



CSURMA EXECUTIVE COMMITTEE MEETING AGENDA
“This is an Open Public Meeting”

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

Meeting Date: November 6, 2013
 Time: 1:00 PM

Primary Location:

California Room I
 Sacramento Doubletree
 2001 Point West Way
 Sacramento, CA 95815

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

A. CALL TO ORDER

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

B. PUBLIC COMMENTS

C. CONSENT CALENDAR A

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is asked to take action on the consent calendar items as a group, except that a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

- 1. **Approval of Minutes – September 12 & 13, 2013** p. 5
The Committee will be asked to approve the minutes from their last meeting.
- 2. **Financial Information**
 - a. Receipt and Review of the Draft Financial Statements at September 30, 2013 p. 23
 - b. Treasurer’s Report p. 34

D. GENERAL ADMINISTRATION

- 1. **Trustee’s Audit Status Report** A p. 41
The Committee will receive an update on the status of the University Auditor’s report and may take action or provide direction to staff as necessary.
- 2. **Appointment of Secretary Auditor** A p. 49
The Committee will be asked to consider appointment of a Secretary-Auditor.
- 3. **Student Insurance Programs** A
 - a. **CSURMA Student Insurance Programs Coverage and Rating Task Group** p. 54
The Committee will receive an update on the Student Insurance Programs Coverage and Rating Task Group.

<ul style="list-style-type: none"> b. Student Health Insurance Program c. Approval of Student Travel Accident Policy Renewal 	<p><i>The Committee will receive a report on the Student Health Insurance Program and may take action or provide direction as necessary.</i></p> <p><i>The Committee is asked to approve the renewal of the CSU Student Travel Accident policy.</i></p>	<p>p. 55</p> <p>p. 56</p>
<ul style="list-style-type: none"> 4. Campus Risk Pool Rating Plans Task Group 	<p><i>The Committee will be asked to appoint a rating plans task group to review the Campus Risk Pool rating plans.</i></p>	<p>A p. 58</p>
<ul style="list-style-type: none"> 5. Adoption of Revised Policy and Procedure No. 20 Owner Controlled Insurance Program and Builder’s Risk Insurance Program 	<p><i>The Committee will be asked to review and adopt amendments to the policy and procedure.</i></p>	<p>A p. 60</p>
<ul style="list-style-type: none"> 6. Schools Excess Liability Fund Excess Workers’ Compensation Program Assessment 	<p><i>The Committee will receive an update on the efforts to evaluate the causes of the assessment and possible strategies to reduce the cost.</i></p>	<p>A p. 69</p>
<ul style="list-style-type: none"> 7. Foreign Travel Software 	<p><i>The Committee will receive a report on the Foreign Travel Software options and may take action to authorize implementation of recommended software.</i></p>	<p>A p. 84</p>
<ul style="list-style-type: none"> 8. Executive Committee Nominations 	<p><i>The Committee will be asked to take action and to nominate Executive Committee candidates to the Board of Directors.</i></p>	<p>A p. 85</p>
E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS		
<ul style="list-style-type: none"> 1. AORMA Programs Update 	<p><i>The Committee will receive a verbal report on the AORMA programs.</i></p>	<p>I p. 87</p>
<ul style="list-style-type: none"> 2. 2014 AOA Annual Conference Update 	<p><i>The Committee will receive a report on the AOA Annual Conference.</i></p>	<p>I p. 90</p>
F.	<p>CLOSED SESSION Pursuant to Cal. Gov. Code Sec. 11126(e)(1), 11126(f)(1) & 11126(a)(1);– <i>Action may be taken per Government Code Section 11126(e)(1), 11126(f)(1) and/or 11126(a)(1). The claims and matters listed below may be discussed. The Committee may take action or provide direction to Staff regarding the litigation discussed.</i></p> <ul style="list-style-type: none"> 1. Sanchez-Graves v. CSU, Northridge 2. Personnel Matters 	<p>A</p>



California State University Risk Management Authority

G. INFORMATION ITEMS

- | | | | |
|----|--|----------|--------|
| 1. | Review of FY 2013/2014 Long Range Planning Goals
<i>The Committee will be asked to review and discuss the FY 2013/2014 Long Range planning items.</i> | I | p. 92 |
| 2. | Update on Risk Management Practices Related to Service Animals and Skateboards on Campus
<i>The Committee will hear a report on the status of this long range planning item.</i> | I | p. 97 |
| 3. | Excess Liability Program Underwriter Meeting Report
<i>The Committee will receive a report on recent meetings with CSURMA's excess liability underwriters.</i> | I | p. 100 |
| 4. | CSURMA Administrative Service Calendar
<i>The Committee will review the CSURMA Administrative Service Calendar.</i> | I | p. 132 |
| 5. | CSURMA Executive Committee & Staff Contact List | I | p. 137 |

H. ADJOURNMENT

A

TELECONFERENCE LOCATIONS

CSU Chancellor's Office – 401 Golden Shore, Long Beach, CA

APPROVAL OF THE AGENDA

ISSUE: Approval of the order of agenda items.

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

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENT(S): None.

APPROVAL OF MINUTES –
SEPTEMBER 12-13, 2013

ISSUE: Acceptance of the Executive Committee draft meeting minutes.

RECOMMENDATION: The Executive Committee is asked to review and accept the September 12-13, 2013 draft meeting minutes with corrections as necessary.

FISCAL IMPACT: None.

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

ATTACHMENT(S): Draft Minutes of the September 12-13, 2013 Executive Committee meeting

**MINUTES OF THE CSURMA
EXECUTIVE COMMITTEE MEETING
SEPTEMBER 12 & 13, 2013
CARSON, CALIFORNIA**

MEMBERS PRESENT

George V. Ashkar, CSU Office of the Chancellor, Treasurer
Dwayne Brummett, California Polytechnic State University
Robert DeWit, CSU Long Beach
Lori Gentles, CSU Fullerton
Linda Hawk, CSU San Marcos
Mike Lee, Sacramento State University
Mary Ann Rodriguez, CSU Dominguez Hills, Vice-Chair
Cynthia Teniente-Matson, CSU Fresno, Chair
Michael Thorpe, CSU Chico

MEMBERS ABSENT

None

STAFF, GUESTS & CONSULTANTS

Kelly Cox, CSU Office of the Chancellor
Jacki Graf, Alliant Insurance Services, Inc.
Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, CSU Office of General Counsel
Alice Kim, CSU Office of the Chancellor (*teleconference*)
Myron Leavell, Alliant Insurance Services, Inc.
Robert Leong, Alliant Insurance Services, Inc.
Benjamin F. Quillian, CSU Office of the Chancellor
Rebecca Skidmore, CSU Office of the Chancellor

A. CALL TO ORDER

The meeting was called to order at 4:35 p.m. by Chair, Dr. Cynthia Teniente-Matson.

A.1. Approval of the Agenda

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

MOTION: George Ashkar **SECOND:** Mike Lee **MOTION CARRIED**

B. PUBLIC COMMENTS

The Chair thanked Mary Ann Rodriguez, Acting Secretary–Auditor for all of her efforts to complete the additional duties of the role.

C. CONSENT CALENDAR

C.1 Approval of Minutes – June 25, 2013

C.2 Financial Information

- a. Receipt and Review of the Draft Financial Statements at June 30, 2013**
- b. Treasurer’s Report**

George Ashkar, Treasurer, reported that investments are in compliance with the investment policy and that CSURMA has sufficient funds to meet its expenditures for the next six months.

A motion was made to approve the consent calendar as discussed at today’s meeting.

MOTION: Dwayne Brummett **SECOND:** Michael Thorpe **MOTION CARRIED**

D. GENERAL ADMINISTRATION

D.1 Trustee’s Audit Status Report

Chair Teniente-Matson introduced the item to the Executive Committee. The CSU Office of the University Auditor has completed its report on CSURMA and management’s response has been accepted. The audit was published in July and has been reviewed by the Executive Committee. The CSURMA Chair and Vice Chair participated in the review of the preliminary findings and the CSURMA Executive Committee had taken action at prior meetings to address findings from the preliminary report.

All items will be handled by the CSURMA with the exception of Items 2 and 10, which will be handled as a separate matter by the Chancellor’s Office.

The majority of the University Auditor’s recommendations are in the process of resolution via the adoption of policy and procedures or by providing documentation that the recommendation was satisfied.

A motion was made to receive the report and management response and to direct staff to complete the closure process on outstanding audit items as appropriate.

MOTION: George Ashkar **SECOND:** Linda Hawk **MOTION CARRIED**

D.2 Appointment of Acting Secretary-Auditor

Chair Teniente-Matson introduced the item to the Executive Committee. As the CSURMA Secretary-Auditor is on leave for an undetermined duration, and to facilitate the smooth operation of the Authority during the Secretary-Auditor’s absence, CSURMA Chair Cynthia

Teniente-Matson recommended that the Executive Committee continue the appointment of Vice Chair, Mary Ann Rodriguez as Acting Secretary-Auditor for an additional sixty (60) days.

A motion was made to delegate authority to the Chair to appoint an Acting Secretary-Auditor for an additional sixty (60) days.

MOTION: George Ashkar **SECOND:** Michael Thorpe **MOTION CARRIED**

D.3 Resolution Establishing Periodic Review of CSURMA Policies and Procedures

Daniel Howell reviewed this item with the Executive Committee. The CSURMA has established policies and procedures for the purpose of guiding the operation of CSURMA and its programs. While these policies and procedures are drafted with a long term vision, it is appropriate that they be reviewed periodically to ensure they remain valid and effective.

Staff is recommending that all policies and procedures be reviewed at least biennially at the Executive Committee's Long Range Planning Session with odd numbered P&P's reviewed in odd calendar years and even numbered P&P's reviewed in even years. The AORMA Committee is being asked to adopt the same review period and timing for their P&Ps.

A motion was made to adopt Resolution 04-13 (EC) establishing the guidelines for the periodic review of CSURMA Policies and Procedures on an ongoing basis.

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

D.4 Insurance Renewal Report

Chair Teniente-Matson introduced the item to the Executive Committee. Chair Teniente-Matson and Program Director Howell met with New York and Bermuda underwriters prior to CSURMA's renewal. Daniel Howell reviewed the renewal report included in the agenda packet.

CSURMA has found that these annual underwriter meetings build trust by providing the opportunity to discuss coverages and how the risk control processes and programs in place help mitigate claims.

Chair Teniente-Matson provided a report to the Executive Committee regarding the meetings; commenting that the meetings have helped her better understand how the coverage renewal process works, enabling her to serve as CSURMA chair from a stronger position of knowledge.

F. CLOSED SESSION

F.3 Personnel Matters

The Executive Committee excused all staff other than General Counsel to receive a report from the CSU Executive Vice Chancellor and Chief Financial Officer.

A motion was made to enter Closed Session.

Motion: Mary Ann Rodriguez **Second:** Michael Thorpe **MOTION CARRIED**

The Executive Committee entered Closed Session at 5:50 p.m.

A motion was made to leave Closed Session.

Motion: Mary Ann Rodriguez **Second:** George Ashkar **MOTION CARRIED**

The Executive Committee left Closed Session at 7:10 p.m.

The Chair reported that no action had been taken by the Executive Committee in Closed Session.

D.5 Property Coverage for State Homes

Daniel Howell reviewed the item with the Executive Committee. A recent review of the funding for state houses, which may serve as gathering places for campus events and residences for the campus Presidents, indicated that there would be difficulty funding the \$100,000 standard deductible for a major loss. The cost to reduce the deductible to a maximum of \$10,000 via the “Campus 99” location schedule was \$2,596 for the houses scheduled in the agenda packet and the Chair directed the Program Administrator to effect the reduced deductible.

Because the deductible change was effected late in the renewal process, staff was not able to amend the previously approved campus renewal invoices. Staff has recommended that the additional cost of \$2,596 be charged to the Campus Property Insurance Program fund without invoicing members for the current FY 2013/14 and with the renewal cost of the lower deductible allocated to the campuses and Chancellor’s Office in future renewals.

A motion was made to reduce the Campus Property Fund reserves by \$2,596 to effect the deductible change to a maximum of \$10,000 for state homes.

Motion: Michael Thorpe **Second:** Dwayne Brummett **MOTION CARRIED**

D.6 Member Loan Extension

Chair Teniente-Matson introduced the item to the Executive Committee. Chair Teniente-Matson subsequently recused herself from the discussion as CSU Fresno requested a five-year loan extension. Vice-Chair Mary Ann Rodriguez led the discussion on this item.

CSU Fresno requested a loan extension of five years for repayment with a remaining balance of \$2,542,000. The loan will be partially amortized, with a balloon payment in five years. George Ashkar recommended that the loan be approved.

A motion was made to accept the Treasurer’s recommendation and approve CSU Fresno’s five year loan extension request with a remaining balance of \$2,542,000, with a balloon payment in

five (5) years and the Treasurer was directed to effect the loan with a note on the terms described in the agenda materials.

Motion: Linda Hawk **Second:** Michael Thorpe **Abstention:** Cynthia Teniente-Matson

MOTION CARRIED

D.7 Student Insurance Programs

D.7.a CSURMA Student Insurance Programs Coverage and Rating Task Group

Daniel Howell reviewed the item with the Executive Committee. He suggested that operation of the SAFECLIP, SPLIP and FTIP be reviewed by a task group.

There was discussion on setting up a Task Group to determine best rates and coverages. Chair Teniente-Matson suggested making a task group of members at large from the campus community, with Michael Thorpe suggesting the addition of some Study Abroad coordinators and Risk Managers.

A motion was made to delegate authority to Michael Thorpe to chair and appoint a Task Group to conduct program reviews with Task Group costs not to exceed \$2,500.

Motion: Mike Lee **Second:** Dwayne Brummett **MOTION CARRIED**

D.7.b Student Health Insurance Program

Daniel Howell reviewed the item with the Executive Committee. The CSURMA Board of Directors approved the development of a Student Health Insurance Program (SHIP). CSURMA staff attempted to gather the underwriting information necessary to evaluate options but was stymied by efforts of the incumbent broker. The Chancellor requested that the Executive Vice Chancellor Business and Finance/CFO evaluate the student health program called MHECare offered by the Western Interstate Compact for Higher Education (WICHE) in association with the Midwest Higher Education Compact (MHEC).

With the implementation of the Affordable Care Act, the domestic CSU students have mostly left the program since many could extend coverage under their parent's plans until age 26. Effective January 1, 2014, many students will benefit from subsidized coverage offered under the California Health Benefits Exchange, called "Covered California." Incoming foreign national students will not be eligible for subsidized coverage through Covered California. For academic year 2012-13 there were approximately 1,000 domestic students and 10,000 international students covered under campus/auxiliary organization offered plans.

There are expected benefits to a systemwide approach to marketing student health coverage. Currently, most campus plans are placed with Anthem. MHECare is placed with United Healthcare. Staff will report back on developments at a future meeting.

RECESS

The meeting went into recess on September 12, 2013 at 7:44 p.m.

RECONVENEMENT

The meeting reconvened on September 13, 2013 at 8:31 a.m. by Chair, Dr. Cynthia Teniente-Matson.

MEMBERS PRESENT

George V. Ashkar, CSU Office of the Chancellor, Treasurer
Dwayne Brummett, California Polytechnic State University
Robert DeWit, CSU Long Beach
Linda Hawk, CSU San Marcos
Mike Lee, Sacramento State University
Mary Ann Rodriguez, CSU Dominguez Hills, Vice-Chair
Cynthia Teniente-Matson, CSU Fresno, Chair
Michael Thorpe, CSU Chico

MEMBERS ABSENT

Lori Gentles, CSU Fullerton (Audited via Teleconference)

STAFF, GUESTS & CONSULTANTS

Kelly Cox, CSU Office of the Chancellor
Robert Eaton, CSU Office of the Chancellor
Zachary Gifford, CSU Office of the Chancellor
Jacki Graf, Alliant Insurance Services, Inc.
Jim Holobaugh, Alliant Insurance Services
Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, CSU Office of General Counsel
Myron Leavell, Alliant Insurance Services, Inc.
Robert Leong, Alliant Insurance Services, Inc.
Elvyra (Vi) San Juan, CSU Office of the Chancellor
Jim Sowerbrower, CSU Office of the Chancellor

D.8 Review of Policy & Procedure No. 16 – Use of CSURMA Equipment

Daniel Howell reviewed the item with the Executive Committee. There was a review of the current of holders of equipment since the inception of the electronic tablet program, including a review of the inventory and a review of the sale process. There was discussion on the equipment refresh rate, which is currently every 3 years as per P&P No. 16; and whether other brands of devices should be supported. Staff is preparing an itemized schedule of equipment and disposals.

No action was taken at this time.

D.9 Reporting of Travel Expenses

Chair Teniente-Matson reviewed this item with the Executive Committee. The Chair recommended that CSURMA consider regular reporting to the committee of the administrative travel expenses incurred by CSURMA for Chancellor’s Office personnel providing services to CSURMA under the established memoranda of understanding. The presented draft memorandum requested that the Executive Vice Chancellor and CFO arrange for the CSURMA Accountant to include travel expense reporting as a part of the financial information package.

The new quarterly expense report would be included in the agenda packet for the Executive Committee’s review. The Accounting team would be asked to create a sample report for review at the next Executive Committee Meeting.

A motion was made to authorize the Chair to send the draft memorandum and, upon approval by the CSU Executive Vice Chancellor/Chief Financial Officer, direct the CSURMA Accounting Team to create a quarterly travel expense report to be presented to the Executive Committee as a part of the regular financial report.

Motion: Michael Thorpe **Second:** Dwayne Brummett **MOTION CARRIED**

D.10 Campus Liability and AIME Claims Audits

Rob Leong introduced the item with the Executive Committee. Zachary Gifford described the Liability Audit with the Committee. The CSURMA Liability Claims were brought in-house in 2011. At that time Martha Guiditta was hired to assist Zachary and Rebecca Skidmore in managing the claims inventory. Overall, the Systemwide Office of Risk Management received a score of 96%. This is impressive as Martha is fairly new to claims but has gotten up to speed quickly. She is currently working on her Associate in Claims (AIC) designation.

Rob Leong stepped through the A-G Administrators claims audit of the AIME Program. The audit found issues with reserves not set on these files. A-G Administrators is performing well except for noted documentation issues. Two years ago, as a result of the RFP process, A-G Administrators upgraded its computer/claims system to a newer technology. At that time, they were awarded a three (3) year contract plus a two (2) year optional extension, all subject to a 90 day cancellation provision.

Daniel Howell suggested that the AIME Committee review the results and A-G’s response, and report back to Executive Committee.

A motion was made to accept the Campus Liability and AIME Claims Audits reports as presented.

Motion: George Ashkar **Second:** Linda Hawk **MOTION CARRIED**

The Program Administrators were directed to develop with the AIME Committee an AIME Program Report Card to monitor responsiveness and documentation by A-G.

D.11 Adoption of Campus Risk Pool Risk Reduction Grant Policy & Procedure

Rob Leong reviewed the item with the Executive Committee. At this year's LRP session on March 21-22, 2013, Staff was directed to develop a Risk Management Innovation Funding Grant program to supplement cost to campuses for implementing effective risk management controls, and thereby reduce loss exposures. The grants would serve to incentivize members to identify, evaluate, and develop innovative risk mitigation strategies with loss prevention and reduction as primary goals, and to supplement member costs for implementing effective risk management strategies.

Staff developed two risk management funding grant programs for the Campus Liability and Campus Workers' Compensation Risk Pools with an initial funding of \$100,000 (\$50,000 each for Safety & Risk Control and Employee Health & Wellness). The Risk Management Innovation Funding Grants were included in the FY 2013/14 operating budget for Campus Liability and Campus Workers' Compensation respectively. This was setup as a matching grant system of \$4,000 per campus.

Zachary Gifford provided an overview of the grant approval process: The Campus VP or designee approves the grant application prior to submission to the Chancellor's Office. CSURMA did not want to be in the position of approving grants without campus management's support. The Chancellor's Office then reviews the submitted applications. Since the CSURMA Executive Committee meeting schedule may hold up the processing of grants requests, the Chancellor's Office asked that the Executive Committee provide authority to approve reasonable items with a review at the next Executive Committee meeting.

George Ashkar, Treasurer, suggested the creation of a template to streamline the approval process; quantifying the dollars saved for each item. Chair Teniente-Matson asked that Daniel Howell make a report on the grant program at the November CABO meeting.

AORMA has developed and implemented its own risk management and safety incentive plan.

A motion was made to adopt the proposed Policy & Procedure for managing the Risk Management Innovation Funding Grant program.

Motion: Robert DeWit

Second: Michael Thorpe

MOTION CARRIED

D.12 Campus Risk Pool Property Program Memorandum of Coverage

Daniel Howell reviewed the item with the Executive Committee. Alliant's Public Entity Property Insurance Program (PEPIP) has been providing Property insurance to CSU and its auxiliary organizations for several years. CSURMA is a member of PEPIP's Master Property Program for higher education.

Beginning July, 1, 2013, the PEPiP underwriters offered CSURMA an option to purchase coverage on a reinsurance basis, thereby creating additional savings to members. The resultant savings to CSURMA is approximately \$346,344 by the elimination of certain premium taxes and fees that are otherwise payable under the prior insurance structure.

As a result of the new reinsurance structure, CSURMA needs to adopt a Memorandum of Coverage for its Property Program, which is referenced by the Reinsurance Agreement. The proposed MOC follows PEPiP's Higher Education Form.

A motion was made to adopt the PEPiP Higher Education property insurance policy form as the CSURMA Property Memorandum of Coverage.

Motion: George Ashkar **Second:** Mary Ann Rodriguez **MOTION CARRIED**

D.13 Adoption of Meeting Dates and Locations

Chair Teniente-Matson reviewed the item with the Executive Committee. The CSURMA Executive Committee has traditionally held a meeting in October in conjunction with the Board of Director's meeting. This year's Board of Director's meeting has been moved to November 6th, to coincide with the CSU Fitting the Pieces Together risk management conference in Sacramento. In addition, the Executive Committee has historically held a meeting in December, though there was discussion of deferring that meeting to coincide with the AOA's annual conference in Sacramento, January 12-14, 2014. As the Chancellor will be speaking at the AOA dinner on Sunday, January 12 and CABO will be meeting on Monday January 13, staff suggested an EC meeting on Sunday at 3 PM prior to the dinner.

The calendar review resulted in the following changes to the Executive Committee meeting schedule:

1. November 6, 2013, 1:00 PM, Sacramento, CA
2. December 6, 2013, 8:30 AM, Location TBD (**CANCELLED**)
3. January 12, 2014, 3:00 PM, Sacramento, CA. (**NEW**)

A motion was made to adopt the proposed meeting dates and changes and delegate authority to the Chair to determine whether additional meetings are needed and their location.

MOTION: George Ashkar **SECOND:** Mike Lee **MOTION CARRIED**

D.14 CSURMA Conflict of Interest Code Reporting

Daniel Howell introduced the item to the Executive Committee. The University Auditor recommended that CSURMA determine which individuals at the Program Administrator should be required to file the Statement of Economic Interest (Form 700). Over 20 individuals at Alliant perform services for CSURMA.

At its December 7, 2012 meeting Alliant reported to the Executive Committee that the Program Director, Campus Risk Pool Administrator, AORMA Pool Administrator would submit Form 700 documents to CSURMA. As a result, Daniel Howell, Robert Leong and Mimi Long, respectively; completed the Form 700.

A motion was made to adopt the program administrator roles of Program Director, Campus Risk Pool Administrator and AORMA Pool Administrator as those at Alliant required to annually file the Statement of Economic Interest (Form 700) for the CSURMA.

MOTION: George Ashkar **SECOND:** Linda Hawk **MOTION CARRIED**

D.15 Recommendation of Proposed Amendment to the Joint Exercise of Powers Agreement and Adoption of Investment Policy

Robert Eaton reviewed the item with the Executive Committee. At the Long Range Planning meeting on March 22, 2012, the Executive Committee received a report from the committee's appointed Investment Task Group. Among the items was a discussion about whether CSURMA's governing document, the Joint Exercise of Powers Agreement (JEPA) allowed certain investments to be managed as per the Government Code sections that apply to local governments or the sections that apply to the University.

Staff reviewed the applicable sections and issues with CSURMA's General Counsel and is recommending that the JEPA be amended to clarify CSURMA's original intent 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. In addition, the investment policy would be amended to effect this intent.

CSURMA's Joint Exercise of Powers Agreement describes in general terms how investments are to be made. Legal counsel has proposed the edits to Section 7(a)(vii) in bold italics below:

(vii) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code § 6509.5. ***The Entity may exercise this power to invest monies pursuant to Government Code § 6509.5, notwithstanding Section 7(b), below. Section 7(b) is not intended to, and shall not, preclude or limit the Entity from investing monies pursuant to Government Code § 6509.5, if it determines such an investment is in the best interests of the Members.***

Willy Hsu, CSURMA counsel, remarked that he regards this as a clarification of an existing policy. George Ashkar, Treasurer added that these are very minor differences that will clarify the operation of the funds.

A motion was made to recommend the changes to the Joint Exercise of Powers Agreement to the CSURMA Board of Directors for action at their meeting on November 6, 2013 and to adopt Resolution No. 05-13 (EC) which adopts CSURMA's investment policies.

MOTION: Mary Ann Rodriguez **SECOND:** George Ashkar **MOTION CARRIED**

It was noted that staff will also include a proposed amendment to the Joint Exercise of Powers Agreement that would foster continuity by allowing the Chair and Vice-Chair to serve an additional two-year term.

D.18 Adoption of Policy & Procedure for OCIP and BRIP Programs *(This item was taken time-certain)*

Daniel Howell introduced the item to the Executive Committee. CSURMA established an Owner Controlled Insurance Program (OCIP) and a Builder's Risk Insurance Program (BRIP), providing property and casualty insurance to most of CSU's major capital projects. At the May meeting, the Executive Committee requested a report on the status of the OCIP program, and as a part of that review with the Chancellor's office Capital Planning, Design and Construction Department (CPDC), the proposed policy and procedure was developed.

The proposed policy and procedure clarifies the funding amounts and processes for the OCIP and BRIP. The proposal reduces the up-front campus project cost for OCIP by CPDC guaranteeing to fund a deficit that may occur if losses in the program are higher than projected. It was proposed that CSURMA will not charge the OCIP fund for missed investment income while the program was in development.

CPDC pledged up to \$1,519,400 in funds from the Seismic Trust Fund to cover the maximum deductible for the program. This revision provides better value and helps existing and future projects realize expected program savings sooner.

CPDC and the Program Administrator also reviewed the Builders' Risk Insurance Program. The proposed policy and procedure documents the process of covering projects, paying and allocating premiums.

A motion was made to adopt Resolution 07-13 (EC) adopting the Owner Controlled Insurance Program and Builders' Risk Insurance Program Policy & Procedure.

Motion: George Ashkar

Second: Mike Lee

MOTION CARRIED

D.16 Fiscal Year 2014/15 Campus Risk Pool Program Funding

D.16.a Review and acceptance of the Campus Programs Actuarial Reports for General Liability, Workers' Compensation, and Athletic Injury Medical Expense (AIME) Programs

Daniel Howell reviewed the item with the Executive Committee. CSURMA's retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The information provided by the actuary is used to establish fiscal year-end financial reports, and as the starting point in consideration of rates and funding for FY 2014/15 as well as evaluating potential campus dividends or assessments.

The Actuary's findings and recommendations include:

Campus Liability

1. Change in Projected Ultimate Limited Losses from last year's to this year's study decreased by 6.5%.
2. Loss Funding at 70% actuarial confidence increases slightly from \$13,461,600 (FY 13/14) to \$13,953,600 (FY 14/15).

Campus WC

1. Change in Projected Ultimate Limited Losses from last year's to this year's study increased by 1.5%.
2. Loss Funding at 70% actuarial confidence increases from \$21,151,900 (FY 13/14) to \$26,808,100 (FY 14/15).

AIME

1. Change in Projected Ultimate Limited Losses from last year's to this year's study increased by 13.1%. Note, however, last year's study did not include East Bay, who joined AIME on 8/1/12. The real net change is about +10%.
2. Loss Funding at 70% actuarial confidence increases from \$2,912,150 (FY 13/14) to \$3,246,100 (FY 14/15). This also did not include CSUEB in last year's study.

A motion was made to accept the General Liability, Workers' Compensation and Athletic Injury Medical Expense (AIME) actuarial reports as presented at today's meeting.

MOTION: George Ashkar

SECOND: Mike Lee

MOTION CARRIED

D.16.b Campus Pooled Programs Funding Status at June 30, 2013

Rob Leong reviewed the item with the Executive Committee. Rob stepped through the charts presented on pages 227 of the agenda packet showing the campus program estimated funding projected to FYE 2013.

The tables on pages 230-231 of the agenda packet show the Target Surplus Funding Analysis. The Liability Program, with a \$5,000,000 self-retention, has \$29,195,024 in unencumbered reserves at the 70% confidence level. The maximum available for dividend is \$24,195,024; the indicated dividend with a 50% payout is \$12,097,512. The Workers' Compensation Program, with a \$2.5 million SIR, has \$7,488,169 in unencumbered reserves at the 70% confidence level, with no funds available for a dividend at this time.

Rob Leong also presented an alternative that would increase the Target Funding ratio because of the high level of claims retention for the Campus Liability Risk Pool; i.e., the \$5,000,000 SIR. The proposed alternative would reduce the amount of the recommended dividend from \$12,097,512 to \$7,097,512.

D.16.c Recommendation for Campus Pool Programs FY 2014/2015 Rates and Gross Funding

Robert Leong reviewed the item with the Executive Committee. CSURMA employs an independent actuarial firm, Aon Risk Solutions to project claim costs for its Campus Liability, Campus Workers' Compensation and Athletic Injury Medical Expense coverage programs. Aon's draft actuarial reports dated July 29, 2013 were used to calculate the recommended funding for FY 2014/15.

The table included in the agenda item presents a 6.2% increase in recommended rates and gross funding for FY 14/15 or \$4,350,844 over the current year.

A motion was made that the Executive Committee recommend to the Board of Directors adoption of the FY 2014/2015 Rates and Gross Funding of \$74,051,593 as presented.

MOTION: Michael Thorpe **SECOND:** Mike Lee **MOTION CARRIED**

D.16.d Evaluation of Potential Campus Risk Pool Dividends and Assessments

Rob Leong reviewed the item with the Executive Committee. Per CSURMA Policy and Procedure No. 14-JPA, the Executive Committee evaluates and approves dividends and assessments for the Campus Risk Pools. The practice has been to declare a dividend of up to fifty percent (50%) of unencumbered program funds where available and an assessment to cover existing and anticipated funding shortfalls for funds that have a negative fund balance.

Per the review of Item D.16.b, there are funds available to declare a Campus Liability Risk Pool dividend of up to \$12,097,512. The Executive Committee also considered the alternative to recommend a dividend up to \$7,097,512. There was discussion on transferring an additional \$2 million of the Campus Liability Program dividend to the OCIP Program to help backfill the current deficit, and thereby spread the value of OCIP to all campuses systemwide. CSURMA's governing documents allow for intra-fund borrowing and adoption of an assessment plan to fund the deficits going forward.

A motion was made to declare a Campus Liability Program dividend of \$7,097,512 allocated to the campuses as shown in the handout with an additional funding of \$2 million be transferred from the Campus Liability Program to the OCIP Program.

MOTION: Mike Lee **SECOND:** Linda Hawk **MOTION CARRIED**

D.17 Resolution Adopting Administrative Policies & Procedures

Daniel Howell reviewed the item with the Executive Committee. The recent University Auditor's report recommended that CSURMA determine which CSU policies and procedures should apply to operation of CSURMA. Management concurred and directed staff to evaluate what sections of the Integrated CSU Administrative Manual would be beneficial to operation of CSURMA. Staff reviewed all sections of the Integrated CSU Administrative Manual and determined that the following sections are relevant and beneficial to operation of CSURMA:

- Section 1300.00 – Hospitality, Payment and Reimbursement of Expenses
- Section 3000 – General Accounting
- Section 8000 – Information Security

Kelly Cox stated that the ICSUAM sections were fully reviewed and that CSURMA can comply with the sections listed. Additionally, the ICSUAM will be monitored for changes and other items for inclusion.

A motion was made to adopt Resolution 06-13 (EC) adopting the sections of Integrated CSU Administrative Manual to CSURMA.

MOTION: Mary Ann Rodriguez **SECOND:** Dwayne Brummett **MOTION CARRIED**

D.19 Schools Excess Liability Fund Excess Workers' Compensation Program

Zachary Gifford reviewed the item with the Executive Committee. The CSU participated in the Schools Excess Liability Fund's (SELF's) Excess Workers' Compensation Program (EWCP) from July 1, 1995 to June 30, 2004. SELF has previously reported that the EWCP is substantially underfunded and notified members of assessments. CSU has paid previous assessments and CSURMA has accrued a liability for future assessments. Recently SELF adopted a policy and procedure with a 10 year plan to fund the remaining outstanding liability. A number of former members had concerns with SELF's plan. Zachary Gifford and Daniel Howell attended a meeting of concerned former members on August 20, 2013 to review and discuss possible actions.

The supporting information provided by SELF does not provide enough detail to see a clear path to resolution. SELF has resisted disclosure of member specific allocations which would assist CSURMA in evaluating the situation. Staff suggested making a public records request to gather information for review and analysis and potentially reduce CSURMA's overall exposure.

A motion was made to direct staff to conduct a project to obtain additional information from SELF, utilizing a Public Records Act request as necessary, as well as to conduct an actuarial review, with a cost not to exceed \$5,300 for the project.

Motion: Mike Lee **Second:** Linda Hawk **MOTION CARRIED**

D.20 Foreign Travel Software

Zachary Gifford reviewed the item with the Executive Committee. At previous meetings, staff discussed with the Executive Committee the need for a software package that would facilitate enrolling, tracking and communicating with CSU's travelers abroad. Previously Systemwide Risk Management had evaluated purchasing licenses for all campuses for a systemwide software solution.

Two options have emerged as likely solutions that would resolve Systemwide Risk Management and CSURMA's needs without imposing new software on the campuses:

1. Purchase additional Studio Abroad licenses for Systemwide Risk Management and CSURMA under the Chancellor's Office International Programs' agreement with Terra Dotta; or,
2. Purchase a more limited product, Simplicity, from Horizons that is likely to meet our needs.

Staff was given direction to research the Simplicity product more thoroughly and to set up a webinar demonstration for those interested reporting, back to the Executive Committee at a future meeting for action and direction.

D.21 Program Administration Request for Proposal

Vice Chair Mary Ann Rodriguez reviewed the item with the Executive Committee. CSURMA engages its Program Administrator following a request for proposals (RFP) solicitation. The most recent RFP was in the Fall of 2008. Zachary Gifford in the Systemwide Office of Risk Management worked with Dawn Locher in the Chancellor's Office Department of Contract Services and Procurement to conduct the RFP for CSURMA Program Administration. The CSURMA Executive Committee appointed a task group to review the RFP responses, conduct interviews as necessary and make a recommendation to the Executive Committee.

Oral interviews were conducted on August 1, 2013. The Program Administration RFP Evaluation Task Group recommended moving forward with Alliant for an initial two (2) year term with eight (8) optional years.

A motion was made to accept the recommendation of the RFP Task Group and delegate authority to the Chair and Secretary-Auditor to execute the necessary agreements effective January 1, 2014.

Motion: Linda Hawk

Second: George Ashkar

MOTION CARRIED

General Counsel was directed to work with staff to prepare the agreements.

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E.1 AORMA Programs Update

Dwayne Brummett, incoming AORMA Chair, and Robert de Wit, AORMA Vice Chair were in attendance at the meeting. Dwayne offered the following highlights from the AORMA meetings earlier this week:

- Alliant has been busy visiting all campuses with only 5 remaining to review programs.
- Exploring a step deductible for EPLI at \$25,000; \$50,000; \$75,000; and \$100,000.
- Accepted the draft actuarial reports for AORMA Liability and AORMA Workers' Compensation.

- Declared a Workers' Compensation Program dividend of \$845,387 and Liability Program dividend of \$978,346.
- Revised loss funding for AORMA Liability to a 70% actuarial confidence level; AORMA WC funding to remain at 80% confidence.
- Reviewed program rating methodology.
- Setting minimum deductibles for property.
- Approved 2014-15 program funding with a 2% increase overall.
- Crime: 5% increase.
- Review GL rating methodology.
- Risk Reduction Grant Program.
- Long Range Planning goals include Smartphone apps for risk control and claims reporting.

E.2 AOA Annual Conference Update

AORMA Chair Dwayne Brummett reported that AORMA will provide AOA an increased annual conference sponsorship this year of \$20,000.

G. INFORMATION ITEMS

G.1 Review of 2013/2014 Long Range Planning Goals

The Executive Committee reviewed and discussed the FY 2013-14 Long Range Planning items.

G.2 Public Safety Crowd Control Project Update

Daniel Howell reviewed the item with the Executive Committee. Funding for this project was approved last Fall. The training began earlier this year and has been completed at a total cost of \$146,857.83. The budgeted amount for this project is \$175,000.

G.3 CSURMA Website and other technology

Daniel Howell reported that the new CSURMA website is up and running. There will be additional content added over the next few months.

G.4 Update on Concussive Injuries

Zachary Gifford reviewed the item. 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. The creation of a minimum policy for campuses is in discussion.

G.5 Listing of CSURMA Policies & Procedures

The Executive Committee reviewed the listing of current CSURMA Policies & Procedures. The CSURMA Policies and Procedures are available on the website for reference.

G.6 CSURMA Administrative Service Calendar

Chair Teniente-Matson reviewed the item with the Executive Committee. The document laid out the major administrative scope of work in a calendar format. Daniel Howell added that the service calendar provides information to the committee members for a better understanding of the work performed, and its timing. The Administrative Service Calendar will be continuously updated and included in each agenda packet.

The Chair left the meeting to attend a conference call.

G.7 CSURMA Executive Committee & Staff Contact List

The Executive Committee reviewed the Contact List and was advised to inform the Program Administrators of any needed updates or corrections to the information presented.

F. CLOSED SESSION

F.1 Sanchez-Graves v. CSU, Northridge

F.2 CSU v. Schools Excess Liability Fund

A motion was made to enter Closed Session.

Motion: Linda Hawk **Second:** Michael Thorpe **MOTION CARRIED**

The Executive Committee entered Closed Session at 12:25 p.m.

A motion was made to leave Closed Session.

Motion: Michael Thorpe **Second:** George Ashkar **MOTION CARRIED**

The Executive Committee left Closed Session at 12:49 p.m.

The Vice-Chair reported that no action had been taken by the Executive Committee in Closed Session.

H. ADJOURNMENT

A motion was made to adjourn the meeting.

The meeting adjourned at 12:50 PM.

DRAFT FINANCIAL STATEMENTS AT SEPTEMBER 30, 2013

ISSUE: The Chancellor's Office Financial Services Accounting prepares Financial Statements for CSURMA. The Draft Financial Statements at September 30, 2013 are provided as an attachment to this item. The Executive Committee is asked to review the Draft Financial Statements as part of the Consent Calendar. The Chancellor's Office Finance Services Accounting will be on hand to answer questions.

RECOMMENDATION: It is recommended that the Executive Committee review and accept the Draft Financial Statements at September 30, 2013 as part of the Consent Calendar.

FISCAL IMPACT: None.

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

ATTACHMENT(S): Draft Financial Statements at September 30, 2013.

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 10/10/2013

Client Name	Current	31 - 60	61 - 90	Over 91	Balance
Associated Students Inc, CSU Northridge	16,943.00	0.00	0.00	0.00	16,943.00
Associated Students Inc. CSU Stanislaus	1,408.00	0.00	0.00	0.00	1,408.00
a Associated Students Incorporated CSU East Bay	(16,212.00)	0.00	0.00	0.00	(16,212.00)
Associated Students Incorporated, Cal Poly Pomona	20,452.00	0.00	0.00	0.00	20,452.00
Associated Students Incorporated, CSU Chico	27,969.00	0.00	0.00	0.00	27,969.00
Associated Students Incorporated, CSU Long Beach	17,653.00	0.00	0.00	0.00	17,653.00
Associated Students Incorporated, CSU Sacramento	26,046.00	0.00	0.00	0.00	26,046.00
Associated Students of Humboldt State University	305.00	0.00	0.00	0.00	305.00
Associated Students of San Diego State University	52,869.00	0.00	0.00	0.00	52,869.00
Associated Students, CSU Fullerton	37,849.00	0.00	0.00	0.00	37,849.00
Associated Students, CSU Los Angeles	354.00	0.00	0.00	0.00	354.00
Associated Students, Inc., CSU Dominguez Hills	3,481.00	0.00	0.00	0.00	3,481.00
b Associated Students, Inc., CSU San Bernardino	(33.00)	0.00	0.00	0.00	(33.00)
Associated Students, Inc., San Francisco SU	797.00	0.00	0.00	0.00	797.00
c Associated Students, Inc.of Sonoma State University	4,009.00	0.00	2,404.00	0.00	6,413.00
Associated Students, San Luis Obispo	28,083.00	0.00	0.00	0.00	28,083.00
Cal Poly Corporation	59,068.00	0.00	0.00	0.00	59,068.00
Cal Poly Pomona Foundation, Inc.	48,331.00	0.00	0.00	0.00	48,331.00
Cal State Los Angeles University Auxiliary Svcs Inc	39,285.00	0.00	0.00	0.00	39,285.00
Capital Public Radio, Inc.	5,572.00	0.00	0.00	0.00	5,572.00
Cesar Chavez Student Center, San Francisco State University	15,122.00	0.00	0.00	0.00	15,122.00
CSU Bakersfield Foundation	6,178.00	0.00	0.00	0.00	6,178.00
CSU Bakersfield, Auxiliary for Sponsored Programs Administration	8,150.00	0.00	0.00	0.00	8,150.00
CSU Channel Islands University Glen	14,587.00	0.00	0.00	0.00	14,587.00
CSU Chico Research Foundation	73,891.00	0.00	0.00	0.00	73,891.00
CSU Dominguez Hills Foundation	35,596.00	0.00	0.00	0.00	35,596.00
CSU East Bay Foundation	19,300.00	0.00	0.00	0.00	19,300.00
CSU Fresno Association	58,527.00	0.00	0.00	0.00	58,527.00
CSU Fresno Athletic Corporation	31,527.00	0.00	0.00	0.00	31,527.00
CSU Fresno Foundation	40,671.00	0.00	0.00	0.00	40,671.00
CSU Fullerton University Auxiliary Services Corporation	58,553.00	0.00	0.00	0.00	58,553.00
CSU, Long Beach Research Foundation	40,410.00	0.00	0.00	0.00	40,410.00
Forty-Niner Shops Incorporated, CSU Long Beach	45,469.00	0.00	0.00	0.00	45,469.00
Humboldt State Univ Sponsored Programs Foundation	32,730.00	0.00	0.00	0.00	32,730.00
Humboldt State University Advancement Foundation	5,240.00	0.00	0.00	0.00	5,240.00
San Diego State University Research Foundation	3,023.62	0.00	0.00	0.00	3,023.62
San Jose State University Research Foundation	96,953.00	0.00	0.00	0.00	96,953.00
San Marcos University Corporation	663.00	0.00	0.00	0.00	663.00
Santos Manuel Student Union, CSU San Bernardino	11,194.00	0.00	0.00	0.00	11,194.00
Spartan Shops Inc., San Jose State University	71,890.00	0.00	0.00	0.00	71,890.00
Student Union Inc., San Jose State University	12,331.00	0.00	0.00	0.00	12,331.00
d Student Union of CSU Bakersfield	0.00	0.00	5,321.00	0.00	5,321.00
The Donald P. and Katherine B. Loker University Student Union, Inc.	733.00	0.00	0.00	0.00	733.00
The Tower Foundation, San Jose State University	9,368.00	0.00	0.00	0.00	9,368.00
The University Corporation at Monterey Bay	36,702.00	0.00	0.00	0.00	36,702.00
The University Corporation, CSU Northridge	111,809.00	0.00	0.00	0.00	111,809.00
The University Corporation, San Francisco State	57,550.00	0.00	0.00	0.00	57,550.00
Univ Enterprises Inc. CSU Sacramento	128,942.00	0.00	0.00	0.00	128,942.00
University Auxiliary and Research Svcs Corp, CSU San Marcos	25,366.00	0.00	0.00	0.00	25,366.00
University Center, Humboldt State University	21,377.00	0.00	0.00	0.00	21,377.00
University Enterprises Corporation at CSUSB	33,878.00	0.00	0.00	0.00	33,878.00
University Student Union, CSU Los Angeles	12,853.00	0.00	0.00	0.00	12,853.00
University Student Union, CSU Northridge	26,418.00	0.00	0.00	0.00	26,418.00
University Student Union, CSU Stanislaus	193.00	0.00	0.00	0.00	193.00
Totals:	1,521,423.62	-	7,725.00	-	1,529,148.62

- a This is FY 12/13 AORMA WC Final Audit Credit Memo. The refund will be issued on 10/15/13.
- b This is FY 12/13 AORMA WC Final Audit Credit Memo. The refund will be issued on 10/15/13.
- c The member indicates the payment of invoice # 7328 (FY 13/14 1st Qtr AORMA WC Premium) has been made and would be received in October 2013.
- d After working with member's questions, the payment of invoice # 7143 (FY 13/14 AORMA Annual Premium) would be processed in October 2013

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 9/30/2013**

Loan Pool: 15% of the overall average cash and investment for the preceding 12 months (Oct 2012 - Sep 2013)

\$ 26,378,786.42

Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 9/30/2013	Outstanding Loan Balance 6/30/2013
Humboldt State University Advancement Foundation	Oct 2017 (Extension)	Aug 2008	\$ 2,535,000.00	\$ 2,000,000.00	\$ 2,000,000.00
CSU Fresno	Sep 2018 (Extension)	Nov 2008	\$ 4,500,000.00	\$ 2,475,985.96	\$ 2,642,036.88
CSU Northridge	Jun 2015	May 2010	\$ 5,000,000.00	\$ 3,500,000.00	\$ 3,500,000.00
Total Loans			\$ 12,035,000.00	\$ 7,975,985.96	\$ 8,142,036.88
Remaining Amount Available for Member Loans:				\$ 18,402,800.46	

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

A single Member loan and its associated Member's Auxiliary Organizations shall not exceed 5% of the overall average cash and investment for the preceding 12 months (Oct 2012 - Sep 2013)

\$ 8,792,928.81

**California State University Risk Management Authority
Travel Expense Report for Administrative Staffs**

Processed from July 1 to September 30, 2013

Traveler	Dates of Travel	Location	Purpose	Amount
Cynthia Teniente-Matson	7/16/2013	Indianapolis	Meeting with Mary Ann Rodriguez to discuss CSURMA's outstanding items	\$ 51.87
Zachary Gifford	7/10-7/11/13	Monterey	AORMA Officer's Retreat and Campus Visit/Meeting with Lenore Reed	\$ 627.33
Zachary Gifford	7/22/2013	San Diego	Pallulat vs. SDSU ASI Mediation	\$ 151.17
Zachary Gifford	8/26-8/27/13	San Francisco	CSURMA Program Admin team visit, "State of W/C Program" meetings with Sedgwick, Genex and ScripNet	\$ 465.88
Zachary Gifford	9/4-9/5/13	San Jose	SJSU - University Village Mediation Day III & IV	\$ 601.48
Zachary Gifford	9/11-9/12/13	Lake Tahoe	Speaking and moderating at CAJPA Conference	\$ 576.95
Rebecca Skidmore	9/19/2013	Newport Beach	Attending AIRROC 1-day Conference	\$ 26.08
Total Travel Expense				\$ 2,500.76

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 9/30/2013

(Unaudited)

		Workers'				Auto	Total Campus
	Liability	Compensation	IDL/NDI/UI	Property	AIME	Liability	Programs as of 9/30/2013
Assets:							
Cash and Investments	22,913,756	40,002,108	6,977,661	3,359,379	1,818,243	648,727	75,719,873
Other long-term investments	35,503,912	61,924,658	10,785,965	5,187,203	2,811,685	0	116,213,424
Accounts receivable	520,337	0	0	2,229	0	0	522,566
Loan receivable	0	0	0	0	0	0	0
Accrued interest receivable	1,400	2,443	426	205	111	0	4,584
Prepaid insurance	2,774,857	1,361,840	1,735	6,349,947	21,379	0	10,509,758
Prepaid expense	104,470	2,135,184	4,009	271,454	1,184	0	2,516,301
Fixed asset	3,138	7,404	2,209	2,767	644	0	16,162
Accumulated Depreciation	(1,177)	(2,777)	(828)	(1,038)	(241)	0	(6,061)
Total assets:	61,820,694	105,430,861	17,771,176	15,172,146	4,653,004	648,727	205,496,608
Liabilities:							
Accounts payable	41,931	877,174	4,960,751	11,088	3,418	162,182	6,056,544
Unearned revenue	10,134,450	22,086,700	10,125,000	7,663,886	2,199,367	486,545	52,695,948
SELF assessment liability	0	13,632,062	0	0	0	0	13,632,062
Reported claims	8,105,014	36,703,615	0	0	143,450	0	44,952,079
Claims incurred but not reported	9,938,159	17,863,429	0	0	1,912,662	0	29,714,250
Total liabilities:	28,219,554	91,162,980	15,085,751	7,674,974	4,258,897	648,727	147,050,883
Fund balance	33,601,141	14,267,881	2,685,425	7,497,171	394,107	0	58,445,725
Total liabilities and fund balance	61,820,694	105,430,861	17,771,176	15,172,146	4,653,004	648,727	205,496,608

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 9/30/2013

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs as of 9/30/2013
Assets:						
Cash and Investments	3,766,455	5,349,623	506,995	97,762	1,034,435	10,755,270
Other long-term investments	5,828,898	8,297,789	794,539	150,814	1,722,403	16,794,443
Accounts receivable	79,430	(149,056)	40,867	11,766	0	(16,993)
Loan receivable	0	0	0	0	0	0
Accrued interest receivable	230	327	31	6	66	660
Prepaid insurance	229,196	301,140	1,999,438	140,484	295	2,670,553
Prepaid expense	453,265	327,489	46,912	3,843	617	832,127
Fixed asset	965	931	759	0	0	2,656
Accumulated Depreciation	(362)	(349)	(285)	0	0	(996)
Total assets:	10,358,078	14,127,894	3,389,257	404,675	2,757,816	31,037,720
Liabilities:						
Accounts payable	982,618	982,599	4,126	411	721,661	2,691,415
Unearned revenue	2,060,326	40,781	2,621,860	263,328	6,968	4,993,263
SELF assessment liability	0	0	0	0	0	0
Reported claims	2,045,034	3,725,705	0	0	0	5,770,739
Claims incurred but not reported	817,895	4,493,819	0	0	0	5,311,714
Total liabilities:	5,905,873	9,242,905	2,625,985	263,739	728,629	18,767,131
Fund balance	4,452,205	4,884,990	763,272	140,935	2,029,187	12,270,589
Total liabilities and fund balance	10,358,078	14,127,894	3,389,257	404,675	2,757,816	31,037,720

California State University Risk Management Authority
Balance Sheet - Miscellaneous Programs as of 9/30/2013

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 9/30/2013	Grand Total All Programs as of 9/30/2013
Assets:						
Cash and Investments	(42,253)	(1,125,546)	(68,086)	(3,152,019)	(4,387,904)	82,087,239
Other long-term investments	(65,066)	(1,924,683)	(105,883)	(4,823,967)	(6,919,599)	126,088,268
Accounts receivable	2,003	0	0	0	2,003	507,576
Loan receivable	0	0	0	7,975,986	7,975,986	7,975,986
Accrued interest receivable	0	0	(4)	0	(4)	5,240
Prepaid insurance	0	1,034,225	154,123	0	1,188,348	14,368,659
Prepaid expense	0	108,516	18,448	0	126,964	3,475,392
Fixed asset	0	0	0	0	0	18,818
Accumulated Depreciation	0	0	0	0	0	(7,057)
Total assets:	(105,316)	(1,907,488)	(1,402)	0	(2,014,206)	234,520,122
Liabilities:						
Accounts payable	0	8,029	243	0	8,271	8,756,230
Unearned revenue	0	0	0	0	0	57,689,211
SELF assessment liability	0	0	0	0	0	13,632,062
Reported claims	0	0	0	0	0	50,722,818
Claims incurred but not reported	0	0	0	0	0	35,025,964
Total liabilities:	0	8,029	243	0	8,271	165,826,285
Fund balance	(105,316)	(1,915,517)	(1,644)	0	(2,022,478)	68,693,837
Total liabilities and fund balance	(105,316)	(1,907,488)	(1,402)	0	(2,014,206)	234,520,122

California State University Risk Management Authority

Income Statement - Campus Programs as of 9/30/2013

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	3,422,900	7,362,233	3,375,000	2,554,629	733,122	162,182	17,610,066
Reinsurance premiums	(41,250)	0	0	0	0	0	(41,250)
Total operating revenues:	3,381,650	7,362,233	3,375,000	2,554,629	733,122	162,182	17,568,816
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	645,557	4,990,812	2,483,000	0	892,735	0	9,012,104
Deductible recoveries	(520,337)	0	0	0	0	0	(520,337)
Claims administrators	20,477	908,377	15,568	0	31,250	0	975,672
Claims management information system	7,702	0	0	0	0	0	7,702
Program administrator	48,583	98,849	41,670	49,536	2,409	0	241,047
Brokerage commissions	78,464	68,903	138	119,470	219	0	267,194
Insurance premiums	930,276	710,093	0	2,144,925	2,071	162,182	3,949,547
Actuarial services	4,750	5,250	0	0	2,750	0	12,750
Claims audit	2,250	0	0	0	0	0	2,250
Miscellaneous program services	817	697	0	0	0	0	1,515
Workshops/training	3,800	5,646	1,537	1,304	308	0	12,595
Loss control	19,050	750	0	0	0	0	19,800
Reinsurance recovery	(227,264)	(2,003,819)	0	0	0	0	(2,231,083)
Program committee	0	0	0	0	0	0	0
Dividend distributions	0	0	0	0	0	0	0
Total direct program expenses:	1,014,126	4,785,558	2,541,912	2,315,235	931,742	162,182	11,750,755
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	7,248	15,634	7,166	5,045	1,555	0	36,648
Executive committee & board expenses	582	1,255	575	405	125	0	2,941
JPA insurance	621	1,336	610	163	133	0	2,862
Memberships, associations & dues	65	0	0	0	0	0	65
Chancellor's office accounting services	12,269	26,463	12,131	8,539	2,633	0	62,034
Risk management expenses	52,779	113,834	52,181	36,733	11,324	0	266,851
Miscellaneous indirect services	364	771	305	281	74	0	1,796
Total general & administrative expenses:	73,928	159,293	72,968	51,166	15,843	0	373,198
Total operating expenses:	1,088,054	4,944,851	2,614,880	2,366,401	947,585	162,182	12,123,952
NON-OPERATING REVENUES:							
Investment income	191,786	333,189	56,496	28,073	14,971	0	624,515
Total non-operating revenues:	191,786	333,189	56,496	28,073	14,971	0	624,515
BEGINNING RETAINED EARNINGS	31,115,759	11,517,309	1,868,809	7,280,870	593,599	0	52,376,346
NET SURPLUS/(DEFICIT)	2,485,382	2,750,571	816,616	216,301	(199,491)	0	6,069,379
ENDING RETAINED EARNINGS	33,601,141	14,267,881	2,685,425	7,497,171	394,107	0	58,445,725

California State University Risk Management Authority

Income Statement - AORMA Programs as of 9/30/2013

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	893,025	958,044	873,953	87,776	573,369	3,386,167
Reinsurance premiums	(206,250)	0	0	0	0	(206,250)
Total operating revenues:	686,775	958,044	873,953	87,776	573,369	3,179,917
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	325,400	406,905	69,736	0	434,635	1,236,676
Deductible recoveries	(128,024)	0	0	0	0	(128,024)
Claims administrators	3,150	51,772	0	0	8,025	62,947
Claims management information system	0	0	0	0	0	0
Program administrator	141,875	83,673	60,637	5,814	11,250	303,249
Brokerage commissions	16,609	10,045	45,974	3,754	23	76,405
Insurance premiums	76,242	100,190	666,328	46,813	0	889,572
Actuarial services	2,750	2,750	0	0	0	5,500
Claims audit	2,500	0	0	0	0	2,500
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	433	513	377	36	239	1,598
Loss control	12,952	25,709	0	0	0	38,661
Reinsurance recovery	0	0	0	0	0	0
Program committee	543	659	524	52	340	2,118
Dividend distributions	978,346	845,387	0	0	0	1,823,733
Total direct program expenses:	1,432,777	1,527,602	843,576	56,469	454,512	4,314,936
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,944	2,362	1,877	187	1,219	7,589
Executive committee & board expenses	156	190	151	15	98	609
JPA insurance	166	201	159	16	103	645
Memberships, associations & dues	0	0	0	0	0	0
Chancellor's office accounting services	3,291	3,998	3,177	317	2,064	12,846
Risk management expenses	13,473	16,367	13,007	1,297	8,450	52,595
Miscellaneous indirect services	95	107	80	6	39	326
Total general & administrative expenses:	19,124	23,224	18,451	1,838	11,973	74,610
Total operating expenses:	1,451,901	1,550,826	862,027	58,307	466,485	4,389,546
NON-OPERATING REVENUES:						
Investment income	31,629	45,302	4,254	800	9,352	91,337
Total non-operating revenues:	31,629	45,302	4,254	800	9,352	91,337
BEGINNING RETAINED EARNINGS	5,185,702	5,432,470	747,091	110,667	1,912,952	13,388,881
NET SURPLUS/(DEFICIT)	(733,497)	(547,480)	16,181	30,269	116,235	(1,118,292)
ENDING RETAINED EARNINGS	4,452,205	4,884,990	763,272	140,935	2,029,187	12,270,589

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 9/30/2013

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	194,504	2,890,834	450	3,085,788	24,082,021
Reinsurance premiums	0	0	0	0	(247,500)
Total operating revenues:	194,504	2,890,834	450	3,085,788	23,834,521
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	0	0	10,248,779
Deductible recoveries	0	0	0	0	(648,361)
Claims administrators	0	0	0	0	1,038,619
Claims management information system	0	0	0	0	7,702
Program administrator	0	68,125	0	68,125	612,421
Brokerage commissions	46,380	6,301	4,860	57,541	401,140
Insurance premiums	271,424	607,056	41,171	919,651	5,758,769
Actuarial services	0	0	0	0	18,250
Claims audit	0	0	0	0	4,750
Miscellaneous program services	0	0	0	0	1,515
Workshops/training	0	1,058	0	1,058	15,251
Loss control	0	0	0	0	58,462
Reinsurance recovery	0	0	0	0	(2,231,083)
Program committee	0	0	0	0	2,118
Dividend distributions	0	0	0	0	1,823,733
Total direct program expenses:	317,804	682,540	46,031	1,046,375	17,112,066
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	3,653	110	3,763	48,000
Executive committee & board expenses	0	293	9	302	3,852
JPA insurance	0	322	9	331	3,838
Memberships, associations & dues	0	0	0	0	65
Chancellor's office accounting services	0	6,183	187	6,370	81,250
Risk management expenses	0	25,316	765	26,081	345,528
Miscellaneous indirect services	0	207	1	207	2,329
Total general & administrative expenses:	0	35,974	1,081	37,055	484,863
Total operating expenses:	317,804	718,515	47,112	1,083,431	17,596,929
NON-OPERATING REVENUES:					
Investment income	0	0	(539)	(539)	715,313
Total non-operating revenues:	0	0	(539)	(539)	715,313
BEGINNING RETAINED EARNINGS	17,984	(4,087,836)	45,556	(4,024,296)	61,740,932
NET SURPLUS/(DEFICIT)	(123,300)	2,172,319	(47,201)	2,001,818	6,952,905
ENDING RETAINED EARNINGS	(105,316)	(1,915,517)	(1,644)	(2,022,478)	68,693,837

California State University Risk Management Authority

Income Statement as of 9/30/2013

(Unaudited)

	Budget vs. Actual		Variance	Percent of Budget
	FY 2013/2014 Budget	Year-to-Date Ending 9/30/2013		
OPERATING REVENUES:				
Contributions	91,378,455	24,082,021	67,296,434	26.35%
Reinsurance premiums	(990,000)	(247,500)	(742,500)	25.00%
Total operating revenues:	90,388,455	23,834,521	66,553,934	26.37%
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	64,738,427	10,248,779	54,489,648	15.83%
Deductible recoveries	(4,050,000)	(648,361)	(3,401,639)	16.01%
Claims administrators	4,661,895	1,038,619	3,623,276	22.28%
Claims management information system	100,000	7,702	92,298	7.70%
Program administrator	2,449,686	612,421	1,837,265	25.00%
Brokerage commissions	1,258,407	401,140	857,267	31.88%
Insurance premiums	19,280,615	5,758,769	13,521,846	29.87%
Taxes, assessments & fees	235,000	0	235,000	0.00%
Actuarial services	26,000	18,250	7,750	70.19%
Claims audit	22,000	4,750	17,250	21.59%
Coverage counsel	16,000	0	16,000	0.00%
Program legal	2,500	0	2,500	0.00%
Miscellaneous program services	11,755	1,515	10,240	12.89%
Workshops/training	88,000	15,251	72,749	17.33%
Loss control	1,178,125	58,462	1,119,663	4.96%
Reinsurance recovery	(8,453,500)	(2,231,083)	(6,222,417)	26.39%
Program committee	30,688	2,118	28,570	6.90%
Dividend distributions	2,219,190	1,823,733	395,457	82.18%
Total direct program expenses:	83,814,788	17,112,066	66,702,722	20.42%
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	48,000	48,000	0	100.00%
Executive committee & board expenses	34,000	3,852	30,148	11.33%
JPA insurance	27,500	3,838	23,662	13.96%
Memberships, associations & dues	5,250	65	5,185	1.24%
Chancellor's office accounting services	325,000	81,250	243,750	25.00%
Risk management expenses	1,266,000	345,528	920,472	27.29%
JPA legal	5,000	0	5,000	0.00%
Miscellaneous indirect services	15,000	2,329	12,671	15.53%
Total general & administrative expenses:	1,725,750	484,863	1,240,887	28.10%
Total operating expenses:	85,540,538	17,596,929	67,943,609	20.57%
NON-OPERATING REVENUES:				
Investment income	5,000,000	715,313	4,284,687	14.31%
Total non-operating revenues:	5,000,000	715,313	4,284,687	14.31%
NET SURPLUS/(DEFICIT)	9,847,917	6,952,905	2,895,012	70.60%

FINANCIAL REPORT
TREASURER'S REPORT
AT SEPTEMBER 30, 2013

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

RECOMMENDATION: It is recommended that the Executive Committee review the Treasurer's Report ending September 30, 2013 as part of the Consent Calendar.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S): 1) Certification of Funds Letter dated October 23, 2013
2) CSURMA Investment Report



California State University Risk Management Authority

Officers

Cynthia Teniente-Matson
Chair

Mary Ann Rodriguez
Vice Chair

George V. Ashkar
Treasurer

Charlene M. Minnick
Secretary

To: Executive Committee
CSU Risk Management Authority

From: George V. Ashkar
Treasurer of CSU Risk Management Authority

Re: Quarterly Investment Report
Ending September 30, 2013

Date: October 23, 2013

Government Code Section 53646(b)(1) requires the Authority's Treasurer to submit to the legislative body (Executive Committee), a quarterly investment report. Attached is the quarterly investment report ending September 30, 2013. The report contains a portfolio summary which includes market value, return, yield, weighted average to maturity (WAM), and duration for each of CSURMA investment Portfolios; Fixed Income Portfolio with Morgan Stanley-Smith Barney, and CSU's Consolidated Investment Pool.

It is the belief of the Treasurer that the funds held in investments are sufficient to meet the Authority's cash flow needs for the following six (6) months, and the investments are in accordance with the investment policy of the Authority, as duly authorized by the Executive Committee.

George V. Ashkar, Treasurer

CSURMA Quarterly Investment Report

July 1, 2013 – September 30, 2013

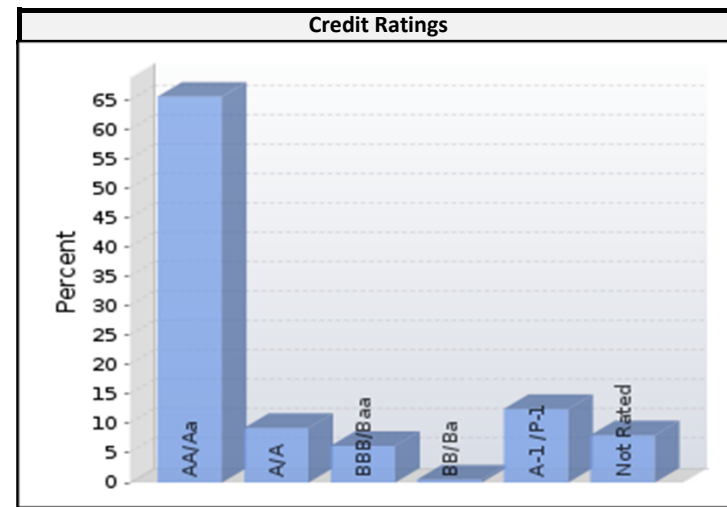
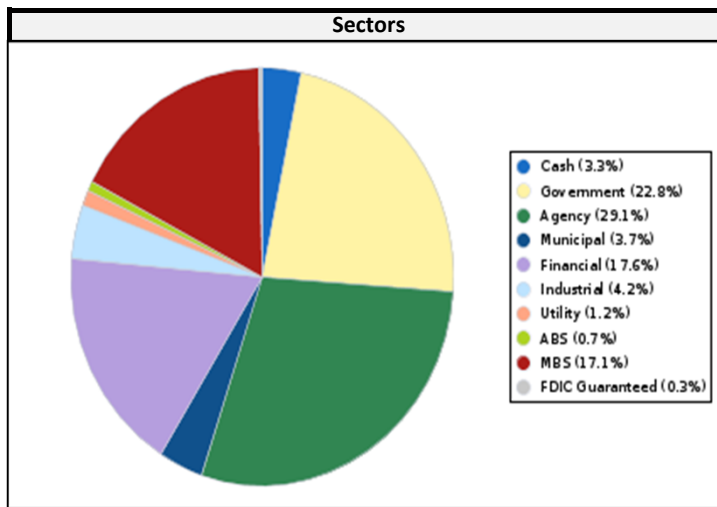
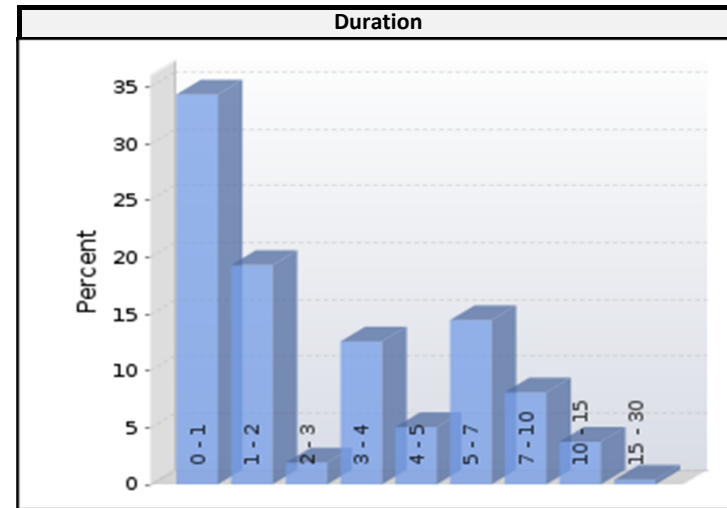
Prepared by the Office of Financing and Treasury

California State University Risk Management Authority

Fixed Income Portfolio (Auxiliary Investment Platform)

As of 9/30/2013

Portfolio Summary Total	
Total Assets	126,088,268
Duration	3.129
Yield	1.239%
Avg Credit Rating	AA-/Aa3
QE Performance	0.431%

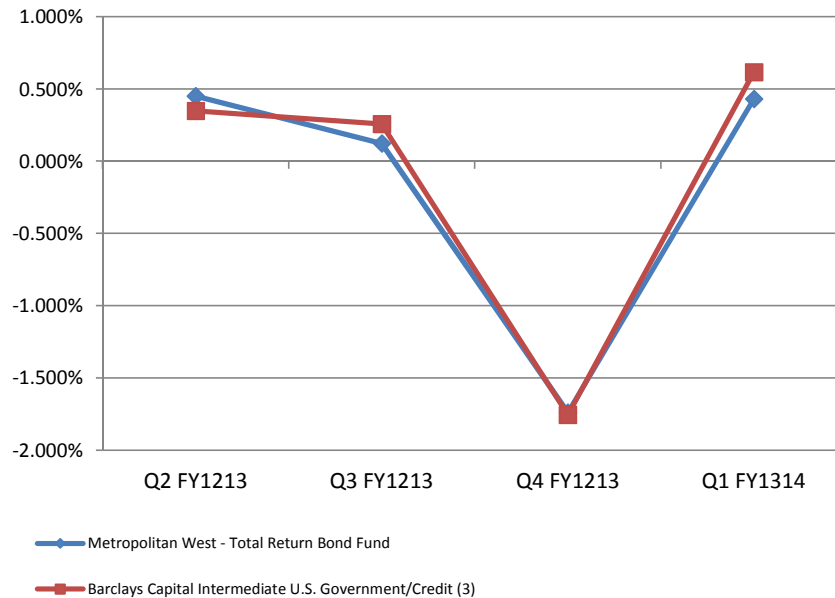


California State University Risk Management Authority
Fixed Income Portfolio (Auxiliary Investment Platform)
Performance Summary

Period Ended 9/30/13

Account / Index	Market Value	3 Month ⁽¹⁾	Trailing 12 Month ⁽¹⁾	Trailing 3 Year ⁽¹⁾	Trailing 5 Year ⁽¹⁾	Since Inception ⁽¹⁾	Yield	WAM ⁽²⁾	Duration
	09/30/13	07/01/13 - 09/30/13	10/01/12 - 09/30/13	10/01/10 - 09/30/13	10/01/08 - 09/30/13	04/01/08 - 09/30/13			
Metropolitan West - Total Return Bond Fund	126,088,268	0.431%	-0.791%	2.092%	4.472%	4.992%	1.239	6.907	3.129
Barclays Capital Intermediate U.S. Government/Credit ⁽³⁾		0.616%	-0.495%	2.413%	4.952%	3.973%	1.485	4.187	3.870

Account / Index	Q2 FY1213	Q3 FY1213	Q4 FY1213	Q1 FY1314	12 Month Return ⁽¹⁾
	10/01/12 - 12/31/12	01/01/13 - 03/31/13	04/01/13 - 06/30/13	07/01/13 - 09/30/13	10/01/12 - 09/30/13
Metropolitan West - Total Return Bond Fund	0.449%	0.122%	-1.738%	0.431%	-0.791%
Barclays Capital Intermediate U.S. Government/Credit ⁽³⁾	0.348%	0.258%	-1.754%	0.616%	-0.495%



(1) Represents Total Return on the portfolio (Income Return plus Price Return)

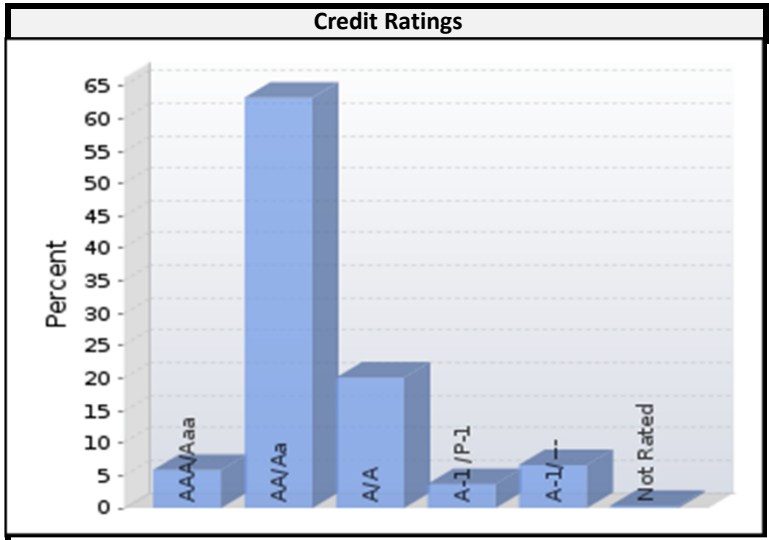
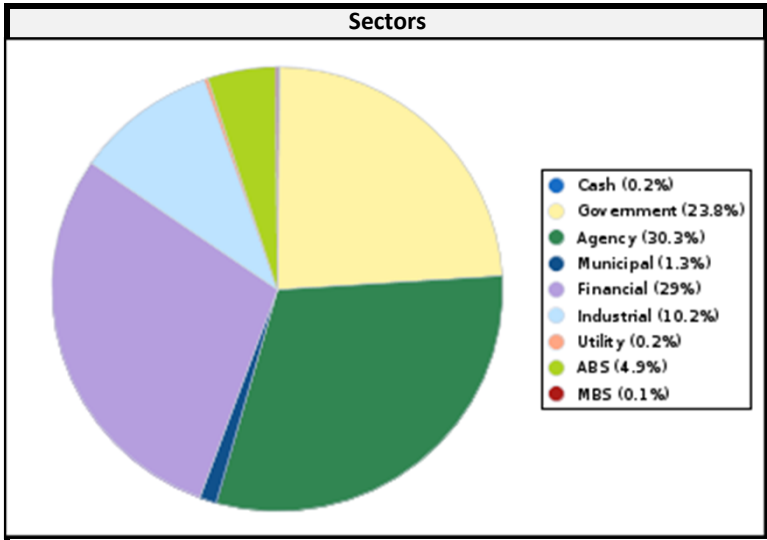
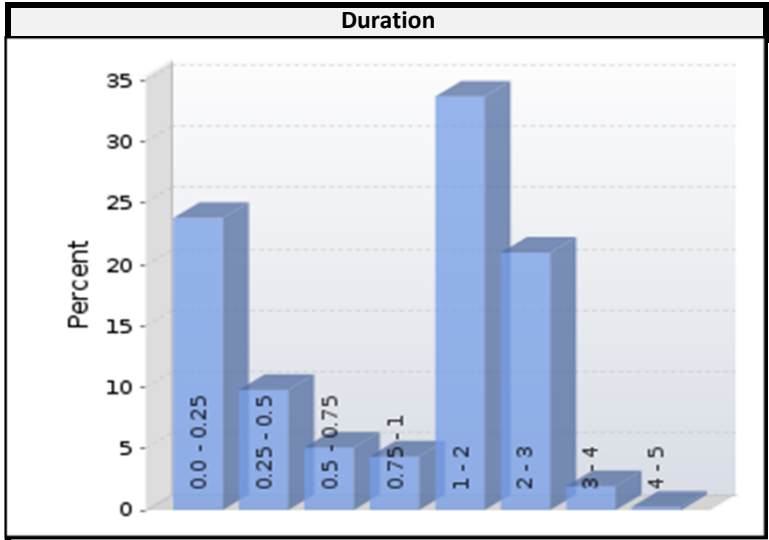
(2) Weighted Average Maturity

(3) Portfolio Benchmark

California State University SWIFT Portfolio

As of 9/30/2013

Portfolio Summary Total	
Total Assets	82,095,912
Duration	1.243
Yield	0.417%
Avg Credit Rating	AA-/Aa3
QE Performance	0.313%



California State University Risk Management Authority

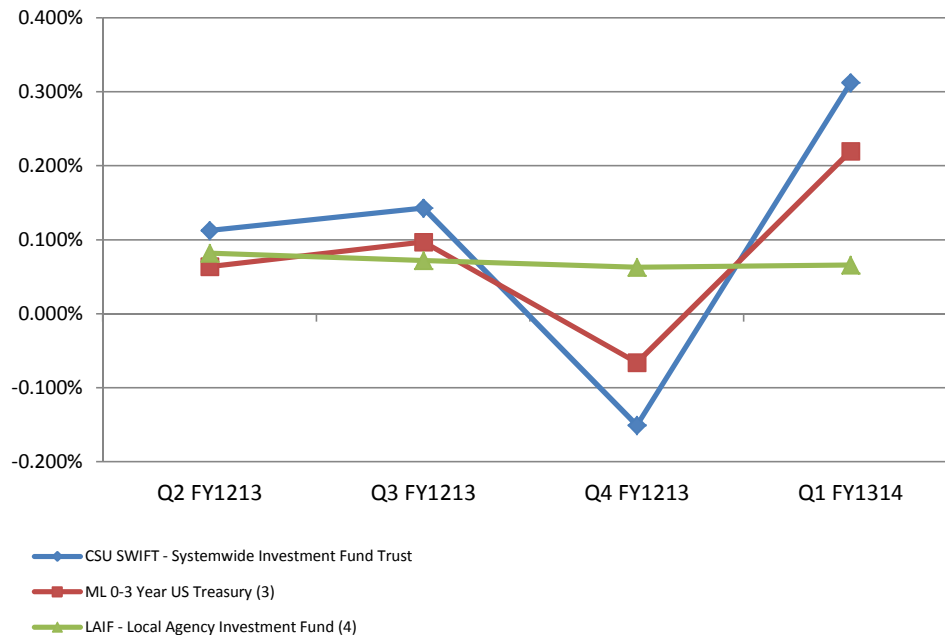
SWIFT Portfolio

Performance Summary

Period Ended 9/30/13

Account / Index	Market Value	3 Month ⁽¹⁾	Trailing 12 Month ⁽¹⁾	Trailing 3 Year ⁽¹⁾	Trailing 5 Year ⁽¹⁾	Since Inception ⁽¹⁾	Yield	WAM ⁽²⁾	Duration
	09/30/13	07/01/13 - 09/30/13	10/01/12 - 09/30/13	10/01/10 - 09/30/13	10/01/08 - 09/30/13	07/01/07 - 09/30/13			
CSU SWIFT - Systemwide Investment Fund Trust	82,095,912	0.313%	0.418%	0.648%	1.007%	1.559%	0.417	1.569	1.243
BofA ML 0-3 Year US Treasury ⁽³⁾		0.220%	0.316%	0.557%	1.260%	2.208%	0.251	1.485	1.459
LAIF - Local Agency Investment Fund ⁽⁴⁾		0.066%	0.283%	0.374%	0.680%	n/a	0.265		

Account / Index	Q2 FY1213	Q3 FY1213	Q4 FY1213	Q1 FY1314	12 Month Return ⁽¹⁾
	10/01/12 - 12/31/12	01/01/13 - 03/31/13	04/01/13 - 06/30/13	07/01/13 - 09/30/13	10/01/12 - 09/30/13
CSU SWIFT - Systemwide Investment Fund Trust	0.113%	0.143%	-0.151%	0.313%	0.418%
ML 0-3 Year US Treasury ⁽³⁾	0.064%	0.097%	-0.066%	0.220%	0.316%
LAIF - Local Agency Investment Fund ⁽⁴⁾	0.082%	0.072%	0.063%	0.066%	0.283%



(1) Represents Total Return on the portfolio (Income Return plus Price Return)

(2) Weighted Average Maturity

(3) Portfolio Benchmark

(4) LAIF quarterly return calculated by CSUCO Financing & Treasury

Trustee's Audit Status Report

ISSUE: The CSU Office of the University Auditor has completed its report on CSURMA and management's response has been accepted. The audit was published in July. The Chair and Vice Chair had participated in review of the preliminary findings and the CSURMA Executive Committee has taken action at prior meetings to address expected findings from the preliminary report. All of the items have been addressed by CSURMA and submitted for closure. It is expected that the University Auditor will report to the CSU Trustees at their November meeting that all items have been closed. Attached to this item are staff's matrix report on the status of the progress to close out audit findings as well as Executive Order 1087 reauthorizing CSURMA.

RECOMMENDATION: The Executive Committee may take action or provide direction as necessary as respects the Audit findings.

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

BACKGROUND: None.

ATTACHMENT(S): 1) Matrix of Response Item Status
2) Executive Order 1087 - CSURMA

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

#	Recommendation	Open Items	Response / Comments
1a	Document the requirement that CSURMA Board members and alternates must be appointed in writing, and ensure that the appointment of all current members and alternates is documented.	4c provided the memorandums that document campus representatives, however was missing some campuses. We will need all 23 campuses to close this item.	Item closed.
1b	Develop a written policy for nominating and electing EC members.	None.	Item closed.
2	We recommend that the CO update systemwide policies relating to the CSURMA.	Revised Executive Order drafted and approved.	▶ Executive Order 1087 Issued October 17, 2013 Item submitted for closure.
3	We recommend that CSURMA define and document which CSU policies are relevant to program administration and formally adopt a travel policy.	<ul style="list-style-type: none"> ▶ Please provide the May 2013 Resolution that adopted ICSUAM 3601.01 – Travel Policy. ▶ Please provide a copy of Policy and Procedure 17, the Travel Reimbursement procedure. ▶ Will need the finalized September 2013 resolution to clear. 	▶ Items cleared by CSURMA EC action at September 13, 2013 meeting Item submitted for closure.
4a	Update the conflict-of-interest code to ensure that information included is current.	None.	Item closed.
4b	Require all key personnel at the CSURMA program administrator to complete Form 700 conflict-of-interest filing statements.	Please provide the March 2013 EC minutes, which discussed which Alliant personnel were appropriate to fill out COI forms.	▶ Item cleared by CSURMA EC action at September 13, 2013 meeting. Item submitted for closure.
4c	Ensure that the CSURMA program administrator maintains all conflict-of-interest statements on file.	Please provide the internal Alliant procedure that was developed to show how Form 700s will be tracked and maintained.	▶ Alliant item submitted. Item submitted for closure.
5	We recommend that the CSURMA perform audits of the CSURMA and AORMA general liability claims programs in accordance with	None.	Item closed.

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

	CSURMA policy.		
6	We recommend that the CSURMA document policies and procedures for the contracting process, including information on the required reviews and approvals and use of standard terms and conditions.	Please provide a signed version of the EC Resolution 03-13.	Item closed.
7	We recommend that the CSURMA <ul style="list-style-type: none"> a. Document the delegation of authority from the Board or the EC to the CO risk management staff or other appropriate individuals to approve expenditures and sign MOUs related to cost recovery. b. Document the delegation of authority from the Board to the EC to approve changes to the CSURMA budget. 	<ul style="list-style-type: none"> ▶ Please provide a signed copy of the BOT Resolution 01-13. ▶ Please provide signed copies of the MOUs for Financial Services Overhead Costs, OGC, and Risk Management. 	Item closed.
8	We recommend that the CSURMA ensure that A-G Administrators provides bank statements and bank account reconciliations for CSURMA funds held in trust.	▶ Discussed review of service agreements for the three vendors holding program funds and either amending or requiring going forward that monthly statements and reconciliations are provided.	▶ Agreement review completed, Carl Warren & Co service agreement amended. Item submitted for closure.
9	We recommend that the CSURMA: <ul style="list-style-type: none"> a. Update the CSURMA investment policy and ensure that it is reviewed and approved on an annual basis by the EC. b. Document the delegation of authority from the CSURMA treasurer to the CO administrator assigned the responsibility of overseeing CSURMA investments. 	<p>Please provide approved CSURMA investment policy (Dan indicated there was a version approved March 2013.)</p> <p>Also, a copy of the finalized September 2013 resolution adopting the approved investment policy.</p>	▶ Additional changes to be adopted by CSURMA EC at September 13, 2013 meeting. Item submitted for closure.
10	Travel Expenses		▶ CSURMA EC addressed item d regarding quarterly report by action

Office of the University Auditor Report 12-65 – CSURMA Response Matrix

			<p>taken at September 13, 2013 meeting</p> <p>Item submitted for closure.</p>
11	<p>We recommend that the CSURMA document policies on information security systems access for the iVOS claims processing system.</p>	<p>Please provide a copy of the policy.</p>	<p>Item closed.</p>
12	<p>We recommend that the CSURMA:</p> <ul style="list-style-type: none"> a. Document the delegation of authority from the EC or the Board to the various entities and individuals who sign and/or approve claims settlement agreements. b. Develop and document a policy or procedure to address the CSURMA claims settlement process for campus pooled programs. c. Maintain a central repository of CO and campus settlement authorities for workers' compensation and general liability claims. 	<p>Please provide the confirmations from the campuses on the settlement authorities, once received.</p>	<ul style="list-style-type: none"> ▶ All campus responses received and submitted. <p>Item submitted for closure.</p>

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR



BAKERSFIELD

October 17, 2013

CHANNEL ISLANDS

MEMORANDUM

CHICO

DOMINGUEZ HILLS

TO: CSU Presidents

EAST BAY

FROM: Timothy P. White
Chancellor

FRESNO

FULLERTON

SUBJECT: California State University Risk Management Authority
Executive Order 1087

HUMBOLDT

LONG BEACH

Attached is a copy of Executive Order 1087 relating to reauthorizing the existence of California State University Risk Management Authority (CSURMA) formerly known as the California State University Risk Pool.

LOS ANGELES

MARITIME ACADEMY

In accordance with policy of the California State University, the campus president has the responsibility for implementing executive orders where applicable and for maintaining the campus repository and index for all executive orders.

MONTEREY BAY

NORTHRIDGE

If you have questions regarding this executive order, please call Systemwide Risk Management and Public Safety at (562) 951-4580.

POMONA

SACRAMENTO

TPW/zg

SAN BERNARDINO

Attachment

SAN DIEGO

c: CSU Office of the Chancellor Leadership
Campus Risk Managers

SAN FRANCISCO

SAN JOSÉ

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210
(562) 951-4580

Executive Order: 1087
Effective Date: October 17, 2013
Supersedes: Executive Order 638 – California State University Risk Pooling Policy
Title: California State University Risk Management Authority

This executive order is issued pursuant to Government Code 11007.4, et seq. and the Standing Orders of the Board of Trustees, section II (d) and (f). This executive order, which shall supersede Executive Order 638, reauthorizes the California State University to participate in the formation and membership of the Joint Powers entity known as the California State University Risk Management Authority (“CSURMA” or the “Entity”) formerly known as the California State University Risk Pool.

Introduction

Executive Order 638 established risk pooling and a self-insurance program for the California State University, replacing the ‘pay-as-you-go’ system that was in place. The goals were to reduce loss, increase accountability and prevent unanticipated disruptions to the annual budgets from catastrophic losses. Since the issuance and implementation of Executive Order 638 (in July, 1995) the program has grown in size and complexity. This supersession of that preexisting executive order purports to reflect more accurately the nature and scope of the CSURMA.

Risk Pooling

This executive order continues to authorize self-insurance programs for University exposures, including but not limited to workers’ compensation, employer liability, general liability, errors and omissions, professional liability, property damage and other lines of coverage.

The program’s self-insurance provision is complemented by its ability to purchase insurance and reinsurance coverage as well as certain necessary program administrative services such as risk management consulting, loss prevention and control, centralized loss data accumulation and reporting, actuarial services, claims adjusting and legal defense services.

CSURMA includes the following key elements:

1. Policies and Procedures

CSURMA may adopt Policies and Procedures necessary for the operation of the program, compliance, and sound business practices. The following elements of CSURMA are described in the Joint Exercise of Powers Agreement, bylaws, policies and procedures.

2. Board of Directors

There shall be a board of directors tasked with managing the activities and affairs of the Entity. It is composed of up to thirty (30) directors appointed by the California State University Executive Vice Chancellor/Chief Financial Officer; and up to ten (10) directors elected by those auxiliary organizations that are, or become, members of the Entity (“Members”).

It is the policy of the CSURMA that membership in the Board of Directors shall be adequately documented, and that nomination and election to the Executive Committee shall follow the process described in CSURMA Policy and Procedure No. 18.

3. Executive Committee

The Executive Committee consists of nine members of the Board of Directors. It comprises the Chair, Vice Chair, Treasurer, four members elected from among the University-appointed directors and two members elected from among the Member-appointed (auxiliary organization members) directors.

4. Administration

CSURMA is governed by a Joint Exercise of Powers Agreement (the “Agreement”) that is made and entered into by and between the Trustees of the California State University and its auxiliary organizations. The Agreement is complemented by bylaws and written policies and procedures.

The Agreement is entered into pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (beginning with §6500) which authorizes the University and its auxiliary organizations, such as the Members who are parties to the Agreement, to establish and operate pooled coverage programs and to provide related services.

5. Budget

The Entity adopts an annual budget, which shall include a separate budget for each separate coverage program under development or adopted and implemented by the Entity.

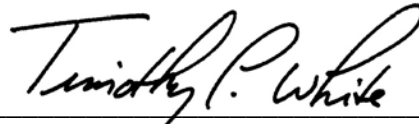
6. Accounting Services

As directed by the Executive Committee, the treasurer of the Entity establishes and maintains such funds and accounts as may be required by law and generally accepted accounting principles. Fund accounting procedures are established and maintained for each insurance program under development or adopted and implemented by the Entity. Books and records of the Entity in the hands of the treasurer are open to inspection at all reasonable times by authorized representatives of Members. A quarterly unaudited financial statement will be produced. The Entity shall adhere to the standards of strict accountability for funds set forth in Government Code §6505.

7. Legal Services

CSURMA's counsel is appointed by the CSU General Counsel as provided under CSURMA's Joint Powers Agreement Section 14(b). CSURMA's counsel serves as counsel to CSURMA in areas including but not limited to:

- Open meeting law compliance;
- Legal counsel on matters related to CSURMA operations;
- Legislative and regulatory analysis; and
- Special projects.



Timothy P. White, Chancellor

Dated: October 17, 2013

Appointment of Secretary-Auditor

ISSUE: At the September 12, 2013 meeting, the CSURMA Executive Committee extended the appointment of Mary Ann Rodriguez to serve as acting Secretary-Auditor. With Mary Ann's departure from the CSU and the pending retirement of the former Secretary-Auditor, it is necessary to appoint a CSURMA Secretary-Auditor.

The CSURMA Joint Exercise of Powers Agreement provides in Section 11:

- (c) The Secretary-Auditor shall be the person who serves as the University's Systemwide Director of Risk Management at the Chancellor's Office or such other person as the Executive Committee appoints.

The Chair will report on her recommendation on this item at today's meeting.

RECOMMENDATION: It is recommended that the Executive Committee evaluate the Chair's recommendation and take action as appropriate

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

BACKGROUND: None.

ATTACHMENT(S): 1) P & P No. 15 - Responsibilities of Treasurer and Auditor
2) Resolution No. 09-13 (EC) - Appointment of Secretary-Auditor



CSURMA

POLICY AND PROCEDURE NO. 15

ADOPTED: December 9, 2011

EFFECTIVE: December 9, 2011

SUBJECT: RESPONSIBILITIES OF THE TREASURER AND THE SECRETARY-AUDITOR

POLICY: Pursuant to California Government Code Section 6505 et seq. (referenced below) the CSURMA has designated in the governing documents the officer positions of the Treasurer and the Secretary-Auditor. It is the policy of the CSURMA that there shall a designation of the operational responsibilities of the Treasurer and the Secretary-Auditor as described in this Policy & Procedure No. 15.

PROCEDURE: The Treasurer and Secretary-Auditor shall perform the duties specified in California Government Code Section 6505 et seq. and other duties as designated by the Board of Directors, Executive Committee or AORMA Committee. To clarify the roles of the Treasurer and the Secretary-Auditor, the duties and responsibilities of the Treasurer and the Secretary-Auditor are described respectively as follows:

TREASURER

The Treasurer shall serve as a member of the Executive Committee and have the following duties and responsibilities for CSURMA:

1. FUNDS AND ACCOUNTS:

1.1. ACCOUNTS

1.1.1. The Treasurer shall establish and maintain funds and accounts in compliance with good accounting practice.

1.2. RECEIPT

1.2.1. The Treasurer shall receive all funds for custody by the entity.

1.2.2. The Treasurer ensures all funds are deposited to the proper program fund accounts.

1.2.3. Upon receipt of the approved premium deposit allocation, the Treasurer bills and collects annual premiums, quarterly premiums, and special assessments from all members.

1.3. DISBURSEMENT

1.3.1. The Treasurer shall pay any sums due out of monies of the Authority, as approved for payment.



CSURMA

POLICY AND PROCEDURE NO. 15

2. REPORTING

- 2.1. The Treasurer maintains a central accounting system for CSURMA.
- 2.2. Unaudited financial statements will be produced as requested by the Executive Committee to show the accounting transactions by fund.
- 2.3. The Treasurer shall engage a certified public accountant or public accountant to perform an independent financial audit as provided by law.
- 2.4. The Treasurer shall create a quarterly investment report for review by the Executive Committee.

3. CASH AND DEBT MANAGEMENT

- 3.1. The Treasurer manages the cash flow of CSURMA which includes investing the excess monies over the required immediate expenditures for the Authority.
- 3.2. The Treasurer administers short-term and long-term debt financing, authorized by the Executive Committee
- 3.3. The Treasurer shall maintain a detailed record of every loan, including an entry on the loan register showing each loan and payment.

The duties of the Treasurer vary and play a key fiduciary role in the operation of the Authority.

SECRETARY-AUDITOR

The Secretary-Auditor shall not serve as a member of the Executive Committee and have the following duties and responsibilities for CSURMA:

1. BUDGET

- 1.1. The Secretary-Auditor shall ensure that all bills are reviewed and approved for payment before payments are issued by the Treasurer.
- 1.2. The Secretary-Auditor may examine the Treasurer's book on behalf of the CSURMA Executive Committee to check for accuracy.
- 1.3. The Secretary-Auditor acts as the CSURMA budget officer and shall be responsible for the preparation and administration of the budget.

2. MISCELLANEOUS DUTIES

- 2.1. The Secretary Auditor also conducts the sale of surplus items such as office equipment.
- 2.2. The internal audit duties may also fall under the direction of the Secretary-Auditor as directed by the Executive Committee.
- 2.3. The Secretary-Auditor serves as Secretary of the CSURMA.

The duties of the Secretary-Auditor are directly accountable to the Executive Committee in the implementation of the policies, procedures and programs of the CSURMA.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

**EXECUTIVE COMMITTEE
RESOLUTION NO. 09-13 (EC)**

**Resolution to Appoint Robert Eaton Secretary-Auditor of the
California State University Risk Management Authority**

The Executive Committee of the California State University Risk Management Authority (“CSURMA”) finds and determines as follows:

1. The CSURMA Joint Exercise of Powers Agreement provides in Section 11 that the CSURMA Executive Committee is authorized to appoint the Secretary-Auditor of the CSURMA.
2. Robert Eaton, the California State University’s Senior Director for Financing and Treasury and Risk Management, is qualified to perform the roles and responsibilities of the office of CSURMA Secretary-Auditor.

In consideration of the foregoing findings and determinations,

IT IS RESOLVED by the Executive Committee of the California State University Risk Management Authority as follows:

1. The CSURMA Executive Committee does hereby appoint Robert Eaton to the office of Secretary-Auditor of the California State University Risk Management Authority.
2. The CSURMA Secretary-Auditor is hereby directed to perform the office in accord with the laws of the State of California, CSURMA’s governing documents and policies and procedures.
3. The CSURMA Secretary-Auditor is hereby authorized to delegate such duties and responsibilities to appropriate personnel within the California State University Office of the Chancellor.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly and regularly adopted and passed at a meeting of the Executive Committee of the California State University Risk Management Authority held on November 6, 2013 which was approved by the following votes:

AYES, and in favor thereof, members:

NOES, members: None.

ABSTAIN, members:

ABSENT, members:

ATTEST: _____
Cynthia Teniente-Matson, Chair

Linda Hawk, Vice Chair



October 25, 2013

Officers

Cynthia Teniente-Matson
Chair 559-278-2083

Mary Ann Rodriguez
Vice Chair 310-243-3750

George V. Ashkar
Treasurer 562-951-4671

Charlene M. Minnick
Secretary-Auditor 562-951-4580

Robert Eaton
Senior Director
Financing & Treasury and Risk Management
Chancellor's Office
The California State University
401 Golden Shore, 5th Floor
Long Beach, CA 90802

RE: Appointment as Acting Secretary-Auditor, November 1, 2013 to November 6, 2013

Robert:

At their September 12-13, 2013 meeting, the CSURMA Executive Committee delegated authority to me as CSURMA Chair to appoint an Acting Secretary-Auditor for CSURMA. With the departure from the CSU of Mary Ann Rodriguez effective October 31, 2013, it is necessary for me to appoint a successor Acting Secretary-Auditor, pending action taken by the Executive Committee at their upcoming November 6, 2013 meeting.

Please accept this letter as confirmation of your appointment to serve as Acting Secretary-Auditor for the period November 1, 2013 through November 6, 2013.

Thank you for your service to the CSURMA.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia Teniente-Matson". The signature is written in a cursive, flowing style.

Dr. Cynthia Teniente-Matson, Chair
CSURMA Executive Committee

Student Insurance Programs Coverage and Rating Plans Task Group

ISSUE: CSURMA operates various programs that directly impact students. Among them are:

- Foreign Travel Insurance Program
- Athletic Injury Medical Expense (AIME) and Club Sports Programs
- Travel Accident Coverage Program
- Student Professional Liability Insurance Program (SPLIP)
- Student Academic Field Experiential for Credit Liability Insurance Program (SAFECLIP)

As the programs mature, the foundations of coverages and rating plans should be reviewed to make sure the programs are fully meeting the needs of the CSU community. At the September 12-13, 2013 meeting, the Executive Committee agreed with the Chair's recommendation to appoint Michael Thorpe to lead a task group to evaluate the programs. Michael will be present at today's meeting to report on progress to date.

RECOMMENDATION: The Executive Committee may take action or provided direction related to the Student Programs Task Group led by Michael Thorpe.

FISCAL IMPACT: The Executive Committee authorized an expenditure not to exceed \$2,500 for the Task Group's work.

BACKGROUND: None.

ATTACHMENT(S): None.

Student Health Insurance Program

ISSUE: The CSURMA Board of Directors has approved the development of a Student Health Insurance Program (SHIP). CSURMA staff attempted to gather the underwriting information necessary to evaluate options but was stymied by efforts of the incumbent broker. The Chancellor has requested that the Executive Vice Chancellor Business and Finance/CFO evaluate the student health program called MHECare offered by the Western Interstate Compact for Higher Education (WICHE) in association with the Midwest Higher Education Compact (MHEC). Staff will be present at today's meeting to describe the status of efforts.

RECOMMENDATION: The Executive Committee may take action or provide direction as necessary as respects development of a student health program.

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

BACKGROUND: CSU's students are offered healthcare coverage through a variety of plans and providers. Each campus makes its own arrangements and the administration of the plan may be handled by the campus or an auxiliary organization. There is no systemwide insurance brokerage agreement or appointment. Over a decade ago, the Systemwide Office of Risk Management assisted many campuses in obtaining coverage through a firm now owned by Wells Fargo Insurance Services.

With the implementation of the Affordable Care Act, the domestic CSU students have mostly left the program since they could extend coverage under their parent's plans until age 26. Effective January 1, 2014, many students will benefit from subsidized coverage offered under the California Health Benefits Exchange, called "Covered California." Incoming foreign national students will not be eligible for subsidized coverage through Covered California. For academic year 2012-13 there were approximately 1,000 domestic students and 10,000 international students covered under campus/auxiliary organization offered plans.

There are expected benefits to a systemwide approach to marketing student health coverage. Currently, most campus plans are placed with Anthem. MHECare is placed with United Healthcare. Another competitive provider would likely be Aetna.

ATTACHMENT(S): None.

STUDENT TRAVEL ACCIDENT POLICY RENEWAL

ISSUE: Beginning in 1994, the CSU purchased coverage offered by CIGNA to insure against the hazards of student travel. The current policy will expire December 31, 2013. The renewal premium has been quoted at \$21,000, with the same terms and conditions as the expiring policy.

The Table below shows CSURMA’s historical and current coverage programs and renewal costs. The Student Travel Accident coverage is effective December 31, 2013 – December 31, 2014.

Student Travel Accident Insurance

Year	Carrier	Limits	Deductible	Premium
2008/09	Life Insurance Co. of North America	\$10,000	\$ 0	\$ 21,000
2009/10	Life Insurance Co. of North America	\$10,000	\$ 0	\$ 21,000
2010/11	QBE Insurance Company	\$10,000	\$ 0	\$ 21,000
2011/12	QBE Insurance Company	\$10,000	\$ 0	\$ 21,000
2012/13	QBE Insurance Company	\$15,000	\$ 0	\$ 21,000
2013/14	QBE Insurance Company	\$15,000	\$ 0	\$ 21,000

Additionally, a quote for higher limits is shown below:

2013/14	QBE Insurance Company	\$25,000	\$ 0	\$ 23,330
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RECOMMENDATION: It is recommended that the Executive Committee review and accept the renewal quote for the Student Travel Accident coverage. Staff recommends option to increase policy limits from \$15,000 to \$25,000 for \$2,330 additional premium.

FISCAL IMPACT: Total cost for the renewal of the Student Travel Accident for 2013/2014 is \$21,000, and reflects no increase in cost. Total cost with increased policy limits to \$25,000 is \$23,330. The amounts are within the FY 2013/2014 budgeted amount.

BACKGROUND: The Student Travel Accident policy provides coverage for injuries to CSU students (including Extended Education Program students) during travel to or from campus to participate in a school sponsored activity.

PUBLICATION: None.

ATTACHMENTS: Student Accident Insurance Summary



COVERAGE SUMMARY

Coverage:	Student Travel Accident
Policy Term:	December 31, 2013 - December 30, 2014
Policy Number:	NHH000314
Insurer:	QBE Insurance Company
Named Insured:	Trustees of California State University, et al
Covered Parties:	Enrolled students, including students enrolled only in extended education programs, of the California State University
Medical Expense Benefit:	Full Excess
Medical Expense Limit:	\$15,000 Total Maximum Benefit Amount (<i>\$25,000 option</i>) Per Covered Person, Per Covered Accident
Medical Expense Deductible:	\$0 per Covered Person/Per Injury
Hazards Insured Against:	Injuries to the Insured while: (1) away from Campus, or (2) traveling to or from or participating in a school sponsored activity.
School Sponsored Activity:	Travel or participation in activities away from campus which: (1) is a part of a course requirement, or (2) is sponsored by a university auxiliary organization or other recognized student organization or club, or (3) includes travel to or from intercollegiate athletic events away from campus but does not include participation in such events or practices.
Claims Reporting:	Report claims within 30 days after the covered loss occurs or begins or as soon as reasonably possible. Complete the HSR claim reporting form and send the completed form directly to: Health Special Risk, Inc. (HSR) 4100 Medical Parkway Carrollton, Texas 75007 Phone: (972) 512-5600 Fax: (972) 512-5820

This summary of the policy terms is provided for information only. It does not convey any rights upon the insurance nor alter its condition for coverage. Please refer to the actual policy for full disclosure of the policy terms.

Campus Risk Pool Rating Plans Task Group

ISSUE: The CSURMA Executive Committee has had a practice every three years of reviewing the continued appropriateness of the rating plans used by CSURMA for the Campus Risk Pool programs. The expected timeline for the next review would be for a Task Group to review the rating plans and prepare a report for the Executive Committee's review at the March 2014 Long Range Planning Session. A final report would be presented to the Board of Directors at the May 2014 meeting. Any rating plan changes would likely be implemented with the FY 15/16 coverage year.

As in the past, the Chair has appointed a task group with CABO representation, including:

- Linda Hawk, Vice President Finance and Administrative Services, CSU, San Marcos, Task Group Chair,
- Lisa Chavez, Vice President Administration/CFO, CSU, Los Angeles
- Mike Lee, Vice President Administration & Business Affairs/CFO, CSU, Sacramento
- George Ashkar, Assistant Vice Chancellor, Controller/Financial Services, CSU Chancellor's Office, CSURMA Treasurer

The Task Group will be supported by Robert Eaton, Zachary Gifford and Program Administrator staff.

A timeline of the milestones towards completion of the Rating Plan Task Group Project is attached to this item.

RECOMMENDATION: The Executive Committee may take action or provide direction as necessary as respects the work of the Campus Risk Pool Rating Plans Task Group.

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

BACKGROUND: The Campus Risk Pool was established in 1995 to fund CSU's Workers' Compensation, Liability and IDL/NDL/UI claims liability. At that time the Chancellor's Office allocated to the campuses the prior central funding for the claims and simultaneously began charging the campuses a "premium" based on the adopted rating plans. Over the years, the rating plans have been reviewed and amended to take into account system and program changes. In general, a Campus Risk Pool Rating Plans Task Group consisting of CABO representatives has been convened every three years to coincide with the campus selection of a new liability program deductible for the upcoming three year period. The Task Group produces a report with findings and recommendations for review by the CSURMA EC, CABO and CSURMA Board.

ATTACHMENT(S): Campus Risk Pool Rating Plan Task Group Project Timetable

CAMPUS RISK POOL RATING PLAN TASK GROUP PROJECT TIMETABLE

DATE	GROUP	ACTIVITY
November 7, 2013	Rating Plan Task Group	Reviews Rating Plans provides initial direction to Program Administrator
Nov. – Dec., 2013	Program Administrator	Follow up on Task Group direction, prepare initial materials
Jan. – Feb., 2014	Rating Plan Task Group	Review of materials, provide direction to Program Administrator on development of report findings and recommendations
March, 2014	Executive Committee	Review of Rating Plan Task Group Report, action as needed to recommend changes to Board
April, 2014	CABO	Presentation to CABO as necessary of proposed changes to rating plans
May, 2014	Board of Directors	Review of report and EC recommendation, action as needed to adopt changes to rating plans
July, 2014	Independent Actuary	Calculation outstanding liabilities and proposed funding for FY 15/16
August, 2014	Program Administrator	Calculation of proposed FY 15/16 Campus Risk Pool Rates
September, 2014	Executive Committee	Review of independent actuary's reports and staff calculation of proposed FY 15/16 rates
October, 2014	CABO	Presentation of funding recommended by CSURMA Executive Committee for adoption by CSURMA Board of Directors.
October, 2014	Board of Directors	Adopt funding and rates for FY 2015/16
November, 2010	Program Administrators	Notices to campuses of FY 2015/16 campus costs including liability deductibles options for incorporation in campus budget process
July 1, 2015	CSURMA Accounting	Adopted rating plans become effective, campuses invoiced by CSURMA.

Amendment of Policy and Procedure No. 20 for OCIP and BRIP Programs

ISSUE: CSURMA has established an Owner Controlled Insurance Program (OCIP) and a Builder's Risk Insurance Program. These programs provide property and casualty insurance to most of CSU's capital projects. At the September 13, 2013 meeting, the Executive Committee adopted Policy and Procedure No. 20 implementing a funding rate and invoicing process for the programs. Later in the September 13, 2013 meeting, the Executive Committee took action to transfer \$2 million of Campus Risk Pool Liability Program dividend funds to the OCIP fund as a way of equalizing the financial burden of the new program for campuses with initial projects that would not benefit from future program savings. As a result, staff was directed to calculate the rate change and prepare an amendment to P&P No. 20 for consideration by the EC at today's meeting.

The additional funding reduces the program charge from 2.072% to 1.672% of the Initial Construction Contract Value. This amounts to a 15% reduction in the OCIP cost to the projects.

RECOMMENDATION: It is recommended that the Executive Committee adopt Resolution No. 08-13 (EC) Amending Policy and Procedure No. 20.

FISCAL IMPACT: The proposed amendment of P&P No. 20 effects the reduced rate caused by the addition of \$2 million funding to the OCIP as directed by the Executive Committee at their September 13, 2013 meeting.

BACKGROUND: Please refer to the attached documents.

ATTACHMENT(S): 1) Resolution No. 08-13 (EC) Amending Policy and Procedure No. 20
2) Proposed Amendment of Policy and Procedure No. 20 for OCIP and BRIP

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

**EXECUTIVE COMMITTEE
RESOLUTION NO. 08-13 (EC)**

**Resolution to Amending Owner Controlled Insurance Program and
Builder's Risk Insurance Program Policy and Procedure**

The Executive Committee of the California State University Risk Management Authority ("CSURMA") finds and determines as follows:

1. CSURMA developed and implemented an Owner Controlled Insurance Program ("OCIP") and Builder's Risk Insurance Program ("BRIP").
2. The CSURMA Executive Committee has funded the OCIP Fund with an additional \$2 million as a means of equalizing the burden of the OCIP on current projects with the benefit of expected savings to future projects
3. Amendment of Policy and Procedure 20 is necessary to effect the reduced OCIP cost rate allowed as a result of the additional funding.

In consideration of the foregoing findings and determinations,

IT IS RESOLVED by the Executive Committee of the California State University Risk Management Authority as follows:

1. The CSURMA Executive Committee does hereby amend Policy and Procedure No. 20 on the subject of Owner Controlled Insurance Program and Builder's Risk Insurance Program.
2. The OCIP rates described in the amended Policy and Procedure shall be effective retroactive to January 1, 2012 and CSURMA Accounting shall, upon the request from CSU Chancellor's Office Assistant Vice Chancellor and verified by the Program Administrator, return any prior payments calculated on rates that exceed the adopted rates
3. CSURMA Accounting shall prepare for the CSURMA Executive Committee's consideration at their next regularly scheduled meeting a report of charges accrued to the OCIP Fund for missed investment income due to advanced premiums during start-up of the program and the Executive Committee may take action to abate those charges.

* * * * *

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly and regularly adopted and passed at a meeting of the Executive Committee of the California State University Risk Management Authority held on November 6, 2013 which was approved by the following votes:

AYES, and in favor thereof, members:

NOES, members: None.

ABSTAIN, members:

ABSENT, members:

ATTEST: _____
Cynthia Teniente-Matson, Chair

_____, Secretary-Auditor

ADOPTED: September 13, 2013

AMENDED: November 6, 2013

EFFECTIVE: January 1, 2012

SUBJECT: Owner Controlled Insurance Program and
Builder's Risk Insurance Program

PURPOSE:

CSURMA launched the Owner Controlled Insurance Program (OCIP) and Builder's Risk Insurance Program (BRIP) to realize a cost savings, improve coverage, and efficiently administer General Liability, Completed Operations Liability, Property, Workers' Compensation, and Course of Construction coverage for all contractors performing construction work on CSU's construction projects over \$10M, and for the BRIP, all projects exceeding the threshold for Minor Capital Outlay Projects as established by the CSU Chancellor's Office Capital Planning, Design and Construction Office (CPDC). The purpose of this Policy and Procedure is to describe the operation of these two programs and provide a process for CSURMA and CPDC to collaborate on administering the programs efficiently and effectively.

POLICY:

It is the policy of CSURMA that the Program Administrator, Alliant Insurance Services, Inc., Chancellor's Office Accounting Department (Accounting) and Systemwide Office of Risk Management will collaborate with CPDC to administer the OCIP and BRIP as described in this Policy and Procedure.

PROCEDURE:

PART A: CSURMA OCIP

Section 1: General Procedures

1. CSURMA shall pay the insurance premiums and deductible collateral up front to the Program Administrator, and CSURMA will recover the advanced monies on a project-by-project basis, through CPDC, as described herein.
2. The Program Administrator shall manage the OCIP carrier contracts, collect required data from the contractors directly each month, and develop and maintain a quarterly report which will be used by CSURMA to invoice CPDC for the cost of the OCIP on a per-project basis. The quarterly report shall contain:
 - Projects started, continuing, or completed in each quarter
 - Completed projects shall not drop off report
 - Project start and completion dates
 - CPDC project name and CPDC project number

- Initial Construction Contract Value, which varies by procurement method as follows:
 - For CM at Risk or Design-Bid-Build: Total construction contract award amount
 - For Design-Build: Total contract award minus pre-construction and design costs
 - Initial premiums and deductible collateral for each project
 - Updated, final / completed premiums and deductible collateral for each project based on final labor costs and loss rates.
 - Total premiums and deductible collateral for all projects
 - Audited final labor costs
 - Final labor costs as a percentage of the Initial Construction Contract Value for each project
 - Estimated final value for reduced contractor insurance costs for each project
 - Claims & loss report with actual to date loss rate (provided separately).
3. For the initial Program Period (OCIP I), the Program Administrator's billings to CSURMA will be based on the programs' fixed premiums and a 68% loss rate of the maximum aggregate deductible, which equates to a 2.072 percent project billing rate relative to the Initial Construction Contract Value (a total of \$10,358,204.00 program cost).
 4. CSURMA's billings to CPDC will be based on a pro-rata portion of the fixed premiums at a the same 2.072~~1.668%~~ 1.672 percent project billing rate relative to the Initial Construction Contract Value of projects as enrolled.
 5. For OCIP I, CPDC will provide a guarantee for ~~the remaining~~ \$1,519,400 of Deductible Collateral and Loss Adjusting Factor to cover the difference between the 68% loss rate CSURMA has billed for and the 100% loss rate. This guarantee will be backed by CPDC's seismic self-insured trust fund account. If OCIP I's loss rate exceeds a 68% loss rate, CPDC will reimburse CSURMA the actual cost difference up to \$1,519,400.
 - ~~5.6.~~ For OCIP I, CSURMA will underwrite an additional \$2,019,625.00 \$2,000,000.00 to bring the total of the Deductible Collateral and Loss Conversion Factor costs down to \$1,179,675.00. This equates to a 25.5% Loss Rate and a total +.668~~1.672%~~ billing rate relative to the Initial Construction Contract Value of projects as enrolled.
 - ~~6.7.~~ When the Program Administrator reconciles the total program costs for OCIP I with CSURMA based on actual percentage loss of the deductible collateral, CSURMA shall reconcile its invoicing to CPDC to reflect those adjusted actual costs, and, if the loss rate is under ~~68.25%~~, CSURMA shall credit CPDC as appropriate for the actual program costs. Reconciliation of OCIP I is expected 18-24 months after the completion of the initial 5-year program, but may happen sooner.
 - ~~7.8.~~ If there is a credit described in Paragraph 6 above, the credit may, upon agreement by CPDC, be applied to a second OCIP II program, and/or any unapplied funds shall be returned by CSURMA to CPDC for deposit in the system-wide seismic self-insured trust fund account.

Section 2: OCIP Enrollment and Invoicing

1. The Program Administrator shall enroll new projects in OCIP with an Initial Construction Contract Value of \$10 million or more during the construction contract award process. There will be a pre-enrollment period for contractors and their subcontractors in the months leading up to a construction contract award. During this time the contractors will receive enrollment and safety information and will submit cost of insurance documentation for the policies the CSURMA OCIP will replace.
2. Projects with an Initial Construction Contract Value that is less than \$10M may enroll in OCIP upon the recommendation of CPDC and approval by the Program Underwriters.

3. The Program Administrator shall provide a quarterly report, adding new projects that have started construction during the quarter, along with the initial premium for each project. The Program Administrator will also provide updated information to the existing projects in the quarterly report. The Program Administrator shall submit the quarterly report to Accounting and CPDC program administrators simultaneously for review and approval.
4. When CPDC and CSURMA approve the quarterly reports Accounting will use them as the basis to invoice CPDC for the initial insurance costs of the enrolled projects based on a ~~2.0721.6681.672~~ percent of Initial Construction Contract Value. CPDC will approve or reject CSURMA invoices via email within 10 business days of receipt.
5. All invoicing shall be done on templates as agreed upon by CPDC and CSURMA.
6. Upon approval of the invoices by CPDC, CSURMA shall collect the monies invoiced for the projects via Cash Posting Order (CPO).
7. CPDC shall maintain a separate account for OCIP, and CSURMA shall collect the monies invoiced from that account via CPO.

Section 3: OCIP Project Completion Activities

1. At the completion of a project The Program Administrator shall add to the quarterly report:
 - Final labor costs
 - Project completion date
 - Final premium amounts
 - Confirmation that all contractor closeout materials have been submitted. Within 30 days of completion the Program Administrator shall separately provide a clearance letter to CPDC for release of contractor retention.
 - Other required information as described in “Procedure” Section #2.
2. As described above, the Program Administrator shall submit the quarterly report to Accounting and CPDC for review and approval.
3. The Program Administrator’s quarterly reports will be used as the basis for Accounting to invoice CPDC for the final additive or deductive reconciliation of insurance costs for the enrolled projects, based on final labor costs.
4. To benefit enrolled projects with predictable OCIP insurance costs, there shall be no premium adjustment for projects that are completed within five percent (5%) of their original projected premium cost. Projects that are completed with a final calculated premium cost exceeding 105% of their original projected premium cost shall be invoiced at .73 % of the amount exceeding 105%. Projects that are completed with a final calculated premium cost lower than 95% of their original projected premium cost shall be credited the amount less than the original projected premium cost.
5. Upon CPDC’s approval of the invoices, CSURMA shall collect the monies invoiced via CPO to recover, or credit as necessary, the final premiums from the project.

Section 4: OCIP Program Closeout

1. After completion of a project, and over the duration of OCIP policy coverage, the Program Administrator shall continue to administer project claims.

2. Following completion of the initial OCIP I program term (expected to achieve program target enrollment by 36 months from January 1, 2012), CSU, acting through CPDC, may close out or re-enroll in a second CSURMA OCIP II program with the Program Administrator and the carrier(s). At that time premium dividends and deductible obligations will be subject to a final settlement based on total construction value and actual loss rates. During and after this time the Program Administrator and the carriers may still be actively involved with outstanding claims, but the projects' premiums and dividends may be closed.
3. Any additive or deductive adjustments made to the total program costs based on the reconciliation(s) described above shall be passed through to CPDC via a CSURMA reconciliation billing. This is expected no later than 18-24 months after the CSURMA OCIP I program closeout.
4. In no case shall CPDC pay in excess of CSURMA's actual costs for OCIP I, as identified in Section 1 (3). These actual costs are anticipated to be \$10,358,204 as adjusted by actual loss rates and the total cost of enrolled projects.
5. Because the benefits of the OCIP apply systemwide, CSURMA shall not allocate a charge for missed investment income on advanced premiums.

PART B: CSURMA BRIP

Section 1: General Administration

1. Annually by the program anniversary date of July 1, the Program Administrator, the Program Underwriters, and CPDC shall develop a quarterly payment schedule based on anticipated project enrollment. A schedule of premium deposits would include: July 1 for new policy year deposit, October 1, first quarter premiums, January 1 for second quarter premiums, and April 1 for third quarter premiums. For subsequent years, the July 1 deposit would include all projects enrolled in the fourth quarter along with the new policy year deposit.
2. The quarterly payment schedule of premium deposits may be adjusted by mutual agreement with the underwriters if project starts or construction amounts vary from the information on which the anticipated payment schedule is based.
3. a) Premium Deposit Invoice.
The Program Administrator shall provide quarterly premium deposit invoices to CPDC based upon the agreed upon quarterly premium deposit payment schedule, and these invoices will include the project name and CPDC project number. CPDC will pay these premium deposit invoices within 30 business days of receipt.
- b) Reconciliation Invoice.
The Program Administrator shall also provide quarterly reconciliation invoices to CPDC, based on CPDC's quarterly reports. These reports shall contain, for the preceding quarter detail of initial premiums for actual new construction starts and final premium adjustments on completed projects that are deemed closed by CPDC. The quarterly reconciliation invoices shall also detail all CPDC payments of premium deposit invoices made and credit previous payment of premium deposit invoices from the actual amount due on each invoice. If the quarterly reconciliation invoice after the application of previously paid premium deposit invoices, is 1) a net credit, this credit shall be debited from the next quarterly premium deposit invoice due as identified in the premium deposit payment

schedule, 2), if a net add, the amount shall be carried over to the following quarterly premium deposit invoice or year-end premium audit invoice calculation.

4. The Program Administrator will identify and include applicable premium taxes / fees to be added to each invoice at the rates established by the Department of Insurance. CPDC completed, closed projects exceeding \$5,000,000 in construction cost will pay the applicable final adjusted premium and tax /fee rate, when invoiced, based on the policy year when originally enrolled in BRIP.
5. The Program Administrator will provide the carrier's endorsements to CPDC naming each project enrolled with each reconciliation invoice. The endorsements will include each project's name and CPDC project number. Additionally The Program Administrator will prepare and send evidence of coverage certificates immediately as each project is enrolled as required by campuses for their contractors performing work on enrolled projects.

PART C: Definitions

As used in this Policy and Procedure, the following terms are defined:

Accounting (Department): CSURMA has engaged the CSU Chancellor's Office Department of Financial Services to perform OCIP and BRIP accounting duties on behalf of the CSURMA.

BRIP Construction Cost – varies by procurement method as follows:

- o Design-Bid-Build: Construction Contract Value less 12% for OH&P.
- o CM at Risk: Construction Contract Value less Construction Phase Services/Site Management Fee, CM Contingency, and CM OH&P.
- o Design-Build: Contract Value less preconstruction and design services and 12% for OH&P.

Final Construction Cost –Construction Cost plus all construction contract change orders.

CSURMA: CSURMA is the California State University Risk Management Authority which is a joint powers authority separate from the CSU and its participating auxiliary organizations. CSURMA has established various programs for insurance and self-insurance to serve the University and the OCIP and BRIP programs are programs of the CSURMA.

CPDC: CSU's Department of Capital Planning, Design and Construction in the Chancellor's Office is the primary client for the OCIP and BRIP programs and the designated representative for managing the programs internal to the CSU.

OCIP Initial Construction Contract Value - varies by procurement method as follows:

- For CM at Risk or Design-Bid-Build: total construction contract award amount
- For Design-Build: total contract award less pre-construction and design costs

Program Administrator: CSURMA has appointed Alliant Insurance Services, Inc. as Program Administrator responsible for designing and implementing the programs serving the CSU and auxiliary organization participants.

Program Underwriters: The insurance companies that underwrite the OCIP and BRIP insurance policies.



| CSURMA

POLICY AND PROCEDURE NO. ~~XX~~20

Systemwide Office of Risk Management: CSURMA has engaged the CSU Chancellor's Office Department of Risk Management and Public Safety to provide risk management consulting services to the CSURMA including oversight of programs.

Schools Excess Liability Fund Workers' Compensation Program Fund Assessment

ISSUE: At the September 13, 2013 meeting, the Executive Committee reviewed the Schools Excess Liability Fund's (SELF's) Excess Workers' Compensation Program (EWCP) assessment policy and calculation for the CSU. The EC approved requesting information from SELF on the assessments of other members so that CSURMA could evaluate its position in the program and opportunities to reduce the cost of the assessment. Staff was directed to request information and authorized to expend up to \$4,500 on the project. The information request was transmitted on October 19, 2013 and SELF's Executive Director has acknowledged receipt. Staff will be present at today's meeting to report on the status of the review project.

RECOMMENDATION: The Executive Committee may take action or provide direction as appropriate as respects considerations regarding SELF's assessment and plan.

FISCAL IMPACT: The CSURMA Accountant has established a reserve for SELF EWCP assessments. Action at the September 13, 2013 meeting established a budget of \$4,500 for the data request and possible review by CSURMA's independent actuary.

BACKGROUND: The CSU participated in the Schools Excess Liability Fund's (SELF's) Excess Workers' Compensation Program (EWCP) from July 1, 1995 to June 30, 2004. SELF has previously reported that the EWCP is substantially underfunded and notified members of assessments. CSU has paid previous assessments and CSURMA has carried a liability for future assessments. Recently SELF adopted a policy and procedure with a 10 year plan to fund the remaining outstanding liability. A number of former members have concerns with SELF's plan, and a meeting was held on August 20, 2013 to voice concerns and discuss possible actions.

ATTACHMENT(S): CSU Letter dated October 9, 2013 with attachments

Risk Management and Public Safety
401 Golden Shore, 5th Floor
Long Beach, CA 90802-4210

www.calstate.edu

October 9, 2013

Mr. Eric J. Lucas
Chief Executive Officer
Schools Excess Liability Fund
1531 "I" Street, Suite 300
Sacramento, CA 95814

RE: Public Records Request – SELF EWC Program Member Assessment Calculations

Dear Mr. Lucas:

The California State University (CSU) hereby makes a request to inspect and/or obtain copies of SELF's EWC Program Member Assessment calculations pursuant to the California Public Records Act (PRA) (Ca. Gov. Code Section 6250 *et seq.*). The records we wish to inspect and/or obtain are copies of the individual members' "History" calculation page(s) and "Assessment Obligation" page(s). For the California State University, these pages were included as pages 4 and 5 with your letter to the CSU dated July 8, 2013 (copies attached).

I look forward to discussing with you how best to execute this PRA request.

Sincerely,



Zachary Gifford

C: William Hsu, CSU Office of General Counsel

Attachments

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus



**Schools
Excess
Liability
Fund**

July 8, 2013

California State University
Charlene Minnick, Assistant Vice Chancellor
401 Golden Shore, 5th Floor
Long Beach, CA 90802-4210

RE: SELF Excess Workers' Compensation Program Assessment Model

Dear Charlene:

As a result of the recent Excess Workers' Compensation Program (EWCP) stakeholders meetings and input gained over the past 12 months, the SELF Board, via the SELF Finance Committee, staff, insurance brokers and actuaries, has approved a 10 year assessment model. The model includes estimated future income and future expenses for the next 10 years to meet the following SELF Board directives and EWCP stakeholder priorities:

1531 "I" Street
Suite 300
Sacramento, CA 95814
(916) 321-5300
(916) 321-5311 fax
www.sellpa.org

1. Definitive in time-retirement of portfolio;
2. Stability/predictability as to amount-smoothing the number;
3. Restore confidence in the program;
4. Program communication to EWCP stakeholders.

Attached you will find six documents with the values as of 12-31-12:

1. Actuarial calculation of the EWCP Required Assessment by Program year which includes Incurred But Not Reported claims (IBNR); (Page 1)
2. Revenue and Expense calculation for the EWCP-All Members/All Years; (Page 2)
3. The history of all member participation in the EWCP which includes claims reported, open claims, EWCP reimbursement on all claims, and EWCP estimate of future liability on all claims; (Page 3)
4. The history for your year(s) of participation in the EWCP Including:
 - Total number of claims reported to SELF;
 - EWCP reimbursements on those reported claims;
 - EWCP reserves of future liability on open claims;
 - Contributions received for years of participation; (Page 4)
5. Your fixed assessment for the next 10 years; (Page 5)
6. The EWCP Shared Risk Layer Plan Fund Adjustment Policy and Procedure as amended. (Page 6 through Page 9)



A Public Agency
Joint Powers Authority

Charlene Minnick

July 8, 2013

Page 2

The 10 year model includes the following parameters:

1. Funding at the actuarially determined 65% confidence level;
2. Discount Rate of 2.75%;
3. The Inclusion of IBNR in all years of the program;
4. Funding for future pool expenses for actuary, data call and analysis, claim audit per SELF policy, and claim audit for problematic portfolios, for example.

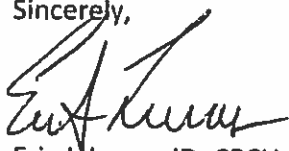
Also, the amended SELF EWCP Policy language contains "triggers" for recalculation in addition to the five year target recalculation. Please note the language under 2.5 Procedure 3. d, e, and f for those triggers.

As the program moves forward and actuarial stability is determined, the need for yearly data calls and the audit of problematic portfolios will subside. For the present however, it is planned to fund for those activities.

SELF will be communicating to EWCP JPA stakeholders the year end results. This communication can include a meeting/teleconference as done this past December or any forum the EWCP JPA stakeholders may find convenient.

Please contact SELF if you have any questions on the material provided.

Sincerely,



Eric J. Lucas, JD, CPCU, ARM
Chief Executive Officer

Enclosures

cc: Denise Jaramillo

REQUIRED ASSESSMENT BY PROGRAM YEAR

	Beginning Assessment Receivable	Assessments Expected to be Received in 2012/13	Assessment Receivable after 2012/13 Payments	Total Estimated Future Admin	Total Required Assessment
89/90	(546,998)	40,593	(506,405)	(73,747)	(580,152)
90/91	(2,247,175)	166,762	(2,080,413)	(117,817)	(2,198,229)
91/92	(422,572)	31,359	(391,213)	(86,258)	(477,471)
92/93	(255,402)	18,953	(236,448)	(76,568)	(313,016)
93/94	346,932	-	346,932	(77,972)	268,960
94/95	(3,600,827)	267,216	(3,333,611)	(168,004)	(3,501,615)
95/96	(9,748,844)	723,458	(9,025,386)	(282,049)	(9,307,435)
96/97	(5,605,047)	415,949	(5,189,099)	(224,678)	(5,413,777)
97/98	(13,162,237)	976,765	(12,185,472)	(362,864)	(12,548,335)
98/99	(10,834,332)	804,012	(10,030,320)	(303,431)	(10,333,751)
99/00	(11,451,706)	849,827	(10,601,879)	(354,864)	(10,956,743)
00/01	(11,489,548)	852,635	(10,636,912)	(324,662)	(10,961,574)
01/02	(4,306,264)	319,566	(3,986,698)	(182,079)	(4,168,776)
02/03	2,280,245	-	2,280,245	(141,100)	2,139,145
03/04	2,884,764	-	2,884,764	(184,827)	2,699,937
04/05	4,345,863	-	4,345,863	(126,473)	4,219,390
05/06	3,067,430	-	3,067,430	(85,030)	2,982,400
06/07	(156,084)	11,583	(144,501)	(125,125)	(269,626)
07/08	(1,218,228)	90,404	(1,127,824)	(125,426)	(1,253,250)
08/09	(2,444,248)	181,387	(2,262,861)	(127,135)	(2,389,995)
09/10	(1,176,285)	87,292	(1,088,993)	(99,895)	(1,188,888)
Totals	(65,740,563)	5,837,762	(59,902,801)	(3,650,000)	(63,552,801)

Schools Excess Liability Fund
Excess Workers' Compensation Program
Total Required Assessment All Years
As of December 31, 2012

REVENUES (ALL MEMBERS/ALL YEARS)	
Member Contributions	\$53,723,162
Investment Income	20,576,953
Assessments collected through 6/30/13	40,009,630
	<hr/>
Total revenues	114,309,745
EXPENSES (ALL MEMBERS/ALL YEARS)	
Administrative expenses	7,851,621
Claims paid	48,418,086
Estimated future liability for loss and LAE:	
Case reserves	88,827,070
IBNR	40,697,214
ULAE	3,949,009
Risk margin to 65% confidence level	6,170,014
Less: net present value adjustment at 2.75%	(21,700,468)
Sub-total estimated future liability for loss and LAE	117,942,839
	<hr/>
Total expenses	174,212,546
Required Assessment (excludes future pool administration costs)	(59,902,801)
Estimated future pool administration costs	(3,650,000)
	<hr/>
Total Required Assessment	(\$63,552,801)

Schools Excess Liability Fund
Excess Workers' Compensation Program
History of all Member Participation
As of December 31, 2012

REVENUES(ALL MEMBERS/ALL YEARS)

Member Pooled Layer Contributions	\$53,723,162
Member Assessment Received	<u>\$40,009,630</u>
Total Revenues	\$93,732,792

CLAIMS(ALL MEMBERS/ALL YEARS)

	Total Reported Claims	Total Open Claims	Closed Claims with SELF Payments	Open Claims with SELF Reserves
Claims Reported to SELF	2903	733	166	403
Total SELF Paid	\$48,418,805	\$26,715,088	\$21,703,717	
Total SELF Reserves	\$94,343,516	\$94,343,516		
Total Reductions for Late Reporting	(\$5,516,447)	(\$5,516,447)		
Total SELF Incurred	\$137,245,874	\$115,542,157		

Schools Excess Liability Fund
Excess Workers' Compensation Program
History of California State University
As of December 31, 2012

Years of Participation in Pooled Layer 7/1/1995-6/30/2004

Number of Years in the Pooled Layer 9

REVENUES

Member Pooled Layer Contributions \$7,695,241

Member Assessment Received 6,524,949

Total Revenues \$14,220,190

CLAIMS

	Total Reported Claims	Total Open Claims	Open Claims with SELF Reserves	SELF Payments Closed Claims	Claims with SELF Reserves Open for Future Medical
Claims Reported to SELF	348	73	47		46
Total SELF Paid			\$3,868,647	\$1,896,704	
Total SELF Reserves			\$9,435,427		
Total SELF Incurred			\$13,304,074		

Schools Excess Liability Fund
Excess Workers' Compensation Program
California State University
As of December 31, 2012

Total Assessment Obligation (10 Year Model):	\$13,632,062
Total Yearly Payment (10 Year Model):	\$1,363,206
Prior Year Total Assessment Payment:	\$1,345,542
Total Payment Increase:	1%



2.5 WORKERS' COMPENSATION SHARED RISK LAYER PLAN FUND ADJUSTMENT

Date Approved: 12/6/02

Date Revised: 6/23/06, 6/22/07, 4/12/13

Policy:

It shall be the goal of Schools Excess Liability Fund (SELF) to maintain funds in the SELF Excess Workers' Compensation Program EWCP sufficient to fund for the liability for unpaid loss and loss adjustment expenses, a reasonable contingency margin, and any other estimated future expenses deemed necessary by the Board. SELF shall annually review the EWCP's financial position for each open program year based on program year accounting, recent actuarial reports and other estimates of future income or expense. The review will evaluate the appropriateness for declaring either a refund or an assessment to Members, i.e., to the individual public entities providing educational programs or services to the community, that participate in the shared risk layer of the SELF Excess Workers' Compensation Program (EWCP). The methods upon which dividends and assessments are based shall provide for consistency and predictability and be easily understood by the Members.

When determined to be fiscally responsible by the Board of Directors, the adjustments will be declared in accordance with the provisions outlined in this policy and procedure.

Procedure:

1. An evaluation of the financial position of the EWCP shall be performed and presented to the Board of Directors annually.
2. A "total required assessment" or "total available funding" shall be determined based on the total of all "deficit program years" and "surplus program years" and include "cumulative contributions from members", "cumulative investment income earned", "cumulative assessment proceeds collected", "board approved assessments receivable from members", "cumulative administrative expenses paid", cumulative claim payments made", "ultimate unpaid liability for loss and loss adjustment expenses", "approved risk margin" and "estimated future administration costs".
 - a. "cumulative contributions from members" shall be the total of loss fund contributions received from member for all program years.



2.5 WORKERS' COMPENSATION SHARED RISK LAYER PLAN FUND ADJUSTMENT (CONT.)

Date Approved: 12/6/02

Date Revised: 6/23/06, 6/22/07, 4/12/13

- b. "cumulative investment income earned" shall be the total of all investment income allocated to the EWCP.
- c. "cumulative assessment proceeds collected" shall be the amount of all assessments collected from members on current and prior assessment programs"
- d. "board approved member assessments receivable" shall be the total amount receivable from members for board approved assessment plans.
- e. "cumulative administrative expenses paid" shall be the total of all administrative expenses allocated to the EWCP.
- f. "cumulative claims payments" shall be the total of all claims payments made from the EWCP for all program years.
- g. "ultimate unpaid liability for loss and loss adjustment expenses" shall be obtained from the most recently completed actuarial report on the EWCP; shall be inclusive of case based reserves, incurred but not reported (IBNR), allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE); shall be net of ceded liabilities; shall be stated at the expected confidence level, and discounted to net present value using an interest rate approved by the Board.
- h. "approved risk margin" shall be an amount added to the ultimate unpaid liability for loss and loss adjustment expenses as approved by the Board, and shall be based on the most recently completed actuarial report on the EWCP.
- i. "estimated future administration costs" shall be the estimated annually as of June 30, and include the total estimated future pool administration costs allocated to the EWCP .



2.5 WORKERS' COMPENSATION SHARED RISK LAYER PLAN FUND ADJUSTMENT (CONT.)

Date Approved: 12/6/02

Date Revised: 6/23/06, 6/22/07, 4/12/13

- j. "total required assessment" shall exist if there is insufficient funding after taking into consideration items (a) through (i).
- k. "total available funding" shall exist if there is surplus funding after taking into consideration items (a) through (i).
- l. "deficit program year" shall exist if for any program year there is insufficient funding after taking into consideration items (a) through (i) that are attributable to that program year.
- m. "surplus program year" shall exist if for any program year there is surplus funding after taking into consideration items (a) through (i) attributable to that program year.

3. Assessments:

- a. The "total required assessment" will be allocated to all deficit program years proportionately based on the deficit in each year as it relates to the sum of all deficit program years.

The "total required assessment" amount allocated to each deficit program year shall be allocated to all members who participated in the deficit program year proportionately based on the member's pooled contribution in that year.

- b. The "total required assessment" will be billed to members in ten (10) annual installments.
- c. The annual installments will remain fixed for the first five (5) years of the assessment.
- d. The "total required assessment" will be recalculated annually based on the actual investment earnings, expenses, assessment collections, and updated actuarial analyses.



2.5 WORKERS' COMPENSATION SHARED RISK LAYER PLAN FUND ADJUSTMENT (CONT.)

Date Approved: 12/6/02

Date Revised: 6/23/06, 6/22/07, 4/12/13

- e. If after the conclusion of any fiscal year the total estimated ultimate loss for all program years increases or decreases by more than 10%, the "total required assessment" will be recalculated and presented to the Board for consideration of an adjustment to the annual assessment amount.
 - f. If after the conclusion of any fiscal year there is a material change in the EWCP (e.g. member assumption of liabilities, change in the net present value interest rate assumptions), or other events that materially impact the net assets of the EWCP, the "total required assessment" will be recalculated and presented to the Board for consideration of an adjustment to the annual assessment amount.
 - g. After the fifth year of the assessment, the "total required assessment" will be recalculated and adjustments will be presented to the Board for consideration.
4. A Member failing to meet the payment schedule above shall be charged interest in the manner and amount earned on funds deposited in LAIF or the manner and amount earned on our current portfolio whichever is greater.
5. Refunds
- a. If Applicable refunds will be considered at the close of the program at the discretion of the Board.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2.

Foreign Travel Software

ISSUE: At previous meetings, staff has discussed with the Executive Committee the need for a software package that would facilitate enrolling, tracking and communicating with CSU's travelers abroad. Systemwide Risk Management has evaluated various options and at the September 13, 2013 meeting reported on a likely solution that included a limited deployment of Simplicity's Horizons software. The Executive Committee requested a presentation on that software solution at today's meeting and staff have arranged for an on-line demonstration.

RECOMMENDATION: The Executive Committee may take action or provide direction as necessary as respects evaluation, selection and purchase of an international travel software package.

FISCAL IMPACT: For the limited deployment of the Horizons software, Simplicity has provided a quote of \$7,500 (recurring fees) and \$2,500 (non-recurring fees) with optional professional services ranging from \$500-\$4,500. CSURMA Board has established a budget for the current fiscal year for deployment of travel abroad software.

BACKGROUND: Following is a needs analysis by Systemwide Risk Management:

- Ability to input and record all FTIP (travel) and high hazard travel requests that are processed through CSURMA into a single database.
- Ability to create or use canned reports, summary statistics etc.
- Ability to send announcements to applicable travelers, i.e. provide direction as to changing conditions in the country being visited, providing resource contact information, etc.
- One-stop database with comprehensive traveler information.
- Ability to send "batch" communications.
- Incident reporting and easy linking with Europe Assist, the insurer's service and claims intake manager.

The concept is that as requests for FTIP come into Alliant, the data would be input into a specialized software product. This avoids duplicate entry and when issues arise we would have a quick and efficient manner of identifying where our travelers are located and communicating with them accordingly. Further, for insurance underwriting purposes we may be able to craft reports that would improve our ability to define our traveler risk profile and thereby reduce the cost of insurance.

ATTACHMENT(S): None.

Executive Committee Nominations

ISSUE: With the departure of Mary Ann Rodriguez, and vacancy of Tom McCarron's position, the CSURMA Executive Committee has vacancies to fill. The Chair recommends that the Executive Committee nominate the following candidates for election by the Board of Directors:

- CSURMA Vice Chair: Linda Hawk to replace Mary Ann Rodriguez effective November 6, 2013 for term expiring June 30, 2014.
- CSURMA EC Member: Mike Lee to replace Tom McCarron effective July 1, 2013 for term expiring June 30, 2014.
- CSURMA EC Member: Lisa Chavez to replace Linda Hawk effective November 6, 2013 for term expiring June 30, 2015.

As per CSURMA's prior practice, the CSURMA Chair has appointed Mike Lee to Tom McCarron's seat and the Board will be asked to ratify that appointment as a part of the election at their November 6, 2013 meeting.

RECOMMENDATION: The Executive Committee is requested to take action and to nominate Executive Committee candidates to the Board of Directors.

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

BACKGROUND: None.

ATTACHMENT(S): None.

CSURMA

EXECUTIVE COMMITTEE TERMS OF OFFICE FY 2013/2014 - As Nominated

Position (election year)	July 1, 2007 to June 30, 2008	July 1, 2009 to June 30, 2010	July 1, 2010 to June 30, 2011	July 1, 2011 to June 30, 2012	July 1, 2012 to June 30, 2013	July 1, 2013 to June 30, 2014	July 1, 2014 to June 30, 2015
Chair - (even year)	Morishita	Morishita	Matson	Matson	Matson	Matson	<i>TBD</i>
Vice-Chair - (even year)	Graham	Matson	Rodriguez	Rodriguez	Rodriguez	Rodriguez/ Hawk	<i>TBD</i>
CSU Seat #1 - (odd year)	Matson	Rodriguez	Morishita	Hawk	Hawk	Hawk/Chavez	Chavez
CSU Seat #2 - (odd year)	Risser/Thorpe	Thorpe	Thorpe	Thorpe	Thorpe	Thorpe	Thorpe
CSU Seat #3 - (even year)	D. West	Wight	Wight	Wright	Gentles	Gentles	<i>TBD</i>
CSU Seat #4 - (even year)	Garcia	Garcia	McCarron	McCarron	McCarron	Lee	<i>TBD</i>
AORMA Seat #5 - Chair	Prenovost	Mimnaugh	Brown	Worley	Borsting	Brumett	DeWit
AORMA Seat #6 - V Chair	Jackson	Brown	Worley	Borsting	Brumett	DeWit	<i>TBD</i>
CSU Seat #1/Treasurer - Appointed by EVC/CFO	Hordyk/ Nickles	Ashkar	Ashkar	Ashkar	Ashkar	Ashkar	Ashkar
Secretary/Auditor - Appointed	Minnick	Minnick	Minnick	Minnick	Minnick/ Rodriguez	Rodriguez/Eaton	Eaton

Note:

The Treasurer is appointed by the CSU Executive Vice Chancellor/CFO and holds a seat on the CSURMA Executive Committee.

The Secretary-Auditor is appointed by the CSURMA Executive Committee and does not hold a voting seat on the Executive Committee.

TBD in BOLD & ITALICS indicates seat up for election at May 2014 Board of Directors meeting.

AORMA PROGRAMS UPDATE

ISSUE: The AORMA Committee met earlier today and discussed the following items:

1. AORMA's long range action plan for FY 13/14
2. Election of the AORMA Committee vice-chair for the one-year term beginning on July 1, 2014
3. Who will receive the free AOA conference registrations
4. Revisions to Policy and Procedure A-5 – Calendar of Reports, Audits, Filings and Reviews – documenting that all policies and procedures are required to be reviewed every two years
5. Revisions to Policy and Procedure L-7 – Employment Practices Liability Deductible Options – documenting the new “one level annual increase” limit
6. Review and approval of Policy and Procedure P-1 – Property Program Member Allocation Formula – which documents in detail the newly approved member allocation formula
7. Review and approval of Policy and Procedure C-1 – Crime Program Member Allocation Formula – which documents in detail the newly approved member allocation formula

The AORMA Chair will provide a verbal update for the Executive Committee of the decisions made at today's AORMA Committee meeting.

RECOMMENDATION: This item is for information only; no action by the Executive Committee is required.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENT(S): AORMA Committee TOC from its meeting on November 6, 2013.

The Committee will be asked to elect an AORMA Committee Vice Chair for the term beginning July 1, 2014

- | | | | |
|-----------|---|----------|-----------|
| 3. | AoA Conference Free Registrations
<i>The Committee will be asked to approve who will receive the free AoA Conference registrations for the 2014 conference</i> | A | <i>p.</i> |
| 4. | Policy & Procedure A-5 - Calendar of Reports, Audits, Filings and Reviews
<i>The Committee will be asked to approve the revisions to Policy & Procedure A-5, with amendments as appropriate.</i> | A | <i>p.</i> |
| 5. | Policy & Procedure L-7 - Employment Practices Liability Deductible Options
<i>The Committee will be asked to approve the revisions to Policy & Procedure L-7 and the cover letter to the members notifying them of the Policy & Procedure revisions</i> | A | <i>p.</i> |
| 6. | Policy & Procedure P-1 – Property Program Member Allocation Formula
<i>The Committee will be asked to approve Policy & Procedure P-1 with revisions as appropriate</i> | A | <i>p.</i> |
| 7. | Policy & Procedure C-1 – Crime Program Member Allocation Formula
<i>The Committee will be asked to approve Policy & Procedure C-1 with revisions as appropriate</i> | A | <i>p.</i> |

G. INFORMATION ITEMS

- | | | | |
|----|--|----------|-----------|
| 1. | CSURMA AORMA 2014 Meeting Calendar | I | <i>p.</i> |
| 2. | CSURMA AORMA Service Calendar | I | <i>p.</i> |
| 3. | CSURMA AORMA Program Administrator’s Contact Lists | I | <i>p.</i> |
| 4. | AORMA’s Travel Reimbursement Policy | I | <i>p.</i> |
| 5. | AORMA Committee Members - Effective 7/01/13 | I | <i>p.</i> |

H. ADJOURNMENT

The next meeting is scheduled for December 5, 2013 at 10:00 am in Long Beach

2014 AOA ANNUAL CONFERENCE UPDATE

ISSUE: CSURMA AORMA will be involved in the following 2014 AOA Conference sessions:

1. What's the Risk and How to Manage It – Essentials for Programmers
Programmers are constantly pushing the envelope with activities such as ropes courses, rock walls, bouncy houses, zip lines and campus carnivals. This session will discuss risk assessment techniques, use of waivers, use of insurance and indemnity language in contracts, the legal concept “duty of care”, and inherent risks for campus activities and programming. Additionally, this session will delve into the validity of electronic signatures and acknowledgements for minors and adults and retention of documents in electronic form.
2. Managing the Risk of Serious Injuries in Collegiate Sports
This session will offer a brief overview of the Sports Club Resource Guide and the Sports Club insurance coverage program. This session will discuss policies and practices surrounding concussions and other serious injuries due to involvement in Sports Clubs and other high-risk activities such as boating. This session will focus on the safety of players and participants, including safety precautions that can be taken to avoid serious injuries. Additionally, this session will include how to manage injury treatments effectively.
3. Best Practices for Protecting Minors on Campus
Sexual abuse in universities and organizations has dominated national headlines and local legislation. Industry standards are rapidly rising so it's important that leadership stay on top of the latest trends, legislation and prevention strategies. This presentation will provide an advanced understanding of how abuse happens in organizations and will discuss what models work best and how to overcome some of the common challenges in the university environment.
4. Electronic Signatures & Files
This session will discuss the validity of, and requirements for, electronic signatures and acknowledgements, as well as online/electronic waivers. This session will provide examples of language and requirements for e-signatures. Additionally, this session will include information on the difference between online signatures and wet signatures when it comes to minors. Lastly, this session will discuss the retention of documents in electronic format and whether they can replace hard copies.
5. AORMA Breakfast Presentation

RECOMMENDATION: This item is for information only; no action by the Executive Committee is required.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENT(S): None.

FY 2013/14 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 Committee receives a report to gauge progress and to re-evaluate where efforts should be focused.

RECOMMENDATION: The Executive Committee will hear a report from Staff on the status of the long range action plan items and provide further direction as needed or desired.

FISCAL IMPACT: None.

BACKGROUND: The Executive Committee adopted the FY 2013/14 Long Range Action Plan and goals to be accomplished. The Committee will receive a report from Staff on the assigned responsibilities and deadlines of the FY 2013/2014 Long Range Planning goals.

ATTACHMENT(S): FY 2013/14 CSURMA Long Range Action Plan

FY 2013/14 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-1	ALTERNATIVE MEDICINES ON CAMPUS			
Draft Systemwide Policy regarding use of Alternative Medicines on Campus.	1. Research existing Systemwide policy regarding permissible usage of alternative medicines on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding permissible usage of alternative medicines on campus.	2. PA, SRM	2. August 2013	In Review.
	3. Identify other types of alternative medicines that are used on campus and determine whether or not such usage shall be permitted on campus.	3. PA, SRM, OGC, Student Health Centers, Human Resources	3. September 2013	In Review.
	4. Identify stake holders and enlist support.	4. PA, SRM, OGC, Student Health Centers, Human Resources	4. October 2013	In Review.
	5. Draft Policy & Procedure regarding permissible usage of alternative medicines on campus.	5. PA, SRM, OGC, Student Health Centers, Human Resources	5. November 2013	
	6. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	6. CO	6. December 2013	
	7. Finalize draft Policy & Procedure.	7. PA, SRM	7. January 2014	
	8. Obtain appropriate sign off.	8. CO	8. January 2013	
	9. Roll out to campuses.	9. CO	9. January 2013	
LRP-2	CSURMA WEBSITE ENHANCEMENTS			
Improve CSURMA website.	1. Draft goals for website enhancements: identify what is working well, how utilized, areas to improve.	1. PA	1. January 2013	Completed.
	2. Work with website administrator to program needed/desired changes/enhancements.	2. PA, Website Administrator	2. Feb-Mar 2013	Completed.
	3. Beta testing.	3. PA, Website Administrator	3. Apr-May 2013	Completed.
	4. Populate website.	4. PA, Website Administrator	4. June-July 2013	Completed.
	5. Develop demo presentation.	5. PA	5. August 2013	Completed.
	6. Present enhanced website to SRM, EC, BOD.	6. PA	6. September 2013	Pending.
	7. Roll out to CSURMA members.	7. PA	7. October 2013	
LRP-3	INTRAMURAL/RECREATIONAL SPORTS COVERAGE			
Develop coverage program for Intramural & Recreational Sports.	1. Develop coverage specification and proposed rating structure.	1. PA	1. May 2013	Completed.
	2. Market plan to underwriters.	2. PA	2. May 2013	Completed.
	3. Obtain and evaluate carrier quotes.	3. PA	3. May 2013	Completed.
	4. Draft coverage plan summary and rates.	4. PA	4. June 2013	Completed.
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM	5. July 2013	Completed.
	6. Roll out to CSURMA Members.	6. PA	6. August 2013	Completed.
LRP-4	STUDENT PERSONAL PROPERTY & LIABILITY INSURANCE			
Develop coverage program for	1. Develop coverage specification and proposed rating structure.	1. PA	1. May 2013	In Review.
	2. Market plan to underwriters.	2. PA	2. May 2013	

FY 2013/14 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
Student Personal Property & Liability Insurance.	3. Obtain and evaluate carrier quotes.	3. PA	3. May 2013	
	4. Draft coverage plan summary and rates.	4. PA	4. June 2013	
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM	5. July 2013	
	6. Roll out to CSURMA Members.	6. PA	6. August 2013	
LRP-5 EARTHQUAKE COVERAGE PROGRAM				
Develop coverage program for Earthquake Insurance.	1. Develop coverage specification and proposed rating structure.	1. PA	1. January 2014	In Review.
	2. Market plan to underwriters.	2. PA	2. Feb-Mar 2014	
	3. Obtain and evaluate carrier quotes.	3. PA	3. Apr-May 2014	
	4. Draft coverage plan summary and rates.	4. PA	4. Apr-May 2014	
	5. Obtain necessary approvals from SRM, EC, BOD.	5. PA, SRM	5. May 2014	
	6. Roll out to CSURMA Members.	6. PA	6. July 2014	
LRP-6 SERVICE ANIMALS ON CAMPUS				
Draft Systemwide Policy regarding use of Service Animals on Campus.	1. Research existing Systemwide policy regarding permissible usage of service animals on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding permissible usage of service animals on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Draft Policy & Procedure regarding permissible usage of service animals on campus.	3. PA, SRM, OGC, Human Resources	3. September 2013	
	4. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	4. CO	4. October 2013	
	5. Finalize draft Policy & Procedure.	5. PA, SRM	5. November 2013	
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2014	
LRP-7 BICYCLES / SKATEBOARDS ON CAMPUS				
Draft Systemwide Policy regarding Bicycle & Skateboard Safety on Campus.	1. Research existing Systemwide policy regarding safety protocols for bicycles, skateboards, etc. on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding safety protocols for bicycles, skateboards, etc. on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Draft Policy & Procedure regarding safety protocols for bicycles, skateboards, etc. on campus.	3. PA, SRM, OGC	3. September 2013	
	4. Determine whether the draft Policy & Procedure should be an Executive Order, Technical Letter or other.	4. CO	4. October 2013	
	5. Finalize draft Policy & Procedure.	5. PA, SRM	5. November 2013	
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2014	

FY 2013/14 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-8	PERIODIC REVIEW OF CSURMA POLICIES & PROCEDURES			
Establish Plan for Regular Periodic Review of CSURMA Policies & Procedures.	1. Outline a timetable to review each CSURMA Policy & Procedure (P&P), at least one per month.	1. PA	1. July 2013	Completed.
	2. Outline a format to document P&P items to be reviewed.	2. PA	2. August 2013	Completed.
	3. Draft report of findings and recommendation for review and discussion with Systemwide Risk Management & Public Safety.	3. PA, SRM	3. September 2013	Completed.
	4. Present findings and recommendation as agreed with SRM to EC.	4. PA, SRM, EC	4. EC meetings	Completed.
	5. Execute plan of action as directed by SRM and EC. This step may also require BOD approval if Memorandum of Coverage is to be amended.	5. PA, SRM, EC, BOD	5. After EC meetings	On going.
	6. Obtain appropriate sign off, and BOD approval if necessary.	6. PA, SRM, EC, BOD	6. BOD meetings	As necessary.
LRP-9	NEW MEMBER ORIENTATION FOR EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS			
Establish Plan for Regular Periodic Orientation to CSURMA for New Members	1. Establish regular time and site for CSURMA Orientation, usually the day before EC's September meeting.	1. PA	1. July 2013	Completed.
	2. Maintain log of EC and BOD members who have attended orientation, date, etc., and members who still need orientation.	2. PA	2. August 2013	Completed.
	3. Schedule teleconference or webinars for members who are unable to attend orientation in person.	3. PA, Members	3. September 2013	Completed.
	4. Report orientation attendance to SRM and EC.	4. PA, SRM, EC	4. October 2013	Completed.
LRP-10	THEATER RISK MANAGEMENT & SAFETY			
Develop Systemwide Policy and Training regarding Theater Safety on Campus.	1. Research existing Systemwide policy regarding public safety of theaters on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy regarding public safety of theaters on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Research training programs and costs offered by UC.	3. PA, SRM, OGC	3. September 2013	On going.
	4. Develop schedule to provide on-campus training on Theater Safety.	4. CO	4. October 2013	
	5. Engage service provider.	5. PA, SRM	5. November 2013	
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2013	
LRP-11	MINORS ON CAMPUS			
Develop Systemwide Policy and Training regarding Safety of Minors on Campus.	1. Research existing Systemwide policy on safety of minors on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Research existing Campus policy on safety of minors on campus.	2. PA, SRM, Public Safety	2. August 2013	In Review.
	3. Research training programs and costs offered by Praesidium, Inc.	3. PA, SRM, OGC	3. September 2013	Completed.
	4. Develop schedule to provide on-campus training on Safety of Minors.	4. CO	4. October 2013	
	5. Engage service provider.	5. PA, SRM	5. November 2013	
	6. Obtain appropriate sign off.	6. CO	6. December 2013	
	7. Roll out to campuses.	7. CO	7. January 2013	

FY 2013/14 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-12	ENTERPRISE RISK MANAGEMENT			
Develop plan to promote Synergy among campuses in regards to Risk Management functions.	1. Establish baseline for minimum essential risk management operations on campuses.	1. PA, SRM	1. July 2013	In Review.
	2. Identify SRM and Campus resources, especially subject matter experts.	2. SRM	2. Aug-Sep 2013	In Review.
	3. Identify opportunities to synergize risk management among campuses, possibly creating regional spheres of influence.	3. SRM, Campus RMs	3. Oct-Nov 2013	In Review.
	4. Create network among campuses for risk management resources.	4. SRM	4. December 2013	
	5. Roll out to campuses.	5. SRM	5. January 2014	
LRP-13	SPONSORED TRAINING FOR EMPLOYEES			
Develop plan to provide Sponsored Training opportunities for Members.	1. Identify training opportunities that may be beneficial to members. These may include conferences, seminars, webinars, and programs leading to professional credentials (e.g., CPCU, ARM, CSP, AIC, AIS, CRM, etc.), and may include regional sessions on campus to economize learning opportunities.	1. PA, SRM	1. July 2013	In Review.
	2. Identify needed training subjects and prioritize.	2. PA, SRM, Campus RMs	2. August 2013	In Review.
	3. Establish funding for sponsored training.	3. PA, SRM, EC	3. September 2013	
	4. Establish criteria for sponsored training and application.	4. PA, SRM	4. October 2013	
	5. Draft schedule for training.	5. PA, SRM	5. November 2013	
	6. Roll out to campuses.	6. PA, SRM	6. December 2013	

Key:

BOD: CSURMA Board of Directors

CABO: CSU Chief Administrators and Business Officers

CO: Chancellor's Office

EC: CSURMA Executive Committee

OGC: CSU Office of General Counsel

PA: CSURMA Program Administrator

SRM: CSU Systemwide Risk Management & Public Safety

**Update on Risk Management Practices Related to
Service Animals and Skateboards on Campus**

ISSUE: As Items LRP 6 & 7, the Executive Committee requested that staff perform research on risk management practices related to service animals and skateboards on campus. Staff has prepared the attached information. Because management of service animals and skateboards is a policy issue for the University and campuses, it is suggested that the Executive Committee review the attached information and provide direction to staff on the appropriate communication to campuses.

RECOMMENDATION: The Executive Committee is requested to provide direction on a communication to the campuses.

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

BACKGROUND: None.

ATTACHMENT(S): Summary of Research on LRP-6 and LRP-7

Summary of Research on LRP-6 and LRP-7

Research existing campus and systemwide policies on Service Animals and Bicycles/Skateboards.

SRM sent out a request to campuses on September 18, 2013 to provide sample current policies on service animals and bicycles/skateboards. As of October 8, we had received 10 campus responses. In addition, we found a copy of NACUA Notes dated March 16, 2012 posted on the OGC, which describes the various Federal and State regulations affecting what we are required to do, primarily with allowing animals (service and otherwise) on campus.

LRP-6 Service Animals on Campus

Many campuses have both an “Animal” policy and a “Service Animal” policy.

Many campuses prohibit all animals to be brought into any campus building except:

Police dogs

Service animals (some excluding therapy animals – law distinguishes between)

Service animals in training (some require that trainer be licensed)

Animals for research

Animals for classroom or other demonstrations (must have administrative approval).

Service animal issues affect students, visitors, but also employees. The regulations for the various types of requests for accommodations regarding service/assistance animals on campus include Americans with Disabilities Act and the ADA Amendments Act (“ADAAA”), Section 504 of the Rehabilitation Act, and the Fair Housing Act. These regulations do not match each other and cause confusion (refer to NACUA article at <http://www.calstate.edu/gc/documents/AccommodatingServ-AssistanceAnimals.pdf>).

“Exceptions to basic policies may be made on a case-by-case basis as required by applicable law.” This statement or a similar statement should be made in any policy, since there are so many conflicting rules.

A couple of campuses specifically address other types of animals in their policies, while considering the safety and health of the faculty, staff and students to be of the utmost priority:

- **Non-service domestic animals** (not allowed in campus buildings, must be under direct control of owner, restrained by a leash or in a carrier, must be licensed and inoculated w fecal matter removed and disposed of by owner)
- **Feral animals** (if not a risk or hazard, may occupy campus grounds)
- **Wild animals, including marine animals** (if not a risk or hazard, or causing property damage or a public nuisance, and that do not involve human intervention, may inhabit the campus)
- **Unattended or loose animals** (may be without proper shelter or water or causing a nuisance) – should specify who and how these animals will be removed.

LRP-7 Bicycles / Skateboards on Campus

Emphasis is on pedestrian safety (must use designated lanes and paths)

Authority from the California Vehicle Code Section 21113 and Education Code Sections 89030 and 89031, and California Code of Regulations, Title 5, Section 42353.1.

Many campuses prohibit all non-motorized transportation:

Inside buildings

On Lawn or landscaped areas

In Pedestrian-only quad areas

Through breezeways, under eaves or paths intended exclusively for pedestrians

Exceeding 5 miles per hour in primarily pedestrian areas

Some campuses prohibit “Skateboards” altogether, while allowing other personal forms of transport.

Others allow skateboards for transportation purposes only with the following caveats:

- No stunts, tricks, destroying property, or continuously riding in one location
- Be courteous and safe
- No skating during busy or quiet hours
- Always give pedestrians the right of way
- Skate only on paved campus walkways, not in parking lots or roadways

CSUF has a fairly comprehensive “On-campus Use of Personal Forms of Transportation Policy”, which addresses multiple forms of personal transportation (see link):

<http://president.fullerton.edu/directives/dir-16.html>

Excess Liability Program Underwriter Meeting Report

ISSUE: The CSU and CSURMA leadership and staff engage in periodic meetings with underwriters to maintain a strong working partnership. Regular meetings have produced stable underwriting outcomes and a willingness to accommodate CSURMA's program design changes. CSURMA's Chair encouraged a special meeting at the SDSU campus on October 3, 2013 to take advantage of the gathering of excess liability underwriters for a national convention.

The meeting on October 3, 2013 was hosted by Tom McCarron, SDSU's Vice President for Business and Financial Affairs, and included presentations from Systemwide Financing and Risk Management by George Ashkar, Robert Eaton and Zachary Gifford. Linda Hawk represented the CSURMA Executive Committee. The meeting was very well received by the underwriters and viewed as a positive outreach as the CSURMA works through leadership personnel changes.

CSURMA's practice of direct communication with underwriters by CSU leadership will continue with underwriter meetings in London on November 25-26. Chancellor White will be joined by Robert Eaton and CSURMA Chair Cynthia Teniente-Matson as we initiate discussions on the 2014-2015 program renewal.

RECOMMENDATION: It is recommended that the Executive Committee review the attached materials and provide comments as appropriate.

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

BACKGROUND: None.

ATTACHMENT(S): Presentation Materials for October 3, 2013 Excess Liability Meetings



AGENDA

CSURMA Excess Casualty Underwriter Presentation and SDSU Campus Tour
Thursday October 3, 2013
9:30 AM to 1:30 PM
Manchester Hall, Room 3318

Directions and Parking: From Highway 8, exit College Ave South. Go up hill past parking garage and turn left into Lots F&G. Parking passes available from Brian Frost. Manchester Hall is across walkway bridge.

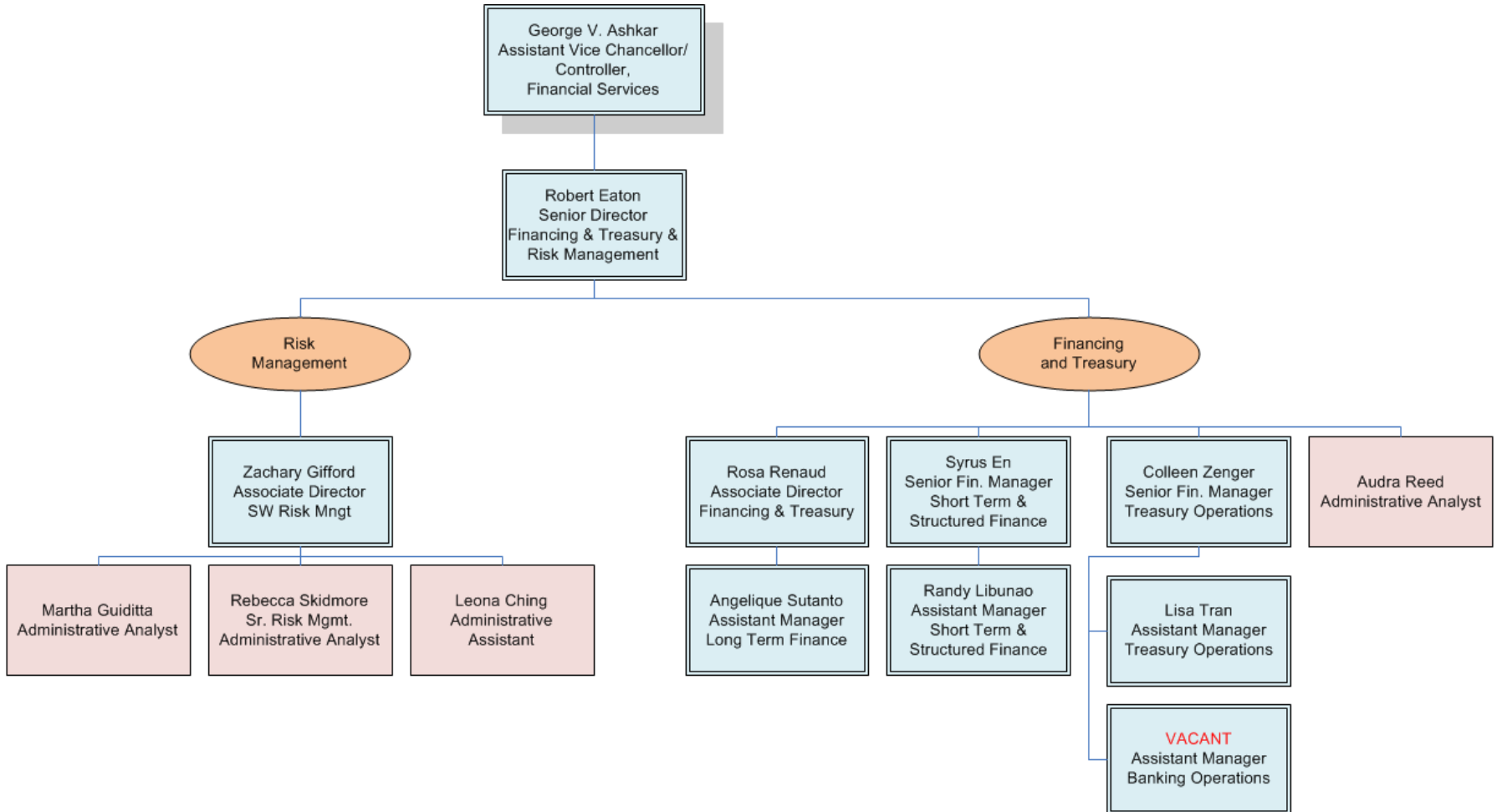
- 9:00 AM Meeting Room open, coffee and pastries available
- 9:30 AM Opening Remarks –
Tom McCarron, SDSU
Vice President for Business and Financial Affairs
- 9:40 AM California State University Financial Overview –
George Ashkar, CSU Chancellor’s Office
Assistant Vice Chancellor, Controller/Financial Services
Robert Eaton, CSU Chancellor’s Office
Financing & Treasury and Risk Management
- 10:00 AM Concussive Injury Research in Practice
Dr. Daniel Goble, SDSU School of Exercise and Nutritional Sciences,
Zahn Innovation Center
- 10:30 AM Break
- 10:45 AM CSU Campus Liability Program Claims and Litigation Status Report
Zachary Gifford, CSU Chancellor’s Office
Associate Director, Systemwide Risk Management
- 11:05 AM CSURMA Campus Liability Risk Pool and Auxiliary Organization
Liability Program Financial Status Report
Daniel Howell, Alliant Insurance Services
CSURMA Program Director
- 11:15 AM SDSU Campus Walking Tour
- 12:15 PM Lunch, Manchester Hall Room 3318
- 1:00 PM Concluding Remarks

Presentation To Excess Liability Underwriters

October 3, 2013

1. **Update on Systemwide Risk Management and Finance**
2. **Financial Overview of CSU**
3. **Summary**

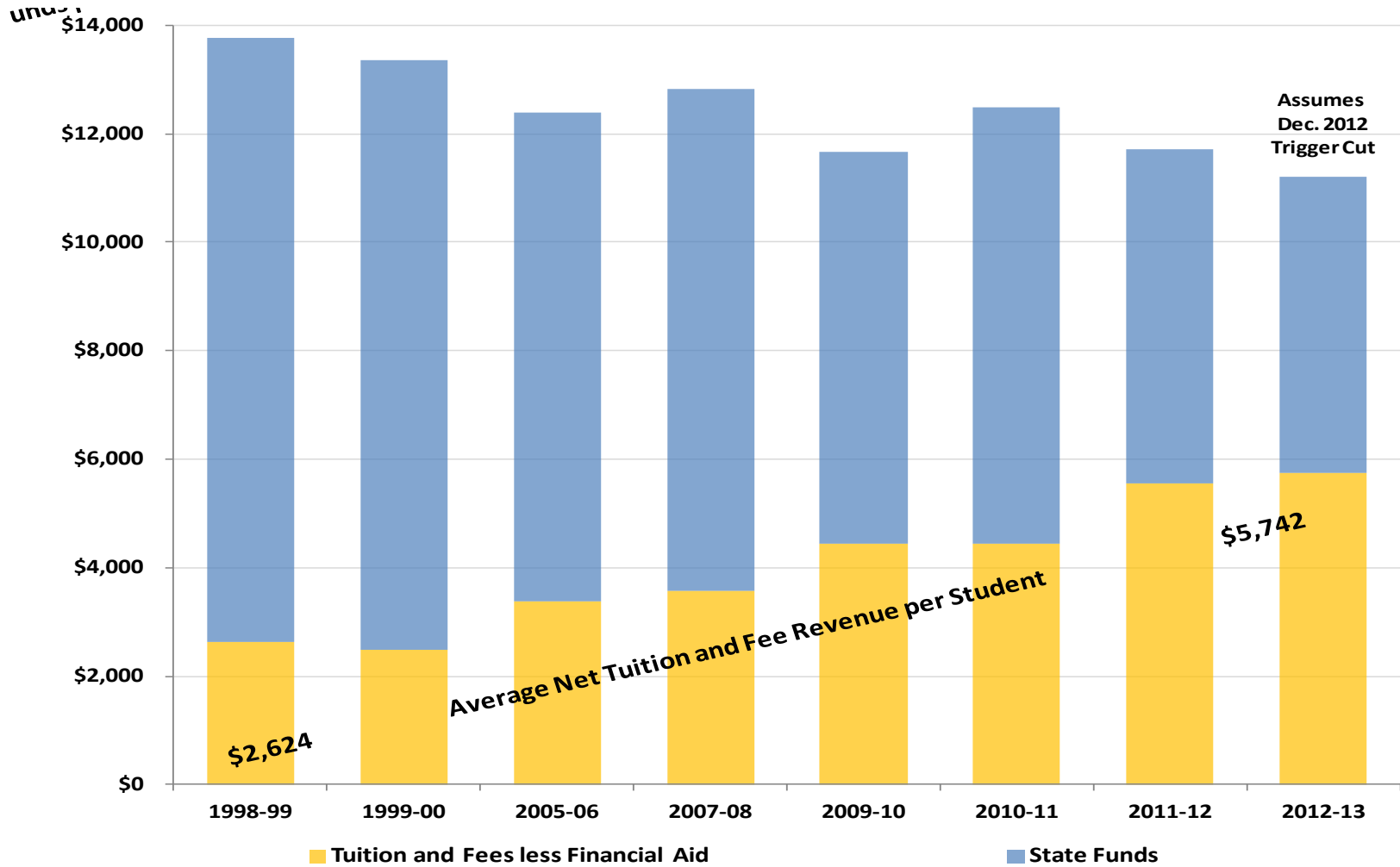
Update on Systemwide Risk Management and Finance



Financial Overview of CSU

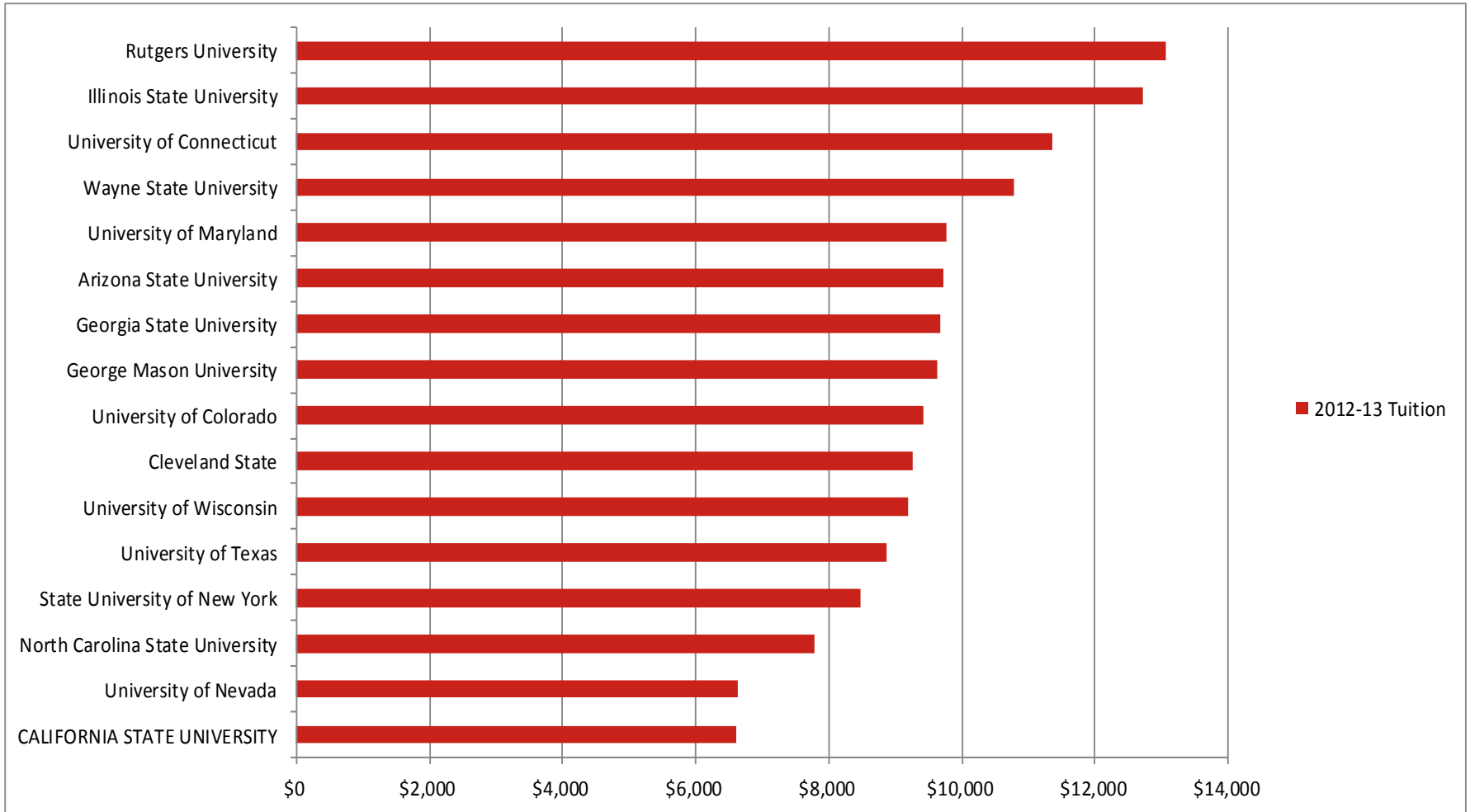


- In Fall 2012, approximately 437,000 students were enrolled at the CSU's 23 campuses
- 96% of all enrolled CSU students come from California
- 57% women; 43% men
- 87% undergraduate students; 13% graduate students
- Approximately 100,000 degrees awarded each year
- Awards more than half of the bachelor's degrees and a third of the master's degrees in California each year
- More than 2.7 million alumni
- One out of every ten employees in California is a CSU graduate



2012 constant dollars

- 2009-10—A total increase in student tuition fees of 32%
 - CSU approves a 10% fee increase (May 2009)
 - CSU approves an additional 20% fee increase (July 2009)
- 2010-11—A total increase in student tuition fees of 10%
 - CSU approves a 5% fee increase (June 2010)
 - CSU approves an additional 5% fee increase (November 2010) effective mid-year
- 2011-12—A total increase in student tuition fees of 23%
 - CSU approves a 10% fee increase (November 2010)
 - CSU approves an additional 12% fee increase (July 2011)
- 2012-13—No increase
- 2013-14—No increase planned



Figures are for Resident Tuition

 CSU SRB Bond Ratings

Moody's
Investors Service

Aaa

Aa1

Aa2

Aa3

A1

A2

A3

Baa1

Baa2

Baa3

 State G.O. Bond Ratings

Standard &
Poor's

AAA

AA+

AA

AA-

A+

A

A-

BBB+

BBB

BBB-

- The CSU has proven its ability to manage significant changes in State funding
- State appropriation remains a significant component of the CSU's overall budget, but ...
 - The CSU has demonstrated its ability and willingness to make tough decisions to maintain fiscal stability
 - Decisions on how to implement budget reductions have been made by the CSU, not the State
 - Tuition fee increases and ongoing tuition fee flexibility means that the CSU has control over an increasing share of its operating budget
 - Significantly increased operating liquidity will continue to help buffer the impact of any State cash flow crisis

Summary

- The CSU has weathered a challenging period of change and emerged stronger
- New Administrative Leadership is charting a course that maintains the history of success while opening a new chapter
- The CSU has remained steadfast in its commitment to risk management programs and fiscal responsibility despite uncertainty and volatility in State support
 - Unchanged financial commitment to risk management funding
 - Enduring partnerships with underwriters and service providers

www.calstate.edu

CSU Liability Claims & Litigation

Underwriter's Presentation

October 3, 2013

San Diego State University

Zachary Gifford, Associate Director

Systemwide Risk Management

Liability Claims Handling

As of January 1, 2011 CSU claimants were allowed to file claims directly with the CSU, eliminating the Victim Compensation Government Claims Board (VCGCB) process.

- SB 1046 – led by Risk Management & Office of General Counsel sponsored legislation.

Claims Management takes place in Systemwide Risk Management

As of October 1, 2011 the liability claims handling was transferred from a third-party provider to the Systemwide Office of Risk Management.

- Development of CSU specific claims manual.
- Direct CSU contact with claimant or their representatives.
- Streamlining of claims investigation via direct collaboration with campus personnel and campus counsel.

- Use of AON iVOS system
 - Up to the moment accurate claims data
 - Diary control & robust file notes
 - Document retention
 - Campus access to their claims notes and data
- Campus quarterly deductible billings
 - Promotes campus awareness of their current claims/litigation spend
- X-mod calculations coupled with the above increase sense of accountability, focus on risk evaluation, mitigation and good practices

Documented Superior Audit Results

- Scored 96/100 on independent claims audit in spring of 2013. Audit score tabbed as “superior” by auditor.
 - Performed by independent claims auditor, Bickmore Risk Services
- AIG/Lexington Audits have reportedly exceeded carrier’s audit expectations.
 - Proper Reserve Practices
 - Timely and substantive reporting
 - Sound diary-control practices

Office of General Counsel (OGC)

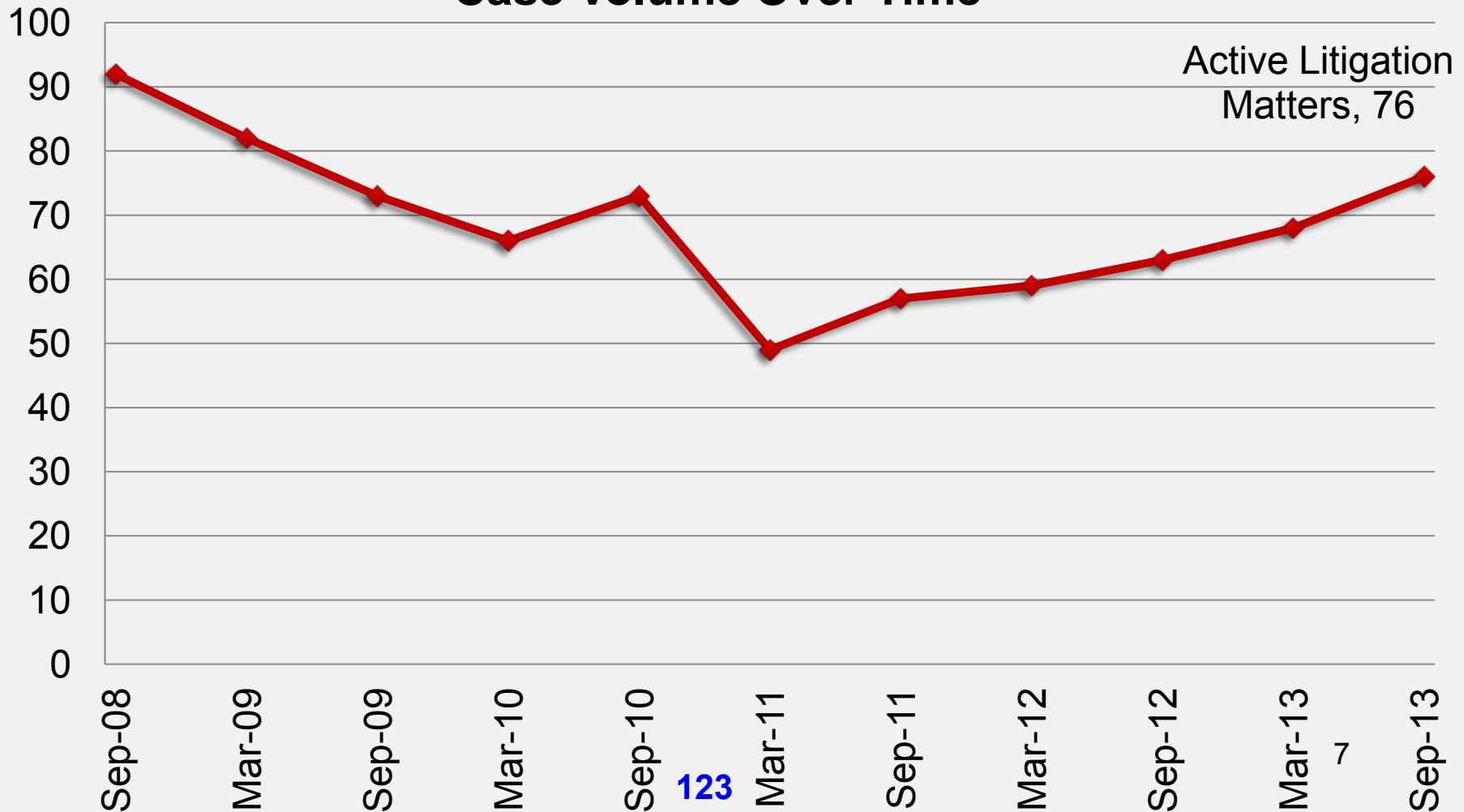
OGC provides attorneys as “campus counsel” as well as provides for an in-house litigation team.

- Enhances collaboration between risk management, campus personnel and litigators.
- Allows for a holistic approach to litigation counsel selection with the ability to chose the right OGC attorney or outside attorney for the defense.

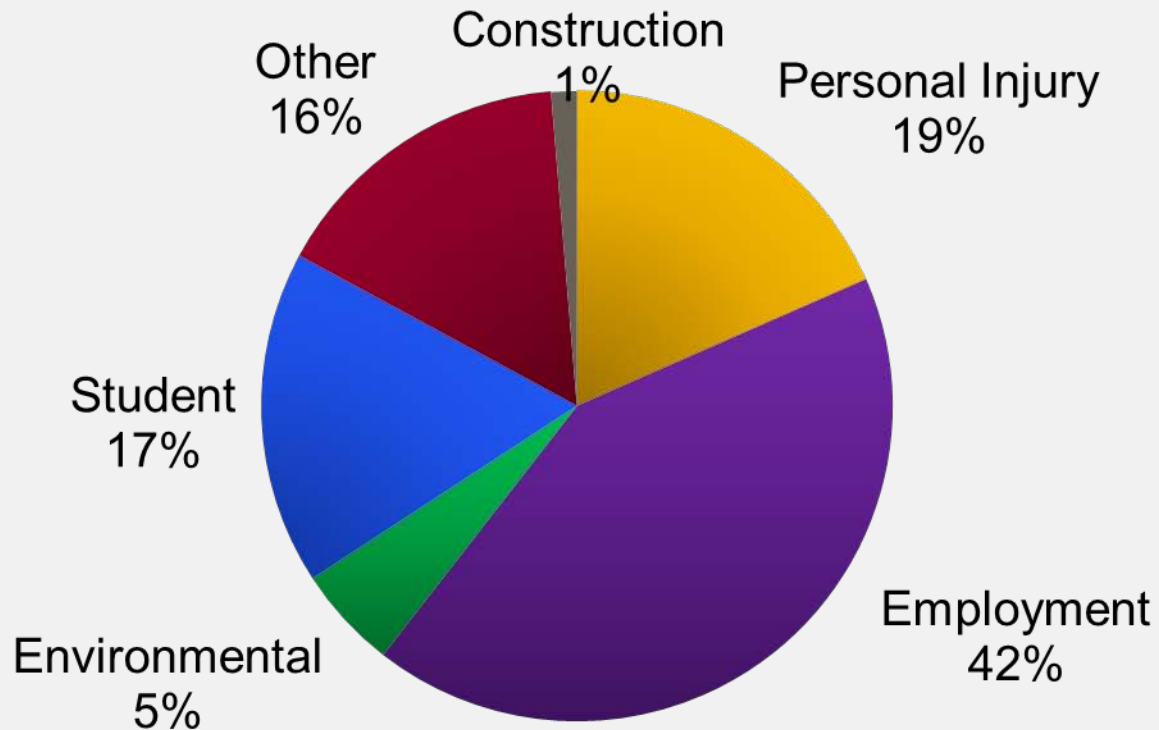


Case Volume Over Time

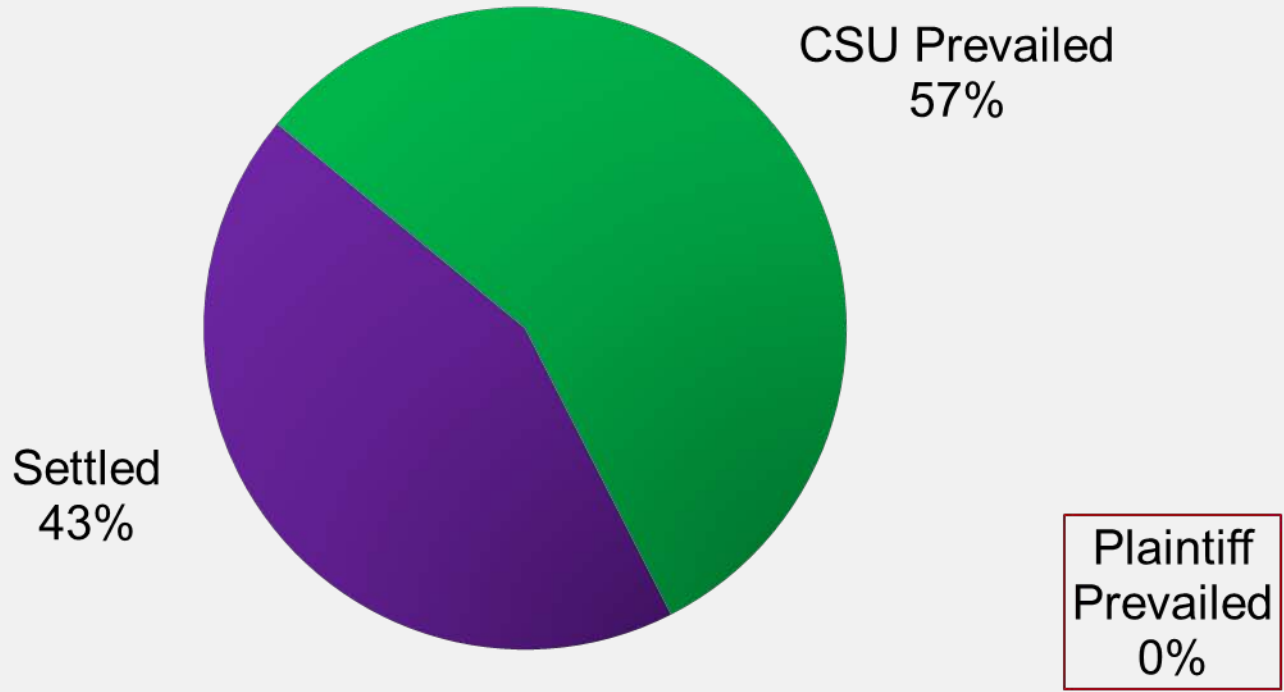
Case Volume Over Time



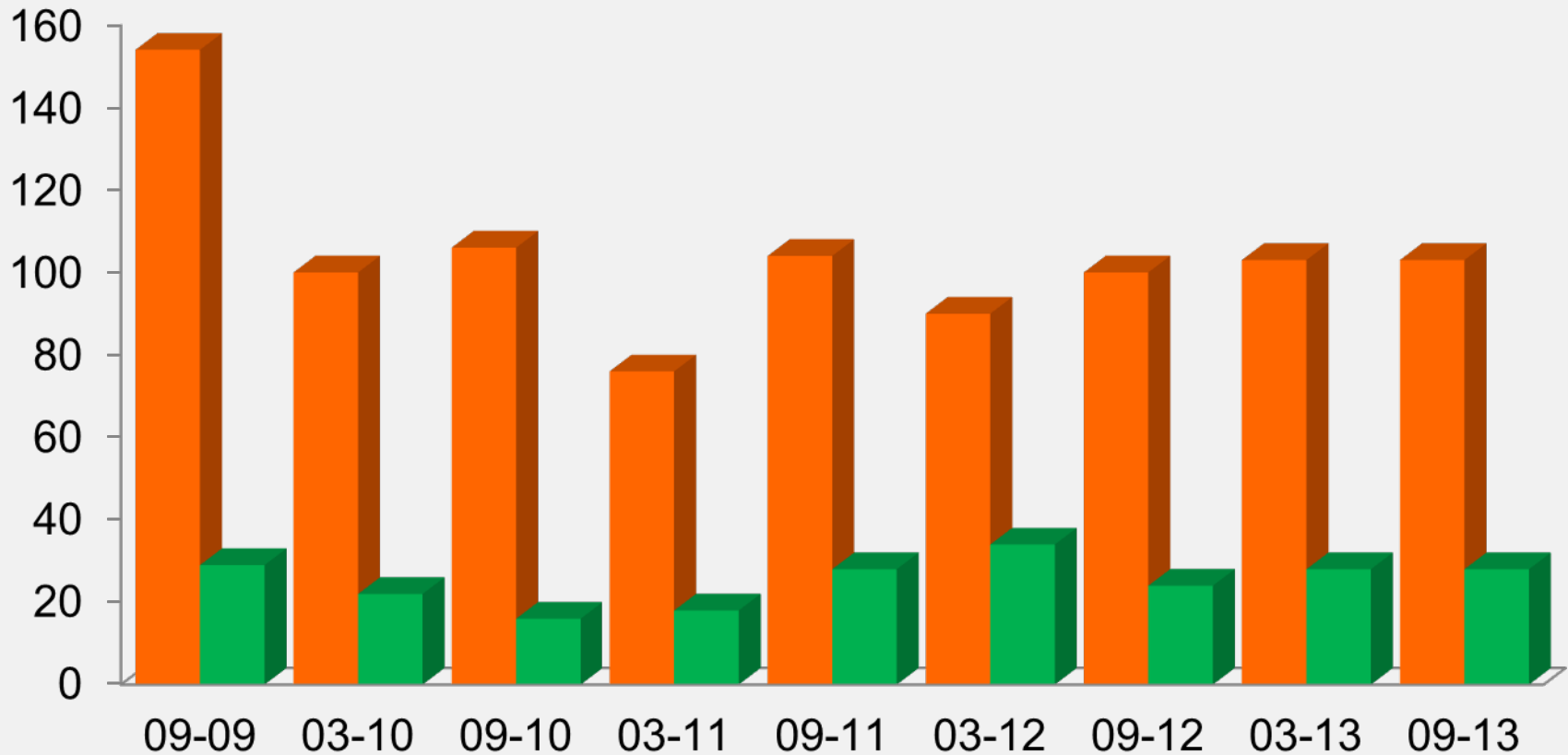
Current Case Types



Case Resolutions FY 12/13



Incoming Claims vs. New Litigation



New Litigation

126



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CSURMA Campus Liability Risk Pool and Auxiliary Organization Liability Program Financial Status Report

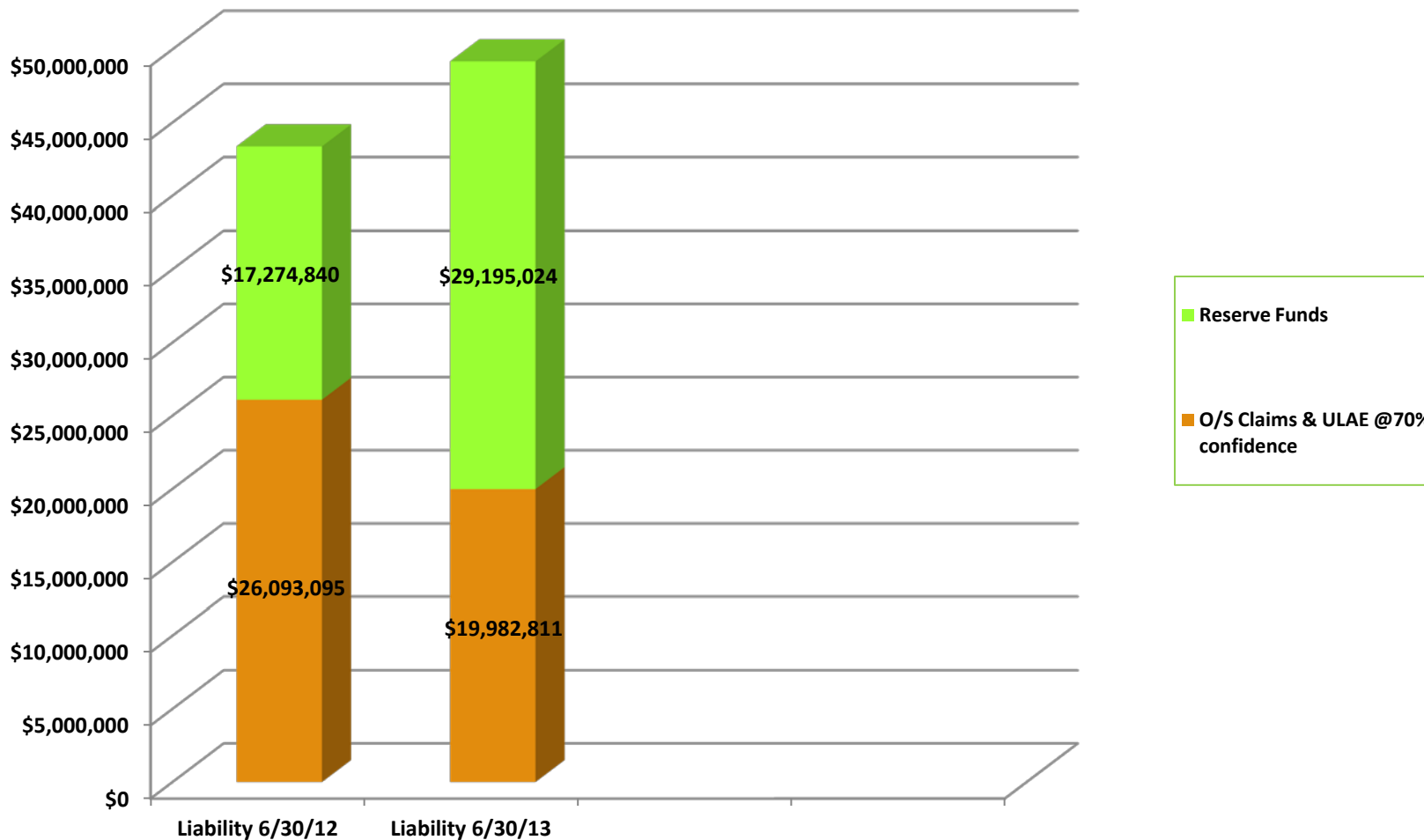
October 3, 2013

CSURMA Financial Position

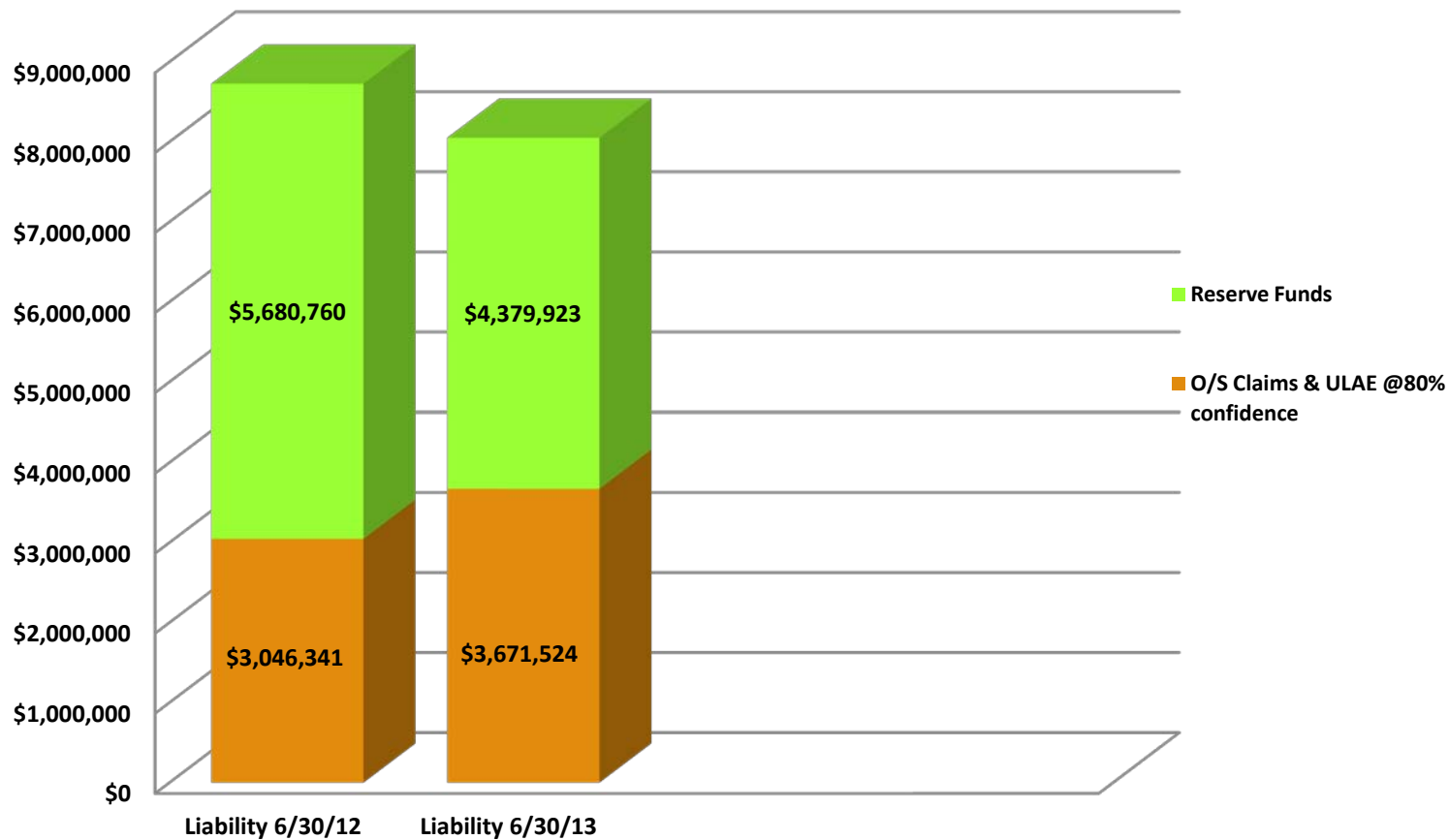
- KPMG has delivered a clean financial audit
- CSURMA Programs are funded above a 70% Confidence Level as of June 30, 2013
 - Campus Liability Program assets of \$49.3 million vs. 70% undiscounted liability of \$20.0 million
 - Auxiliary Organization Liability Program assets of \$8.0 million vs. 80% undiscounted liability of \$3.7 million
- Updated actuarial studies show improved campus results and stable auxiliary organization results

Campus Programs - Pools

Estimated Funding at June 30, 2012 & 2013 (undiscounted)



AORMA Programs Estimated Funding at June 30, 2012 & 2013 (undiscounted)



CSURMA Administrative Service Calendar

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

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

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

BACKGROUND: None.

ATTACHMENT(S): CSURMA Administrative Services Calendar

CSURMA SERVICE CALENDAR

AS = Alliant Insurance Services Staff
 BOD = Board of Directors
 AC = Accounting

EC = Executive Committee
 BD = Board of Directors
 RM = System wide Risk Management

Date	Activity	Completed by
JANUARY		
01/06/14	Statement of Facts – Roster of Public Agencies - file with State & County	AS
01/10/14	Form 700 - mail to BD and Committee members – return deadline 03/21/14	AS
01/31/14	WC/Liability – estimated WC payroll	AS
FEBRUARY		
02/17/14	Reminder – Form 700s to Board and Alternate Members	AS/JPA Admin
02/20/14	Send email to EC/AORMA reminding of 3/20/14 meeting - Quorum	AS
02/24/14	EC/EC LRP/AORMA Agenda Prep meeting – Agenda out 03/10/14	AS/JPA Admin
MARCH		
03/03/14	Actuarial Study - receive draft and send to Jim Marta	AS
03/03/14	EC/EC LRP/AORMA Agenda Prep Meeting – Agenda out 03/10/14	AS/JPA Admin
03/10/14	EC/EC LRP/AORMA Committee – mail agendas for 03/20/14 meetings	AS/JPA Admin
03/20/14	AORMA Committee Meeting	AORMA
03/20/14	Executive Committee Meeting	EC
03/21/14	Executive Committee LRP	EC
(meeting)	4 th quarter Investment Reports (as of 12/31) - submit for review	EC
(meeting)	4 th quarter Financials (as of 12/31) - submit for review	EC
(meeting)	Claims Auditor - evaluate and consider RFP (Liability odd years/WC even years)	EC
(meeting)	Service Provider Performance Evaluations - submit responses for review	EC
(meeting)	quarter Investment Reports - submit for approval	BD
(meeting)	quarter Financials (as of 12/31) - submit for approval	BD
May	FY 2014/15 Budget - submit for review	BD
(meeting)	Liability WC Banking & Shared Risk Layers-deposit calculations for review (excess WC & Liability & Admin costs pending)	BD
(meeting)	Appoint Campus Risk Pool Rating Plans Task group every 3 years (2014, 2017, 2020)	EC
(meeting)	Annual review of data security polices	EC
(meeting)	Annual review of all policies and procedures (Even & Odd Years)	EC
(meeting)	Appoint Nominating committee	EC
(meeting)	Annual review of applicable ICSUAM policies	EC
03/21/14	Form 700s - receive from Board Members and Alternates	AS/JPA Admin
(meeting)	Status of form 700's to EC	AS

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Date	Activity	Completed by
APRIL		
04/01/14	Form 700s - file with FPPC	AS/JPA Admin
04/08/14	Send email to BOD reminding of 05/09/14 meeting - Quorum	AS/JPA Admin
04/09/14	Send email reminding of 05/09/14 meeting - Quorum	AS/JPA Admin
04/14/14	EC & BOD Agenda Prep Meeting	AS/JPA Admin
04/15/14	Alliant begins contact with various contractors regarding renewal terms	AS
04/15/14	1 st Quarter DE-6 (as of 03/31) - request to members	AS
04/15/14	Send annual renewal certificate spreadsheets to members – due 1 month	AS
04/15/14	1 st quarter Losses - receive from Sedgewick (as of 03/31)	JM
04/21/14	EC & BOD Agenda Prep Meeting	AS/JPA Admin
04/29/14	EC & BOD Agendas - mail agendas for 05/09/14 meetings	AS/JPA Admin
MAY		
05/08/14	AORMA Committee Meeting	AORMA
05/09/14	Executive Committee Meeting	EC
05/09/14	Board of Directors Meeting	BD
(meeting)	Quarter Financials (as of 03/31) - submit for approval	EC
(meeting)	Quarter Investment Reports (as of 03/31) - submit for approval	EC
(meeting)	Liability and WC Program Deposits - review 2014 revisions	EC
(meeting)	FY 2014/15 Budget - submit for adoption	BD
(meeting)	Program Administration Contract – submit for approval (as needed)	EC
(meeting)	Systemwide Risk Services Sgreement	EC
(meeting)	WC Claims Administration Contract - submit for approval <i>(as needed)</i>	EC
(meeting)	Accounting Services MOU - submit for approval <i>(as needed)</i>	EC
(meeting)	Legal Services MOU - submit for approval <i>(as needed)</i>	EC
(meeting)	Conflict of Interest Code-submit for approval <i>(every even-numbered year)</i>	EC
(meeting)	Insurance renewal delegation of authority	EC
(meeting)	Liability Memorandum of Coverage FY 2014/15 – submit for approval	EC
(meeting)	WC Memorandum of Coverage FY 2014/15 – submit for approval	EC
(meeting)	FY 2014/15 Budget - submit for review	EC
(meeting)	Liability and WC FY 2011/12 Banking & Shared Risk Layer Program	BD
(meeting)	2014 Nominating Committee - select & nominate	EC
(meeting)	Elections to Board of Directors	BOD
JUNE		
06/15/14	Begin preparation of CAJPA Standards review (2014 and every 3 years thereafter)	AS
06/25/14	Send certificates to Certificate Holders and Members	AS
JULY		
07/01/14	Send renewal binders invoices & summaries to Members	AS

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Date	Activity	Completed by
07/10/14	Submit FY YR ascend claim data to actives	AS
07/15/14	Final FY Payroll - request from chancellor's office	AS
07/21/14	Upon receipt of loss data begin semi annual loss charts for RM meeting in October and to be sent to Members	AS
07/29/14	Send 2 nd quarter DE-6 (as of 06/30) to CJPRMA	AS
07/29/14	Financial audit prep	AC/RM/AS
AUGUST		
08/11/14	EC – email reminding of 09/12/14 meeting - quorum	AS/JPA Admin
08/11/14	EC – Agenda Prep meeting – Agenda out 09/02/14	AS/JPA Admin
08/18/14	EC – Agenda Prep meeting – Agenda out 09/02/14	AS/JPA Admin
SEPTEMBER		
09/02/14	EC Agenda - mail for 09/12/14 meetings	AS/JPA Admin
09/10/14	AORMA Committee LRP	AORMA
09/11/14	AORMA Committee Meeting	AORMA
09/11/14	Executive Committee Orientation	EC
09/12/14	Executive Committee Meeting	EC
(meeting)	2 nd quarter Investment Reports (as of 06/30) - submit for approval	EC
(meeting)	2 nd quarter Financials (as of 06/30) - submit for approval	EC
(meeting)	Review financial audit or DRAFT	AC
(meeting)	Review and approve actuarial studies	EC
(meeting)	Campus Risk Pool Rates	EC
(meeting)	Investment policy	FC
09/12/14		JM
09/11-13/14	2014 CAJPA Fall Conference and Training Seminar	
09/24/14	EC & BOD – email reminding of meeting - quorum	AS/JPA Admin
09/30/14	EC & BOD – Agenda Prep meeting – Agenda out 10/13/14	AS/JPA Admin
OCTOBER		
10/01/14	Annual Report of Financial Transactions	
10/01/14	Public Self Insurer's Annual Report for JPA & Members - file	AS/SEDGWICK
10/07/14	EC & BOD – Agenda Prep meeting – Agenda out 10/13/14	AS/JPA Admin
10/12/14	AORMA Agenda - mail for 10/23/14 meeting	AS/JPA Admin
10/13/14	EC Agenda - mail for 10//14 meeting 11/6	AS/JPA Admin
10/13/14	Board of Directors Agenda - mail for 10/24/14 meeting 11/6	AS/JPA Admin
10/23/14	AORMA Meeting	AORMA
10/24/14	EC Meeting	EC
10/24/14	Board of Directors Meeting	BD
(meeting)	Financial Audit – review draft submission	EC
(meeting)	2014 Meeting Calendar - submit for approval	EC
(meeting)	2014 Service Calendar - submit for approval	EC

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AS = Alliant Insurance Services Staff
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Date	Activity	Completed by
(meeting)	3 rd quarter Investment Reports (as of 09/30) - submit for approval	BD
(meeting)	3 rd quarter Financials (as of 09/30) - submit for approval	BD
(meeting)	2014 Meeting Calendar - submit for approval	BD
(meeting)	2014 Service Calendar - submit for approval	BD
(meeting)	Investment Policy - submit for approval	BD
(meeting)	CAJPA review report (2014 and every 3 years thereafter)	BD
(meeting)	Marketing Plan & Renewal Timeline - submit for approval	BD
(meeting)	Claims Administration Audit (<i>GL odd years, WC even years</i>) - submit for approval	EC/AIME/AORMA
(meeting)	2 nd quarter Investment Reports - submit for approval	BD
(meeting)	2 nd quarter Financials (as of 6/30) - submit for approval	BD
(meeting)	Target Equity Presentation – September AORMA	AS
(meeting)	FY 2013/14 Financial Audit - submit for approval	BD
(meeting)	Financial Audit – review and update	AC
(meeting)	Loss Analysis charts (as of 06/30) SEPTEMBER	AORMA
NOVEMBER		
11/04/14	EC– Agenda Prep meeting – Agenda out 11/24/14	AS/JPA Admin
11/15/14	Property (location schedules) - request member review	AS
11/15/14	Property Schedules to Members for review – deadline 30 days	AS
11/11/14	EC– Agenda Prep meeting – Agenda out 11/24/14	AS/JPA Admin
11/23/14	AORMA Agenda - mail for 12/04/14 meeting	AORMA
11/24/14	Executive Committee Agenda - mail for 12/05/14 meeting	EC
11/28/14	Property (PEPIP) binders – prepare and send to Members	AS
	Confirm BOD Member & Alternate on file	AS
	Campus risk pool deductible – Confirm (Every 3 years - 2014, 2017, 2020)	AS
	Confirm holders of Campus Claims Settlement Authorities	AS
	Send campus risk pool renewal budget	AS
DECEMBER		
12/1	Send out member survey	RM
	Annual review of Conflict of Interest Code	EC
12/04/14	AORMA Committee Meeting	AORMA
12/05/14	Executive Committee Meeting	EC
(meeting)	3 rd Quarter Financials (as of 09/30) - submit for approval	EC
(meeting)	Claims Audit (<i>GL odd years, WC even years</i>) - review and provide recommendations to BD	EC
(meeting)	FY 2014/15 Marketing Plan & Renewal Timeline - submit for approval	EC
12/30/14	Financial Audit - mail to State and Counties of members	AC

**CSURMA EXECUTIVE COMMITTEE AND STAFF TELEPHONE,
POSTAL ADDRESS AND E-MAIL LIST**

ISSUE: Attached is a list of telephone numbers, postal addresses and e-mail addresses for members of the Executive Committee and Staff.

RECOMMENDATION: It is recommended that members review the list at each meeting for accuracy and make any changes or additions. If there are any changes contact Myron Leavell at 415-403-1404 or via email at mleavell@alliant.com.

FISCAL IMPACT: None.

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

ATTACHMENT(S): CSURMA Executive Committee and Staff Telephone, Postal Address and E-mail List.

**CSURMA EXECUTIVE COMMITTEE MEMBER
AS OF OCTOBER 2013**

<u>Location</u>	<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/E-mail</u>
Chancellor's Office	California State University, Office of the Chancellor	George V.	Ashkar	Assistant Vice Chancellor, Financial Services	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4671 Fax: 562-951-4865 Email: gashkar@calstate.edu
Chancellor's Office	California State University, Office of the Chancellor	Dr. Benjamin F.	Quillian	Executive Vice Chancellor/CFO	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4600 Fax: 562-951-4970 Email: bquillian@calstate.edu
Chico	California State University Chico	Michael	Thorpe	Risk Manager	400 West First Street First And Normal Chico, CA 95929	Tel: 530-898-6588 Fax: 530-898-4513 Email: methorpe@csuchico.edu
Fresno	California State University Fresno	Cynthia	Teniente-Matson	Vice President for Administration	5241 North Barton Avenue, M/S ML 52 Fresno, CA 93740-0052	Tel: 559-278-2083 Fax: 559-278-2928 Email: cmatson@csufresno.edu
Fullerton	California State University Fullerton	Lori	Gentles	Vice President, Human Resources	800 N. State College Blvd. Fullerton, CA 92831-3599	Tel: 657-278-2560 Fax: 657-278-8788 Email: lgentles@fullerton.edu
Long Beach	Forty-Niner Shops, Inc. California State University Long Beach	Robert	de Wit	Chief Financial Officer	1250 Bellflower Blvd. Long Beach, CA 90840	Tel: 562-985-5549 Fax: Email: Robert.Dewit@csulb.edu
Los Angeles	California State University Los Angeles	Lisa	Chavez	Vice-President, Administration and Chief Financial Officer	5151 State University Drive, ADM 604 Los Angeles, CA 90032	Tel: 323-343-3500 Fax: Email: lisa.chavez@calstatela.edu
Sacramento	California State University Sacramento	Ming Tung (Mike)	Lee	Vice President, Administration and Chief Financial Officer	6000 J Street, MS 6038 Sacramento, CA 95819	Tel: 916-278-5933 Fax: 916-278-5783 Email: mikelee@csus.edu
San Luis Obispo	Associated Students, California Polytechnic State University	Dwayne	Brummett	Director of Business Services	University Union Bldg 65, Rm 212 San Luis Obispo, CA 93407	Tel: 805-756-5768 Fax: 805-756-5420 Email: dbrummet@calpoly.edu
San Marcos	California State University San Marcos	Linda	Hawk	Vice President, Finance & Administrative Services	333 So Twin Oaks Valley Rd San Marcos, CA 92096-0001	Tel: 760-750-4950 Fax: 760-750-4949 Email: lhawk@csusm.edu

**CSURMA EXECUTIVE COMMITTEE STAFF
AS OF AUGUST 2013**

<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/Email</u>
CSU Office of the Chancellor	Leona	Ching	Risk Management & Public Safety Administrative Assistant	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4580 Fax: 562-951-4859 Email: lching@calstate.edu
CSU Office of the Chancellor	Kelly	Cox	Associate Director of Accounting	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4611 Fax: 562-951-4865 Email: kcox@calstate.edu
CSU Office of the Chancellor	Robert	Eaton	Senior Director, Financing and Treasury	401 Golden Shore, 5th Floor Long Beach, CA 90802-4210	Tel: 562-951-4572 Fax: Email: reaton@calstate.edu
CSU Office of the Chancellor	Zachary	Gifford	Associate Director of Systemwide Risk Management	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4568 Fax: 562-951-4859 Email: zgifford@calstate.edu
CSU Chancellor's Office, Office of General Counsel	William	Hsu	University Counsel for the CSU	401 Golden Shore, 4th Floor Long Beach, CA 90802	Tel: 562-951-4500 Fax: 562-951-4956 Email: whsu@calstate.edu
CSU Office of the Chancellor	Alice	Kim	Enterprise & CO Reporting Manager	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4627 Fax: 562-951-4865 Email: akim@calstate.edu
CSU Office of the Chancellor	Rebecca	Skidmore	Senior Risk Management Administrative Analyst	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4574 Fax: 562-951-4859 Email: rskidmore@calstate.edu
CSU Office of the Chancellor	Rima	Tanuwidjaja	Financial Reporting Analyst	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4621 Fax: 562-951-4865 Email: rtan@calstate.edu
CSU Office of the Chancellor	Mandy	Wong	CSURMA Accountant	401 Golden Shore, 5th Floor Long Beach, CA 90802	Tel: 562-951-4578 Fax: 562-951-4865 Email: mwong@calstate.edu
Alliant Insurance Services	Robert	Frey	Senior Vice President, Claims	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1445 Fax: 415-874-4810 Email: rfrey@alliant.com
Alliant Insurance Services	Jacki	Graf	Senior Workers' Compensation Claims Consultant	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1438 Fax: 415-874-4810 Email: jgraf@alliant.com

**CSURMA EXECUTIVE COMMITTEE STAFF
AS OF AUGUST 2013**

<u>Organization</u>	<u>First Name</u>	<u>Last Name</u>	<u>Title</u>	<u>Street Address</u>	<u>Phone/Fax/Email</u>
Alliant Insurance Services	Daniel	Howell	Program Director	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1426 Fax: 415-874-4810 Email: dhowell@alliant.com
Alliant Insurance Services	Hsan	Htein	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1452 Fax: 415-874-4810 Email: hhtein@alliant.com
Alliant Insurance Services	Myron	Leavell	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1404 Fax: 415-874-4810 Email: mleavell@alliant.com
Alliant Insurance Services	Robert	Leong	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1441 Fax: 415-874-4810 Email: rleong@alliant.com
Alliant Insurance Services	Mimi	Long	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1423 Fax: 415-402-0773 Email: mlong@alliant.com
Alliant Insurance Services	Dennis	Mulqueeney	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1421 Fax: 415-874-4810 Email: dmulqueeney@alliant.com
Alliant Insurance Services	Van	Rin	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1408 Fax: 415-874-4810 Email: vrin@alliant.com
Alliant Insurance Services	Michael	Simmons	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1425 Fax: 415-874-4810 Email: msimmons@alliant.com
Alliant Insurance Services	Stacey	Weeks	Program Administrator	100 Pine Street, 11th Floor San Francisco, CA 94111-5101	Tel: 415-403-1448 Fax: 415-874-4810 Email: sweeks@alliant.com