



PROGRAMS COMMITTEE MEETING “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 a publicly accessible place, including the internet, at least ten days in advance of the meeting. This meeting agenda shall also be posted at the address of the teleconference location with access for the public via phone/speaker phone.

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

1. Guy Dalpe: Cesar Chavez Student Center, SFSU, 1650 Holloway Avenue Room C-134, San Francisco
2. Gigi Kiama: University Corporation at CSUMB, 100 Campus Center, Bldg. 201, Seaside
3. Haleh Minakary: Cal Poly Pomona Foundation, CSU Pomona, 3801 W. Temple Ave., Bldg. 55, Pomona
4. Mark Day: Santos Manuel Student Union, CSU San Bernardino, 5500 University Parkway, San Bernardino
5. Jun Reina: Capital Public Radio, Inc., CSU Sacramento, 7055 Folsom Boulevard, Sacramento

Meeting Date: November 4, 2014
Time: 1:00 p.m. (Teleconference)

Location: Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111

Legend: A – Action may be taken
I – Information Only

A. CALL TO ORDER

B. PUBLIC COMMENTS

C. GENERAL ADMINISTRATION

- 1. Approval of the Agenda Order** **A p. 3**
The committee will be asked to approve today’s meeting agenda order
- 2. Approval of the Meeting Minutes – September 25, 2014** **A p. 4**
The Committee will be asked to review and approve the minutes from the last Programs Committee meeting on September 25, 2014
- 3. Liability Program Member Allocation Formula** **A p. 9**
The committee will be asked to review the draft liability program member allocation formula

D. INFORMATION ITEMS

- 1. 2014 CSURMA AORMA Meeting Calendar**

I p. 11

E. ADJOURNMENT

The next PC meeting is scheduled for December 11, 2014 at 1:00pm via teleconference

APPROVAL OF THE AGENDA ORDER

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

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

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None.

APPROVAL OF MEETING MINUTES – SEPTEMBER 25, 2014

ISSUE: The Committee will be asked to review and approve the draft minutes from the September 25, 2014, Programs Committee meeting.

RECOMMENDATION: Staff recommends approving the minutes, with revisions as necessary.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Meeting Minutes – September 25, 2014

**MINUTES OF THE CSURMA AORMA
PROGRAMS COMMITTEE MEETING
SEPTEMBER 25, 2014
TELECONFERENCE MEETING
1:00 PM**

MEMBERS PRESENT

Guy Dalpe, Cesar Chavez Student Center (San Francisco State University)
 Mark Day, Santos Manuel Student Union (CSU San Bernardino)
 Gigi Kiama, University Corporation (CSU Monterey Bay)
 Haleh Minakary, The Cal Poly Pomona Foundation, Inc. (Cal Poly Pomona)
 Jun Reina, Capital Public Radio, Inc. (CSU Sacramento)

STAFF, GUESTS AND CONSULTANTS

Tevea Him, Alliant Insurance Services, Inc.
 Mimi Long, Alliant Insurance Services, Inc.

A. CALL TO ORDER

The meeting was called to order by Guy Dalpe at 1:01 PM.

B. PUBLIC COMMENTS

There were no public comments.

C. GENERAL ADMINISTRATION

C1. Approval of the Agenda Order

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

First: Haleh Minakary
Second: Gigi Kiama

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Gigi Kiama	X			
Haleh Minakary	X			
Mark Day	X			
Jun Reina	X			

MOTION CARRIED

C2. Approval of Minutes – July 2, 2014

A motion was made to approve the minutes of the July 2, 2014 meeting.

First: Gigi Kiama
Second: Haleh Minakary

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Mark Day	X			
Gigi Kiama	X			
Haleh Minakary	X			
Jun Reina	X			

MOTION CARRIED

C3. New Programs Committee Member – Jun Reina

Guy Dalpe introduced Jun Reina from Capital Public Radio as the newest member of the AORMA Programs Committee.

C4. Liability Program Member Allocation Formula

Mimi explained that the supplemental actuarial report had been received and reviewed by staff. It includes the recommended funding/rates for the four new rating categories – auto liability, premises liability, employment practices liability, and all other liability – within the pooled layer, and the member experience modification factors. The actuary’s report demonstrates that the current rating allocation formula is not keeping up with AORMA’s employment practices liability (EPL) exposures. This is not surprising as EPL losses have dramatically increased over the past several years and also AORMA’s auto and premises liability loss experience has been exceptional, which makes the percentage of EPL claims higher. The committee was interested in how AORMA’s EPL rate compares with the Campus EPL rate. Mimi mentioned that the Campus program doesn’t breakout the different exposure types, but she will inquire if a rate estimate for the EPL on the Campus program is available.

Mimi explained that the auto liability rate is “per vehicle”, the premises liability rate is “per 1,000 in square feet”, the other liability rate is “per 1,000,000 in expenditures” and the EPL rate is “per 1,000,000 in payroll”.

Exposure	FY 15/16 Actuary's Recommended Rating	FY 14/15 ISO Rating		FY 15/16 Collared Rating			
		Rate	Premium	Rate	Premium	Rate	Premium
Auto Liability	438	150 ⁽¹⁾	65,731	346 ⁽¹⁾	151,673	333 ⁽¹⁾	145,854
Premises Liability	14,682,014	37 ⁽²⁾	544,556	99 ⁽²⁾	1,448,065	50 ⁽²⁾	734,101
Other Liability	1,419,490,726	132 ⁽³⁾	187,799	⁽³⁾	Included	333 ⁽³⁾	472,690
EPL	420,828,583	2,566 ⁽⁴⁾	1,079,850	661 ⁽⁴⁾	278,198	1,248 ⁽⁴⁾	525,194
Total			1,877,936		1,877,936		1,877,839

The committee directed staff to move forward in concept with the new rating plan which is actuarially based rather than ISO rating based. The committee asked staff to add in % collars as well as a minimum and maximum dollar amount collars. At the next meeting, Staff will provide a loss ratio comparison showing new premium and old premium. (It will assume that the member had been charged the new premium for five years. How would their loss ratio look?)

C5. Revision to AORMA’s Liability Program Memorandum of Coverage

Mimi stated that HSU, Sponsored Programs Foundation, occasionally rents off-road vehicles for sponsored programs. Similar to RV’s and limousines, the auto rental agency does not allow the renter to purchase the physical damage coverage when renting the vehicle.

Staff recommended revising the Domestic Hired Automobile Physical Damage endorsement to delete, “CSURMA AORMA will not cover loss due to off-road operation of the rented auto.” Therefore, if a vehicle is driven legally off-road, this endorsement would not exclude coverage. The following exclusion would remain on the endorsement, “CSURMA AORMA will not pay for loss arising out of any violation of the rental car agreement.”

A motion was made to recommend to the AORMA Committee that Exclusion N remain on the policy, but that the following wording be added,

“CSURMA AORMA will not cover loss due to off-road operation of the rented auto, **except when the off-road operation is authorized by a Covered Party and is used for an appropriate business operation.**”

- First:** Mark Day
- Second:** Jun Reina

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Mark Day	X			
Gigi Kiama	X			
Haleh Minakary	X			
Jun Reina	X			

MOTION CARRIED

D. INFORMATION ITEMS

D1. CSURMA AORMA 2014 Meeting Calendar

An additional Programs Committee meeting was added on November 4, 2015 at 1:00 PM so that the committee could review the FY 15/16 Liability Program Member Allocation one more time before the final allocation is approved in December, 2015.

- D2. 2014 CSURMA Service Calendar and Long Range Action Plan**
- D3. FY 14/15 AORMA Committee and Standing Committee Roster**

There was no additional discussion regarding the remaining information items.

E. ADJOURNMENT

A motion was made to adjourn the meeting at 2:05 PM

- First:** Gigi Kiama
- Second:** Haleh Minakary

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Mark Day	X			
Gigi Kiama	X			
Haleh Minakary	X			
Jun Reina	X			

MOTION CARRIED

FY 15/16 LIABILITY PROGRAM
MEMBER ALLOCATION FORMULA

ISSUE: The supplemental actuarial report has been received and reviewed by staff. It includes the recommended funding/rates for the four new rating categories – auto liability, premises liability, employment practices liability, and all other liability – within the pooled layer, and the member experience modification factors. The actuary’s report demonstrates that the current rating allocation formula is not keeping up with AORMA’s employment practices liability (EPL) exposures. This is not surprising as EPL losses have dramatically increased over the past several years and also AORMA’s auto and premises liability loss experience has been exceptional, which makes the percentage of EPL claims higher.

RECOMMENDATION: Staff recommends that the committee adopt the new rating plan with rate collars, and provide direction to Staff.

FISCAL IMPACT: The total funding of the liability program will not change; however, each member’s allocation of the total premium will be revised. Staff has added rate collars to the allocation formula in order to limit the fiscal impact to any one member.

BACKGROUND: Noted below is a comparison of the actuary’s recommended costs, the actual FY 14/15 costs and the draft collared FY 15/16 costs.

Exposure	FY 15/16 Actuary's Recommended Rating		FY 14/15 ISO Rating		FY 15/16 Collared Rating		
	Rate	Premium	Rate	Premium	Rate	Premium	
Auto Liability	438	150 ⁽¹⁾	65,731	346 ⁽¹⁾	151,673	333 ⁽¹⁾	145,854
Premises Liability	14,682,014	37 ⁽²⁾	544,556	99 ⁽²⁾	1,448,065	50 ⁽²⁾	734,101
Other Liability	1,419,490,726	132 ⁽³⁾	187,799	⁽³⁾	Included	333 ⁽³⁾	472,690
EPL	420,828,583	2,566 ⁽⁴⁾	1,079,850	661 ⁽⁴⁾	278,198	1,248 ⁽⁴⁾	525,194
Total			1,877,936		1,877,936		1,877,839

(1) Per vehicle, (2) Per 1,000 sq ft, (3) Per 1,000,000 expenditure, (4) Per 1,000,000 payroll.

Staff will forward the allocation in a separate email prior to the meeting.

PUBLICATION: The new rating plan and premium will be published in the “January” letter and a detailed explanation will be included in the campus member presentation.

ATTACHMENT(S):

- a. The liability program member allocation will be sent in a separate email prior to the meeting.

CSURMA AORMA 2014 MEETING CALENDAR

ISSUE: The Program Administrator includes a current copy of the CSURMA AORMA meeting calendar in every agenda

RECOMMENDATION: No action is requested on this item.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA AORMA – 2014 Meeting Calendar



California State University Risk Management Authority
Auxiliary Organizations Risk Management Alliance

2014 CSURMA • AORMA MEETING CALENDAR

JANUARY, 2014	FEBRUARY, 2014	MARCH, 2014
12-15 AOA Conference: Sacramento	3 MSLCTC: Teleconference, 11:00 a.m. 6 PC: Teleconference, 2:00 p.m. 18 Liab claim review: Teleconference, 10:00 AM Only the AORMA Chair and Vice Chair attend the liab claim review	3 MSLCTC: Teleconference, 11:00 a.m. 6 PC: Teleconference, 1:00 p.m. 20 AORMA: Newport Beach, 10:00 a.m. 20 EC: Newport Beach: 2:30 p.m. 21 EC LRP: Newport Beach, 8:00 a.m. 21 AOA EC: Pasadena: 8:30 a.m. Only the AORMA Chair and Vice Chair attend the EC meetings Only the AORMA Chair attends to AOA EC meeting
APRIL, 2014	MAY, 2014	JUNE, 2014
3 PC: Teleconference, 1:00 p.m. 7 MSLCTC: Teleconference, 11:00 a.m. 8 Liab claim review: Teleconference, 10:00 AM 10 PC: Teleconference, 2:00 p.m. Only the AORMA Chair and Vice Chair attend the liab claim review	1 PC: Teleconference, 1:00 p.m. 8 AORMA: Long Beach, 10:00 a.m. 9 EC: Long Beach, 8:00 a.m. 9 BOD: Long Beach, 10:30 a.m. 26 MSLCTC: Teleconference, 11:00 a.m. 27 MSLCTC: Teleconference, 11:00 a.m. Only the AORMA Chair and Vice Chair attend the EC meetings All AORMA Committee members attend the BOD	5 PC: Teleconference, 1:00 p.m. 20 AOA EC: Long Beach 26 PC: Teleconference, 1:00 p.m.

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

2014 CSURMA • AORMA MEETING CALENDAR

JULY, 2014	AUGUST, 2014	SEPTEMBER, 2014
<p>02 PC: Teleconference, 1:00 p.m. 15/16 AORMA Officers Retreat, Sonoma 28 MSLCTC: Teleconference, 11:00 a.m. 31 PC: Teleconference, 1:00 p.m.</p> <p>Only the AORMA Chair, Vice Chair, Past Chair and Ex Officio attend the AORMA Officers Retreat</p>	<p>13 Liab claim review: Telecon, 10:00 a.m. 15 AOA EC: San Diego 24 PC: Teleconference, 1:00 p.m.</p> <p>Only the AORMA Chair and Vice Chair attend the liab claim review</p> <p>Only the AORMA Chair attends to AOA EC meeting</p>	<p>10 AORMA New Committee Member Orientation: Newport Beach, 9:00 a.m. 10 AORMA LRP: Newport Beach, 10:00 a.m. 11 AORMA: Newport Beach, 9:00 a.m. 12 EC: Newport Beach, 8:30 a.m. 25 PC: Teleconference, 1:00 p.m. 29 MSLCTC: Teleconference, 11:00 a.m.</p> <p>Only the AORMA Chair and Vice Chair attend the EC meetings</p>
OCTOBER, 2014	NOVEMBER, 2014	DECEMBER, 2014
<p>23 AORMA: Long Beach, 10:00 a.m. 24 EC: Long Beach, 9:00 a.m. 24 BOD: Long Beach, 10:30 a.m.</p> <p>Only the AORMA Chair and Vice Chair attend the EC meetings</p> <p>All AORMA Committee members attend the BOD</p>	<p>4 PC: Teleconference, 1:00 p.m. 12 Liab claim review: Teleconference, 10:00 AM 17 MSLCTC: Teleconference, 11:00 a.m. 21 AOA EC: Pasadena</p> <p>Only the AORMA Chair and Vice Chair attend the liab claim review</p> <p>Only the AORMA Chair attends to AOA EC meeting</p>	<p>4 AORMA: TBD, 10:00 a.m. 5 EC: TBD, 8:30 a.m. 11 PC: Teleconference, 1:00 p.m.</p> <p>Only the AORMA Chair and Vice Chair attend the EC meetings</p>

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