



APPROVED

**MINUTES OF THE
CSURMA AORMA COMMITTEE MEETING
DECEMBER 5, 2019
ALLIANT INSURANCE SERVICES, INC.
100 PINE STREET, 11TH FLOOR, SAN FRANCISCO, CA
11:00 AM**

MEMBERS PRESENT

Dwayne Brummett, Associated Students, Inc. at San Luis Obispo
Chuck Kissel, CSU Fullerton Auxiliary Services Corporation
Starr Lee, The University Corporation at Monterey Bay (*arrived at 12pm*)
Leslie Levinson, San Diego State University Research Foundation (*via Teleconference*)
Dave Nakamura, Humboldt State University Center
Bella Newberg, California State University San Marcos Corporation (*via Teleconference*)
Bill Olmsted, University Union Operation of CSUS, Inc.

MEMBERS ABSENT

Trina Knight, University Enterprises, Inc., CSU Sacramento
Cecilia Ortiz, Loker University Student Union, CSU Dominguez Hills (*via Teleconference; non-voting*)
Russ Wittmeier, Chico State Enterprises

STAFF, GUESTS AND CONSULTANTS

Yumi Augustus, Carl Warren and Company
Katie Brandt, Sedgwick (*via Teleconference*)
Zachary Gifford, CSU Office of the Chancellor – Systemwide Risk Management
Tevea Him, Alliant Insurance Services, Inc.
Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, CSU Office of the Chancellor - General Counsel (*via Teleconference*)
Susan Leung, Alliant Insurance Services, Inc.
Mimi Long, Alliant Insurance Services, Inc.
Brian Montagnese, Sedgwick CMS (*via Teleconference*)
Beth Tavares, Carl Warren and Company (*via Teleconference*)
Robin Webb, CSU Office of the Chancellor - General Counsel (*via Teleconference*)

A. CALL TO ORDER

The meeting was called to order by the Chair, Dwayne Brummett at 11:02 AM.

A1. Approval of the Agenda

Bella Newberg and Leslie Levinson expressed their desire to abstain from voting on all action items.

A motion was made to approve the agenda.

Motion: Chuck Kissel
Second: Dave Nakamura

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

MOTION CARRIED

B. PUBLIC COMMENTS

Tom Quirk, Chloe Smith and Emily Li provided an overview of the AORMA Benefits Program’s current activities.

C. CONSENT CALENDAR

C1. Approval of Meeting Minutes – September 4-5, 2019

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

Motion: Bill Olmsted
Second: Chuck Kissel

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

Starr Lee				X
Trina Knight				X

MOTION CARRIED

D. CLOSED SESSION

1. Apodaca v. San Marcos, ASI, et al.
2. Aranda v. San Bernardino, University Enterprises Corp
3. Lazar v. San Luis Obispo, Cal Poly Corp
4. Bennett vs. San Diego, ASI
5. Katagiri vs. San Diego, Research Foundation
6. Debellis vs. Sacramento, ASI
7. Fleischman vs. San Diego, Research Foundation
8. Richardson vs. Los Angeles, ASI
9. Saucedo vs. Long Beach, ASI
10. M. Davis vs. Long Beach, ASI
11. Espinoza vs. San Luis Obispo, ASI
12. Stickney vs. Long Beach, Forty-Niner Shops
13. Robensin vs. San Diego, Aztec Shops

A motion was made to enter closed session at 12:15 P.M.

Motion: Dave Nakamura
Second: Bill Olmsted

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

MOTION CARRIED

The Committee came out of closed session at 1:42 PM. The Chair reported that action was taken on Lazar v. SLO Cal Poly Corp, Bennett vs. San Diego ASI, Debellis vs. Sacramento ASI, Stickney vs. Long Beach Forty-Niner Shops and Robensin vs. San Diego Aztec Shops during closed session.

Motion: Starr Lee
Second: Bill Olmsted

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

MOTION CARRIED

E. GENERAL ADMINISTRATION

E1. FY 19/20 CSURMA AORMA Long Range Action Plan

The Committee heard an overview of the activity on the items within the FY 19/20 Long Range Action Plan:

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

A motion was made to approve the FY 19/20 Long Range Action Plan as presented.

Motion: Chuck Kissel

Second: Dave Nakamura

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

MOTION CARRIED

E2. Workers’ Compensation Supplemental Actuarial Report (Experience Modification Factors)

CSURMA’s retains the services of an independent actuary to evaluate the (1) Estimated Outstanding Liabilities at June 30, 2019, and (2) Projected Ultimate Limited Losses for FY 20/21. These reports were approved by the AORMA Committee in September, 2019. The actuary also calculates each member’s experience modification factor (EMF). The Committee reviewed the supplemental EMF report to be used in the FY 20/21 Workers’ Compensation Program Member Allocation.

The EMF’s are used in the FY 20/21 Workers’ Compensation Member Allocation. Each member’s EMF has the potential of increasing 20%; however, there is no limit on the percentage decrease.

The Workers’ Compensation Program Member Allocation formula incorporates an EMF for each Member which is a claims experience rating system intended to provide Members with a direct financial incentive to reduce work-related accidents. The EMF rating system objectively distributes the workers’ compensation program costs more equitably between the Members. An EMF less than 100% reflects better than average experience.

Each member will receive its EMF calculation once the Committee accepts this supplemental report. The EMF’s will also be included in the budgeting letter which will be sent to all members in January, 2020.

A motion was made to accept the Workers’ Compensation 20/21 EMF supplemental report dated December 2, 2019 to be used in the FY 20/21 Workers’ Compensation Program Member Allocation.

Motion: Chuck Kissel
Second: Dave Nakamura

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

MOTION CARRIED

E3. Workers’ Compensation Program Member Allocation for FY 20/21

The Committee reviewed the AORMA Workers’ Compensation Program Member Allocation for FY 20/21. The AORMA Committee was asked to approve the FY 20/21 workers’ compensation rates as well as the allocation. Costs are allocated to the members based on their estimated payroll for FY 20/21 and their experience modification factor (EMF) as determined by the CSURMA actuary. The total funding required for the FY 20/21 program is \$4,633,607. As compared to the premium collected for FY 19/20 of \$5,022,175, the total premium costs have decreased by 8% (or \$388,568). This decrease is due primarily to the decrease in the actuarial recommend program rate for the pooled layer.

In order to establish rate stability, the AORMA workers’ compensation program rates are determined by starting with the corresponding WCIRB rate approved for use as the AORMA class code rate and then applying a normalization factor to develop the total amount of funding required.

A motion was made to the approved the FY 20/21 rates shown below, as well as the FY 20/21 Workers’ Compensation Program Member Allocation as presented, and to allow Staff to revise the allocation with updated member payroll information as appropriate.

AORMA Class Code	1001	1002	1004	1005	1006	1007
FY 20/21 Rates	.22	.64	1.22	1.55	2.82	4.56

Motion: Dave Nakamura
Second: Chuck Kissel

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

MOTION CARRIED

E4. Liability Program Supplemental Actuarial Reports

CSURMA’s retains the services of an independent actuary to evaluate the (1) Estimated Outstanding Liabilities at June 30, 2019, and (2) Projected Ultimate Limited Losses for FY 20/21. These reports were approved by the AORMA Committee in September, 2019. The actuary also provides the following supplemental reports:

1. Experience Modification Factor (EMF)
2. Program Rates for EPL, Auto Liability, Premises Liability and All Other
3. Employment Practices Deductible Credits

The Committee reviewed the supplemental reports to be used in the FY 20/21 Liability Program Member Allocation.

In order to calculate the EMF’s, the actuary uses five years of exposure data and loss data. To stabilize the EMF’s, all losses are capped at \$100,000. The actuary first calculates each member’s portion of the total losses compared to its portion of the total risk exposures. The actuary then adds a credibility weight based on each member’s size. This assumes that the historical loss information of larger members is more predictive of future claim experience compared to that of small members. The two largest members were assigned a weight of 75%, and the remaining members were given proportionally lower weights.

To provide greater stability, the minimum and maximum EMF’s are limited to between .50 and 2.00. The factors within the supplemental reports will be included in the Liability Program Member Allocation, but will not be distributed to each member separately.

A motion was made to accept the FY 20/21 Rates and Experience Modification Factors, and the Employment Practices Liability Indicated Deductible Credits reports dated November 20, 2019.

Motion: Bill Olmsted
Second: Chuck Kissel

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

MOTION CARRIED

E5. Liability Program Member Allocation for FY 2020/21

In September, 2019, the AORMA Committee approved the total costs for the Liability Program. The AORMA Committee must now approve the Liability Program Member Allocation and the allocation factors for FY 20/21. The total Liability Program costs have been allocated to the members based on the approved allocation formula documented in Policy and Procedure L-8.

The Committee reviewed the allocation factors:

- Four basic rates.** Table 1 includes the proposed rates for Auto, Premises, Other and Employment Practices Liability (EPL). Because the overall funding increase for the liability program was relatively low, Staff was able to adopt the actuary’s recommended rates. The actuary’s recommended rates have been normalized to include the size credit of 20% as well as the 80% confidence level funding for the pooled layer.

Exposure Category	19/20 Actuary's Recommended Rates	AORMA 19/20 Normalized Rates	Diff	20/21 Actuary's Recommended Rates	AORMA 20/21 Normalized Rates	Diff
Auto Liability	172	172	0%	150	204	36%
Premises Liability	41	40	-2%	29	40	36%
Other Liability	169	320	89%	224	304	36%
EPL	2,043	1,560	-24%	1,652	2,245	36%

1. **Maximum premium for calculating the size credit.** This was increased from \$60,000 to \$76,000 to allow ten Members to receive the maximum size credit of 20%.
2. **Maximum size credit rate percentage.** This size credit was lower from 25% to 20%.
3. **Maximum collared premium percentage increase.** The maximum collar increase was lowered from 33% to 20%. (Three members were not subject to the 20% maximum increase of 20% because their rating exposures increased significantly and their costs were calculated based on the new exposures. Note, other members had significant exposure changes as well, however, their costs as calculated did not exceed the maximum increase collar.)
4. **Maximum collared rate percentage decrease.** The maximum collar decrease was lowered from a plus 6% increase to a 21% decrease. (One member received a larger decrease due to a major change in operations.)
5. **Capped excess premium.** The maximum excess premium was increased from \$93,713 to \$98,398 (a 5% increase) in accordance with the decisions made by the Programs Committee during its rating plan review meeting in February, 2017 and approved by the AORMA Committee.
6. **Minimum administrative costs.** This minimum administrative costs was increased from \$726 to \$799 (a 10% increase) in accordance with the decisions made by the Programs Committee during its rating plan review meeting in February, 2017 and approved by the AORMA Committee.
7. **Maximum administrative costs.** This remains at \$60,000.
8. **Minimum premium.** The minimum premium was increased from \$2,845 to \$3,272 (a 15% increase) in accordance with the decisions made by the Programs Committee during its rating plan review meeting in February, 2017 and approved by the AORMA Committee.

The total funding for the FY 20/21 program is \$4,758,296 which is a 5% increase (or \$218,141) as compared to FY 19/20. This increase is due to anticipated growth of the AORMA members as well as the overall hardening of the excess/reinsurance commercial market.

A motion was made to approve (1) the FY 20/21 Liability Program Member Allocation and (2) the allocation factors allowing Staff to revise the allocation with updated exposure information as appropriate.

Motion: Chuck Kissel
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Bella Newberg		X		
Bill Olmsted	X			
Cecilia Ortiz		X		
Chuck Kissel	X			
Dave Nakamura	X			
Leslie Levinson		X		

Russell Wittmeier				X
Starr Lee	X			
Trina Knight				X

MOTION CARRIED

E6. Property Program Member Allocation for FY 2020/21

In September, 2019, the AORMA Committee approved the total costs for the Property Program. The AORMA Committee will now be asked to approve the final member allocation and the allocation factors included within the FY 20/21 Property Program Member Allocation. The total Property Program costs have been allocated to the members based on the approved allocation formula documented in Policy and Procedure P-1.

The Committee discussed review the allocation factors:

1. **Basic rates:** .1629 for real property and business interruption/rents and .1955 for business personal property. TABLE 1 below notes the program’s historical rates.

TABLE 1

Property Program Historical Rates							
Coverage	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	% Diff
Real Property, Business Interruption and Rents	0.1424	0.1402	0.1340	0.1376	0.1424	0.1629	14%
Business Personal Property	0.1709	0.1682	0.1608	0.1651	0.1709	0.1955	14%

2. **Maximum premium for calculating the size credit:** \$600,000. This factor remains unchanged from the FY 19/20 allocation.
3. **Maximum size credit rate percentage:** 30%. This factor remains unchanged from the FY 19/20 allocation.
4. **Minimum premium:** \$600. This factor remains unchanged from the FY 19/20 allocation.
5. **Loss ratio surcharge schedule:** No change. See TABLE 2 below which shows the historical loss ratio surcharges.

TABLE 2

Loss Ratio Surcharge	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Less than 40%	None	None	None	None
Between 40% and 60%	None	5%	5%	5%
Between 60% and 100%	10%	10%	10%	10%
Between 100% and 150%	20%	20%	20%	20%
Between 150% and 300%	20%	30%	30%	30%
Excess of 300%	20%	40%	40%	40%

The FY 20/21 Property Program Member Allocation results in a total premium of \$2,813,631. This is a 14% (or \$346,326) increase compared to FY 19/20. As shown on Table 1 below, the basic property rate increased by 14%. The total property program premium also includes the premium for the limited earthquake, pollution, and cyber coverage.

A motion was made to approve (1) the FY 20/21 Property Program Allocation Factors as noted below and (2) the member allocation as presented on the attached spreadsheet allowing Staff to revise the allocation with updated property value information when received from the members.

Motion: Dave Nakamura
Second: Chuck Kissel

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

MOTION CARRIED

E7. Crime Program Member Allocation for FY 2020/21

In September, 2019, the AORMA Committee approved the total cost for the Crime Program. The AORMA Committee will now be asked to approve the final member allocation and the allocation factors included within the FY 20/21 Crime Program Member Allocation. The total Crime Program costs have been allocated to the members based on the approved allocation formula documented in Policy and Procedure C-1.

The Committee reviewed the allocation factors:

1. **Basic rate:** .0004033. Even though the overall program premium increased slightly, the basic rate decreased. This is because the individual premium for five members increased due to loss activity. The rate for FY 19/20 was .000411.
2. **Maximum premium for calculating the size credit:** \$6,000. This factor remains unchanged from the FY 19/20 allocation. Eleven members receive the entire 30% size credit.

3. **Maximum size credit rate percentage:** 30%. This factor remains unchanged from the FY 19/20 allocation.
4. **Minimum premium:** See the minimum premium schedule (Table 1) below. The minimum premium schedule is unchanged from the FY 19/20 allocation.
5. **Loss ratio surcharge schedule:** See the Loss Rating Surcharge Schedule (Table 2) below. The loss rating schedule is unchanged from the FY 19/20 allocation.

TABLE 1	
Expenditures Less Than	FY 20/21 Minimum Premium
1,000,000	200
1,250,000	250
1,500,000	300
2,000,000	400
3,000,000	600
4,000,000	800
5,000,000	1,000
6,000,000	1,200
7,000,000	1,400
8,000,000	1,520
9,000,000	1,620
10,000,000	1,700
12,500,000	2,188
15,000,000	2,550
17,500,000	2,888
Over 17,500,000	3,200

TABLE 2	
Loss Rating Surcharge Schedule	
Surcharge Ratio	FY 19/20
Less than 50%	0%
Over 50%	0%
Over 100%	20%
Over 200%	40%
Over 300%	50%

The FY 20/21 total cost for the Crime Program is \$238,287 which represents a 3% (or \$7,729) increased over the FY 19/20 program costs.

A motion was made to approve (1) the FY 20/21 Crime Program Allocation Factors and (2) the member allocation as presented on the attached spreadsheet allowing Staff to revise the allocation with updated expenditure and/or payroll information as appropriate.

Motion: Bill Olmsted
Second: Dave Nakamura

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Bella Newberg		X		
Bill Olmsted	X			
Cecilia Ortiz				X
Chuck Kissel	X			

Dave Nakamura	X			
Leslie Levinson		X		
Russell Wittmeier				X
Starr Lee	X			
Trina Knight				X

MOTION CARRIED

E8. Unemployment Insurance Program Member Allocation for FY 2020/21

The AORMA Unemployment Insurance Program (UIP) member allocation uses two factors – paid claims and administrative costs – in order to calculate each member’s annual deposit. Each member must maintain a minimum fund balance of two times its average annual losses. If the member’s fund balance is below the minimum, annually, the member will be assessed an amount not to exceed 20% of the additional funding required to achieve the minimum fund balance. The FY 20/21 UIP member allocation has been calculated in accordance with Policy and Procedure UI-1.

In accordance with Policy and Procedure UI-1, Staff has applied the member’s excess funds (if any) to reduce the FY 20/21 UIP annual deposit. For those members with additional excess funds remaining, Staff will provide the option to;

1. Transfer the funds to another program (the workers’ compensation program only for those members with federal sponsored programs),
2. Keep the funds on account; or,
3. Receive a refund (only for those members without federal sponsored programs).

The UIP member allocation results in an annual deposit of \$809,956 for FY 20/21. The annual deposit for FY 19/20 was \$788,791.

A motion was made to approve the FY 20/21 UIP member allocation as presented.

Motion: Bill Olmsted
Second: Chuck Kissel

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Bella Newberg		X		
Bill Olmsted	X			
Cecilia Ortiz				X
Chuck Kissel	X			
Dave Nakamura	X			
Leslie Levinson		X		

Russell Wittmeier				X
Starr Lee	X			
Trina Knight				X

MOTION CARRIED

E9. Liability and Workers’ Compensation Dividends

At its September, 2019 meeting, the AORMA Committee approved the following dividends to be distributed in July, 2020:

- a. Liability - \$782,985
- b. Workers’ Compensation - \$544,190

The dividends have been allocated to the members based on the formula outlined in Policy and Procedure A-4 – Dividends and Assessments.

The Committee reviewed the liability and workers’ compensation dividend allocation calculation. Dividends are allocated to those members currently participating in the liability and workers’ compensation program (and who will be participating on July 1, 2020) based on each member’s total percentage of contributions during the following fiscal years: 15/16, 16/17, 17/18, 18/19 and 19/20. Members will be notified of the approved dividend amount at the end of January, 2020.

A motion was made to approve the liability and workers’ compensation dividends to be paid in July, 2020. The total dividend payable in July, 2020 is \$1,327,175.

Motion: Bill Olmstead
Second: Starr Lee

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

MOTION CARRIED

E10. AORMA Committee Election for Officer Positions

The three current officers, shown below, were each nominated for a second two-year term beginning on July 1, 2020.

Current Officers:

Member	Position	Type of Auxiliary	Term	1st, 2nd or Final Term
Dwayne Brummett	Chair	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	7/1/18 - 6/30/20	First
Dave Nakamura	First Vice Chair	Humboldt State University Center	7/1/18 - 6/30/20	First
Starr Lee	Second Vice Chair	The University Corporation at Monterey Bay	7/1/18 - 6/30/20	First

The Chair asked for additional nominations. Hearing none, the Chair asked for a motion to close the nominations.

A motion was made to close nominations.

Motion: Chuck Kissel
Second: Bill Olmsted

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

A motion was made to elect the three current officers for a second two-year term beginning on July 1, 2020.

Motion: Bill Olmsted
Second: Chuck Kissel

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Bella Newberg		X		

Bill Olmsted	X			
Cecilia Ortiz				X
Chuck Kissel	X			
Dave Nakamura	X			
Leslie Levinson		X		
Russell Wittmeier				X
Starr Lee	X			
Trina Knight				X

E11. Policy and Procedure A-1 - AORMA Committee Composition, Elections and Term Limits

Because the AORMA Committee will no longer hold a meeting in October, Policy and Procedure A-1 has been revised to update the AORMA Committee nomination and election timeline. Also, the announcement in January (at the AOA Conference) regarding changes to the AORMA Committee officers as well as open upcoming open seats, is completed by the Chair during AOA business meeting, so this section was revised as well.

A motion was made to approve the revisions to Policy and Procedure A-1.

Motion: Chuck Kissel
Second: Bill Olmsted

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

MOTION CARRIED

E12. Rating Plans Task Group

Policy and Procedure A-5 - Annual Calendar of Reports, Audits and Filings, requires that the AORMA Committee review its allocation formulas for its coverage programs every three years to verify that they are still fair and equitable.

The Chair appointed Cecelia Ortiz, Bill Olmsted, Dave Nakamura and Leslie Levinson to serve on the rating plans task group.

E13. White Paper to Aid Members in Developing Contracts Involving Minors

The FY 19/20 AORMA Long Range Action Plan includes the goal of creating a whitepaper to aid members in developing contracts with non-CSU entities when minors are involved. A whitepaper has been created with the assistance of Praesidium and CSU Systemwide Risk Management. It includes suggested insurance requirements as well as contract stipulations to validate that the Contractor has policies and procedures in place to keep minors safe while conducting its operations on, or in, your premise. The suggested contract stipulations and insurance requirements can be used when drawing up agreements with non-CSU entities who will be bringing minors onto campus or into a campus or auxiliary managed premise.

The whitepaper has been posted on the CSURMA website as well as distributed to all CSURMA members.

E14. Retainer with Legal Counsel for Complex Contract Questions

The FY 19/20 AORMA Long Range Action Plan includes the goal of putting into place an agreement with an attorney to be available to the AORMA members to provide legal advice regarding complex contracts. The Committee reviewed Byrne Conley's resume. Byrne is active with several different associations and frequently provides educational sessions regarding law and how it relates to indemnity agreements.

Staff was directed to provide Members with Byrne's contact information on an as needed basis.

E15. Proposal for AORMA Recommended Waiver and Handbook Legal Counsel Review and Update

The AORMA Committee's long range action plan includes the task of reviewing the AORMA recommended waiver and handbook by legal counsel. This review includes updated guidelines regarding;

- Electronic signature and storage
- Electronic signature vs. wet signature for minors
- Group waivers
- Duration of the waiver

The Committee reviewed the proposal from Byrne Conley to complete the review and update. He estimates no more than three to five hours.

The Committee added additional questions / areas of review.

- Electronic signature and storage (for adults and minors) ... what are the current rules and acceptable practices?
- Electronic signature vs. wet signature for minors ... what are current rules and acceptable practices?
- Group waivers ... can the Member have a single waiver that all participants sign at the bottom?
- Duration of the waiver ... can the waiver be signed for a period exceeding one year?
- Should the waiver include a separate “known risks” section where the AORMA member can add risks specific to the activity?
- Currently the waiver is only available in English. Should AORMA consider additional languages? If so, would this then compel AORMA to translate the waiver into any and all languages as requested?
- When receiving a signed waiver for a minor, is the AORMA member required to verify that the signature is from the authorized parent or guardian?

A motion was made to approve a cost of not to exceed \$1,050 for the review of the AORMA recommended waiver handbook.

Motion: Bill Olmsted
Second: Starr Lee

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

MOTION CARRIED

E16. AORMA Liability Program Claims Administration Audit Report

CSURMA engaged Bickmore Risk Services to conduct a liability claims administration audit of Carl Warren and Company. The purpose of the audit is to:

1. Verify that Carl Warren’s claims administration practices meet industry best practices and comply with state law, the claims administration contract and its internal procedures
2. Evaluate adjuster experience, competence and staffing levels

3. Identify opportunities for program improvement and make recommendations to ensure improvement

Bickmore finds the overall performance of Carl Warren at 92%, indicating a **Commendable** performance level (down from 95% in 2017).

Staff recommends that the Committee accept the report as presented.

Motion: Chuck Kissel

Second: Bill Olmsted

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

MOTION CARRIED

F. INFORMATIONAL ITEMS

- F1. CSURMA AORMA 2019/20 & 2020/21 Meeting Calendars**
- F2. CSURMA AORMA Program Administrator's Contact Lists**
- F3. AORMA's Travel Reimbursement Policy**
- F4. AORMA Committee Members - Effective 7/01/19**
- F5. CSURMA Administrative Service Calendar**

The Committee reviewed the informational items, but there was no discussion.

G. ADJOURNMENT

The meeting was adjourned at 2:37 PM.