It was forensically concluded that the missing laptop was stolen BEFORE the download of 500,000 records occurred.
- Data Format: Electronic
- Information Compromised: PHI
- Breach Universe: ZERO – "Non-Event"
- Aftermath: The hospital had to hold a second press conference about the "false alarm".



Final Thoughts

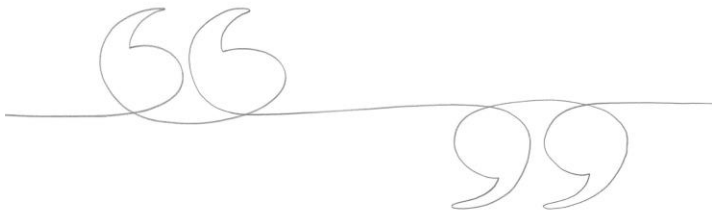


Best Practices – Breach Preparedness and Prevention

- Risk Transfer Instrument
- Background Screening Program
- Pre-Arrange Breach Response Services
- e-Learning Initiative
- Incident Response Plan
- Tabletop Exercises
- Legislative updates

Best Practices – Breach Response Management

- Retain Outside Counsel
- “Notify Correctly vs.. Quickly”
- Outside Call Center When Appropriate
- Reputational Risk Advisor When Appropriate
- Investigate – Investigate – Investigate
- Leverage External Resources – Privacy Counsel, Forensics



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"It's bad enough a company may possibly face liability from the data breach itself. The last thing you want is to create further liability exposure from how you respond to the incident."

Making sure you are kept in the best defensible position possible during the course of your breach response methodology should be a priority."

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Data Breach Readiness and Response

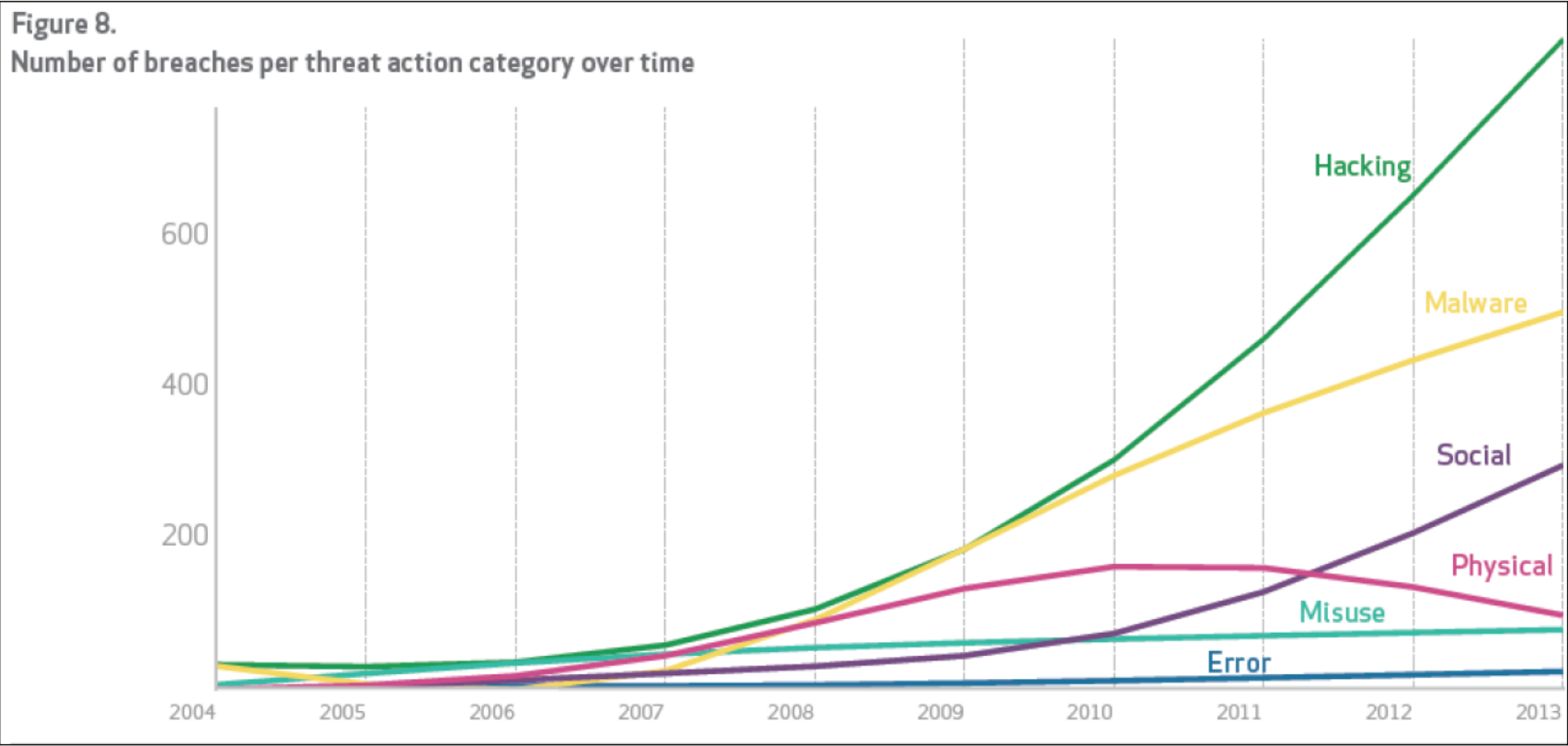
Andy Obuchowski, Security and Privacy Director, McGladrey LLP

Agenda

- Incident statistics
- Risk assessment/incident response approach
- Incident response tasks
 - Incident scope
 - Evidence collection
 - Forensic analysis
 - Documentation
- Investigative hurdles
- Mitigating costs and risks
 - Administrative and technical controls

Data breach statistics

Figure 8.
Number of breaches per threat action category over time



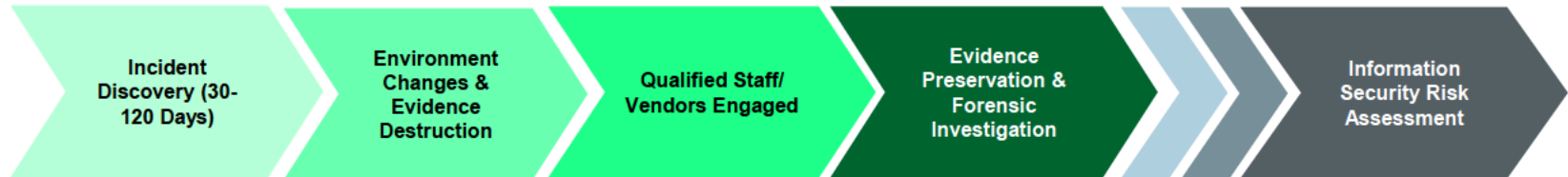
Data breach statistics (con't)

Figure 19.
Frequency of incident classification patterns per victim industry

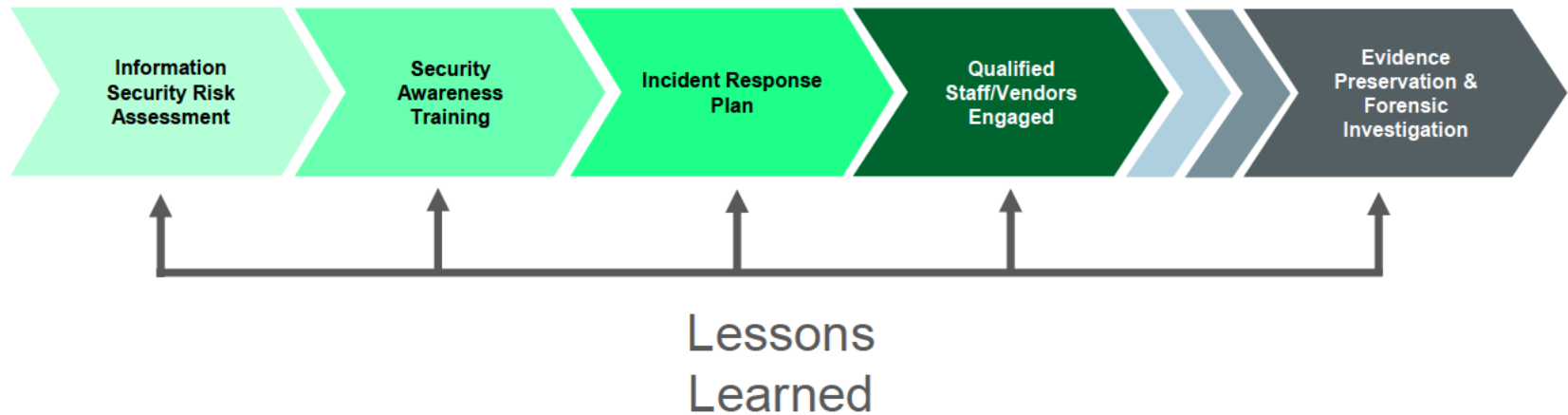
INDUSTRY	POS INTRUSION	WEB APP ATTACK	INSIDER MISUSE	THEFT/LOSS	MISC. ERROR	CRIMEWARE	PAYMENT CARD SKIMMER	DENIAL OF SERVICE	CYBER ESPIONAGE	EVERYTHING ELSE
Accommodation [72]	75%	1%	8%	1%	1%	1%	<1%	10%		4%
Administrative [56]		8%	27%	12%	43%	1%		1%	1%	7%
Construction [23]	7%		13%	13%	7%	33%			13%	13%
Education [61]	<1%	19%	8%	15%	20%	6%	<1%	6%	2%	22%
Entertainment [71]	7%	22%	10%	7%	12%	2%	2%	32%		5%
Finance [52]	<1%	27%	7%	3%	5%	4%	22%	26%	<1%	6%
Healthcare [62]	9%	3%	15%	46%	12%	3%	<1%	2%	<1%	10%
Information [51]	<1%	41%	1%	1%	1%	31%	<1%	9%	1%	16%
Management [55]		11%	6%	6%	6%		11%	44%	11%	6%
Manufacturing [31,32,33]		14%	8%	4%	2%	9%		24%	30%	9%
Mining [21]			25%	10%	5%	5%	5%	5%	40%	5%
Professional [54]	<1%	9%	6%	4%	3%	3%		37%	29%	8%
Public [92]		<1%	24%	19%	34%	21%		<1%	<1%	2%

Incident response/Risk assessment approach

Common Occurrence



Model Approach



Security & Privacy – Digital Forensics & Incident Response (DFIR)

- Case examples:
 - Malware/unauthorized access, intellectual property theft, internal investigations (e.g. HR)
- Forensic preservation/collection of Electronically Stored Information (ESI)
 - Laptops, desktops, mobile devices, email servers, applications, network storage, etc.
- Digital analysis
 - Keyword/pattern searching, internet history, unauthorized access, malware, USB devices, anti-forensic tools
- Risk assessment
 - Recommendations to mitigate risk including technical and administrative controls
- Expert report/presentation/testimony
 - Depending on client needs and objectives

Incident response tasks

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Consulting and evidence preservation

- The initial objective is to learn about the environment and offer consulting services that include:
 - Identifying potential sources of evidence
 - Supporting incident response best practices
 - IT terminology < > Legal understanding
- After identifying potential evidence sources, the preservation/collection of data commences including:
 - Forensic imaging of hard drives (complete or targeted)
 - Collection of network/application data (email archives, web servers)
 - Custodial interviews

Ask
yourself:

Is my staff appropriately trained to handle an information security incident? Do they have the skill sets to conduct a forensic investigation? Have we been through this type of incident before? Do we know where our data is physically located?

Incident response tasks (con't)

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Forensic analysis

- Keyword searching is limited to files that are searchable or unallocated (“deleted space”)
- Locate email or file fragments, identify email addresses, password crack files, and other useful investigative data points
- Identify files containing Payment Card Information (PCI), Personal Healthcare Information (PHI), and Personal Identifying Information (PII)
- Internet history activity showing websites visited such as file transfer sites (DropBox), chat communication (including Skype), and media files
- Connecting external storage, transferring files to other media, files opened from the computer

Investigative hurdles

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Preparation, collaboration, documentation

- Investigating “Unknowns”
 - Unable to identify appropriate resources
 - Data availability
 - Application or cloud service provider access
- Evidence preservation – afterthought
 - Deleted digital evidence – expands scope/risk of harm
 - Lack of documentation
- Data segregation
 - Human capital, accounting, user share data combined

Investigative issues

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Trust but verify

- Lack of evidence
 - Outdated systems
 - Misconfigured applications
 - Data retention not long/detailed enough
- Documentation
 - Investigative methods and analysis of findings
 - Remediation action plans
 - Export reports/affidavits

Ask
yourself:

Is my staff appropriately trained to handle an information security incident? Do they have the skill sets to conduct a forensic investigation? Have we been through this type of incident before?

Mitigating costs & risks

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Administrative tasks

- Preparation – It's a matter of “When” not “If”
 - Risk assessment
 - Business continuity, disaster recovery plans
 - Incident response documentation
 - Mock incident response drills
 - Vulnerability scanning
 - Service Level Agreements (vendors, service providers)
 - Document, document, document
 - Who did what? When did the change or event occur? What was the result?



Ask
yourself:

Do we have an updated IRP? Has our IRP been tested? Have we made significant changes to our IT infrastructure? Do we have the ability to assess our cloud service provider to ensure our data is stored securely?

Mitigating costs & risks (con't)

Incident Response Tasks

Investigative Hurdles

Mitigating Costs & Risks

Technical tasks

- Data segregation
 - Data classification – physically segregating data
 - Separate servers, VLAN, network storage
 - Access to data backup and offsite facilities
 - Test archiving solutions (email, data vaults)
 - Speed of exports, change in file properties, search functionality
 - Event logging (VPN, file audit, network access, building access)
 - Data Loss Prevention (DLP) solutions

Ask
yourself:

Is our company sensitive data on the same server as our employee home directories? Have we tested the input and output of our email backup/archiving solution? Are there logs available to show who has accessed our network in the past week? Do we know what files they accessed?

With you today



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DEMONSTRATION OF UPDATED CSURMA WEBSITE

ISSUE: The csurma.org was re-launched with more functional capabilities for our members. Staff continues to work on improvements and add content, and has developed a new layout of the website. The Board of Directors will be given a demonstration of enhancements and layout made to the CSURMA website.

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

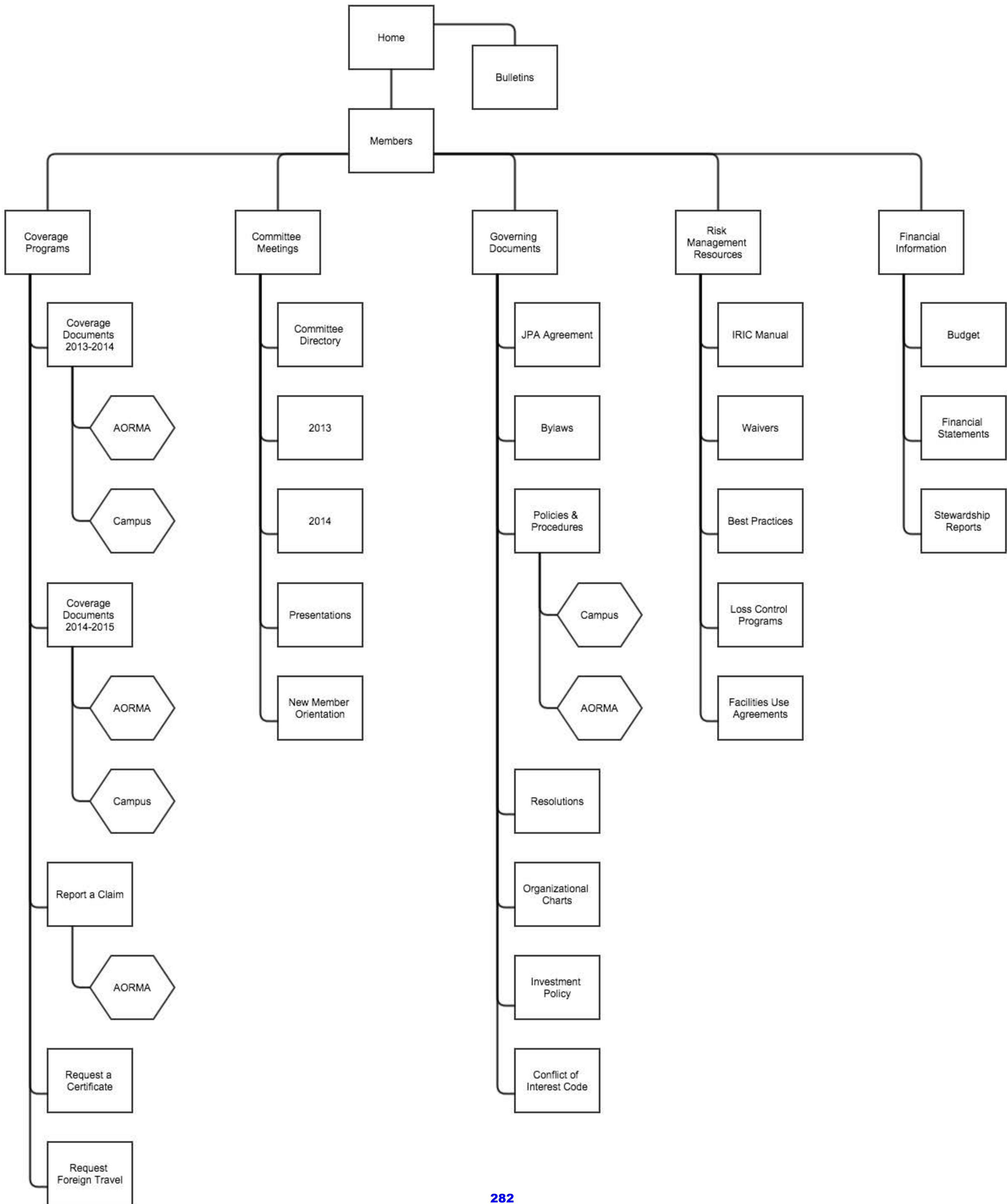
FISCAL IMPACT: None.

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

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

ATTACHMENT(S):

- a. CSURMA website map overview



**IRONSHORE’S CRISIS THREE-SIXTY
CRISIS MANAGEMENT RESOURCE**

ISSUE: Crisis ThreeSixty is a policy enhancement provided by CSURMA’s lead excess liability insurer, Ironshore Specialty Insurance Company. This valued benefit provides members an additional resource to help coordinate and manage communications during a crisis event. Staff will present an overview of Crisis ThreeSixty resources, highlight program benefits to members, and provide instructions on how to access Crisis ThreeSixty.

RECOMMENDATION: None; this item is presented for the Board’s information. Following today’s meeting, members will be asked to designate a “Key Executive” from each campus/auxiliary who would be authorized to trigger Crisis ThreeSixty resources during an actual crisis event.

FISCAL IMPACT: None; this is a policy benefit of Ironshore Specialty Insurance Co.

BACKGROUND: The worst time to address a crisis event is when it is actually happening. Crisis ThreeSixty helps members prepare for a crisis event before a crisis happens. The Program Administrator will request each member to designate the “Key Executive” for their campus or auxiliary organization who would be authorized to engage Crisis ThreeSixty resources and help develop a crisis management protocol involving Systemwide Risk Management, Alliant and others as necessary

PUBLICATION: A copy of this presentation and instructions to activate Crisis ThreeSixty will be posted on the CSURMA website.

ATTACHMENT(S): None.