



APPROVED

**MINUTES OF THE
CSURMA AORMA COMMITTEE MEETING
DECEMBER 7, 2017
ALLIANT INSURANCE SERVICES, INC.
100 PINE STREET, 11TH FLOOR, SAN FRANCISCO, CA
10:00 AM**

MEMBERS PRESENT

Dwayne Brummett, Associated Students, Inc., Cal Poly State University at San Luis Obispo
Trina Knight, University Enterprises, Inc., CSU Sacramento (*via Teleconference; left at 11:45am*)
Starr Lee, The University Corporation at Monterey Bay
Frank Mumford (AORMA Chair), CSU Fullerton Auxiliary Services Corporation
Dave Nakamura, Humboldt State University Center Board of Directors (*via Teleconference*)
Bella Newberg California State University San Marcos Corporation (*via Teleconference*)
Bill Olmsted, University Union Operation of CSU Sacramento
Todd Summer, Aztec Shops, Ltd. at San Diego State University (*via Teleconference*)

MEMBERS ABSENT

None

STAFF, GUESTS AND CONSULTANTS

Yumi Augustus, Carl Warren and Company (*via Teleconference*)
Katie Brandt, Sedgwick (*via Teleconference*)
Patricia Daniels, Sedgwick (*via Teleconference*)
Andrew Gaspari, Alliant Insurance Services, Inc.
Zachary Gifford, CSU Office of the Chancellor – Systemwide Risk Management
Tevea Him, Alliant Insurance Services, Inc.
Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, General Counsel (*via Teleconference*)
Mimi Long, Alliant Insurance Services, Inc.
Amy Lightner, Alliant Insurance Services, Inc.

A. CALL TO ORDER

The meeting was called to order by the Chair, Frank Mumford at 10:00 AM.

A1. Approval of the Agenda

Bella Newberg, Dave Nakamura, Todd Summer and Trina Knight agreed to abstain from all votes.

A motion was made to approve the agenda.

Motion: Dwayne Brummett
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		
Trina Knight		X		

MOTION CARRIED

B. PUBLIC COMMENTS

There were no comments from members of the public.

C. STANDING COMMITTEE REPORTS

C1. Programs Committee Report

Mimi Long reported there was no Program Committee meeting since the last AORMA Meeting.

C2. AOA Executive Committee Report

Frank Mumford provided a report of the recent activities of the AOA Executive Committee.

D. CONSENT CALENDAR

D1. Approval of Minutes – October 26, 2017

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

Motion: Dwayne Brummett
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			

Starr Lee	X			
Todd Summer		X		
Trina Knight		X		

MOTION CARRIED

E. CLOSED SESSION

1. Warren v. Cal State L.A. University Auxiliary Services, Inc.
2. Arce v CSU Northridge ASI
3. Diane Adams v Sacramento State ASI
4. Grajeda v Cal Poly Pomona Foundation
5. Donnelly v San Marcos Research Services Corp
6. Ratchford v. CSU San Diego Research Foundation
7. Apodaca v. ASI and CSU (San Marcos)
8. Richardson v. CSU Fullerton ASI
9. Heard v. CSU Long Beach ASI
10. HSU Appeal re: CalPERS
11. CNA v. California State University Fullerton Auxiliary Services

A motion was made to enter closed session at 10:08 A.M.

Motion: Dwayne Brummett
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		
Trina Knight		X		

MOTION CARRIED

The Committee left closed session at 11:14 AM. The Chair reported that action was taken on Warren v. Cal State L.A. University Auxiliary Services, Inc. and Richardson v. Associated Students CSU, Fullerton, Inc. during closed session.

F. GENERAL ADMINISTRATION

F1. AORMA Committee Appointments, Elections and Committee Terms

Upon Frank Mumford’s retirement on December 31, 2017, Dwayne Brummett will assume the Chair position and will finish out the current term of July 1, 2016 to June 30, 2018.

A motion was made to elect Dwayne Brummett as Chair for his first term of July 1, 2018 to June 30, 2020.

Motion: Bill Olmsted
Second: Starr Lee

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett		X		
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		
Trina Knight		X		

MOTION CARRIED

There are seven at-large seats on the AORMA Committee. Currently, five of the at-large seat have odd terms and two have even terms. Mimi Long suggested that the Committee agree to change at-large seat #6 from an odd term to an even term. There are three officer positions on the AORMA Committee. The Chair and Second Vice Chair seats have even terms; the First Vice Chair seat has an odd term. In order to make the succession of the officer positions flow smoothly, Long suggested that the Committee change the First Vice Chair seat to an even term.

A motion was made to change the term of the First Vice Chair seat to an even term change the term of at-large seat #6 to an even term.

Motion: Dwayne Brummett
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		
Trina Knight		X		

MOTION CARRIED

Frank Mumford appointed Starr Lee as the Second Vice Chair. Once Dwayne Brummett assumes the Chair position, he will appoint Dave Nakamura as the First Vice Chair.

The Chair appointed Bill Olmsted, Todd Summer and Bella Newberg to the Nominating Committee. The Nominating Committee will be asked to identify which of the incumbents whose terms expire on June 30, 2018 are interested in seeking re-election and will seek nominations for those seats currently available on the AORMA Committee.

F2. AORMA Unemployment Insurance Program

Mimi Long reviewed the proposed changes to Policy and Procedure UI-1 – Formula for Determining UIP Annual Deposit.

1. A statement has been included which allows all members, not just those members with federal sponsored programs, to use their excess funds to lower contributions for the upcoming fiscal year.
2. The current Policy and Procedure allows members to use excess funds to lower contributions for the **current** year as well as for the upcoming fiscal year. In order to maintain a consistent reconciliation process, this section was changed so that excess funds can be used only to reduce future contributions, not current.
3. A statement has been added that allows the AORMA Committee to defer investment losses. Long explained that the AORMA UIP Fund Balance Report is distributed to each Member annually. The report includes investment income which is allocated to each member based on its average fund balance for the preceding year. At June 30, 2017, the UIP had an Investment Loss of \$28,395 due to unrealized losses from long term investments. It is being recommended that the AORMA Committee have the ability to defer these types of “paper losses” if they deem it to be appropriate.

A motion was made to approve the changes to Policy and Procedure UI-1 as discussed above.

Motion: Starr Lee
Second: Dwayne Brummett

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		

Trina Knight				X
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MOTION CARRIED

F3. AORMA’s Long Range Action Plan for FY 17/18

Daniel Howell and Mimi Long reviewed the draft FY 17/18 Long Range Action Plan which includes the following items proposed by the Committee during its September 6, 2017 meeting:

1. Workers’ Compensation Program Growth
2. Formation of a Student Clubs Insurance Program
3. Determination of AORMA’s participation in the CSU Captive Vehicle
4. Development of Recreation Center Good Practices
5. Formation of the AORMA Benefits Program
6. Preparation and Distribution of the CSURMA 20th Anniversary Report
7. Dissemination of the CSAC-EIA Risk Management / Safety Services

A motion was made to approve the CSURMA AORMA FY 17/18 Long Range Action Plan as presented.

Motion: Dwayne Brummett
Second: Bill Olmsted

NAME	AYE	ABSTAIN	NAY	ABSENT
Bella Newberg		X		
Bill Olmsted	X			
Dave Nakamura		X		
Dwayne Brummett	X			
Frank Mumford	X			
Starr Lee	X			
Todd Summer		X		
Trina Knight				X

MOTION CARRIED

F4. AORMA Policies and Procedures Review

Mimi Long explained that Policy and Procedure A-5, states that in the absence of other reasons to review a policy and procedure more frequently, all policies and procedures will be reviewed at least every two years. The following policies and procedures require a review in 2018. Long provided an overview of the recommended changes.

L-1 - Liability Claims Reporting. The third party claims administrators name and address was removed. Unfair Employment Practices was changed to Employment Practices Liability to be consistent with the Liability Program memorandum of coverage.

L-2 – Liability Claims Administration and Litigation Management. The requirement for the TPA to provide claims listings for closed session was modified to clarify that the listings need to be provided at least 10 days in advance of each AORMA Committee meeting. A few definitions were amended to be consistent with other policies and procedures.

W-2 – Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less. The discussion regarding the application and development of the experience modification factor was deleted as this is outlined in detail in Policy and Procedure W-1.

Only non-substantive revisions are recommended for the following policies and procedures and the Committee reviewed but did not discuss the changes:

A-5 – Calendar of Reports, Audits, Filings and Reviews

W-5 – Volunteer Coverage

No changes were recommended to the following policies and provisions:

A-6 – Risk Reduction Matching Grant Program

A-8 – Closed Session

L-4 – Employee Driving Standards

L-6 – Requirement to Purchase PAI for all Activities Involving Minors

W-4 – Workers’ Compensation Coverage Claims Settlement Authority

The Committee reviewed the recommended revisions to the policies and procedures and deferred approval of any changes until the March 8, 2018 meeting.

G. INFORMATIONAL ITEMS

G1. CSURMA AORMA 2018 Meeting Calendar

G2. CSURMA AORMA Program Administrator Contact Lists

G3. AORMA Travel Reimbursement Policy

G4. AORMA Committee Members - Effective 7/01/17

G5. CSURMA Administrative Service Calendar

The Committee reviewed and discussed the informational items.

H. ADJOURNMENT

The meeting was adjourned at 12:22 PM.