



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.

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 requires routine provision of identification to building security. However, CSURMA 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. Teleconference Location - CSU Chancellor’s Office, 401 Golden Shore, Long Beach, CA
2. Dave Nakamura - Humboldt State University Center, 1 Harpst Street, Arcata, CA

Meeting Date: September 7, 2018
Time: 8:30 AM

Primary Location: Alliant Insurance Services
2180 Harvard Street, Suite 460
Sacramento, CA

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

A. CALL TO ORDER

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

B. PUBLIC COMMENTS

C. CONSENT CALENDAR

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will be asked to take action on the consent calendar items as a group; however, a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

1. **Approval of Minutes – April 25, 2018** **A** p. 5
The Committee will be asked to approve the minutes from its last meetings.
2. **Adoption of CSURMA Executive Committee and Board of Directors 2019 Meeting Calendar** **A** p. 21
The Committee will be asked to take action to set the Committee’s meeting calendar for 2019
3. **Financial Report** **A**
 - a. Receipt and Review of the Draft Financial Statements at June 30, 2018 p. 23
 - b. Treasurer’s Report at June 30, 2018 p. 36

D. GENERAL ADMINISTRATION

- | | | |
|--|----------|---------------|
| 1. Insurance Renewals Report | I | <i>p. 43</i> |
| <i>The Committee will receive a report on the completion of insurance renewal negotiations and may take action or provide direction as necessary</i> | | |
| 2. Actuarial Reports for Liability, Workers' Compensation, and Athletic Injury Medical Expense Programs | A | <i>p. 44</i> |
| <i>The Committee will be asked to review and accept the FY 18/19 Liability Program, Workers' Compensation, and AIME actuarial reports.</i> | | |
| 3. Campus Risk Pools Funding Status at June 30, 2018 | A | <i>p. 51</i> |
| a. Risk Pools Funding Status | | |
| <i>The Committee will receive a report on the pooled program funding status at June 30, 2018.</i> | | |
| b. Evaluation of Potential Campus Risk Pool Dividends and Assessments | | |
| <i>The Committee will consider whether to declare a dividend or assessment from the Campus Risk Pool.</i> | | |
| 4. FY 2019/20 Rates and Gross Funding Campus Coverage Programs | A | <i>p. 63</i> |
| <i>The Committee will be asked to recommend to the Board of Directors the campus program rates for the upcoming fiscal year.</i> | | |
| 5. Task Group Report on OCIP and Revision to Policy and Procedure No. 20 – Owner Controlled Insurance Program (OCIP) | A | <i>p. 74</i> |
| <i>The Committee will hear a report from the OCIP Task Group on process changes and funding of the OCIP and will be asked to adopt revisions to Policies and Procedures No. 20.</i> | | |
| 6. CSURMA Support of Systemwide EH&S Software Package | A | <i>p. 97</i> |
| <i>The Committee will be asked to discuss the CO's proposal for expanding the current agreement with the UC Risk and Safety Solutions (RSS) as well as MSDS Online and to approve support of both contracts.</i> | | |
| 7. Change in Calculation of the Campus WC Risk Pool Premium Audit Adjustment | A | <i>p. 107</i> |
| <i>The Committee will be asked to discuss how payroll audits are the changes that are necessitated due to a new reinsurer.</i> | | |
| 8. CSURMA AORMA Benefits Program | A | <i>p. 110</i> |
| <i>The Committee will be asked to take action regarding the proposed addendum to the Broker/Consultant Services Agreement</i> | | |

9.	Renewal of the VEOCI Agreement <i>The Committee will be asked to approve a contract extension with VEOCI, the Virtual Emergency Operations Center providing a cloud-based emergency management, business continuity and disaster recovery platform.</i>	A	<i>p. 154</i>
10.	California Maritime Academy – Day on the Bay <i>The Committee will be asked to consider extending coverage.</i>	A	<i>p. 156</i>
E.	OTHER PROGRAMS		
1.	AORMA Programs Update <i>The Committee will receive a verbal report on the AORMA programs</i>	I	<i>p. 157</i>
2.	AIME Program Update <i>The Committee will receive a verbal report on the AIME</i>	I	<i>p. 158</i>
F.	CLOSED SESSION Pursuant to Cal. Gov. Code Sec. 11126(e)(1) & 11126(f)(1) <i>– Action may be taken per Government Code Section 11126(e)(1) & 11126(f)(1). The matters below may be discussed. The Committee may take action or provide direction to Staff regarding the matters.</i>	A	
1.	Sargent v. CSU (Sonoma)		
2.	Benjamin v. CSU (Sonoma)		
3.	Hudson v. CSU (LA)		
4.	Shepler v. CSU		
5.	SFSU Science Building Insurance Coverage Claim		
6.	SLO Landside Insurance Coverage Claim		
7.	CNA v. CSU		
G.	INFORMATION ITEMS		
1.	Campus Workers' Compensation Program Aggregate Stop Loss Coverage Status (PARCEL)	I	<i>p. 159</i>
2.	FY 2018/2019 Long Range Planning Goals – Update on Completion Status	I	<i>p. 169</i>
3.	CSURMA Administrative Service Calendar	I	<i>p. 173</i>
4.	2018 CSURMA Meeting Calendar	I	<i>p. 179</i>
5.	CSURMA Executive Committee & Staff Contact List	I	<i>p. 181</i>
H.	ADJOURNMENT		

The next CSURMA Executive Committee meeting is scheduled for October 26, 2018, in the CSU Chancellor’s Office in Long Beach, CA
If you have questions regarding the agenda package, please contact Mimi Long at mlong@alliant.com / (415) 403-1423 or Tevea Him at thim@alliant.com / (415) 403-1416

APPROVAL OF THE AGENDA

ISSUE: The Committee will be asked to approve the agenda 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 MINUTES – APRIL 25, 2018

ISSUE: The Executive Committee will be asked to review and approve the draft minutes of its April 25, 2018 meeting.

RECOMMENDATION: It is recommended that the Executive Committee approve the minutes from its April 25, 2018 meeting, including revisions as necessary.

FISCAL IMPACT: None.

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

PUBLICATION: All CSURMA Executive Committee meeting minutes are posted on the CSURMA website once they are approved.

ATTACHMENT(S):

- a. CSURMA EC Meeting Minutes - April 25, 2018

**MINUTES OF THE
CSURMA EXECUTIVE COMMITTEE MEETING**

APRIL 25, 2018

**SHERATON SAN DIEGO HOTEL & MARINA (FAIRBANK A ROOM)
1590 HARBOR ISLAND DRIVE, SAN DIEGO, CA 92101**

8:30 AM

MEMBERS PRESENT

Scott Apel, California State University Long Beach
Dwayne Brummett AORMA Vice-Chair, Associated Students, Inc. at San Luis Obispo
Lisa Chavez (Vice-Chair), California State University Los Angeles
Thom Davis, California State University, Bakersfield
Robert Eaton (Treasurer), California State University, Office of the Chancellor
Lisa Kao, California State University, Fresno
Mike Lee (Chair), California State University, Sacramento
Dave Nakamura, Humboldt Center
Kevin Saunders, California State University, Monterey Bay

MEMBERS ABSENT

None

STAFF, GUESTS & CONSULTANTS

Andrew Gaspari, Alliant Insurance Services, Inc.
Zachary Gifford (CSURMA Secretary/Auditor), CSU Office of the Chancellor
Tevea Him, Alliant Insurance Services, Inc.
Daniel Howell - Alliant Insurance Services, Inc.
William Hsu, CSU Office of the Chancellor, OGC (*via Teleconference*)
Rob Leong - Alliant Insurance Services, Inc.
Amy Lightner, Alliant Insurance Services, Inc.
Jessica Liu Tanaka, CSU Office of the Chancellor, CSURMA Accounting (*via Teleconference*)
Mimi Long, Alliant Insurance Services, Inc.
Nada Moeiny, CSU Office of the Chancellor, OGC
Amy Thomas, California State University, Stanislaus
Edith Winterhalter, California State University, Northridge

A. CALL TO ORDER

The meeting was called to order by the Chair, Mike Lee at 8:30 AM.

A1. Approval of the Agenda

A motion was made to approve the agenda order.

MOTION: Lisa Chavez
SECOND: Scott Apel

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

B. PUBLIC COMMENTS

Mike Lee let the Committee know that this will be his last meeting as he is retiring on August 1, 2018.

C. CONSENT CALENDAR

- C1. Approval of Minutes – March 8 and 9, 2018**
- C2a. Financial Statements at March 31, 2018**
- C3b. Treasurer’s Quarterly Investment Report**
- C3 FY 2018/2019 CSURMA Operating Budget**
- C4 Review of the CSURMA’s Conflict of Interest Code**

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

MOTION: Kevin Saunders
SECOND: Thom Davis

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D. GENERAL ADMINISTRATION

D1. FY 2018/2019 Long Range Action Plan

Daniel Howell reviewed the items on the draft FY 18/19 Long Range Action Plan.

- LRP-1 Special Events Resources Guide
- LRP-2 RMIS Reporting
- LRP-3 Captive Insurer
- LRP-4 Campus Visits
- LRP-5 Systemwide EH&S
- LRP-6 Student Club Activities
- LRP-7 IRIC and SERG Manual Training
- LRP-8 Budgeting Practices Related to CSURMA Dividends
- LRP-9 Financial Reporting
- LRP-10 Quarterly CSURMA Reports for CABO Utilizing RMIS Dashboard and Graphics
- LRP-11 OCIP Dividend Policy and Procedure

A motion was made to approve the FY 18/19 Long Range Action Plan as presented.

MOTION: Thom Davis

SECOND: Scott Apel

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D2. Review and Amendment to CSURMA Policy & Procedure No. 15 – Responsibilities of the Treasurer and the Secretary-Auditor

Daniel Howell explained that CSURMA has established policies and procedures to facilitate operation of CSURMA’s activities and programs. Policy and Procedure No. 15 describes the

Responsibilities of the Treasurer and the Secretary-Auditor. At the March meeting, the Executive Committee asked about the CSURMA Secretary-Auditor’s delegated authority to negotiate and renew service agreements. Policy and Procedure No. 15 currently delegates authority to bind insurance renewals, but does not discuss renewals or extensions of service agreements. Howell reviewed the proposed revisions to Policy and Procedure No. 15 noting that it would delegate authority to the Secretary-Auditor to renew or extend agreements with a requirement that the Executive Committee receive a report on any action taken by the Secretary-Auditor in this regard.

A motion was made to approve the proposed revision to Policy and Procedure No. 15.

MOTION: Kevin Saunders
 SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D3. Excess Insurance Renewals Update and Underwriter Meeting Report

Daniel Howell summarized the CSURMA’s coverage programs which renew on July 1. Chancellor’s Office and Program Administrator staff are actively marketing the programs and negotiating renewal terms. At this time the Program Administrator anticipates the major programs will renew as shown in Table 1 below.

Table 1
Projected Renewal Cost Change Estimates

Program	AORMA Percent Change	Campus Percent Change
Excess Liability	+5%	+5%
Property	+10%	+10%
Worker’s Compensation	Flat Rate or Decrease	Flat Rate or Decrease
Builder’s Risk	N/A	Flat Rate or Decrease
Fine Arts	0%	+25%

SPLIP & SAFECLIP	Flat Rate or Decrease	Flat Rate or Decrease
FTIP	Flat Rate or Decrease	Flat Rate or Decrease
Aviation	Flat Rate or Decrease	Flat Rate or Decrease
Medical Malpractice	N/A	Flat Rate or Decrease
Fidelity	-5%	-5%

The cost of the insurance programs is included in the proposed budget and renewals are expected to be within the budgeted amount.

- **Excess Liability** – This program has seen loss development in the first excess layers for both the AORMA and Campus programs. The Program Administrator anticipates rate increases in the lower layers and possible rate increases in the excess layers due to catastrophic losses impacting the entire marketplace. Underwriters have concerns about TBI injuries in professional and college sports and we anticipate pressure to reduce or eliminate the coverage, which may require changing our insurer partners.
- **Property** – Property losses to both the AORMA and Campus programs has increased the past two years. While CSU performed well in the wet winter and recent wildfires, related losses and other losses continue to mount. Significant rate decreases in recent years will likely be partially eroded by increases this coming renewal.
- **Workers’ Compensation** – CSURMA has an existing two year rate agreement. The Excess Insurance Authority has offered a rate decrease in return for a new two year commitment by CSURMA.
- **Builders Risk** – This program is stable and the Program Administrator expects a flat rate renewal, though general market pressures due to catastrophic property losses may result in an increase. Rates are down 25% in recent years.
- **Fine Arts** – This program was launched in 2016 and the Program Administrator anticipates underwriters will require a rate increase due to a loss ratio above 100% in the first 24 months of the program.
- **SPLIP & SAFECLIP** – These programs performed exceptionally well with no losses and rates will remain stable.
- **FTIP** – The loss ratio has stabilized at a level acceptable to underwriters. The Program Administrator expects a flat rate renewal.
- **Aviation** – This program has no losses and the market is soft. The Program Administrator expects a flat rate renewal despite general aviation market firming.
- **Medical Malpractice** – This program is at minimum premiums and we expect a flat renewal; however, general market firming may come into play.
- **Fidelity** – Claims have remained low and the Program Administrator expects a premium decrease on renewal unless new claims materialize prior to renewal.

D4. Witt O’Brien Consulting Services - Two-Year Contract Extension

At its last meeting, Committee members questioned why the Campuses should be asked to pay for Task 1 when it is specific to the Chancellor’s Office only. Zachary Gifford provided an overview of the new scope of services proposed by Witt O’Brien’s for the period July 1, 2018

and June 30, 2019 as shown below. The annual fee of \$300,000 is included in the operating budget for FY 17/18 and the proposed budget for FY 18/19.

Also, as recommended within the CSURMA Operational Review, Witt O’Brien’s has agreed to delete Section 11, Limitations of Liability, from their agreement with CSURMA.

CSU Chancellor’s Office July 1, 2018 – June 30, 2019		
Tasks related to Chancellors Office Emergency Management Program		
		BUDGET
Task 1	Preparedness and Resiliency: Emergency Plans, Training, and Exercises	\$110,000
Tasks related to CSU System-Wide Emergency Management Program		
Task 2	Presidents and Senior Management Training Seminar	\$50,000
Task 3	CSU System Emergency Management and Business Continuity Affinity Groups Support	\$40,000
Task 4	System-Wide Coordination Resources	\$45,000
Task 5	CSU System Public Information Officer Training	\$15,000
Task 6	Provide strategic advisory, representation, and technical as needed	\$15,000
Task 7	CSU Risk Management Authority (CSURMA) Support	\$5,000
Task 8	Support Systemwide Mitigation Plan (pending receipt of FEMA grant funding)	
	Expenses are included in the tasks	
Task 9	Support for Chancellor’s Office Training	\$20,000
	TOTAL	\$300,000

A motion was made to accept Witt O’Brien’s proposed scope of services for July 1, 2018 to June 30, 2019, and also delegate authority to the CSURMA Secretary-Auditor, in coordination with the CSURMA Legal Counsel, to execute a new two-year addendum to the existing agreement.

MOTION: Lisa Chavez
 SECOND: Thom Davis

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			

Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D5. Extension of the UC Theater Safety Contract

Zachary Gifford explained that the MOU between CSURMA and the University of California outlines the audit, inspection and risk assessment services provided by the UC for CSU’s performing arts facilities, operations and activities. The current MOU will expire on June 30, 2018. The UC has provided an amendment to extend the current MOU from July 1, 2018 to June 30, 2019.

The cost for the services included in the MOU is \$3,400 per month, up to a total of \$40,000 per year, plus travel expenses (not to exceed \$5,000). These costs are included in the current CSURMA budget for FY 17/18 and the proposed budget for FY 18/19.

Per the MOU agreement the UC will provided the following services:

- Service 1 - Audit Injury and Illness Prevention Program Compliance
- Service 2 - Conduct Facility Health and Safety Inspections
- Service 3 - Perform Risk Assessment of Hazardous Operations and Activities
- Service 4 - Provide Safety Education and Outreach Materials

A motion was made to delegate authority to the Secretary-Auditor to execute the MOU extension, with input from CSURMA’s legal counsel as appropriate.

MOTION: Lisa Chavez

SECOND: Scott Apel

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D6. Revisions to Policy & Procedure No. 20 – Owner Controlled Insurance Program (OCIP) and Policy & Procedure No. 24 – Builders Risk Insurance Program (BRIP)

Robert Leong explained that CSURMA staff and Systemwide Risk Management met with the Chancellor’s Office Capital Planning, Design & Construction (CPDC) along with Alliant’s Construction Services Group to resolve procedural issues that prevented construction projects from realizing expected savings from the Owner Controlled Insurance Program (OCIP); i.e., the projects’ net insurance cost after dividends. The program dividends are not calculated until after project completion, and CPDC has no means to adjust project costs after a project is closed. Additionally, quarterly premium adjustments have been delayed due to the time needed to reconcile and agree on construction values and the calculations used to determine the amounts due.

To enable CPDC to determine ultimate project insurance costs and to facilitate premium adjustments, CSURMA and CPDC agreed to amend the premium payment process so that all project premiums will be paid by CSURMA, and the projects will reimburse CSURMA the net insurance cost, which shall be calculated to include the cost savings anticipated from the future payment of dividends by OCIP’s insurers. Dividends subsequently paid by the insurers will be retained by CSURMA. Because dividends are not guaranteed, there is uncertainty as to the actual amount of dividends to be paid by the insurers, whose risk is assumed by CSURMA. The draft revision to Policy and Procedure No. 20 (OCIP) has been reviewed by all parties in the Chancellor’s Office, and will serve to memorialize the understanding between CSURMA and CPDC. CPDC will be reimbursed for administration costs from the gross program dividends before net dividends are disbursed.

Policy & Procedure No. 24 (BRIP) describes CSURMA’s administration for the Builder’s Risk Insurance Program. The proposed revisions to Policy and Procedure No. 24 describe the agreed payment process for BRIP, which is to be similar to OCIP for administrative consistency.

Mike Lee appointed a task group to review the changes to Policies and Procedures Nos. 20 and 24 and to review the proposed OCIP payment process, cost implications, draft amendments to Policy and Procedure No. 20 (OCIP) and No. 24 (BRIP), and will develop a recommendations for the next Executive Committee meeting in September 2018. Task Group includes Lisa Chavez (chair), Thom Davis, and Scott Apel. Additional facilities staff will join the task group as well.

D7. CSAC-EIA Workers’ Compensation Renewal Options

Robert Leong explained that CSURMA has been participating in the CSAC Excess Insurance Authority (EIA) Primary Workers’ Compensation (PWC) program since January 1, 2015. CSURMA accepted terms last year to renew both the Campus WC and AORMA WC programs for a new two year period (i.e., FY 17/18 and FY 18/19) in return for a guaranteed rate on the primary layer and reduced cost from EIA’s captive investment pool. Upon review of CSURMA’s

collective loss experience and the actuary’s projections for Campus WC and AORMA WC, staff requested EIA to review its renewal terms for FY 18/19. EIA revised its renewal terms for FY 18/19, and submitted a new two year proposal to extend the agreement through FY 19/20.

The table below shows the projected costs for FY 18/19.

CSAC-EIA WORKERS' COMPENSATION COVERAGE PROGRAM					
Cost Options for FY 18/19					
		CSU		AORMA	
<i>Actuarial Confidence --></i>		<i>at Expected</i>	<i>at 70%</i>	<i>at Expected</i>	<i>at 70%</i>
A	Funding at Selected Discounted ¹	\$31,950,173	\$33,102,223	\$3,959,743	\$4,631,361
B	Renewal Cost at Current Rate Agreement ²	\$32,143,764	\$32,143,764	\$4,983,297	\$4,983,297
C	Savings from Actuarial Funding (A-B)	(\$193,591)	\$958,458	(\$1,023,553)	(\$351,936)
D	Funding with New Two-Year Commitment	\$31,148,113	\$31,148,113	\$3,998,076	\$3,998,076
E	Additional Savings (B-D)	\$995,651	\$995,651	\$985,221	\$985,221
F	Total Savings (C+E)	\$802,060	\$1,954,110	(\$38,333)	\$633,285

¹ Based on Aon Actuarial Reports dated August 9, 2017, including cost for excess insurance.

² Adjusted for Proposed Payroll Basis.

EIA’s two-year proposal effectively locks in both CSU and AORMA costs at less than their discounted values. For FY 18/19, EIA premium for CSU is \$31,148,113 vs. \$31,950,173 (*expected*) or \$33,102,223 (*70% confidence level*) if self-funded. CSU savings are estimated to be \$802,060 (*expected*) or \$1,954,110 (*70% confidence level*) over self-funding. EIA further agreed to continue the strategic process to mitigate the additional premium burden for Campus WC by increasing the payroll basis by 2.5%.

AORMA’s premium is \$3,998,076 vs. \$3,959,743 (*expected*) or \$4,631,361 (*70% confidence level*) if self-funded. EIA’s premium for AORMA is \$38,333 more than self-funding at expected, but saves \$633,285 at 70% confidence level.

A motion was made to approve the two-year agreement with EIA’s PWC Program for FY 18/19 and FY 19/20.

MOTION: Kevin Saunders
 SECOND: Thom Davis

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D8. Review of Budgeting Practices Regarding Dividends

Robert Leong explained at its March 8, 2018 meeting, the Executive Committee questioned whether it was appropriate to include anticipated dividends in the annual operating budget. CSURMA’s operating budget is developed as a cash flow budget, and dividend payments represent a cash outflow. CSURMA records dividends as an expense rather than as a change in equity. The Executive Committee requested staff to review the practice with Accounting and to amend the budget practice accordingly, if any. Accounting reported as follows:

CSURMA’s financial statements are prepared under GASB and KPMG concurs with management’s accounting treatment of the CSURMA activities as internal service fund activities. This results in the recognition of all charges to the members as revenues and loss expenses and dividends as expenses, and more detailed information can be found in GASB 10.

Accounting found the definition of Operating Revenues in Policy & Procedure No.11 should be corrected to read, “Operating Revenues shall include Members’ Contributions and ~~Dividends~~. Reinsurance premiums.”

A motion was made to approve the amendments to Policy & Procedure No. 11 and to make no changes to the dividend declaration process.

MOTION: Scott Apel
 SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			

Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D9. CSURMA Operational Review Report

Mimi Long explained that CSURMA Operational Review completed on March 2, 2018, resulted in an overall compliance score of 96%. The reviewer, Robin Johnson, made eight recommendations to better the operations of CSURMA. The Committee reviewed the recommendations and Staff’s response to each.

CSURMA Operational Review Report – March, 2018 Recommendations		
	Recommendation	Response
1.	CSURMA should file amendments to the JPA agreement as soon as practical after adoption of such amendments.	The JPA Agreement was filed with the State of California on March 12, 2018.
2.	The minutes for the Board of Director’s meetings should reflect the vote or abstention of each of the Board members.	Staff will comply with this recommendation going forward.
3.	Provision No. 11 of the Witt O’Brien contract, which states the consultant will not be liable for damages arising out of the contract, should be deleted.	The agreement was amended via addendum.
4.	Staff should check certificates of insurance against the coverages required under the contracts to make sure all required coverages are in place. Although most of the coverages required by the contracts were shown on certificates, the professional liability coverage certificates request by the Alliant and the Sedgwick contracts were not available at the time of the site visit.	Staff requested and received the missing certificates of insurance.
5.	CSURMA should consider providing greater details in the allocation of contributions from the campuses, similarly to what is done for the Auxiliaries.	No action taken. The CSURMA rating plan task group (RPTG) meets every three years to review in detail all Campus rating plans to confirm that the allocation formulas are still fair and equitable to all

		members. The RPTG publishes a report and shares it with the EC and BOD.
6.	CSURMA may consider placing the coverage documents for the campuses on the website for member references. Because the property program has many documents, perhaps, posting the first layer insurance policies would be sufficient.	The Coverage Documents have been uploaded to the CSURMA website.
7.	CSURMA should consider providing the members with CSAC-EIA's workers' compensation coverage document rather than CSURMA's own documents to reduce the possibility of gaps in coverage between the documents and confusion regarding who provides and controls the coverage.	No action taken. Because the CSAC-EIA coverage program is secured as reinsurance to the CSURMA Campus and AORMA workers' compensation programs and because workers' compensation coverage is based on statutory limits, CSURMA has chosen not to adopt the EIA coverage form.
8.	CSURMA may consider providing the Board of Directors with a summary of the financial strength of the insurance providers to the programs.	Staff will provide this report to the EC and BOD annually going forward.

A motion was made to accept the report as well as Staff's recommendations for action as shown above.

MOTION: Thom Davis
 SECOND: Scott Apel

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

D10. Financial Report of the CSURMA Insurers and Reinsurers

Daniel Howell explained that one of the recommendations that came out of the CSURMA Operational Review was the suggestion that Staff should consider providing to the Board of

Directors a summary of the financial strength of all insurance and reinsurance providers on the CSURMA programs. Staff prepared the report based on the current placements for FY 17/18 and will update the report in October for the FY 18/19 placements. Staff agreed to add a key to the report which explains the financial ratings.

D11. Club Liability Insurance Program (CLIP)

Daniel Howell explained the formation of a new CSURMA Club Liability Insurance Program (CLIP). CLIP provides general and professional liability coverage for officially recognized clubs of the California State University. Coverage is provided for both on and off campus activities. Limits include \$1MM per occurrence and \$5MM aggregate. Injuries arising from fraternal organizations (men and women), hazing and injuries to participants while participating in athletic activities are excluded. Liquor liability is included, however, it must be poured by a licensed provider.

\$150,000 will be charged to the liability fund and allocated to campuses within the FY 19/20 rates. Campuses will then have the option of whether to recover the costs from their clubs, similar to SPLIP and SAFECLIP. For the FY 18/19 program, the premium will be allocated based on campus payroll but the allocation will be thoroughly reviewed during the next Rating Plan Task Group meeting.

A motion was made to recommend to the Board that it approve the Club Liability Insurance Program and that it delegates authority to the Secretary-Auditor to bind the coverage and to finalize the terms of the new program.

MOTION: Kevin Saunders

SECOND: Lisa Chavez

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

E. AUXILIARY ORGANIZATIONS INSURANCE PROGRAMS

E1. AIME Programs Update

Lisa Kao provided a brief report of the activities of the AIME Committee.

E2. AORMA Programs Update

Dwayne Brummett provided a brief report of the activities of the AORMA Committee.

F. CLOSED SESSION

1. Burns
2. SLO Hillside/Landslide Update
3. San Francisco State (Science Building)

A motion was made to enter closed session at 9:51 AM.

MOTION: Lisa Chavez

SECOND: Scott Apel

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

The Committee left closed session at 10:04 AM. The Chair reported that no action was taken during closed session.

MOTION: Kevin Saunders

SECOND: Thom Davis

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			

Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

G. INFORMATION ITEMS

The Committee reviewed and discussed the information items.

- G1. Chancellor’s Office Vendor Survey**
- G2. CSURMA Administrative Service Calendar**
- G3. 2018 CSURMA Meeting Calendar**
- G4. CSURMA Executive Committee & Staff Contact List**

H. ADJOURNMENT

A motion was made to adjourn the meeting at 10:05 AM.

MOTION: Thom Davis
SECOND: Kevin Saunders

NAME	AYE	ABSTAIN	NAY	ABSENT
Scott Apel	X			
Dwayne Brummett	X			
Lisa Chavez	X			
Thom Davis	X			
Robert Eaton	X			
Lisa Kao	X			
Mike Lee	X			
Frank Mumford	X			
Kevin Saunders	X			

MOTION CARRIED

ADOPTION OF CSURMA EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS 2019 MEETING CALENDAR

ISSUE: Noted below are the proposed 2019 CSURMA Executive Committee (EC) and Board of Directors (BOD) meeting dates.

January 13, 2019 at 3:00 PM (AOA Conference, Indian Wells)	EC
March 7, 2019 at 2:00 PM	EC
March 8, 2019 at 8:30 AM.....	EC LRP
May 3, 2019 at 8:30 AM	EC
May 3, 2019 at 10:30 AM.....	BOD
September 6, 2019 at 8:30 AM.....	EC
* October 25, 2019 8:30 AM	EC
* October 25, 2019 10:30 AM	BOD
December 6, 2019 at 8:30 AM.....	EC

* *The October 25th EC and BOD meeting dates may be changed to coincide with the Fitting the Pieces Together Conference which will be in Northern California. The exact date and location is TBD.*

RECOMMENDATION: Staff recommends approving the proposed 2019 CSURMA meeting calendar, with changes as appropriate.

FISCAL IMPACT: None.

BACKGROUND: The meeting locations will be established at a later date.

PUBLICATION: The approved calendar will be posted on the CSURMA website and will be included in all of the agenda packets.

ATTACHMENT(S):

- a. Draft 2019 CSURMA Meeting Calendar

2019 CSURMA MEETING CALENDAR

JANUARY				FEBRUARY				MARCH			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
13	3:30 PM	EC (AOA Conference)	Indian Wells	21	9:00 AM	PC	Teleconference	7	10:00 AM	AORMA	TBD
	7:30 AM	PC (AOA Conference)	Indian Wells					7	2:30 PM	EC	TBD
13 - 16		AOA Annual Conference	Indian Wells					8	8:30 AM	EC LRP	TBD
	10:30 AM	AIME									
APRIL				MAY				JUNE			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
					10:30 AM	AIME		TBD		AOA EC	TBD
					2:00 PM	BOD Orientation	Teleconference	20	1:00 PM	PC	Teleconference
				2	10:00 AM	AORMA	Long Beach				
				3	8:30 AM	EC	Long Beach				
				3	10:30 AM	BOD	Long Beach				
JULY				AUGUST				SEPTEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
TBD	11:00 AM	AORMA Officers Retreat	TBD	TBD		AOA EC	TBD	4	9:00 AM	AORMA New Member	TBD
								4	10:00 AM	AORMA LRP	TBD
								5	9:00 AM	AORMA	TBD
								5	4:00 PM	EC Orientation	TBD
								6	8:30 AM	EC	TBD
								26	1:00 PM	PC	Teleconference
OCTOBER				NOVEMBER				DECEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
	10:30 AM	AIME		TBD		AOA EC	TBD	5	10:00 AM	AORMA	TBD
	2:00 PM	BOD Orientation	Teleconference	28	8:00 AM	PC	TBD	6	8:30 AM	EC	TBD
24	10:00 AM	AORMA	TBD								
25	8:30 AM	EC	TBD								
25	10:30 AM	BOD	TBD								
*** Next FTPT Conference coming in Fall of 2019 *** ** Northern California **											

AORMA = Auxiliary Organizations Risk Management Alliance Committee
AIME = Athletic Injury Medical Expense Committee
AORMA LRP = AORMA Long Range Planning Meeting

PC = AORMA Programs Committee
AOA = CSU Auxiliary Organizations Association
BOD = CSURMA Board of Directors

EC = CSURMA Executive Committee
EC LRP = EC Long Range Planning Meeting

FINANCIAL REPORT
DRAFT FINANCIAL STATEMENT AT JUNE 30, 2018

ISSUE: The Chancellor's Office Financial Services Accounting prepares Financial Statements for CSURMA. The Executive Committee is asked to review the Draft Financial Statement as a part of the Consent Calendar. The Chancellor's Office, Systemwide Accounting and Reporting Staff will be available at the meeting to answer questions.

RECOMMENDATION: It is recommended that the Executive Committee review and accept the Draft Financial Statement at June 30, 2018 as a part of the Consent Calendar.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. Draft Financial Statement at June 30, 2018

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 8/27/2018

Client Name	Current	31-60	61-90	91-120	Over 121	Balance
Associated Students Inc, CPSU San Luis Obispo	\$136,886.00	\$0.00	\$0.00	\$0.00	\$0.00	\$136,886.00
Associated Students Inc, CPSU Pomona	\$146,496.00	\$0.00	\$0.00	\$0.00	\$0.00	\$146,496.00
Associated Students Inc, CSU Bakersfield	\$7,086.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,086.00
Associated Students Inc, CSU Dominguez Hills	\$7,507.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,507.00
Associated Students Inc, CSU East Bay	\$21,667.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21,667.00
Associated Students Inc, CSU Fresno	\$7,115.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,115.00
Associated Students Inc, CSU Long Beach	\$114,085.00	\$0.00	\$0.00	\$0.00	\$0.00	\$114,085.00
Associated Students Inc, CSU Northridge	\$36,820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$36,820.00
Associated Students Inc, CSU Sacramento	\$132,837.00	\$0.00	\$0.00	\$0.00	\$0.00	\$132,837.00
Associated Students Inc, CSU San Bernardino	\$15,684.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,684.00
Associated Students Inc, CSU San Marcos	\$9,095.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,095.00
Associated Students Inc, CSU Stanislaus	\$9,516.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,516.00
Associated Students Inc, San Francisco State University	\$42,386.00	\$0.00	\$0.00	\$0.00	\$0.00	\$42,386.00
Associated Students of CSU, Chico	\$139,483.00	\$0.00	\$0.00	\$0.00	\$0.00	\$139,483.00
Associated Students of Humboldt State University	\$6,832.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,832.00
Associated Students of Sonoma State University	\$18,708.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,708.00
Associated Students, CSU Fullerton	\$89,364.00	\$0.00	\$0.00	\$0.00	\$0.00	\$89,364.00
Associated Students, CSU Los Angeles	\$8,959.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,959.00
Associated Students, San Diego State University	\$278,496.00	\$0.00	\$0.00	\$0.00	\$0.00	\$278,496.00
Associated Students, San Jose State University	\$71,818.00	\$0.00	\$0.00	\$0.00	\$0.00	\$71,818.00
Aztec Shops Ltd., San Diego State University	\$418,531.00	\$0.00	\$0.00	\$0.00	\$0.00	\$418,531.00
Cal Poly Corporation	\$237,658.00	\$0.00	\$0.00	\$0.00	\$0.00	\$237,658.00
Cal Poly Foundation	\$9,051.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,051.00
Cal Poly Pomona Foundation, Inc.	\$272,606.00	\$0.00	\$0.00	\$0.00	\$0.00	\$272,606.00
Cal State East Bay Educational Foundation	\$3,546.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,546.00
Cal State Fullerton Philanthropic Foundation	\$9,956.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,956.00
Cal State LA University Auxiliary Services Inc	\$105,740.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105,740.00
California Maritime Academy Associated Students	\$4,021.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,021.00
California Maritime Academy Foundation	\$17,704.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,704.00
California State University Institute	\$3,502.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,502.00
California State University San Marcos Corporation	\$102,553.00	\$0.00	\$0.00	\$0.00	\$0.00	\$102,553.00
Capital Public Radio, Inc.	\$53,344.00	\$0.00	\$0.00	\$0.00	\$0.00	\$53,344.00
Channel Islands Associated Students	\$4,468.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,468.00
Channel Islands University Auxiliary Services, Inc.	\$42,988.00	\$0.00	\$0.00	\$0.00	\$0.00	\$42,988.00
CSU Bakersfield Foundation	\$10,176.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,176.00
CSU Bakersfield, Auxiliary for Sponsored Programs Admin	\$13,074.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,074.00
CSU Channel Islands Foundation	\$3,698.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,698.00
CSU Chico Research Foundation	\$182,889.00	\$0.00	\$0.00	\$0.00	\$0.00	\$182,889.00
CSU Dominguez Hills Foundation	\$61,906.00	\$0.00	\$0.00	\$0.00	\$0.00	\$61,906.00
CSU Dominguez Hills Philanthropic Foundation	\$3,272.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,272.00
CSU East Bay Foundation	\$53,906.00	\$0.00	\$0.00	\$0.00	\$0.00	\$53,906.00
CSU Fresno Athletic Corporation	\$240,491.00	\$0.00	\$0.00	\$0.00	\$0.00	\$240,491.00
CSU Fresno Foundation	\$105,708.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105,708.00
CSU Fullerton Univ Auxiliary Services Corporation	\$4,795.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,795.00
CSU LB 49ers Foundation	\$7,773.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,773.00
CSU Long Beach Research Foundation	\$220,548.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220,548.00
CSU Los Angeles Foundation	\$4,023.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,023.00

Client Name	Current	31-60	61-90	91-120	Over 121	Balance
CSU Monterey Bay Foundation	\$3,774.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,774.00
CSU Northridge Foundation	\$12,227.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,227.00
CSU Northridge North Campus Park Development	\$4,924.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,924.00
CSU Stanislaus Auxiliary & Business Svcs	\$20,283.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,283.00
CSU Stanislaus Foundation	\$20,087.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,087.00
CSUSB Philanthropic Foundation	\$13,680.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,680.00
Donald P. & Katherine B. Loker University Student Union, Inc.	\$20,532.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,532.00
Forty-Niner Shops Inc, CSU Long Beach	\$164,014.00	\$0.00	\$0.00	\$0.00	\$0.00	\$164,014.00
Humboldt State Univ Sponsored Programs Foundation	\$75,847.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75,847.00
Humboldt State University Advancement Foundation	\$20,243.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,243.00
Humboldt State University Center	\$97,678.00	\$0.00	\$0.00	\$0.00	\$0.00	\$97,678.00
Otter Student Union at Monterey Bay	\$3,072.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,072.00
San Francisco State University Foundation	\$3,543.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,543.00
San Jose State University Research Foundation	\$149,295.00	\$0.00	\$0.00	\$0.00	\$0.00	\$149,295.00
Santos Manuel Student Union, CSU San Bernardino	\$58,980.00	\$0.00	\$0.00	\$0.00	\$0.00	\$58,980.00
SDSU Research Foundation	\$512,631.00	\$0.00	\$0.00	\$0.00	\$0.00	\$512,631.00
Sonoma State University Enterprises, Inc	\$39,486.00	\$0.00	\$0.00	\$0.00	\$0.00	\$39,486.00
Sonoma State University Foundation	\$16,384.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16,384.00
Spartan Shops Inc., San Jose State University	\$185,489.00	\$0.00	\$0.00	\$0.00	\$0.00	\$185,489.00
Student Union Inc, San Jose State University	\$124,886.00	\$0.00	\$0.00	\$0.00	\$0.00	\$124,886.00
Student Union of CSU Bakersfield	\$9,324.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,324.00
The Agricultural Foundation, CSU Fresno	\$25,636.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,636.00
The Tower Foundation, San Jose State University	\$12,495.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,495.00
^a The University Corporation, CSU Northridge	\$190,384.00	\$16,132.00	\$0.00	\$0.00	\$0.00	\$206,516.00
The University Corporation, San Francisco State	\$38,867.00	\$0.00	\$0.00	\$0.00	\$0.00	\$38,867.00
The University Foundation of Sacramento State	\$5,718.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,718.00
The University Foundation, CSU Chico	\$15,073.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,073.00
University Corporation at Monterey Bay	\$750,864.00	\$0.00	\$0.00	\$0.00	\$0.00	\$750,864.00
University Enterprises Corporation at CSUSB	\$72,468.00	\$0.00	\$0.00	\$0.00	\$0.00	\$72,468.00
University Enterprises Inc. CSU Sacramento	\$455,587.00	\$0.00	\$0.00	\$0.00	\$0.00	\$455,587.00
University Student Union Board, CSU Los Angeles	\$31,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$31,121.00
University Student Union, CSU Northridge	\$19,145.00	\$0.00	\$0.00	\$0.00	\$0.00	\$19,145.00
University Student Union, CSU Stanislaus	\$8,573.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,573.00
University Union, CSU Sacramento	\$53,766.00	\$0.00	\$0.00	\$0.00	\$0.00	\$53,766.00
Totals:	\$6,734,843.00	\$16,132.00	\$0.00	\$0.00	\$0.00	\$6,750,975.00

* The balance includes FY 2018/19 AORMA annual invoices that were distributed in early August and are still being processed.

^a Member has indicated that payment will be processed this month.

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 6/30/2018**

Loan Pool: 15% of the overall average cash and investment for the preceding 12 months (July 2017 - June 2018) **\$ 22,584,346**

Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 6/30/2018	Outstanding Loan Balance 06/30/2017
CSU Sacramento	Jun 2019	May 2014	\$ 4,000,000	\$ 489,378	\$ 1,225,760
Humboldt State University *	Oct 2022	Jun 2017	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000 *
Total Loans			\$ 8,335,000	\$ 2,289,378	\$ 3,025,760

Remaining Amount Available for Member Loans **\$ 16,784,346**
(The remaining amount reflects CSU Sacramento Line of credit balance of \$3,510,622)

Per CSURMA P&P No. 10:

Loans to a single Member Campus (and its associated Member Auxiliary Organizations) shall not exceed 5% of the overall average cash and investments for the preceding 12 months. **\$ 7,528,115**

* HSU Advancement Foundation transferred their loan to HSU campus in June 2017

**California State University Risk Management Authority
Travel Expenses Report**

Processed from July 1, 2017 to June 30, 2018

Travel Dates	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
4/3/2018	Zachary Gifford	Santa Ana	Tweedy mediation at Judicate West	\$ -	\$ -	\$ 38.35	\$ 38.35
4/5/2018	Zachary Gifford	Anaheim	IRIC Presentation at FOA/PSSOA Conference at the Marriott	\$ -	\$ -	\$ 48.68	\$ 48.68
4/22-4/24/2018	Leona Ching	San Diego	Fitting the Pieces Together Conference at the Sheraton San Diego Hotel and Marina	\$ 498.12	\$ 7.00	\$ -	\$ 505.12
4/22-4/24/2018	Martha Guiditta	San Diego	Fitting the Pieces Together Conference at the Sheraton San Diego Hotel and Marina	\$ 498.12	\$ 5.00	\$ 152.08	\$ 655.20
4/22-4/25/2018	Jody Van Leuven	San Diego	Fitting the Pieces Together Conference & CSURMA EC at the Sheraton San Diego Hotel and Marina	\$ 747.18	\$ 127.23	\$ 170.36	\$ 1,044.77
4/22-4/26/2018	Zachary Gifford	San Diego	Fitting the Pieces Together Conference, CSURMA EC, & BOD meetings at the Sheraton San Diego Hotel and Marina	\$ 996.24	\$ 96.50	\$ 123.18	\$ 1,215.92
5/2/2018	Zachary Gifford	Folsom	CSAC EIA Underwriting Committee meeting	\$ -	\$ 7.59	\$ 180.44	\$ 188.03
5/23/2018	Zachary Gifford	Los Angeles	CNA Mediation	\$ -	\$ -	\$ 62.70	\$ 62.70
5/30-5/31/2018	Zachary Gifford	Sacramento	CSAC EIA Underwriting Committee & BOD meetings at the Hilton Arden West	\$ 146.94	\$ -	\$ 275.10	\$ 422.04
6/7-6/8/2018	Zachary Gifford	Oakland	WC Doubleplay and Claims meetings at Sedgwick's office	\$ 190.79	\$ 20.56	\$ 261.37	\$ 472.72
6/18-6/21/2018	Zachary Gifford	NY / DC	Underwriter meetings with Alliant	\$ 878.06	\$ 42.84	\$ 1,005.13	\$ 1,926.03
6/18-6/21/2018	Jody Van Leuven	NY / DC	Underwriter meetings with Alliant	\$ 878.06	\$ 40.29	\$ 899.59	\$ 1,817.94
04/01/2018 to 06/30/2018 Travel Expenses Processed				\$ 4,833.51	\$ 347.01	\$ 3,216.98	\$ 8,397.50
3/24-3/28/2018	Robert Eaton	London	CSURMA Underwriting meeting with Zachary Gifford and Daniel Howell	\$ 1,144.35	\$ 264.80	\$ 2,751.59	\$ 4,160.74
Previously Reported							
1/8-1/9/2018	Zachary Gifford	Sacramento	AOA Conference with Stacey Weeks	\$ 109.07	\$ 29.38	\$ 184.49	\$ 322.94
1/30/2018	Zachary Gifford	San Francisco	Gupta mediation at SF Superior Court (Part 1)	\$ -	\$ -	\$ 251.11	\$ 251.11
1/31/2018	Zachary Gifford	Folsom	CSAC EIA Underwriting Committee meeting at CSAC's office	\$ -	\$ -	\$ 287.89	\$ 287.89
2/7/2018	Zachary Gifford	Irvine	Coe Jury Study Observations at Alder Weiner Research's Office	\$ -	\$ -	\$ 47.25	\$ 47.25
2/13-14/2018	Zachary Gifford	San Jose	Excess Liability Underwriter Forum with Alliant team at San Jose State University	\$ 262.87	\$ 11.15	\$ 234.52	\$ 508.54
2/20/2018	Zachary Gifford	San Francisco	Gupta mediation at SF Superior Court (Part 2)	\$ -	\$ 12.04	\$ 250.48	\$ 262.52
2/28-3/1/2018	Zachary Gifford	Sacramento	CSAC EIA Underwriting meeting at Hilton Arden West	\$ -	\$ 31.19	\$ 292.17	\$ 323.36
3/5-3/6/2018	Zachary Gifford	San Francisco	SFSU Science Building meeting with CSU Counsel, McLarens, and Lexington at Alliant's office	\$ 191.85	\$ 45.44	\$ 254.42	\$ 491.71
3/19-3/20/2018	Zachary Gifford	San Francisco	Sposito-Bernath mediation at Mark Peters' office	\$ 160.50	\$ 42.95	\$ 247.97	\$ 451.42
3/23-3/28/2018	Zachary Gifford	London	CSURMA Underwriting meeting with Robert Eaton and Daniel Howell	\$ 1,469.64	\$ 135.12	\$ 1,621.82	\$ 3,226.58
01/01/2018 to 03/31/2018 Travel Expenses Processed				\$ 3,338.28	\$ 572.07	\$ 6,423.71	\$ 10,334.06

**California State University Risk Management Authority
Travel Expenses Report**

Processed from July 1, 2017 to June 30, 2018

Travel Dates	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
11/12-11/15/2017	Timothy White	London	CSURMA Underwriting meeting with Robert Eaton, Steven Relyea, and Daniel Howell	\$ 934.62	\$ 49.49	\$ 13,399.28	\$ 14,383.39
10/3-10/6/2017	Zachary Gifford	SB / Bakersfield / SLO / MB / SJ / EB / Sacramento	Campus Outreach with Daniel Howell	\$ 541.87	\$ 88.35	\$ 22.38	\$ 652.60
10/18/2017	Zachary Gifford	Yorba Linda	CalPRIMA Conference Charity Gold Tournament	\$ -	\$ -	\$ 28.15	\$ 28.15
10/19-10/20/2017	Zachary Gifford	Anaheim	President of CalPRIMA Conference	\$ -	\$ -	\$ 41.10	\$ 41.10
10/22-10/23/2017	Zachary Gifford	San Luis Obispo	Foreign Travel Insurance Program meeting with Stacey Weeks at CPSU San Luis Obispo	\$ 101.88	\$ 53.88	\$ 194.36	\$ 350.12
11/02/2017	Zachary Gifford	Long Beach	NCURA Export Controls Workshop	\$ -	\$ -	\$ 13.00	\$ 13.00
11/10-11/15/2017	Steven Relyea	London	CSURMA Underwriting meeting with Robert Eaton, Timothy White, and Daniel Howell	\$ 1,530.24	\$ 111.68	\$ 619.73	\$ 2,261.65
11/11-11/15/2017	Robert Eaton	London	CSURMA Underwriting meeting with Steven Relyea, Timothy White, and Daniel Howell	\$ 788.85	\$ 61.11	\$ 3,135.35	\$ 3,985.31
11/30/2017	Zachary Gifford	Century City	CNA vs. CSUF Auxiliary Services	\$ -	\$ -	\$ 63.96	\$ 63.96
12/4-12/7/2017	Zachary Gifford	Sacramento / Chico / Arcata / San Francisco	Campus visits & AORMA meeting	\$ 506.91	\$ 66.78	\$ 274.04	\$ 847.73
12/17-12/19/2017	Zachary Gifford	San Francisco	Chili mediation at JAMS' office	\$ 370.32	\$ 107.78	\$ 217.70	\$ 695.80
10/01/2017 to 12/31/2017 Travel Expenses Processed				\$ 4,774.69	\$ 539.07	\$ 18,009.05	\$ 23,322.81
7/13/2017	Zachary Gifford	Woodland Hills	CNA vs CSUF Auxiliary Services Deposition Preparation at Tobin Lucks' office	\$ -	\$ -	\$ 48.26	\$ 48.26
7/13-7/17/2017	Joseph Shepler	Tucson, AZ	CSHEMA Conference	\$ 639.00	\$ 133.44	\$ 922.77	\$ 1,695.21
7/17-7/18/2017	Zachary Gifford	San Diego	CSURMA AORMA Officers Retreat at Alliant's office	\$ 156.88	\$ 7.00	\$ 189.91	\$ 353.79
7/21/2017	Zachary Gifford	San Francisco / Monterey Bay	CSURMA Risk Console Implementation Project Kick-Off meeting at Alliant; AOA HR Committee Meeting Presentation with Daniel Howell at CSU Monterey Bay	\$ 212.93	\$ 12.04	\$ 332.60	\$ 557.57
7/28-8/1/2017	Zachary Gifford	Los Angeles / Cal Maritime	CNA Ins vs. CSU Deposition at Jeffrey Adleson's office; Cal Maritime campus meeting with Franz Lozano, Marianne Spotorno-Risk Manager, and Amy Lightner	\$ -	\$ -	\$ 184.25	\$ 184.25
8/9-8/10/2017	Zachary Gifford	San Francisco / Oakland	Glazier mediation at JAMS' office; WC Stewardship meetings at Sedgwick's office	\$ 290.59	\$ 47.54	\$ 225.71	\$ 563.84
9/6-9/8/2017	Zachary Gifford	Sacramento	AORMA LEP, AORMA Committee, and EC meetings at Alliant's office	\$ 241.10	\$ 49.07	\$ 333.61	\$ 623.78
07/01/2017 to 09/30/2017 Travel Expenses Processed				\$ 1,747.28	\$ 299.32	\$ 2,340.00	\$ 4,386.60
GRAND TOTAL				\$ 14,693.76	\$ 1,757.47	\$ 29,989.74	\$ 46,440.97

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 6/30/2018

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs as of 6/30/2018
Assets:							
Cash and Investments	(25,061)	120,388	26,266	19,974	11,399	(84,051)	68,915
Other long-term investments	34,042,413	61,914,183	1,514,270	5,362,360	4,001,406	0	106,834,632
Accounts receivable	407,407	1,237,783	0	18,715	0	0	1,663,905
Loan receivable	0	0	0	0	0	0	0
Reinsurance receivable	0	275,894	0	0	0	0	275,894
Prepaid insurance	15,094	83	34	999,576	2,585	0	1,017,372
Prepaid expense	42,445	1,073,428	21,055	92,701	594,913	0	1,824,542
Total assets:	34,482,298	64,621,759	1,561,625	6,493,326	4,610,303	(84,051)	111,685,260
Liabilities:							
Accounts payable	35,069	1,874,108	1,931,552	12	500,006	0	4,340,746
Unearned revenue	448,107	535,879	91,483	33,218	0	313	1,109,000
SELF assessment liability	0	6,818,219	0	0	0	0	6,818,219
Reported claims	10,781,627	23,700,413	0	0	113,688	0	34,595,728
Claims incurred but not reported	13,123,366	10,035,696	0	0	2,273,750	0	25,432,812
Total liabilities:	24,388,169	42,964,315	2,023,035	33,230	2,887,444	313	72,296,506
Fund balance	10,094,128	21,657,444	(461,410)	6,460,096	1,722,859	(84,364)	39,388,754
Total liabilities and fund balance	34,482,298	64,621,759	1,561,625	6,493,326	4,610,303	(84,051)	111,685,260

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 6/30/2018

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs as of 6/30/2018
Assets:						
Cash and Investments	15,695	(6,013)	5,509	907	8,863	24,961
Other long-term investments	9,052,290	8,390,553	2,135,983	461,324	5,828,059	25,868,209
Accounts receivable	56,504	307,241	0	(0)	16,132	379,877
Loan receivable	0	0	0	0	0	0
Reinsurance receivable	0	0	0	0	0	0
Prepaid insurance	10	11	85,709	1	4	85,735
Prepaid expense	172,571	167,322	9,842	383	2,659	352,777
Total assets:	9,297,070	8,859,114	2,237,044	462,615	5,855,717	26,711,560
Liabilities:						
Accounts payable	1,238,808	645,902	3	0	311,003	2,195,716
Unearned revenue	0	0	0	0	0	0
SELF assessment liability	0	0	0	0	0	0
Reported claims	925,968	1,764,997	0	0	0	2,690,965
Claims incurred but not reported	864,177	1,123,494	0	0	0	1,987,671
Total liabilities:	3,028,953	3,534,393	3	0	311,003	6,874,352
Fund balance	6,268,117	5,324,721	2,237,041	462,615	5,544,715	19,837,208
Total liabilities and fund balance	9,297,070	8,859,114	2,237,044	462,615	5,855,717	26,711,560

California State University Risk Management Authority

Balance Sheet - Miscellaneous Programs as of 6/30/2018

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 6/30/2018	Grand Total All Programs as of 6/30/2018
Assets:						
Cash and Investments	13	13,445	1,089	(16,579)	(2,032)	91,844
Other long-term investments	21,951	908,464	480,158	(2,072,799)	(662,227)	132,040,615
Accounts receivable	1,293	566,210	0	0	567,503	2,611,285
Loan receivable	0	0	0	2,289,378	2,289,378	2,289,378
Reinsurance receivable	0	0	0	0	0	275,894
Prepaid insurance	0	5,148,213	13,828	0	5,162,042	6,265,149
Prepaid expense	0	378,603	52,141	0	430,744	2,608,063
Total assets:	23,257	7,014,936	547,215	200,000	7,785,408	146,182,227
Liabilities:						
Accounts payable	0	2,526,944	0	200,000	2,726,945	9,263,407
Unearned revenue	0	0	31,540	0	31,540	1,140,541
SELF assessment liability	0	0	0	0	0	6,818,219
Reported claims	0	0	0	0	0	37,286,693
Claims incurred but not reported	0	0	0	0	0	27,420,483
Total liabilities:	0	2,526,944	31,541	200,000	2,758,485	81,929,342
Fund balance	23,257	4,487,992	515,675	0	5,026,923	64,252,885
Total liabilities and fund balance	23,257	7,014,936	547,215	200,000	7,785,408	146,182,227

California State University Risk Management Authority
Income Statement - Campus Programs as of 6/30/2018
(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	17,092,616	36,337,621	15,000,000	8,996,592	4,506,330	829,510	82,762,669
Reinsurance premiums	(1,851,016)	0	0	(5,281,583)	0	0	(7,132,599)
Total operating revenues:	15,241,600	36,337,621	15,000,000	3,715,009	4,506,330	829,510	75,630,070
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	15,681,833	15,224,595	14,290,283	2,423,172	3,391,274	0	51,011,158
Deductible recoveries	(5,466,233)	0	0	0	0	0	(5,466,233)
Claims administrators	0	3,665,872	75,133	0	205,000	0	3,946,005
Claims management information system	68,918	114,991	25,326	14,040	7,558	0	230,833
Program administrator	269,070	718,223	172,964	216,507	10,586	0	1,387,350
Brokerage commissions	354,820	208	84	558,972	2,457	0	916,540
Insurance premiums	3,261,247	31,319,146	0	1,754,976	19,328	772,833	37,127,531
Taxes, assessments & fees	235,950	0	0	0	0	0	235,950
Actuarial services	5,122	6,120	342	202	2,853	0	14,640
Claims Audit	0	0	0	0	8,589	0	8,589
Miscellaneous program services	1,861	0	0	0	0	0	1,861
Workshops/training	23,595	42,629	14,724	7,084	0	0	88,032
Loss control	384,164	14,842	0	63,421	0	0	462,428
Reinsurance/excess recovery	0	(12,862,307)	0	0	0	0	(12,862,307)
Program committee	131	282	116	69	2,863	0	3,461
Dividend distributions	3,304,943	3,722,665	0	0	0	0	7,027,608
Change in claims losses and loss adjustment expenses	443,530	(5,968,569)	0	0	58,694	0	(5,466,345)
Total direct program expenses:	18,568,952	35,998,696	14,578,970	5,038,444	3,709,202	772,833	78,667,099
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	5,505	12,847	5,303	2,917	1,593	0	28,164
Executive committee & board expenses	559	1,239	512	295	154	0	2,758
JPA insurance	2,419	5,654	2,329	1,283	699	0	12,384
Memberships, associations & dues	3,265	27,513	1,015	600	310	0	32,703
Chancellor's office accounting services	58,433	133,491	55,105	30,911	16,550	0	294,491
Risk management expenses	120,323	273,393	112,858	65,430	33,906	0	605,910
JPA legal	17,756	38,046	15,706	9,350	4,718	0	85,576
Miscellaneous indirect services	17,189	9,993	3,977	2,245	1,200	0	34,603
Total general & administrative expenses:	225,448	502,175	196,804	113,031	59,130	0	1,096,588
Total operating expenses:	18,794,400	36,500,871	14,775,775	5,151,476	3,768,332	772,833	79,763,687
NON-OPERATING REVENUES:							
Investment income	(104,437)	(164,015)	38,055	(6,255)	(18,869)	0	(255,522)
Total non-operating revenues:	(104,437)	(164,015)	38,055	(6,255)	(18,869)	0	(255,522)
BEGINNING RETAINED EARNINGS	14,251,365	22,169,586	(723,690)	7,902,818	503,731	(141,041)	43,962,769
NET SURPLUS/(DEFICIT)	(3,657,237)	(327,266)	262,280	(1,442,722)	719,128	56,677	(4,389,139)
ENDING RETAINED EARNINGS	10,594,128	21,842,320	(461,410)	6,460,096	1,222,859	(84,364)	39,573,630

California State University Risk Management Authority

Income Statement - AORMA Programs as of 6/30/2018

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	4,181,245	4,699,015	2,342,456	277,857	1,001,026	12,501,599
Reinsurance premiums	(1,336,274)	0	(1,342,791)	0	0	(2,679,065)
Total operating revenues:	2,844,971	4,699,015	999,665	277,857	1,001,026	9,822,534
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	1,210,731	2,190,785	221,468	0	1,308,985	4,931,969
Deductible recoveries	(218,549)	0	0	0	0	(218,549)
Claims administrators	15,000	224,160	0	0	30,046	269,206
Claims management information system	6,950	7,753	3,448	518	3,254	21,923
Program administrator	609,206	392,075	258,856	25,362	45,651	1,331,150
Brokerage commissions	72,345	26	194,983	15,725	12	283,090
Insurance premiums	209,860	4,767,826	128,075	178,284	0	5,284,045
Taxes, assessments & fees	0	48,868	0	0	0	48,868
Actuarial services	5,096	5,612	51	7	51	10,817
Claims Audit	0	0	0	0	0	0
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	12,259	11,882	5,602	744	5,357	35,845
Loss control	78,347	86,650	25,331	1,293	8,981	200,602
Reinsurance/excess recovery	0	(1,411,094)	0	0	0	(1,411,094)
Program committee	3,296	3,649	1,666	222	1,545	10,378
Dividend distributions	1,118,476	531,921	0	0	0	1,650,397
Change in claims losses and loss adjustment expenses	342,441	(987,449)	0	0	0	(645,008)
Total direct program expenses:	3,465,459	5,872,664	839,479	222,155	1,403,882	11,803,640
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,449	1,584	734	98	680	4,545
Executive committee & board expenses	713	852	356	48	331	2,300
JPA insurance	637	697	323	43	301	2,002
Memberships, associations & dues	18	2,776	11	1	12	2,818
Chancellor's office accounting services	15,110	16,924	7,623	1,018	7,070	47,745
Risk management expenses	30,971	34,902	15,612	2,085	14,479	98,050
JPA legal	4,353	5,236	2,173	290	2,015	14,067
Miscellaneous indirect services	1,097	1,226	573	76	528	3,501
Total general & administrative expenses:	54,349	64,197	27,405	3,659	25,416	175,026
Total operating expenses:	3,519,808	5,936,861	866,885	225,814	1,429,298	11,978,666
NON-OPERATING REVENUES:						
Investment income	(30,947)	(31,916)	(6,808)	(2,033)	(19,657)	(91,361)
Total non-operating revenues:	(30,947)	(31,916)	(6,808)	(2,033)	(19,657)	(91,361)
BEGINNING RETAINED EARNINGS	6,973,901	6,409,607	2,111,069	412,604	5,992,643	21,899,825
NET SURPLUS/(DEFICIT)	(705,784)	(1,269,762)	125,972	50,010	(447,929)	(2,247,493)
ENDING RETAINED EARNINGS	6,268,117	5,139,845	2,237,041	462,615	5,544,715	19,652,332

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 6/30/2018
(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	454,234	6,007,328	376,692	6,838,255	102,102,523
Reinsurance premiums	0	0	0	0	(9,811,664)
Total operating revenues:	454,234	6,007,328	376,692	6,838,255	92,290,859
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	43,672	43,672	55,986,800
Deductible recoveries	0	0	0	0	(5,684,782)
Claims administrators	0	0	8,667	8,667	4,223,877
Claims management information system	0	10,791	592	11,384	264,139
Program administrator	0	2,310,469	0	2,310,469	5,028,969
Brokerage commissions	71,808	26,053	17,883	115,745	1,315,375
Insurance premiums	414,823	6,161,388	166,590	6,742,800	49,154,377
Taxes, assessments & fees	0	0	0	0	284,818
Actuarial services	0	163	9	171	25,628
Claims Audit	0	0	0	0	8,589
Miscellaneous program services	0	0	0	0	1,861
Workshops/training	0	0	0	0	123,877
Loss control	0	0	0	0	663,030
Reinsurance/excess recovery	0	0	0	0	(14,273,401)
Program committee	0	0	0	0	13,839
Dividend distributions	0	0	0	0	8,678,005
Change in claims losses and loss adjustment expenses	0	0	0	0	(6,111,353)
Total direct program expenses:	486,631	8,508,864	237,413	9,232,908	99,703,647
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	2,163	127	2,290	35,000
Executive committee & board expenses	0	241	13	254	5,312
JPA insurance	0	953	56	1,009	15,394
Memberships, associations & dues	0	28	2	30	35,550
Chancellor's office accounting services	0	23,930	1,335	25,265	367,500
Risk management expenses	0	49,768	2,740	52,508	756,468
JPA legal	0	8,117	391	8,507	108,150
Miscellaneous indirect services	0	1,698	90	1,788	39,892
Total general & administrative expenses:	0	86,897	4,754	91,651	1,363,265
Total operating expenses:	486,631	8,595,761	242,167	9,324,559	101,066,912
NON-OPERATING REVENUES:					
Investment income	0	0	(4,533)	(4,533)	(351,415)
Total non-operating revenues:	0	0	(4,533)	(4,533)	(351,415)
BEGINNING RETAINED EARNINGS	55,653	7,076,425	385,682	7,517,760	73,380,353
NET SURPLUS/(DEFICIT)	(32,396)	(2,588,433)	129,993	(2,490,836)	(9,127,468)
ENDING RETAINED EARNINGS	23,257	4,487,992	515,675	5,026,923	64,252,885

California State University Risk Management Authority

Income Statement as of 6/30/2018

(Unaudited)

	Budget vs. Actual			Percent of Budget
	FY 2017/18 Amended Budget	Year-to-Date 6/30/2018	Variance	
OPERATING REVENUES:				
Contributions	104,636,641	102,102,523	2,534,118	97.58 %
Reinsurance premiums	(9,968,874)	(9,811,664)	(157,210)	98.42 %
Total operating revenues:	94,667,767	92,290,859	2,376,908	97.49 %
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	63,728,987	55,986,800	7,742,187	87.85 %
Deductible recoveries	(4,618,980)	(5,684,782)	1,065,802	123.07 %
Claims administrators	4,206,920	4,223,877	(16,957)	100.40 %
Claims management information system	396,724	264,139	132,585	66.58 %
Program administrator	2,739,408	5,028,969	(2,289,561)	183.58 %
Brokerage commissions	1,279,002	1,315,375	(36,373)	102.84 %
Insurance premiums	44,902,873	49,154,377	(4,251,504)	109.47 %
Taxes, assessments & fees	301,450	284,818	16,632	94.48 %
Actuarial services	83,250	25,628	57,622	30.78 %
Claims audit	8,000	8,589	(589)	107.36 %
Coverage counsel	16,000	-	16,000	0.00 %
Program legal	24,500	-	24,500	0.00 %
Miscellaneous program services	10,000	1,861	8,139	18.61 %
Workshops/training	451,000	123,877	327,123	27.47 %
Loss control	941,426	663,030	278,396	70.43 %
Reinsurance/excess recovery	(14,128,714)	(14,273,401)	144,687	101.02 %
Program committee	10,800	13,839	(3,039)	128.14 %
Dividend distributions	8,678,005	8,678,005	0	100.00 %
Change in claims losses and loss adjustment expenses	0	(6,111,353)	6,111,353	0.00 %
Total direct program expenses:	109,030,651	99,703,647	9,327,004	91.45 %
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	35,000	35,000	0	100.00 %
Executive committee & board expenses	34,036	5,312	28,724	15.61 %
JPA insurance	16,000	15,394	606	96.21 %
Memberships, associations & dues	43,050	35,550	7,500	82.58 %
Chancellor's office accounting services	367,500	367,500	0	100.00 %
Risk management expenses	1,034,500	756,468	278,032	73.12 %
JPA accreditation	7,000	-	7,000	0.00 %
JPA legal	108,150	108,150	0	100.00 %
Miscellaneous indirect services	27,493	39,892	(12,399)	145.10 %
Total general & administrative expenses:	1,672,729	1,363,265	309,464	81.50 %
Total operating expenses:	110,703,380	101,066,912	9,636,468	91.30 %
NON-OPERATING REVENUES:				
Investment income	2,500,000	(351,415)	2,851,415	(14.06)%
Total non-operating revenues:	2,500,000	(351,415)	2,851,415	(14.06)%
NET SURPLUS/(DEFICIT)	(13,535,613)	(9,127,468)	(4,408,145)	67.43 %

FINANCIAL REPORT
TREASURER'S REPORT AT JUNE 30, 2018

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 June 30, 2018 as part of the Consent Calendar.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. Certification of Funds Letter dated August 24, 2018
- b. CSURMA Investment Report - April 1, 2018 to June 30, 2018



California State University Risk Management Authority

Officers

Lisa Chavez
Chair - 323-343-3500

Kevin Saunders
Vice Chair - 831-582-3000

Robert Eaton
Treasurer - 562-951-4572

Zachary Gifford
Secretary-Auditor - 562-951-4568

To: Executive Committee
CSU Risk Management Authority

From: Robert Eaton 
Treasurer
CSU Risk Management Authority

Re: Quarterly Investment Report
Ending June 30, 2018

Date: August 24, 2018

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 June 30, 2018. The report contains a portfolio summary which includes market value, return, yield, weighted average maturity (WAM), and duration for each of CSURMA Investment Portfolios: Fixed Income Portfolio with TCW (Met West) and CSU's SWIFT Portfolio.

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

Robert Eaton
Treasurer
CSU Risk Management Authority

A Public Entity Joint Powers Authority

c/o Alliant Insurance Services, Inc. • 100 Pine Street, 11th Floor, San Francisco, CA 94111-5101 • Phone: 415-403-1400 Fax: 415-874-4810

CSURMA

Quarterly Investment Report

April 1, 2018 - June 30, 2018

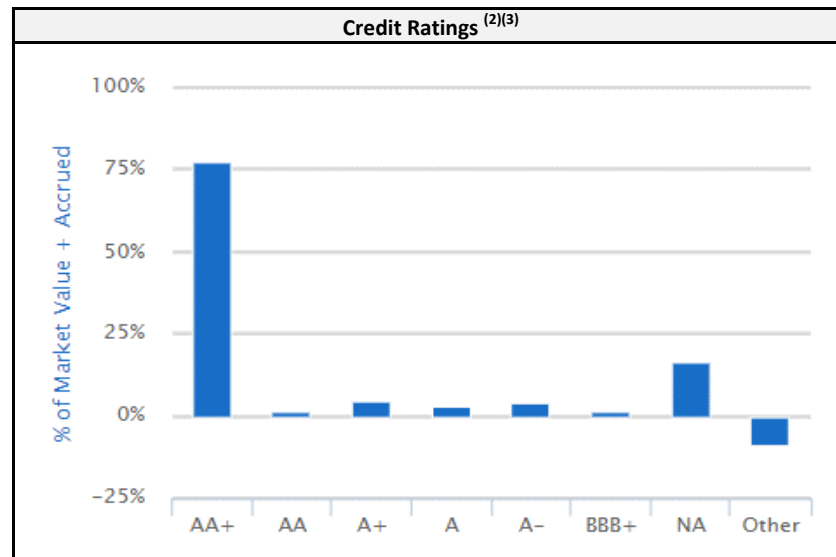
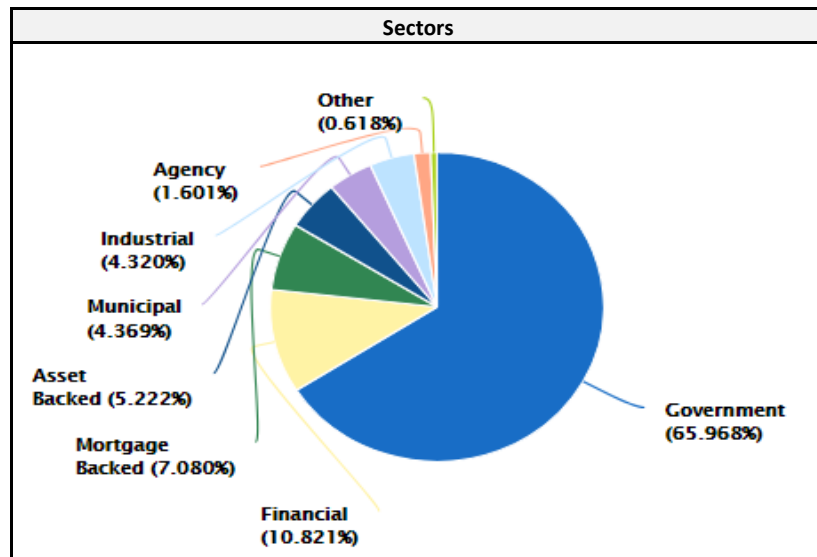
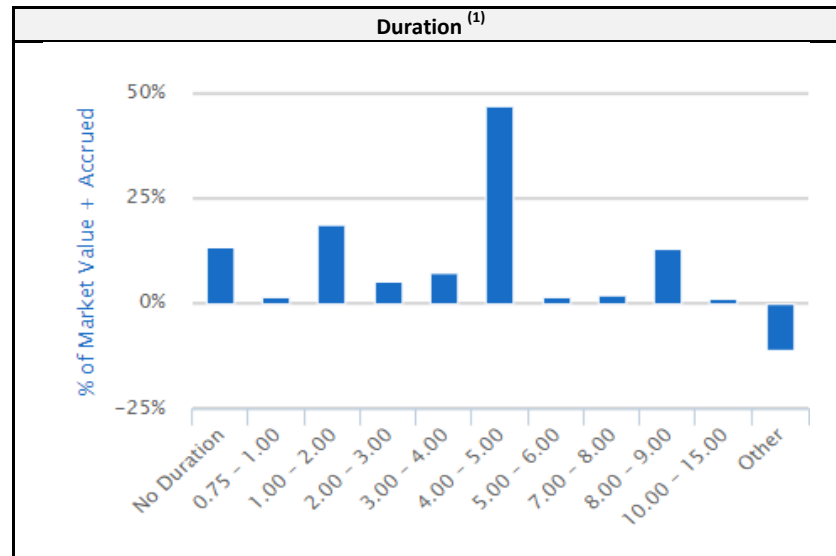
Prepared by Treasury

California State University Risk Management Authority

Fixed Income Portfolio (Auxiliary Investment Platform)

As of 06/30/2018

Portfolio Summary Total	
Total Assets	132,040,615
Duration	5.127
Yield	3.346
Avg Credit Rating	AA-/Aa3
QE Performance	0.107%



⁽¹⁾ The Other category combines duration ranges and in aggregate equals -11.025% of the portfolio. This is due to a large payable balance for unsettled trades as of 06/30/18.

⁽²⁾ The Other category contains assets that do not fall within the seven specific charted credit ratings. These assets make -8.573% of the portfolio and include the following ratings: AAA, AA-, BBB, and BBB-. The Other category is negative due to a net payable balance of \$17.8 million for unsettled trades that are classified in the AAA credit rating.

⁽³⁾ The NA category contains assets that do not have credit ratings available. These assets make up 16.747% of the portfolio. The NA balance is unusually high due to a balance in the amount of \$17.9 million held in a Money Market Fund to cover the unsettled trades shown as a payable balance in the "Other" category in footnote (2). The net between the payable balance and money market fund balance is approximately \$0.1 million.

California State University Risk Management Authority

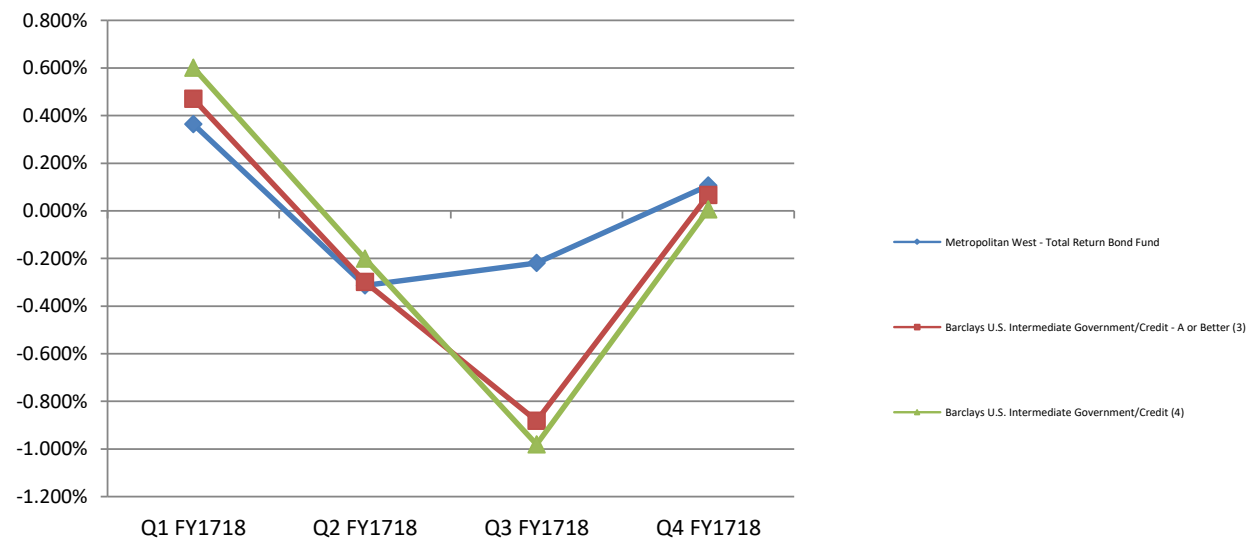
Fixed Income Portfolio (Auxiliary Investment Platform)

Performance Summary

Period Ending 06/30/2018

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
	06/30/2018	04/01/18 - 06/30/18	07/01/17 - 06/30/18	07/01/15 - 06/30/18	07/01/13 - 06/30/18	07/01/07 - 06/30/18			
Metropolitan West - Total Return Bond Fund	132,040,615	0.107%	-0.063%	0.703%	1.152%	3.181%	3.346	6.587	5.127
Barclays U.S. Intermediate Government/Credit - A or Better ⁽³⁾		0.067%	-0.648%	0.903%	1.340%	2.530%	2.837	4.136	3.810
Barclays U.S. Intermediate Government/Credit ⁽⁴⁾		0.006%	-0.579%	1.155%	1.598%	2.892%	3.028	4.323	3.934

Account / Index	Q1 FY1718	Q2 FY1718	Q3 FY1718	Q4 FY1718	Trailing 12 Month ⁽¹⁾
	07/01/17 - 09/30/17	10/01/17 - 12/31/17	01/01/18 - 03/31/18	04/01/18 - 06/30/18	07/01/17 - 06/30/18
Metropolitan West - Total Return Bond Fund	0.364%	-0.313%	-0.219%	0.107%	-0.063%
Barclays U.S. Intermediate Government/Credit - A or Better ⁽³⁾	0.470%	-0.299%	-0.882%	0.067%	-0.648%
Barclays U.S. Intermediate Government/Credit ⁽⁴⁾	0.601%	-0.201%	-0.981%	0.006%	-0.579%



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

(2) Weighted Average Maturity

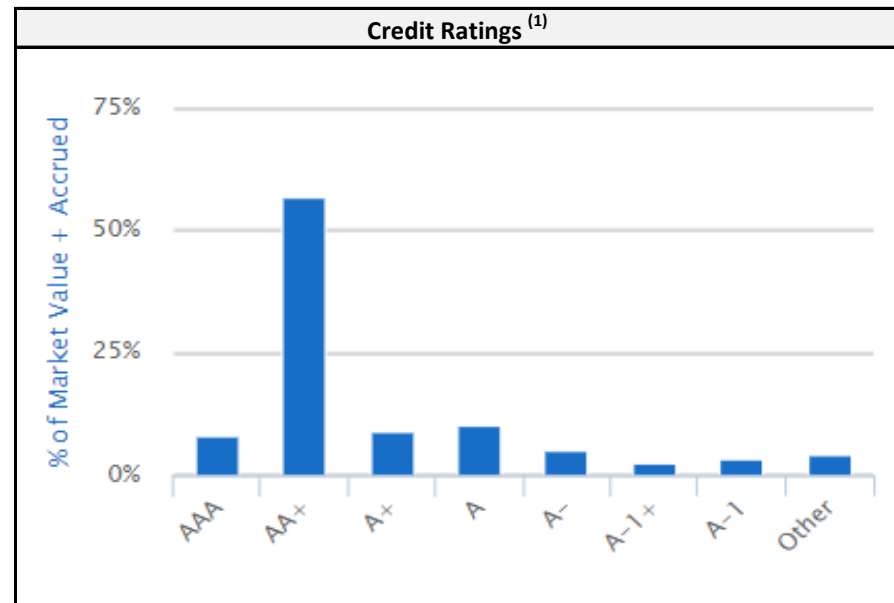
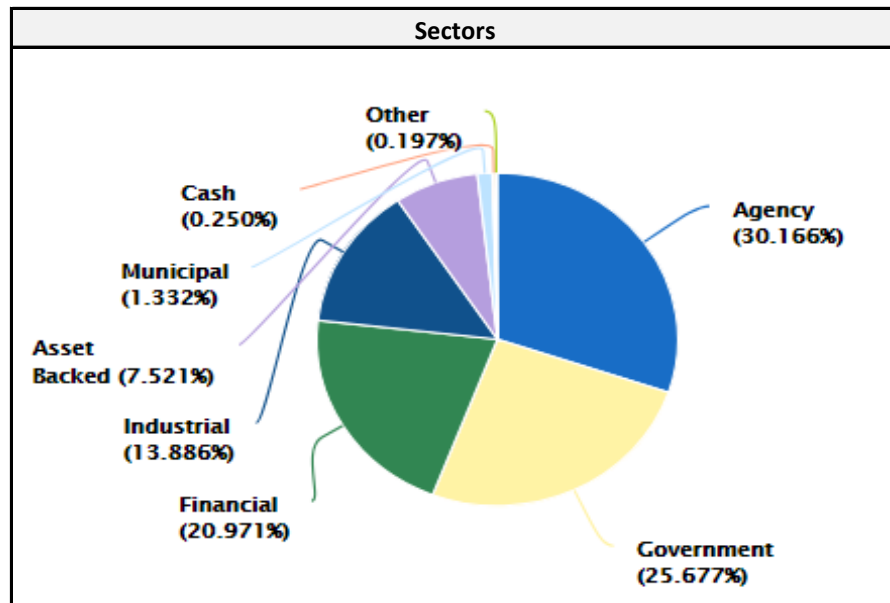
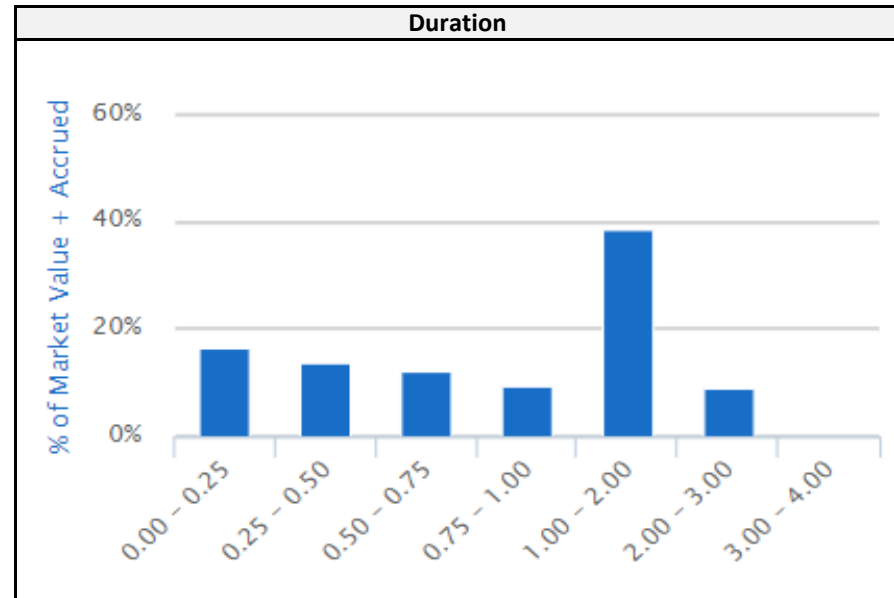
(3) Portfolio Benchmark as of 05/2014.

(4) Portfolio Benchmark prior to 05/2014.

California State University SWIFT Portfolio

As of 06/30/2018

Portfolio Summary Total	
Total Assets	196,411
Duration	0.980
Yield	2.452
Avg Credit Rating	AA-/Aa3
QE Performance	0.449%



⁽¹⁾ The other bucket contains assets that do not fall within the top seven credit ratings.

California State University Risk Management Authority

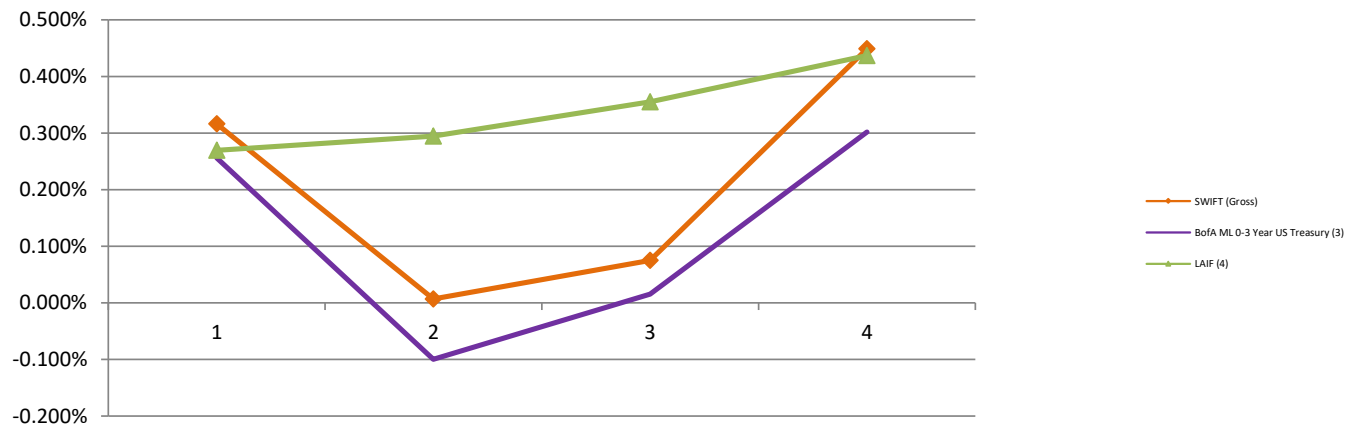
SWIFT Portfolio

Performance Summary

Period Ending 06/30/2018

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
	06/30/18	04/01/18 - 06/30/18	07/01/17 - 06/30/18	07/01/15 - 06/30/18	07/01/13 - 06/30/18	07/01/07 - 06/30/18			
SWIFT - CSU Systemwide Investment Fund Trust (Gross)	196,411	0.449%	0.849%	0.858%	0.830%	1.234%	2.452	1.178	0.980
BofA ML 0-3 Year US Treasury ⁽³⁾		0.302%	0.474%	0.526%	0.560%	1.487%	2.401	1.475	1.428
LAIF - Local Agency Investment Fund ⁽⁴⁾		0.437%	1.364%	0.849%	0.613%	1.043%	1.759		

Account / Index	Q1 FY1718	Q2 FY1718	Q3 FY1718	Q4 FY1718	Trailing 12 Month ⁽¹⁾
	07/01/17 - 09/30/17	10/01/17 - 12/31/17	01/01/18 - 03/31/18	04/01/18 - 06/30/18	07/01/17 - 06/30/18
SWIFT (Gross)	0.316%	0.007%	0.075%	0.449%	0.849%
BofA ML 0-3 Year US Treasury ⁽³⁾	0.256%	-0.100%	0.015%	0.302%	0.474%
LAIF ⁽⁴⁾	0.269%	0.295%	0.355%	0.437%	1.364%



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

(2) Weighted Average Maturity

(3) SWIFT Portfolio Benchmark

(4) LAIF returns calculated by CSUCO Treasury

INSURANCE RENEWALS REPORT

ISSUE: The majority of the CSURMA excess insurance programs renew on July 1st. Staff will update the committee on the insurance renewals, providing a cost comparison as well as a summary of the major changes to the programs' terms.

Program	AORMA Percent Change	Campus Percent Change
Excess Liability	8%	13%
Property	19%	14%
Worker's Compensation	-7%	3%
Builder's Risk	N/A	Flat
Fine Arts	N/A	10%
SPLIP & SAFECLIP	N/A	Flat
FTIP	18%	18%
Aviation	Flat	Flat
Medical Malpractice	Flat	Flat
Fidelity	Flat	Flat
Trustees E&O / Fiduciary	6%	71%
Cyber	-32%	-32%

RECOMMENDATION: No action is recommended; this item is for information only.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None.

**ACTUARIAL REPORTS FOR LIABILITY, WORKERS’
COMPENSATION AND ATHLETIC INJURY MEDICAL EXPENSE
PROGRAMS**

ISSUE: CSURMA retains the services of an independent actuary to evaluate the liabilities of its major risk pools. The complete draft reports for Campus Liability, Campus Workers’ Compensation and Athletic Injury Medical Expense programs are included separately with the agenda packet. Staff has highlighted in the attachments key findings and exhibits. The information provided by the actuary is used to establish fiscal year-end financial reports, and serves as the starting point to develop rates and funding for FY 2019/20, as well as evaluating potential dividends or assessments.

RECOMMENDATION: The Executive Committee is asked to review the draft actuarial reports and accept the reports for use in CSURMA’s financial reporting, rate setting, and funding evaluations.

FISCAL IMPACT: The action recommended will have the direct effect of establishing liabilities reported in CSURMA’s financial statements. Information from the accepted actuarial studies are used in rate setting and funding forecasts. The Board of Directors will take action on FY 2019/20 rates and funding at its meeting on October 26, 2018.

BACKGROUND: The complete actuarial reports include discussions on the methodology used by the actuary to establish the financial projections for the campus risk pools. Staff will be present at today’s meeting to summarize and comment on the actuary’s findings and recommendations.

PUBLICATION: None.

ATTACHMENT(S):

- a. 2018 Valuation Highlights (*Draft Reports completed August 2018*)
- b. Charts and graphs from the draft actuarial reports valued at June 30, 2018.
- c. Complete copies of the draft actuarial reports dated August 2018 are included separately with the Agenda packet.

ACTUARY (Draft Reports completed August 2018)

CAMPUS LIABILITY

	at 6/30/18	at 6/30/18	at 6/30/19	% Chg
Estimated Outstanding Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Gross of Member Deductibles (<i>undsct</i>)	33,848,344	33,547,360	34,084,840	0.7%
Gross of Member Deductibles (<i>dsct</i>)	32,808,335	32,496,889	32,989,557	0.6%
Net of Member Deductibles (<i>undsct</i>)	20,992,286	24,618,124	22,496,408	7.2%
Net of Member Deductibles (<i>dsct</i>)	20,369,393	23,845,302	21,793,990	7.0%
	FY 18/19	FY 18/19	FY 19/20	% Chg
Projected Ultimate Limited Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Gross of Member Deductibles (<i>undsct</i>)	14,956,000	14,878,000	15,554,000	4.0%
Loss Rate per FTES	35.94	35.93	36.65	2.0%
Gross of Member Deductibles (<i>dsct</i>)	14,104,000	14,021,000	14,659,000	3.9%
Loss Rate per FTES	33.89	33.86	34.54	1.9%
	FY 18/19	FY 18/19	FY 19/20	% Chg
Projected Ultimate Limited Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Net of Member Deductibles (<i>undsct</i>)	9,275,509	8,183,000	8,555,000	-7.8%
Loss Rate per FTES	22.29	19.76	20.16	-9.6%
Net of Member Deductibles (<i>dsct</i>)	8,747,110	7,711,000	8,063,000	-7.8%
Loss Rate per FTES	21.02	18.62	18.99	-9.6%

CAMPUS WORKERS' COMPENSATION

	at 6/30/18	at 6/30/18	at 6/30/19	% Chg
Estimated Outstanding Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Undiscounted	32,643,135	33,414,814	28,648,360	-12.2%
Discounted	29,286,190	29,980,976	25,677,733	-12.3%
	FY 18/19	FY 18/19	FY 19/20	% Chg
Projected Ultimate Limited Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Undiscounted	31,916,000	31,826,000	33,595,000	5.3%
Loss Rate per \$100 Payroll	0.87	0.85	0.86	-1.1%
Discounted	29,205,000	29,130,000	30,750,000	5.3%
Loss Rate per \$100 Payroll	0.79	0.77	0.79	0.0%

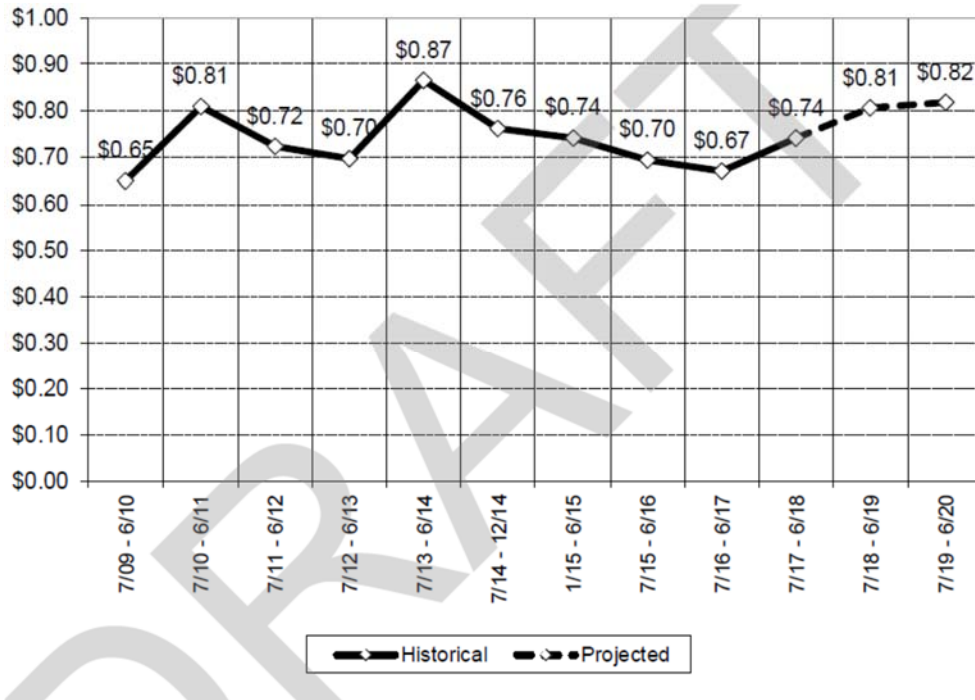
CAMPUS AIME

	at 6/30/18	at 6/30/18	at 6/30/19	% Chg
Estimated Outstanding Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Undiscounted	2,493,510	2,387,438	2,502,900	0.4%
Discounted	2,458,417	2,354,164	2,468,052	0.4%
	FY 18/19	FY 18/19	FY 19/20	% Chg
Projected Ultimate Limited Losses (@70% ci)	<i>Estimated</i>	<i>Updated</i>	<i>Projected</i>	(1)
Undiscounted	4,025,880	3,945,900	4,064,500	1.0%
Loss Rate per Athlete	494.40	484.65	499.49	1.0%
Discounted	3,935,780	3,858,750	3,974,250	1.0%
Loss Rate per Athlete	483.36	473.88	488.10	1.0%

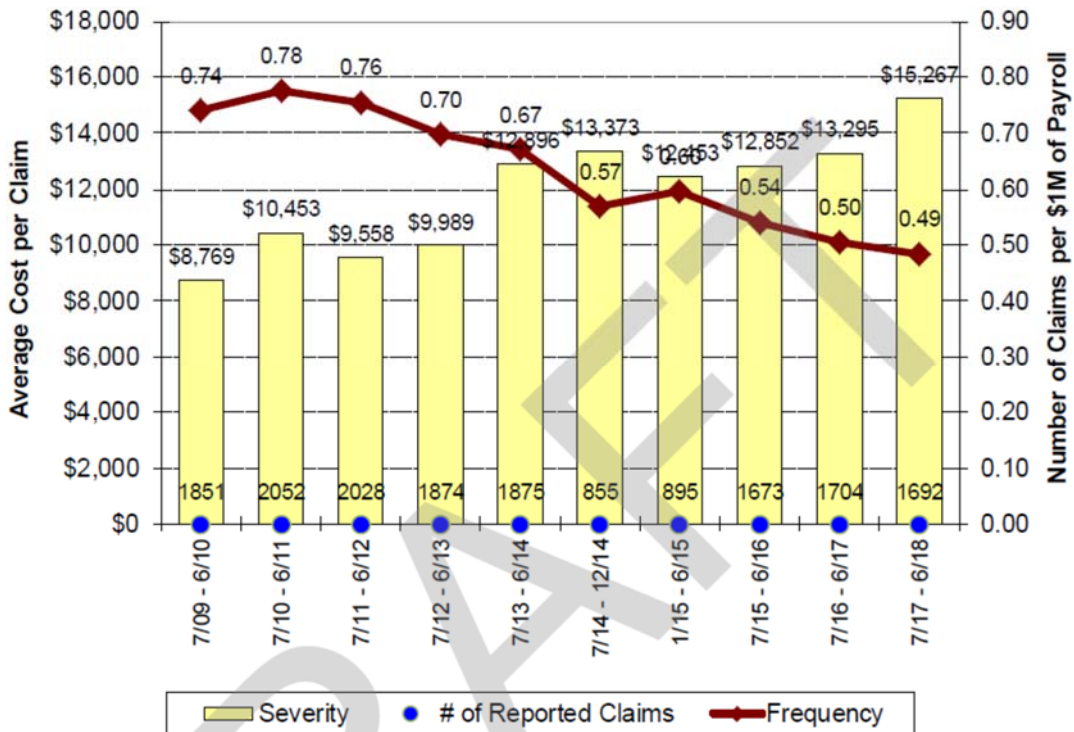
(1) Change from 6/30/18 Estimated (original) to 6/30/19 Projected

CAMPUS WC ACTUARIAL HIGHLIGHTS

Graph 1 – Loss Rate per \$100 Payroll

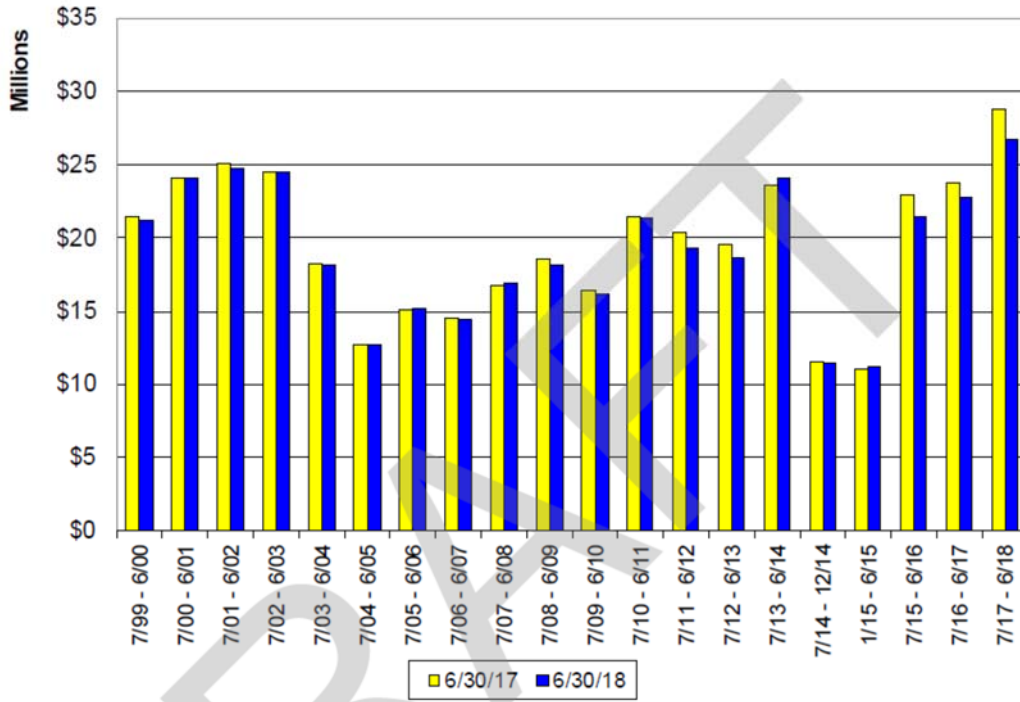


Graph 2 – Frequency & Severity

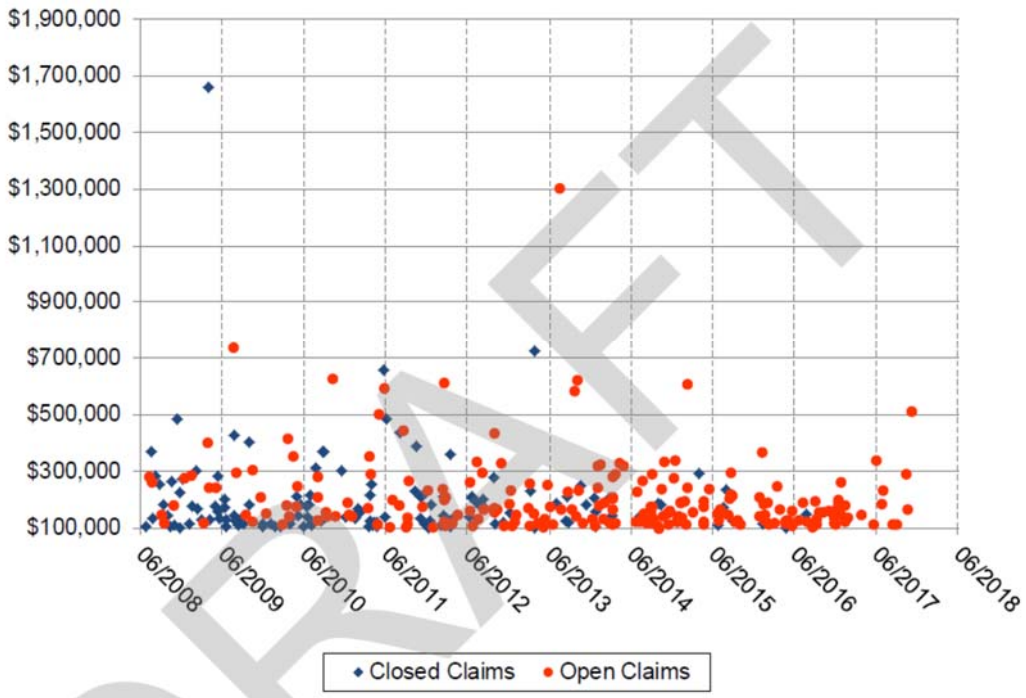


CAMPUS WC ACTUARIAL HIGHLIGHTS

Graph 3 – Projected Ultimate Limited Losses (at 6/30/17, 6/30/18)

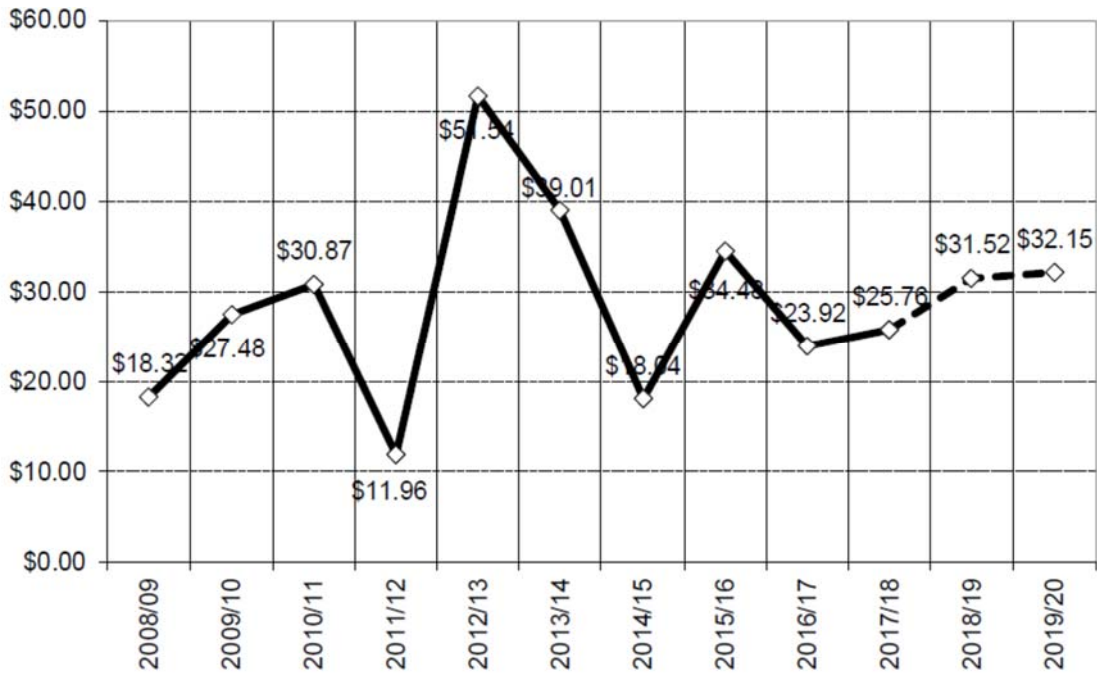


Graph 4 – Claims Incurred over \$100,000

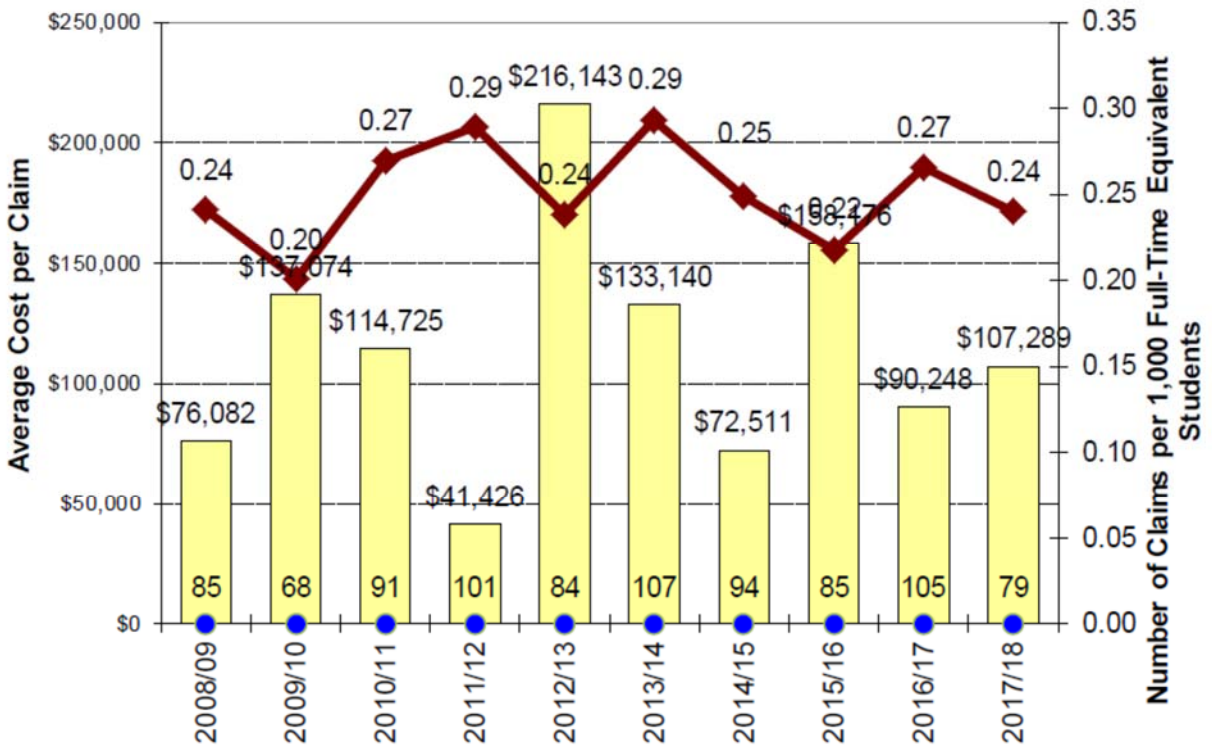


CAMPUS LIABILITY ACTUARIAL HIGHLIGHTS

Graph 1 – Loss Rate per 1,000 Full Time Equivalent Students (Gross of Member Deductibles)

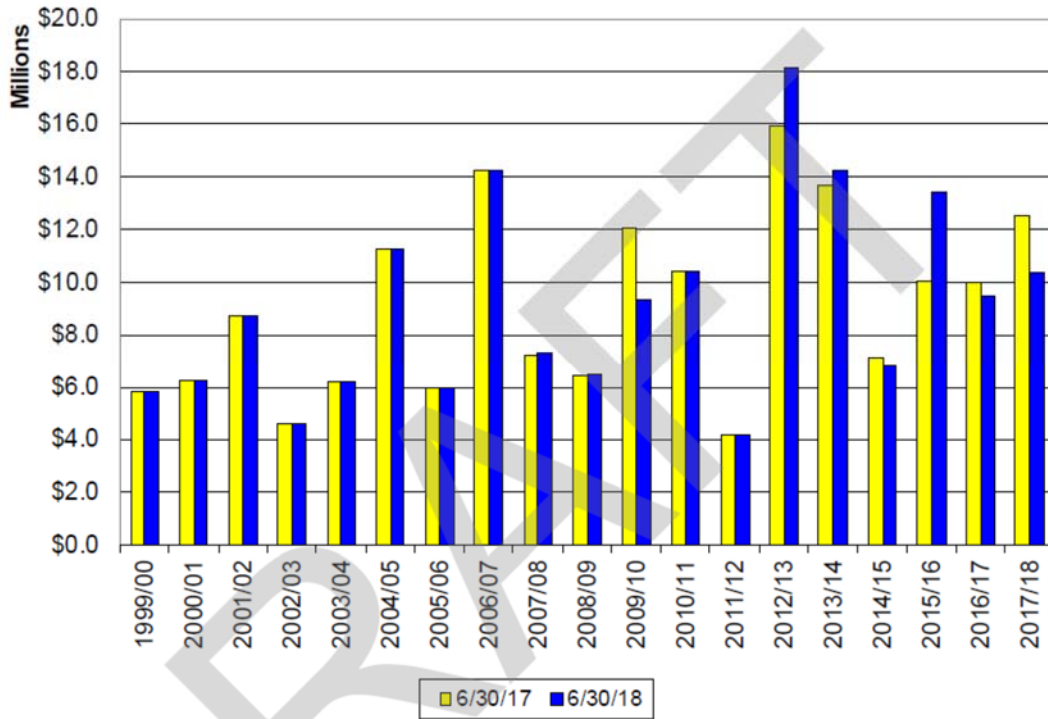


Graph 2 – Frequency & Severity (Gross of Member Deductibles)

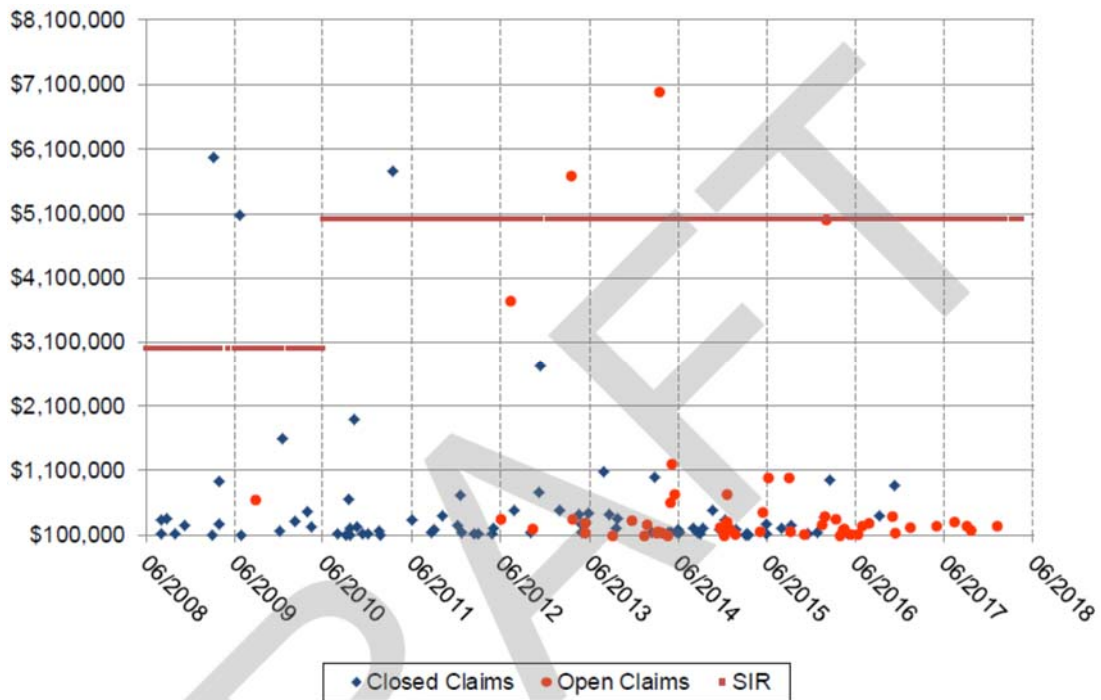


CAMPUS LIABILITY ACTUARIAL HIGHLIGHTS

Graph 3 – Projected Ultimate Limited Losses (Gross of Member Deductibles)

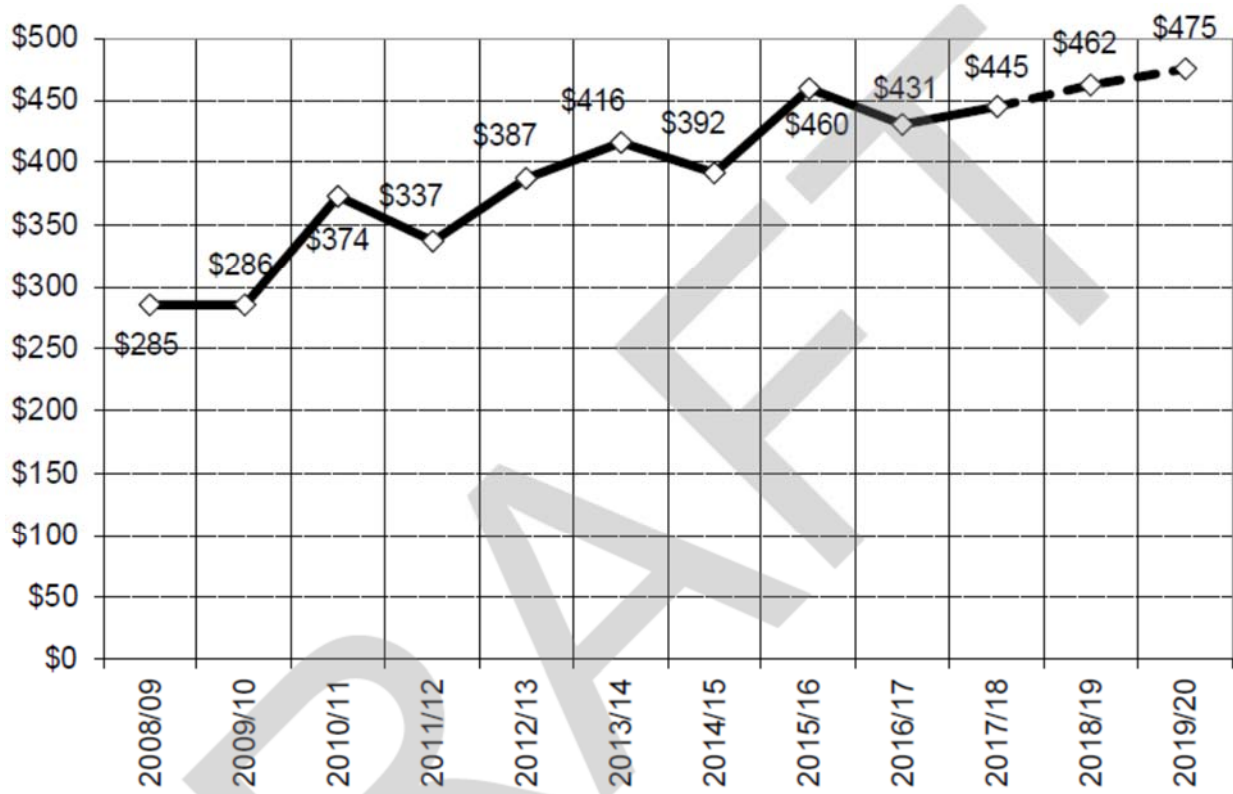


Graph 4 – Incurred Losses above \$100,000



AIME ACTUARIAL HIGHLIGHTS

Graph 1 – Loss Rate per Athlete



CAMPUS RISK POOLS FUNDING STATUS AT JUNE 30, 2018

ISSUE: Each year, Staff evaluates the funding status of CSURMA’s major risk pool programs and presents its findings to the Executive Committee. In its evaluation, Staff uses the most recent actuarial reports, and the financial statements prepared by the Accountant. Staff has completed its evaluation of the funding status for Campus Liability, Campus Workers’ Compensation and Athletic Injury Medical Expense risk pools at June 30, 2018. Funding in excess of the Targeted Funding levels indicate an opportunity to return dividends to campus members.

RECOMMENDATION: Target Equity indicates a surplus of \$28,892,607 of which \$4,889,503 is eligible for dividends per the surplus funding policies. The Executive Committee is asked to review the risk pools funding status at June 30, 2018 and take action as it deems appropriate.

Target Surplus Funding Analysis				
	Liability	WC	AIME	Total
Excess of 70% CI	\$7,646,090	\$20,240,528	\$1,005,989	\$28,892,607
Maximum Available	2,255,041	7,294,734	229,231	9,779,005
Indicated Dividend	\$1,127,520	\$3,647,367	\$114,615	\$4,889,503

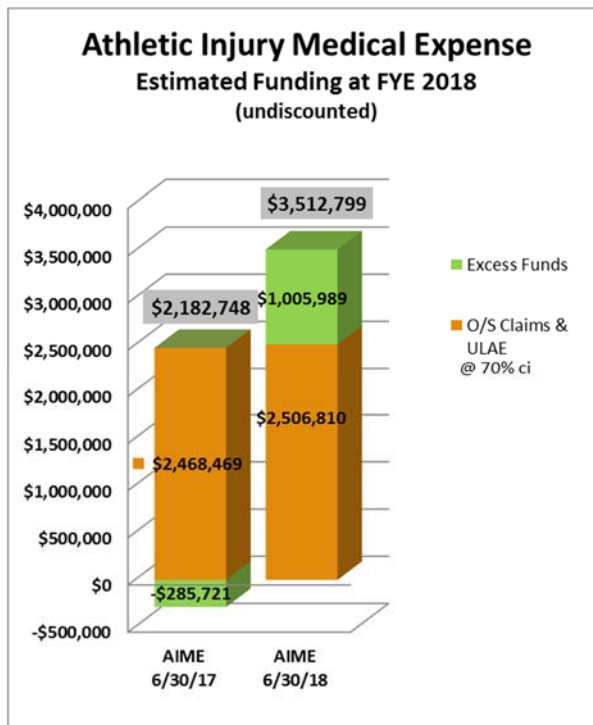
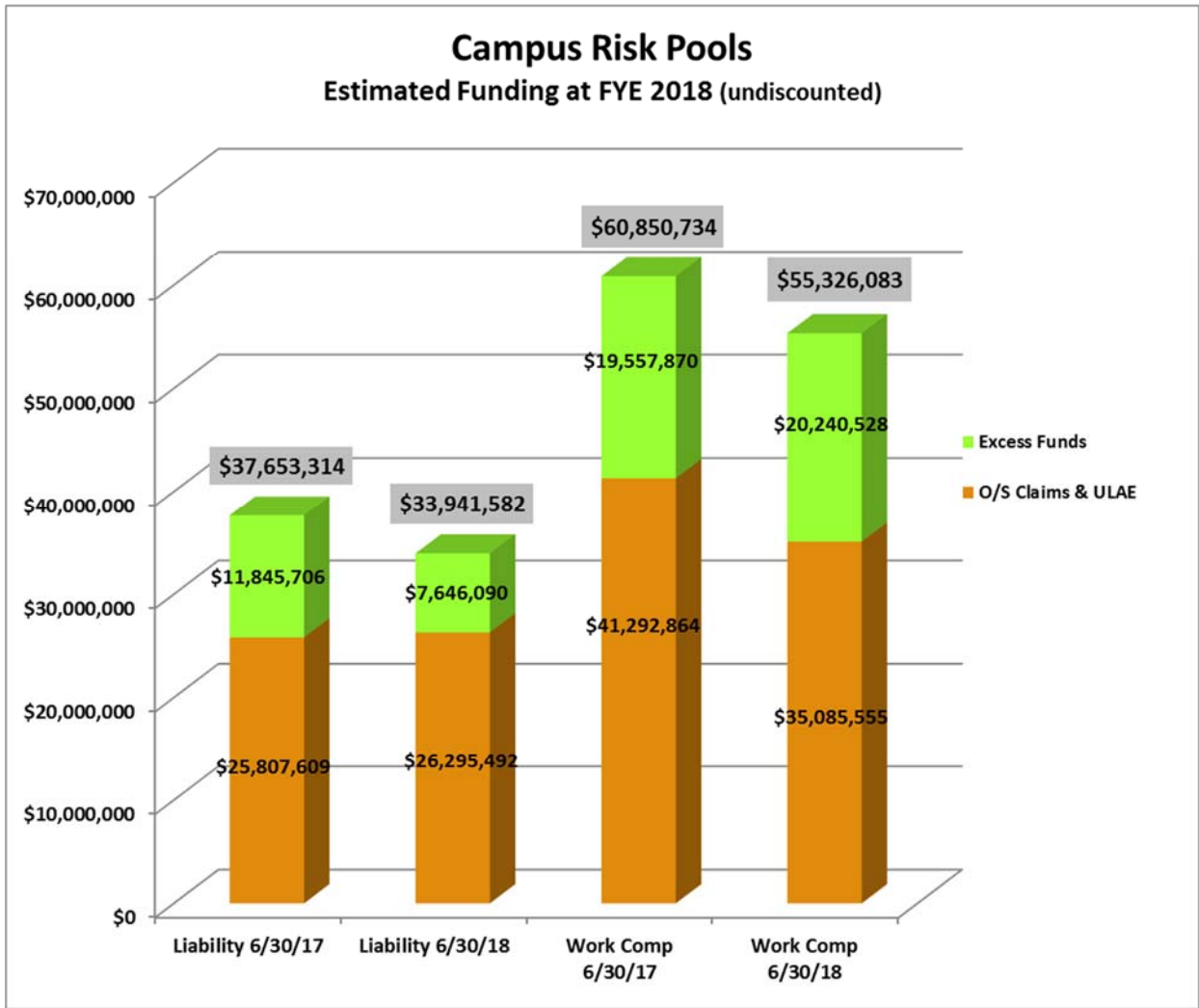
FISCAL IMPACT: Dividend declaration or other action that may be taken have not been included in the adopted budget for FY 2018/19. Thus, any expenditures will reduce pool reserves accordingly.

BACKGROUND: The Executive Committee reviews the funding status of the Campus risk pools at December 31 and at June 30 each year. It has been the Executive Committee’s practice to consider dividends and/or assessments upon a review of the risk pools funding status in light of the audited year-end financial statements. Historically, the Executive Committee has declared dividends amounting to one-half of the available funds that are in excess of the target reserve funding goal.

PUBLICATION: None

ATTACHMENT(S):

- a. Risk Pools Funding Status at 6/30/18 – *unaudited*
- b. Policy & Procedure No. 7 - Self-Insured Program Funding
- c. Target Surplus Funding at 6/30/18 - *unaudited*
- d. Policy & Procedure No. 13 - Campus Risk Pool Programs Target Reserve Funding Goal





CSURMA

POLICY AND PROCEDURE NO. 7

EFFECTIVE: JANUARY 1, 2000
REVISED: APRIL 27, 2015
SUBJECT: SELF-INSURED PROGRAM FUNDING

ISSUE:

The CSURMA operate various self-insured coverage programs. Generally, these programs include a primary layer of pooling, with excess and reinsurance coverage. Each program is responsible for all costs generated by that program, as well as a proportionate share of the JPA's general administrative costs. It is important that each self-insured program be properly funded to satisfy its liabilities. This policy and procedure continues the policy adopted by the CSURMA Board of Directors on April 24, 1997.

POLICY STATEMENT:

It is the policy of the CSURMA that each self-insured program shall establish budgets with a goal of full funding, including a reasonable risk margin. Such funding shall be determined by the Executive Committee as a part of each year's annual budget based upon the recommendations of a professional actuary and staff.

PROCEDURE:

CSURMA staff is responsible for developing draft budgets for each of the self-insured programs for each fiscal year. As a part of the budget development, staff will work with the CSU and its actuary to determine projected liabilities for the CSURMA's self-insured programs. The actuary's reports shall be used by staff and the Executive Committee to develop recommended rates and funding for each self-insured program.

It is the policy of the CSURMA to fund fully the self-insured programs. Adopted funding shall include sufficient funds projected to pay the following cost elements:

- Administrative expenses shall be funded on a cash basis for each program year;
- Prior year cash deficits (if any) shall be funded on a cash basis;
- Prior years' claims payable shall be funded on a cash basis to the extent accrued reserves do not amount to full funding;
- Current year expected liabilities shall be funded on an accrual (incurred) basis; and
- At such time as all outstanding liabilities are fully funded, a reasonable risk margin shall be funded.



CSURMA

POLICY AND PROCEDURE NO. 7

Staff shall make an annual report to the Board of Directors, detailing the self-insurance programs' funding status in accordance with this Policy & Procedure No. 7.

Campus Liability Coverage Fund
Target Surplus Funding Analysis at \$5,000,000 SIR
as of 6/30/18 (unaudited)

Gross Premium (FY 18/19):	\$16,173,148
Maximum Retention:	\$5,000,000 <i>each Occurrence</i>
Est. Outstanding Liabilities @ 6/30/18	\$23,461,462 <i>Expected, ULAE, Undsct, Net of Deductibles</i>
Est. Outstanding Liabilities @ 6/30/18	\$26,295,492 <i>at 70% Confidence</i>
Est. Fund Balance @ 6/30/18	\$33,941,582
Est. Funded Loss & ULAE @ 6/30/18	\$26,295,492 <i>at 70% Confidence</i>
Est. Funding above 70% Conf Level:	\$7,646,090

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium to Surplus	< 3:1	\$5,391,049	0.48
Surplus to Retention	> 1:1	\$5,000,000	6.79
O/S Reserve to Surplus	≤ 5:1	\$4,692,292	0.69

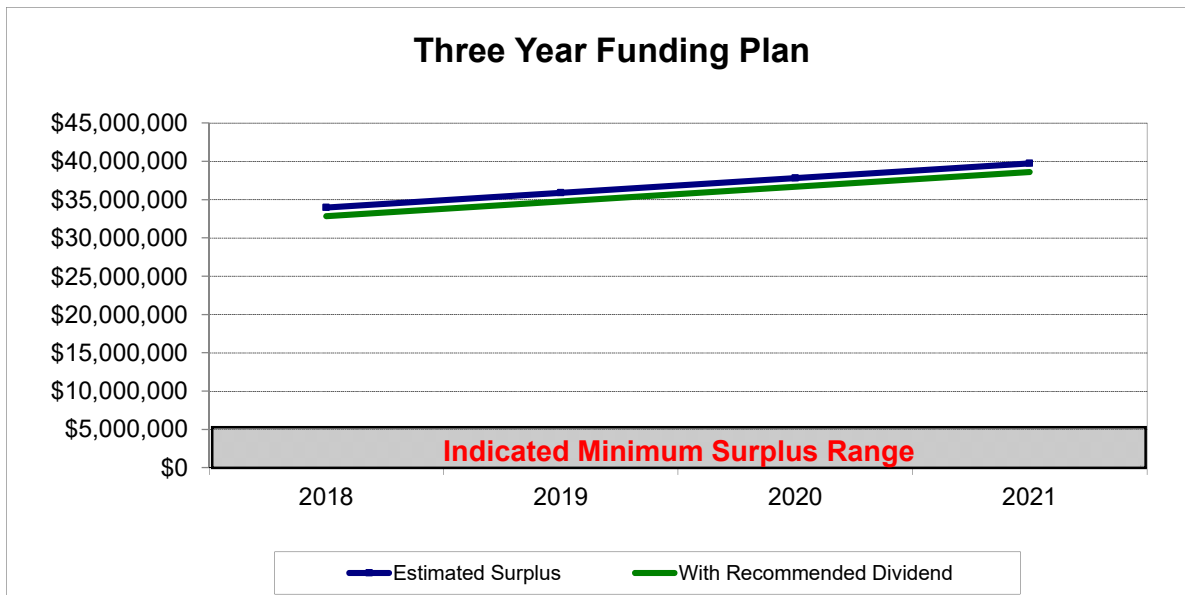
Maximum Dividend Available:	\$2,255,041
Recommended Dividend 50%:	\$1,127,520

2018/19 Pool Funding

Confidence Levels	Factor	Pool Premium	Surplus
Expected Losses & ULAE Liability	1.000	\$13,802,800	-
at 70% Actuarial Confidence	1.140	\$15,735,500	\$1,932,700

Three Year Funding Plan

	Amount Added to Reserves	Estimated Reserve Balance	Est Reserve Balance Net of Rec'd Dividend
Estimated Balance at 6/30/18	N/A	\$33,941,582	\$32,814,062
2018/19 - Collection @ 70% CL	\$1,932,700	\$35,874,282	\$34,746,762
2019/20 - Collection @ 70% CL	\$1,932,700	\$37,806,982	\$36,679,462
2020/21 - Collection @ 70% CL	\$1,932,700	\$39,739,682	\$38,612,162



Campus Workers' Compensation Coverage Fund
Target Surplus Funding Analysis at \$2,500,000 SIR
as of 6/30/18 (unaudited)

Gross Premium (FY 18/19):	\$38,837,384
Maximum Retention:	\$2,500,000 <i>each Occurrence</i>
Est. Outstanding Liabilities @ 6/30/18	\$39,704,677 <i>Expected, ULAE, Undiscounted</i>
Est. Outstanding Liabilities @ 6/30/18	\$35,085,555 <i>at 70% Confidence</i>
Est. Fund Balance @ 6/30/18	\$55,326,083
Est. Funded Loss & ULAE @ 6/30/18	\$35,085,555 <i>at 70% Confidence</i>
Est. Funding above 70% Conf Level:	\$20,240,528

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium to Surplus	< 3:1	\$12,945,795	0.70
Surplus to Retention	> 2:1	\$5,000,000	22.13
O/S Reserve to Surplus	≤ 5:1	\$7,940,935	0.72

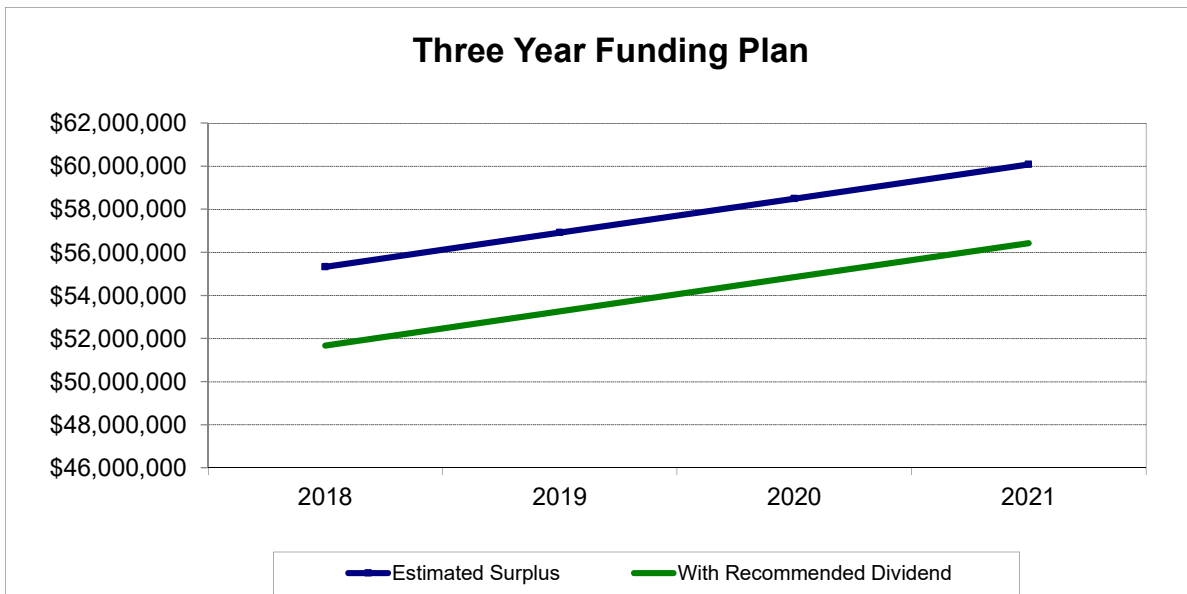
Maximum Dividend Available:	\$7,294,734
Recommended Dividend 50%:	\$3,647,367

2018/19 Pool Funding

Confidence Levels	Factor	Pool Premium	Surplus
Expected Losses & ULAE Liability	1.000	\$31,674,500	-
at 70% Actuarial Confidence	1.050	\$33,258,500	\$1,584,000

Three Year Funding Plan

	Amount Added to Reserves	Estimated Reserve Balance	Est Reserve Balance Net of Rec'd Dividend
Estimated Balance at 6/30/18	N/A	\$55,326,083	\$51,678,716
2018/19 - Collection @ 70% CL	\$1,584,000	\$56,910,083	\$53,262,716
2019/20 - Collection @ 70% CL	\$1,584,000	\$58,494,083	\$54,846,716
2020/21 - Collection @ 70% CL	\$1,584,000	\$60,078,083	\$56,430,716



Athletic Injury Medical Expense Coverage Fund

Target Surplus Funding Analysis at \$90,000 SIR

as of 6/30/18 (unaudited)

Gross Premium (FY 18/19):	\$4,660,547
Maximum Retention:	\$90,000 <i>each Occurrence</i>
Est. Outstanding Liabilities @ 6/30/18	\$2,328,744 <i>Expected, ULAE, Undiscounted</i>
Est. Outstanding Liabilities @ 6/30/18	\$2,506,810 <i>at 70% Confidence</i>
Est. Fund Balance @ 6/30/18	\$3,512,799
Est. Funded Loss & ULAE @ 6/30/18	\$2,506,810 <i>at 70% Confidence</i>
Est. Funding above 70% Conf Level:	\$1,005,989

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium to Surplus	< 6:1	\$776,758	1.33
Surplus to Retention	> 5:1	\$450,000	39.03
O/S Reserve to Surplus	≤ 5:1	\$465,749	0.66

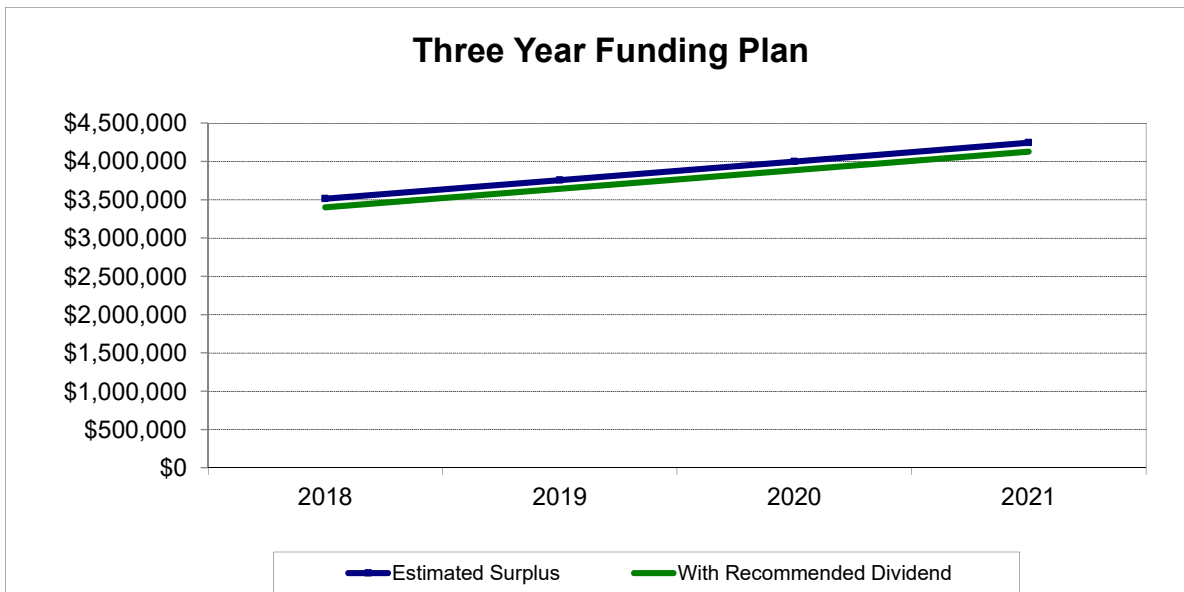
Maximum Dividend Available:	\$229,231
Recommended Dividend 50%:	\$114,615

2018/19 Pool Funding

Confidence Levels	Factor	Pool Premium	Surplus
Expected Losses & ULAE Liability	1.000	\$4,055,700	-
at 70% Actuarial Confidence	1.060	\$4,299,042	\$243,342

Three Year Funding Plan

	Amount Added to Reserves	Estimated Reserve Balance	Est Reserve Balance Net of Rec'd Dividend
Estimated Balance at 6/30/18	N/A	\$3,512,799	\$3,398,184
2018/19 - Collection @ 70% CL	\$243,342	\$3,756,141	\$3,641,526
2019/20 - Collection @ 70% CL	\$243,342	\$3,999,483	\$3,884,868
2020/21 - Collection @ 70% CL	\$243,342	\$4,242,825	\$4,128,210





CSURMA

POLICY AND PROCEDURE NO. 13

ADOPTED: OCTOBER 28, 2011

EFFECTIVE: OCTOBER 28, 2011

REVISED: APRIL 27, 2015

SUBJECT: CAMPUS RISK POOL PROGRAMS TARGET
RESERVE FUNDING GOAL

In an effort to assure the long term financial strength of the Campus Risk Pool Programs that include an element of self-insurance, the CSURMA Board of Directors desires to fund the Programs in a responsible manner. Furthermore, in recognition that there is a high degree of uncertainty in actuarial estimates due to the possibility of occasional catastrophic claims and inconsistent or inaccurate case reserving, the Board of Directors desires to establish a Target Reserve Funding Goal that will guide the CSURMA Executive Committee in making annual funding decisions for the Programs.

Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the Executive Committee and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.

POLICY

The Target Reserve Goal is hereby established to be, at a minimum, the actuarially determined expected liability (approximately 55% confidence level), discounted for investment. In evaluating the Programs' funding position relative to the Target Reserve Funding Goal as a part of each year's ratemaking process, the Committee shall take into consideration the following ratios: Gross Premium to Unencumbered Reserve Ratio, Unencumbered Reserve to Pool Retention Ratio and Outstanding Reserves to Unencumbered Reserve Ratio.

The Committee may take action to set higher or lower confidence levels based on CSURMA's goals to retain more or less risk. The Target Reserve Goal and Target Unencumbered Reserve Ratios described in this policy have been selected to take into account the nature of the Campus Risk Pool programs that include a relatively large and stable exposure and a single covered entity with substantial financial capacity.

PROCEDURE

1. Annual Actuarial Study - Each year the Program Director will engage CSURMA's accredited independent actuary to perform an actuarial analysis of the Workers' Compensation, AIME and Liability Programs. This analysis shall include estimates of the outstanding losses (including IBNR) at various confidence levels as well as estimates of ultimate losses for the upcoming year(s). The analysis shall also compare the current

program funding against the outstanding liabilities and determine the confidence level to which the program is currently funded. Because the Property, SAFECLIP, SPLIP and Crime

Programs have an annual aggregate retention, an actuarial analysis may not be performed. Also, no actuarial study is required for the IDL/NDL/UI Program as that program covers very short tail statutory benefits.

- 2. Calculation of Industry Ratios** - The Program Administrator Director will also calculate certain insurance industry ratios to help analyze the Program's current financial position as follows:

Gross Premium to Unencumbered Reserve Ratio: Target <3:1

This ratio is a measure of how the unencumbered reserves are leveraged against possible pricing inaccuracies. A low ratio is desirable.

**Unencumbered Reserve to Pool Retention Ratio: Target >1:1 (LIABILITY)
Target >2:1 (WORKERS' COMP)**

This ratio is a measure of the maximum amount that unencumbered reserves could decline due to a single loss. A high ratio is desirable.

Outstanding Reserves to Unencumbered Reserve Ratio: Target ≤ 5:1

This ratio is a measure of how unencumbered reserves are leveraged against possible reserve inaccuracies. A low ratio is desirable.

- 3. Application of Target Surplus Criteria** – After an annual review of the Target Unencumbered Reserve Ratios, the Executive Committee will determine whether it is desirable to increase, decrease, or stabilize reserves. Their recommendations will be forwarded to the Board of Directors. If the Board of Directors desires to decrease reserves, it may approve a funding level below the 55% confidence level. Conversely, a funding decision above the 55% confidence level will indicate a bias toward increasing reserves. A determination to fund at the 55% confidence level will reflect the Executive Committee's desire to keep surplus at the current level.

Because the Property, SAFECLIP, SPLIP and Crime Programs have annual aggregate retentions, and therefore no actuarial study is performed, the Target Reserve Funding shall be the amount of funds that exceed the maximum liability retained by the program for the upcoming program year plus the expected value for all open claims from current and prior years. The Executive Committee will approve the annual funding for each program.

The Program Target Reserve Funding and Dividend Calculation Report will be prepared for each self-funded program and presented to the Executive Committee after the end of each fiscal year.

4. **Dividends** – Dividends may be available from the amount of reserves exceeding the Target Reserve amount established by the Executive Committee. The allocation of any dividend shall be pursuant to the formula approved by the Executive Committee.

5. **Assessments** – Assessments may be required when the Executive Committee determines that the amount of reserves is not sufficient and can best be remedied by an extraordinary assessment. The allocation of any assessment shall be pursuant to the formula approved by the Executive Committee.

MEMBER APPEAL PROCESS

If a MEMBER wishes to appeal any decision regarding the application of the Target Surplus Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary within 30 days of the disputed decision. The Secretary shall place the Member’s appeal on the Executive Committee’s agenda at its next regularly scheduled meeting. The Executive Committee will review the appeal and inform the Member of the final decision within 5 business days of the final decision.

If a Member wishes to appeal the Executive Committee’s decision, the Member will notify the CSURMA Secretary in writing within 5 business days of receipt of the Executive Committee’s decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee’s decision will be the final determination.

**DEFINITIONS:**

CSURMA EXECUTIVE COMMITTEE – The California State University Risk Management Authority Executive Committee, a committee of the CSURMA providing management and oversight to the CSURMA. The Executive Committee is comprised of the Chair, the Vice Chair, and seven “At Large” members.

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

GROSS PREMIUM - Includes pool premium and reinsurance/excess insurance premium but does not include administrative costs.

IBNR – Incurred but Not Reported losses

OUTSTANDING RESERVES - The sum total of unpaid case reserves in the pool layer as determined by the various claims examiners.

POOL RETENTION - The maximum amount of exposure to a single loss retained by the pool over the most recent 5 years.

SURPLUS - The amount of cash equivalent available to pay claims in excess of actuarial expected losses discounted for investment income.

CONFIDENCE LEVEL: A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, an 80% confidence level means that the actuary believes funding will be sufficient in eight years out of ten.

FY 2019/20 RATES AND GROSS FUNDING
CAMPUS COVERAGE PROGRAMS

ISSUE: Upon the recommendation of the Executive Committee, the Board of Directors adopts rates and funding for the upcoming fiscal year at its Fall meeting. Staff has prepared FY 2019/20 funding recommendations for the Campus coverage programs using the draft actuarial reports completed August 2018.

Campus Liability include premium deposits for the Student Professional Liability Insurance Program (*SPLIP*), Student Academic Field Experience for Credit Liability Insurance Program (*SAFECLIP*) and the new Club Liability Insurance Program (*CLIP*). Campus Property include premium deposits for Blanket Employee Fidelity, Cyber Risk and Fine Arts Artifacts & Archives (*FAAAP*) insurance. Automobile Liability is self-insured by the State Motor Vehicle Insurance Account (*MVIA*), whose cost is determined by the Office of Risk and Insurance Management (*ORIM*). The costs for the purchased insurance programs (*SPLIP*, *SAFECLIP*, *Property*, *Fidelity*, and *Cyber*) are estimates at this time since actual rates will not be known until negotiations are finalized in June 2019.

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

Campus Coverage Programs
FY 2019/20 Proposed Gross Funding

Coverage Program	FY 18/19	FY 19/20	\$ Chg	% Chg
	Actual Cost	Proposed		
Liability	\$16,173,148	\$18,605,268	\$2,432,120	15.0%
Workers' Compensation	38,837,384	40,781,992	1,944,608	5.0%
IDL/NDI/UI	15,500,000	15,316,000	(184,000)	-1.2%
Property	8,450,000	8,788,000	338,000	4.0%
AIME	4,660,547	4,760,949	100,402	2.2%
Automobile Liability	772,833	1,408,547	635,714	82.3%
Total	\$84,393,912	\$89,660,756	\$5,266,844	6.2%

RECOMMENDATION: The Executive Committee is asked to review and recommend to the Board of Directors adoption of the Campus coverage programs funding for FY 2019/20 as presented above. The Executive Committee's recent practice has been to recommend funding of

the Liability program at rates undiscounted for anticipated investment income, and funding of the Workers' Compensation program at discounted rates, with authority delegated by the Board of Directors for the Executive Committee to finalize funding on either a discounted or undiscounted basis when it meets in the spring.

FISCAL IMPACT: Calculations of the recommended funding for the Campus coverage programs are in accordance with the policies and procedures and rating plans adopted and approved by the Board of Directors.

BACKGROUND: CSURMA employs an independent actuary, Aon Risk Consultants, to project claim costs for its General / Errors & Omissions Liability, Workers' Compensation and Athletic Injury Medical Expense programs. The actuary's reports dated August 2018 were used to calculate funding proposals for FY 2019/20.

The Executive Committee is asked to focus on the aggregate program funding issues at this time. Campuses should contact Rob Leong (415-403-1441) for any specific questions as to how their cost was calculated.

PUBLICATION: None.

ATTACHMENT(S):

- a. FY 2019/20 Campus Coverage Programs Proposed Funding (*Draft*)
- b. Policy & Procedure No.7 – Self-Insured Program Funding

CSURMA RISK POOL FY 2018/19
Total Program Cost

<i>Campus</i>	<i>Actual FY 18/19</i>	<i>Final FY 19/20</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$1,666,498	\$1,688,605	\$22,107	1.3%
Channel Islands	1,704,273	1,885,159	180,886	10.6%
Chico	2,840,305	2,993,588	153,283	5.4%
Dominguez Hills	2,734,108	2,974,401	240,293	8.8%
East Bay	3,298,947	3,254,955	(43,992)	-1.3%
Fresno	3,447,287	3,698,967	251,680	7.3%
Fullerton	5,286,368	5,848,142	561,774	10.6%
Humboldt	2,192,572	2,351,307	158,735	7.2%
Long Beach	6,189,407	5,887,862	(301,545)	-4.9%
Los Angeles	5,198,874	5,571,468	372,594	7.2%
Maritime Academy	617,426	664,676	47,250	7.7%
Monterey Bay	1,648,382	1,700,491	52,109	3.2%
Northridge	6,740,448	7,364,514	624,066	9.3%
Pomona	4,264,495	4,349,490	84,995	2.0%
Sacramento	4,086,117	4,607,731	521,614	12.8%
San Bernardino	3,227,236	3,671,767	444,531	13.8%
San Diego	5,612,773	5,694,896	82,123	1.5%
San Francisco	5,979,179	6,886,442	907,263	15.2%
San Jose	5,433,354	5,549,981	116,627	2.1%
San Luis Obispo	4,716,478	4,954,824	238,346	5.1%
San Marcos	1,954,609	2,070,899	116,290	5.9%
Sonoma	2,839,944	3,121,354	281,410	9.9%
Stanislaus	1,619,367	1,699,730	80,363	5.0%
Chancellor's Office	1,095,465	1,169,507	74,042	6.8%
Total:	\$84,393,912	\$89,660,756	\$5,266,844	6.2%

Liability program funding for FY 18/19 & FY 19/20 are undiscounted for estimated investment income.

Workers' Comp program funding for FY 18/18 & FY 19/20 are discounted for estimated investment income.

**CSURMA RISK POOL FY 2018/19
Liability Program Cost**

<i>Campus</i>	<i>Actual FY 18/19 undiscounted</i>	<i>Final FY 19/20 undiscounted</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$238,924	\$276,379	\$37,455	15.7%
Channel Islands	322,943	359,342	36,399	11.3%
Chico	713,145	736,170	23,025	3.2%
Dominguez Hills	487,843	536,862	49,019	10.0%
East Bay	451,784	424,188	(27,596)	-6.1%
Fresno	534,681	586,448	51,767	9.7%
Fullerton	1,227,488	1,688,230	460,742	37.5%
Humboldt	353,478	403,976	50,498	14.3%
Long Beach	781,658	651,685	(129,973)	-16.6%
Los Angeles	1,227,374	1,493,288	265,914	21.7%
Maritime Academy	173,592	163,690	(9,902)	-5.7%
Monterey Bay	226,524	300,423	73,899	32.6%
Northridge	1,266,648	1,337,318	70,670	5.6%
Pomona	590,867	625,529	34,662	5.9%
Sacramento	757,460	811,193	53,733	7.1%
San Bernardino	886,047	1,113,334	227,287	25.7%
San Diego	696,135	723,084	26,949	3.9%
San Francisco	1,342,458	2,147,255	804,797	59.9%
San Jose	1,025,483	1,084,313	58,830	5.7%
San Luis Obispo	672,200	675,923	3,723	0.6%
San Marcos	423,641	447,177	23,536	5.6%
Sonoma	980,952	1,182,073	201,121	20.5%
Stanislaus	357,251	372,722	15,471	4.3%
Chancellor's Office	434,572	464,666	30,094	6.9%
Total:	\$16,173,148	\$18,605,268	\$2,432,120	15.0%

SPLIP, SAFECLIP included in above.

Club Liability Insurance Program (CLIP) began 7/1/18. Funding begins FY 19/20.

**CSURMA RISK POOL FY 2018/19
Workers' Compensation Program Cost**

<i>Campus</i>	<i>Actual FY 18/19 discounted</i>	<i>Final FY 19/20 discounted</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$811,282	\$805,407	(\$5,875)	-0.7%
Channel Islands	755,243	864,316	109,073	14.4%
Chico	1,298,121	1,370,715	72,594	5.6%
Dominguez Hills	1,249,625	1,397,399	147,774	11.8%
East Bay	1,837,628	1,789,708	(47,920)	-2.6%
Fresno	1,454,412	1,593,721	139,309	9.6%
Fullerton	2,378,904	2,506,200	127,296	5.4%
Humboldt	932,224	1,029,524	97,300	10.4%
Long Beach	3,362,819	3,164,813	(198,006)	-5.9%
Los Angeles	2,637,717	2,724,279	86,562	3.3%
Maritime Academy	221,231	274,573	53,342	24.1%
Monterey Bay	681,454	680,731	(723)	-0.1%
Northridge	3,158,562	3,526,073	367,511	11.6%
Pomona	2,490,233	2,538,962	48,729	2.0%
Sacramento	1,557,550	1,780,785	223,235	14.3%
San Bernardino	1,384,940	1,527,120	142,180	10.3%
San Diego	2,935,608	2,969,935	34,327	1.2%
San Francisco	2,689,598	2,799,396	109,798	4.1%
San Jose	1,928,260	2,024,177	95,917	5.0%
San Luis Obispo	2,176,620	2,344,388	167,768	7.7%
San Marcos	756,145	807,441	51,296	6.8%
Sonoma	897,045	915,510	18,465	2.1%
Stanislaus	706,284	761,118	54,834	7.8%
Chancellor's Office	535,879	585,701	49,822	9.3%
Total:	\$38,837,384	\$40,781,992	\$1,944,608	4.8%

**CSURMA RISK POOL FY 2018/19
IDL/NDI/UI Program Cost**

<i>Campus</i>	<i>Actual FY 18/19</i>	<i>Final FY 19/20</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$244,325	\$206,490	(\$37,835)	-15.5%
Channel Islands	415,547	425,752	10,205	2.5%
Chico	436,659	444,967	8,308	1.9%
Dominguez Hills	529,564	510,229	(19,335)	-3.7%
East Bay	642,004	644,349	2,345	0.4%
Fresno	514,093	492,695	(21,398)	-4.2%
Fullerton	975,196	934,391	(40,805)	-4.2%
Humboldt	550,039	558,965	8,926	1.6%
Long Beach	1,165,144	1,191,784	26,640	2.3%
Los Angeles	767,223	768,512	1,289	0.2%
Maritime Academy	146,583	147,314	731	0.5%
Monterey Bay	414,547	389,624	(24,923)	-6.0%
Northridge	1,363,107	1,423,789	60,682	4.5%
Pomona	631,701	648,798	17,097	2.7%
Sacramento	757,086	755,549	(1,537)	-0.2%
San Bernardino	594,307	618,954	24,647	4.1%
San Diego	734,182	705,763	(28,419)	-3.9%
San Francisco	1,132,166	1,073,214	(58,952)	-5.2%
San Jose	1,155,537	1,086,203	(69,334)	-6.0%
San Luis Obispo	882,037	875,451	(6,586)	-0.7%
San Marcos	468,775	457,856	(10,919)	-2.3%
Sonoma	583,042	570,291	(12,751)	-2.2%
Stanislaus	305,653	300,928	(4,725)	-1.5%
Chancellor's Office	91,483	84,132	(7,351)	-8.0%
Total:	\$15,500,000	\$15,316,000	(\$184,000)	-1.2%

Industrial Disability Leave, Nonindustrial Disability Insurance, Unemployment Insurance

CSURMA RISK POOL FY 2018/19
Property Program Cost

<i>Campus</i>	<i>Actual FY 18/19</i>	<i>Final FY 19/20</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$139,325	\$141,100	\$1,775	1.3%
Channel Islands	183,034	185,305	2,271	1.2%
Chico	320,254	346,324	26,070	8.1%
Dominguez Hills	166,383	174,185	7,802	4.7%
East Bay	264,175	307,507	43,332	16.4%
Fresno	377,229	388,395	11,166	3.0%
Fullerton	528,132	483,845	(44,287)	-8.4%
Humboldt	235,681	247,189	11,508	4.9%
Long Beach	593,217	554,393	(38,824)	-6.5%
Los Angeles	448,215	452,811	4,596	1.0%
Maritime Academy	49,101	44,945	(4,156)	-8.5%
Monterey Bay	130,875	155,026	24,151	18.5%
Northridge	622,251	668,305	46,054	7.4%
Pomona	438,340	411,953	(26,387)	-6.0%
Sacramento	408,201	473,494	65,293	16.0%
San Bernardino	285,202	303,031	17,829	6.3%
San Diego	645,746	687,951	42,205	6.5%
San Francisco	688,078	745,328	57,250	8.3%
San Jose	853,264	840,662	(12,602)	-1.5%
San Luis Obispo	437,881	468,964	31,083	7.1%
San Marcos	182,269	204,280	22,011	12.1%
Sonoma	273,699	320,086	46,387	16.9%
Stanislaus	146,230	148,467	2,237	1.5%
Chancellor's Office	33,218	34,454	1,236	3.7%
Total:	\$8,450,000	\$8,788,000	\$338,000	4.0%

Beginning FY 17/18, SPWB facilities are campus responsibility as the "Systemwide" central fu has been dissolved.

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

Includes Crime (Fidelity), Cyber Risks. Fine Arts

CSURMA RISK POOL FY 2018/19
Athletic Injury Medical Expense Program Cost
(AIME)

<i>Campus</i>	<i>Actual FY 18/19</i>	<i>Final FY 19/20</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$219,827	\$210,171	(\$9,656)	-4.4%
Channel Islands				
Chico	44,463	45,245	782	1.8%
Dominguez Hills	281,001	319,418	38,417	13.7%
East Bay	82,257	51,232	(31,025)	-37.7%
Fresno	501,076	511,876	10,800	2.2%
Fullerton	137,733	162,305	24,572	17.8%
Humboldt	101,927	66,198	(35,729)	-35.1%
Long Beach	238,746	237,326	(1,420)	-0.6%
Los Angeles	85,525	92,666	7,141	8.3%
Maritime Academy	22,543	21,404	(1,139)	-5.1%
Monterey Bay	178,416	147,525	(30,891)	-17.3%
Northridge	293,465	340,292	46,827	16.0%
Pomona	62,561	49,414	(13,147)	-21.0%
Sacramento	565,342	713,816	148,474	26.3%
San Bernardino	40,325	41,700	1,375	3.4%
San Diego	555,623	531,111	(24,512)	-4.4%
San Francisco	96,716	87,435	(9,281)	-9.6%
San Jose	430,645	442,563	11,918	2.8%
San Luis Obispo	457,875	424,078	(33,797)	-7.4%
San Marcos	106,900	107,581	681	0.6%
Sonoma	74,418	79,901	5,483	7.4%
Stanislaus	83,163	77,692	(5,471)	-6.6%
Chancellor's Office				
Total:	\$4,660,547	\$4,760,949	\$100,402	2.2%

**CSURMA RISK POOL FY 2018/19
Auto Liability (VELSIP) Program Cost**

<i>Campus</i>	<i>Actual FY 18/19</i>	<i>Final FY 19/20</i>	<i>\$ Chg</i>	<i>% Chg</i>
Bakersfield	\$12,815	\$49,058	\$36,243	282.8%
Channel Islands	27,506	50,444	22,938	83.4%
Chico	27,663	50,167	22,504	81.4%
Dominguez Hills	19,692	36,308	16,616	84.4%
East Bay	21,099	37,971	16,872	80.0%
Fresno	65,796	125,832	60,036	91.2%
Fullerton	38,915	73,171	34,256	88.0%
Humboldt	19,223	45,455	26,232	136.5%
Long Beach	47,823	87,861	40,038	83.7%
Los Angeles	32,820	39,912	7,092	21.6%
Maritime Academy	4,376	12,750	8,374	191.4%
Monterey Bay	16,566	27,162	10,596	64.0%
Northridge	36,415	68,737	32,322	88.8%
Pomona	50,793	74,834	24,041	47.3%
Sacramento	40,478	72,894	32,416	80.1%
San Bernardino	36,415	67,628	31,213	85.7%
San Diego	45,479	77,052	31,573	69.4%
San Francisco	30,163	33,814	3,651	12.1%
San Jose	40,165	72,063	31,898	79.4%
San Luis Obispo	89,865	166,020	76,155	84.7%
San Marcos	16,879	46,564	29,685	175.9%
Sonoma	30,788	53,493	22,705	73.7%
Stanislaus	20,786	38,803	18,017	86.7%
Chancellor's Office	313	554	241	77.0%
Total:	\$772,833	\$1,408,547	\$635,714	82.3%

Allocated per reported Fleet count submitted to Chancellor's Office and DGS.

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



CSURMA

POLICY AND PROCEDURE NO. 7

EFFECTIVE: JANUARY 1, 2000
REVISED: APRIL 27, 2015
SUBJECT: SELF-INSURED PROGRAM FUNDING

ISSUE:

The CSURMA operate various self-insured coverage programs. Generally, these programs include a primary layer of pooling, with excess and reinsurance coverage. Each program is responsible for all costs generated by that program, as well as a proportionate share of the JPA's general administrative costs. It is important that each self-insured program be properly funded to satisfy its liabilities. This policy and procedure continues the policy adopted by the CSURMA Board of Directors on April 24, 1997.

POLICY STATEMENT:

It is the policy of the CSURMA that each self-insured program shall establish budgets with a goal of full funding, including a reasonable risk margin. Such funding shall be determined by the Executive Committee as a part of each year's annual budget based upon the recommendations of a professional actuary and staff.

PROCEDURE:

CSURMA staff is responsible for developing draft budgets for each of the self-insured programs for each fiscal year. As a part of the budget development, staff will work with the CSU and its actuary to determine projected liabilities for the CSURMA's self-insured programs. The actuary's reports shall be used by staff and the Executive Committee to develop recommended rates and funding for each self-insured program.

It is the policy of the CSURMA to fund fully the self-insured programs. Adopted funding shall include sufficient funds projected to pay the following cost elements:

- Administrative expenses shall be funded on a cash basis for each program year;
- Prior year cash deficits (if any) shall be funded on a cash basis;
- Prior years' claims payable shall be funded on a cash basis to the extent accrued reserves do not amount to full funding;
- Current year expected liabilities shall be funded on an accrual (incurred) basis; and
- At such time as all outstanding liabilities are fully funded, a reasonable risk margin shall be funded.



CSURMA

POLICY AND PROCEDURE NO. 7

Staff shall make an annual report to the Board of Directors, detailing the self-insurance programs' funding status in accordance with this Policy & Procedure No. 7.

**TASK GROUP REPORT ON OCIP AND REVISIONS TO POLICY AND
PROCEDURE NO. 20 – OWNER CONTROLLED INSURANCE
PROGRAM (OCIP)**

ISSUE: At its last meeting on April 25, 2018, the Executive Committee formed a task group to review the proposed changes to Policy & Procedure No. 20 for CSURMA to pay insurance premiums for campus construction projects that are enrolled in the Owner Controlled Insurance Program managed by the Chancellor’s Office Capital Planning Design & Construction (CPDC). The changes in procedure enable projects enrolled in OCIP to realize the savings expected to be derived by OCIP. The changes also serve to facilitate premium payments, including project audits and premium adjustments. OCIP premiums paid by CSURMA are to be reimbursed by the projects via CPDC. The new procedures are to apply beginning with OCIP 2. The Task Group met on July 25, 2018 with CPDC, OCIP broker, and CSURMA staff. The draft revisions to Policy and Procedure No. 20 serve to memorialize the understanding and responsibilities of CPDC and CSURMA.

RECOMMENDATION: The task group will provide a verbal report with a recommendation for the Executive Committee to approve amendments to Policy and Procedure No. 20 describing the process for CSURMA to pay OCIP costs and for CPDC to reimburse CSURMA.

FISCAL IMPACT: The proposed amendments will have a significant impact on CSURMA’s operating budget in regards to cash flow, but should not impact CSURMA’s actual operating costs since direct costs for premium payments including premium adjustments are reimbursed by CPDC. The proposed timeline for reimbursements is at the project’s midpoint during construction and at final project completion. A cash flow projection is attached to this item.

BACKGROUND: CSURMA established OCIP to insure the university’s construction activities. OCIP provides General Liability and Workers’ Compensation insurance for capital projects with construction values of \$10,000,000 and more. OCIP is supplemented by other insurance, namely Contractors Pollution Liability (CPL) and Owner’s Protective Professional Indemnity (OPPI). Separately, BRIP insures direct damage to CSU’s major capital outlay projects, typically projects with \$650,000 and more in construction values. Policy and Procedure No. 20 (OCIP) and No. 24 (BRIP) were adopted by the Executive Committee on November 6, 2013 and revised on May 6, 2016. The Executive Committee approved amendments to P&P 24 at its April 25, 2018 meeting.

ATTACHMENT(S):

- a. OCIP Task Group Discussion Items – July 25, 2018
- b. Proposed Amendment of Policy and Procedure No. 20 (OCIP)
- c. CSU OCIP July 2018 (ppt)
- d. CSU OCIP Cash Flow Estimates



OCIP TASK GROUP

Meeting Date: July 25, 2018
Time: 11:00 AM to 3:00 PM

Location: The California State University
Office of the Chancellor
CR-210

ATTENDEES:

Task Group: Lisa Chavez, Scott Apel, Thom Davis
CPDC: Vi San Juan, Jim Hoffman
CSUN: Ken Rosenthal
OCIP Broker: Jim Holobaugh, Pamela Quiroz
CSURMA: Sedong John, Alice Kim, Zachary Gifford, Daniel Howell, Rob Leong

DISCUSSION ITEMS:

A. OCIP I & OCIP II

1. Review OCIP renewal proposal, administrative process and payment procedure.
2. Review effect of (a) CSURMA capitalization (*\$2,078,287.37 inter-fund transfer from Campus Liability to OCIP in FY 2013/14*), and (b) amounts paid by CSURMA for OPPI and CPL on projects that started before OCIP.
3. Sort through mechanics and timing of fronting and recovering premiums for OCIP II with projected outcomes, including reimbursement of CPDC for their time and effort.
4. OCIP rate to include all program costs including: General Liability, Excess Liability, Workers' Compensation, Deductible Collateral, Service Fees, Program Administration, Owners Protective Professional Indemnity, Contractor's Pollution Liability, and CPDC admin cost recovery.

B. DISPOSITION OF EXPECTED SAVINGS (Dividends)

1. Discuss an initial concept of what will happen with the expected net savings at the close out of OCIP I and OCIP II.
2. How do campuses or the system as a whole benefit from the savings? Is there a dividend plan?

C. ALLOCATION OF ADMINISTRATIVE COSTS

1. CSURMA allocates a portion of General & Other Administrative Expenses and Investment Income to OCIP. Should OCIP be treated as a "pass through" only, or should some administrative cost be charged?
2. Memorandum of Understanding (*MOU*) between CPDC and CSURMA needed?

D. POLICY & PROCEDURE No. 20 – OCIP

1. Draft necessary revisions to P&P 20.

ADOPTED: September 13, 2013

DRAFT

AMENDED: November 6, 2013
December 5, 2014 (OCIP I Extension)
September 7, 2018 (OCIP II)

EFFECTIVE: January 1, 2012 (OCIP I)
December 31, 2014 (OCIP I Extension)
January 31, 2018 (OCIP II)

SUBJECT: Owner Controlled Insurance Program

PURPOSE:

CSURMA launched the Owner Controlled Insurance Program (OCIP) to realize a cost savings, improve coverage, and efficiently administer General Liability, Completed Operations Liability, Property, and Workers' Compensation coverage for all contractors performing construction work on CSU's construction projects over \$10M as established by the CSU Chancellor's Office Capital Planning, Design and Construction Office (CPDC). Additionally, CSURMA purchased insurance covering Contractor's Pollution Liability (CPL) and Owner's Protective Professional Indemnity (OPPI) to supplement OCIP. The purpose of this Policy and Procedure No. 20 is to describe the operation of the program and provide a process for CSURMA and CPDC to collaborate on administering the program efficiently and effectively.

Separately, CSURMA maintains a Builder's Risk Insurance Program (BRIP), which is addressed in Policy & Procedure No. 24.

POLICY:

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

PROCEDURE:

PART A: CSURMA OCIP

Section 1: General Procedures

1. CSURMA shall pay the insurance premiums for WC, GL, XS, CPL, OPPI, XS OPPI, and deductible collateral up front to the OCIP Administrator, and added premiums through audit; i.e., the quarterly report of new and ongoing projects enrolled during the quarter. CSURMA will recover the advanced monies from Campus Projects on a project-by-project basis, as described herein.
2. The insurance premiums shall include the costs for WC, GL, XS, CPL, OPPI, XS OPPI, and deductible collateral. CSURMA shall prepare invoices for CPDC for the amounts generated from the bid credit

tracking change orders for Campus Projects. CPDC shall promptly review the invoices and upon agreement of the amount, shall remit the invoice amount via CPO directly to CSURMA.

3. The OCIP 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 and CPDC to determine 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.
 - Contractor bid credits collected through deductive change orders.
 - Column to indicate which projects are subject to Bid Credit Tracking
 - Claims & loss report with actual to date loss rate (provided separately).
4. For OCIP II and any extension or renewal thereof, OCIP Administrator's billings to CSURMA will be based on the construction value enrolled in each quarter as reported on the quarterly report and approved by CPDC. The program's fixed premium and collateral will be calculated by the carrier based upon the construction values in the approved quarterly report. At program inception, the OCIP Administrator will invoice CSURMA the fixed deposit premium and the collateral.

Section 2: OCIP Enrollment and Invoicing

Payment Provisions - All invoicing shall be done on templates as agreed upon by CPDC and CSURMA.

1. The OCIP Administrator shall enroll new projects in OCIP with an Initial Construction Contract Value of \$10 million or more during the construction contract award process (including projects that are in multiple phases with a cumulative value of at least \$10 million). 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. After CPDC and CSURMA approve the quarterly reports, OCIP Administrator will provide the carrier with the construction value enrolled in the quarter. The carrier will use those values as the basis to invoice CSURMA for the insurance costs. CPDC will review the invoices and the supporting information provided by OCIP Administrator and approve or reject the invoices.
3. Upon approval of the invoices by CPDC, OCIP Administrator will forward the invoices to CSURMA along with supporting documentation and CPDC's approval.
4. CSURMA will receive all funds collected from bid credit tracking for the contractors' insurance costs by projects through change orders. Those costs will be identified by OCIP Administrator and provided

to CSURMA. The funds transfer will take place via Cash Posting Order (CPO). OCIP Administrator will maintain an accounting of the identified funds each quarter and include the information in the quarterly report.

Section 3: OCIP Project Completion Activities

1. At the completion of a project the OCIP 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.
 - Final value of change orders for contractors' insurance costs.
 - Other required information as described in Section #2.
2. As described above, the OCIP Administrator shall submit the quarterly report to CPDC for review and approval.
3. 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 OCIP Administrator shall continue to administer project claims.
2. Because the benefits of the OCIP apply system wide, CSURMA shall not allocate a charge for missed investment income on advanced premiums.

Section 5: OCIP Program Savings (Dividends)

Savings are derived from the payment of dividends in the future.

In respect of savings that may be earned by the OCIP, CSURMA and CPDC agreed as follows:

1. Because actual savings are dependent on the actual loss experience of all projects insured by the OCIP, the loss amount (i.e., *expected losses*) used by the insurers to estimate the amount of savings will likely differ because *actual losses* will not be known until some time after the conclusion of the OCIP coverage period.
2. To enable CPDC to determine ultimate project insurance costs and to facilitate premium adjustments, CSURMA and CPDC agreed to a premium payment process such that all premium invoices will be paid by CSURMA, and CPDC will reimburse CSURMA the Net Insurance Cost based on the bid credit tracking process.
3. CSURMA and CPDC mutually agreed that actual savings paid under the Program will be retained by CSURMA, and CSURMA shall solely determine the disposition of any and all dividends. CPDC shall be reimbursed for administration costs per the Memorandum of Understanding between CPDC and CSURMA.



PART B: Definitions

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

Accounting: CSURMA has engaged the CSU Chancellor’s Office Department of Financial Services to perform OCIP accounting duties on behalf of CSURMA.

Campus Projects: means CSU’s construction projects that are enrolled in the Program.

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, including OCIP.

CPDC: CSU’s Department of Capital Planning, Design and Construction in the Chancellor’s Office is the primary client for the OCIP and the designated representative for managing the program internal to the CSU. CPDC serves as the Program’s administrative overseer to ensure the accuracy of all construction values, project insurance costs, bid-credit tracking and savings, and other information necessary for the Program’s quarterly reports.

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.

Net Insurance Cost: means the final cost chargeable to Campus Projects for OCIP, OPPI, and CPL.

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

OCIP Program: means the Owner Controlled Insurance Program (OCIP), Owner’s Protective Professional Indemnity (OPPI), and Contractor’s Pollution Liability (CPL) insuring the CSU’s construction projects.

Program Underwriters: The insurance companies that underwrite the Program’s insurance policies.

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

CSU Owner Controlled Insurance Program (OCIP) CSURMA EC Meeting July 2018

1. **OCIP I Financial Results**
2. **OCIP II Marketing Results**
3. **OCIP II Pro Forma**
4. **New OCIP Structure/Process**
5. **OCIP II Payments & Cash Flow**
6. **Insurance Credits**

OCIP I Financial Results

PROJECTS	ORIGINAL ENROLLED CONSTRUCTION VALUE	ACTUAL CONSTRUCTION VALUE	PAYROLL % OF CV
Construction Value Enrolled (CV)	\$2,045,583,459	\$1,344,309,986	
Payroll Reported Through 12/31/2017		\$287,750,976	21.4%

ESTIMATED CONTRACTOR INSURANCE COSTS (based on estimated actual CV)	PREMIUM	PERCENTAGE OF CV
Trade Contractor Workers Compensation	\$ 21,508,960	1.60%
Trade Contractor General Liability	\$ 6,721,550	0.50%
General Contractor General Liability	\$ 5,377,240	0.40%
Total	\$ 33,607,750	2.50%

OCIP PROGRAM COSTS (including taxes, surcharges, & LCF)	FIXED COSTS	MAX DEDUCTIBLES (LOSS AGGREGATE)	FIXED COSTS + MAX DEDUCTIBLES PAID	
Combined Workers Compensation/General Liability Premium Rate	\$ 3.10	\$ 4.72	\$ 7.82	
Combined Workers Compensation/General Liability Premium	\$ 8,920,280	\$ 13,578,105	\$ 22,498,386	1.67%
Excess Premium (0.236%)	\$ 3,044,495		\$ 3,044,495	0.23%
Administration / Claims Management / Loss Control (On Estimated Actual CV)	\$ 3,360,775		\$ 3,360,775	0.25%
Total Program Costs	\$ 15,325,550	\$ 13,578,105	\$ 28,903,656	2.15%
	1.14%	1.01%	2.15%	

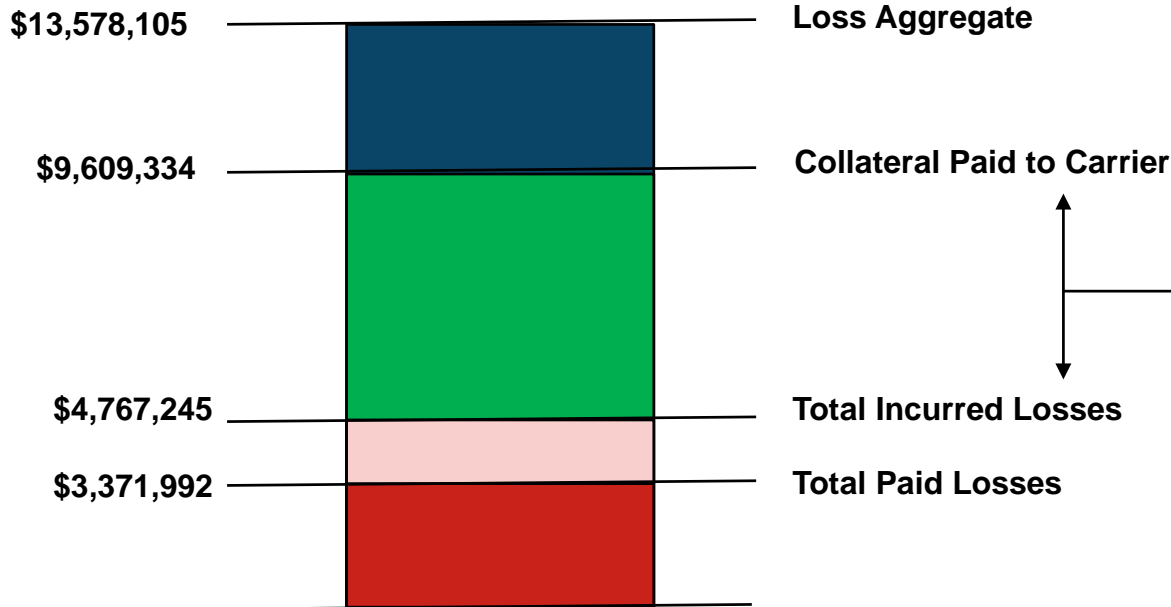
PERCENTAGE OF MAXIMUM DEDUCTIBLES PAID	DEDUCTIBLES PAID	PROGRAM FIXED COSTS PLUS DEDUCTIBLES PAID	CONTRACTOR INSURANCE COSTS	PROGRAM SAVINGS	SAVINGS % OF CV
A	B	C	D	E	
	<i>A x Loss Aggregate</i>	<i>B + Total Program Costs</i>	<i>Total Contractor Insurance Costs</i>	<i>D - C</i>	
0%	-	15,325,550	29,390,468	14,064,918	1.05%
10%	1,357,811	16,683,361	29,390,468	12,707,107	0.95%
20%	2,715,621	18,041,171	29,390,468	11,349,297	0.84%
25%	3,394,526	18,720,077	29,390,468	10,670,391	0.79%
Total Paid: 25.1%	3,371,992	18,697,542	29,390,468	10,692,926	0.80%
30%	4,073,432	19,398,982	29,390,468	9,991,486	0.74%
Total Incurred: 35.1%	4,767,245	20,092,795	29,390,469	9,297,674	0.69%
40%	5,431,242	20,756,792	29,390,468	8,633,676	0.64%
50%	6,789,053	22,114,603	29,390,468	7,275,865	0.54%
60%	8,146,863	23,472,413	29,390,468	5,918,055	0.44%
70%	9,504,674	24,830,224	29,390,468	4,560,244	0.34%
80%	10,862,484	26,188,034	29,390,468	3,202,434	0.24%
90%	12,220,295	27,545,845	29,390,468	1,844,623	0.14%
100%	13,578,105	28,903,656	29,390,468	486,812	0.04%

Total paid losses represents actual losses paid. Total incurred losses includes an allowance for increased costs of open claims

Note:: General Contractors generally charge 0.75% - 1.25% of construction value for GL whereas actual costs are typically 0.25% - 0.5%. Therefore, insurance credits are lower than the avoided contractor insurance costs shown on the pro form.

Row #	Construction Value	Values	Notes
1	Total OCIP I Construction Value Enrolled	\$ 2,045,583,459	
2	Total Enrolled Value of Projects Rolled Over to OCIP II	\$ 1,194,511,685	
3	Total WIP on Rollover Projects as of 12/31/17	\$ 493,238,213	
4	Amount of CV Rolled Over to OCIP II from OCIP I	\$ 701,273,472	Original enrolled value of rollover projects less WIP on 12/31/17
5	Actual OCIP I Construction Value	\$ 1,344,309,986	
Payroll & Premium			
6	Actual OCIP I Payroll Reported thru 12/31/17	\$ 287,750,976	Payroll % of CV = 21.4%; Payroll was originally estimated to be 20% of CV Fixed premium rate applied to actual payroll reported (\$287.8M)
7	Fixed Primary WC/GL Premium Earned on OCIP I	\$ 8,920,280	
8	Fixed Primary WC/GL Premium Paid on OCIP I	\$ 9,148,148	
9	Overpayment of Fixed WC/GL Primary Premium	\$ 227,868	Fixed premium was paid based upon periodic audits of enrolled value. Rolling over projects to OCIP II resulted in an overpayment. Old Republic will return this premium at audit.
10	OCIP I Excess Coverage Premium Earned	\$ 2,710,486	
11	OCIP I Excess Coverage Premium Paid	\$ 3,044,495	
12	Estimated Overpayment of Excess Premium	\$ 334,009	Premium for excess coverage was paid based upon periodic audits of enrolled value. Rolling over projects to OCIP II resulted in an overpayment. Excess carriers will return this premium at audit.
Collateral & Loss Deductibles			
13	Collateral Paid	\$ 9,609,334	Old Republic will begin returning collateral in mid 2019
14	Estimated Collateral Associated with Rollover Projects	\$ 5,611,339	Rollover projects will not be closed out in OCIP I. Alliant will work with Old Republic on the return of collateral
15	OCIP I Paid Deductibles	\$ 3,371,992	
16	OCIP I Paid Deductibles + Reserves (Total Incurred)	\$ 4,767,245	
OCIP I Payments & Reimbursement			
17	Fixed Premium Paid	\$ 9,148,148	
18	Collateral Paid	\$ 9,609,334	
19	Excess Premium Paid	\$ 3,044,495	
20	Brokerage/Administration/Claims/Safety	\$ 5,260,706	These fees include work effort going forward on OCIP II rollover projects
21	TOTAL OCIP I Payments	\$ 27,062,683	
22	CPL Premium	\$ 3,728,078	
23	OPPI Premium	\$ 726,991	
24	TOTAL OCIP I / CPL / OPPI Payments	\$ 31,517,752	
25	Reimbursements from CPDC	\$ 33,788,298	
26	Reimbursements Less Payments	\$ 2,270,546	

LOSS AGGREGATE
(maximum value of deductibles CSU would pay)



Old Republic will begin refunding a portion of unused collateral 18 months after policy expiration (12/31/17). Approximately \$5.6M in collateral was associated with projects rolled over to OCIP II. Approximately half of the rollover construction value is slated to be completed by the end of 2018.

OCIP II Marketing Results:

- Old Republic won the market competition and will remain as the OCIP carrier
- CSU's OCIP I performance and the attractiveness of the CSU program created a robust competition
- Max costs dropped from 2.34% of construction value to 1.79% due to a reduction in the loss aggregate (max deductible) rate
- The OPPI marketing effort resulted in a rate reduction from \$1.75 per \$1,000 of construction value to \$1.12
- Rolling unfinished projects to OCIP II resulted in savings of \$173,000 due to a slightly lower ⁸⁷ fixed primary premium rate

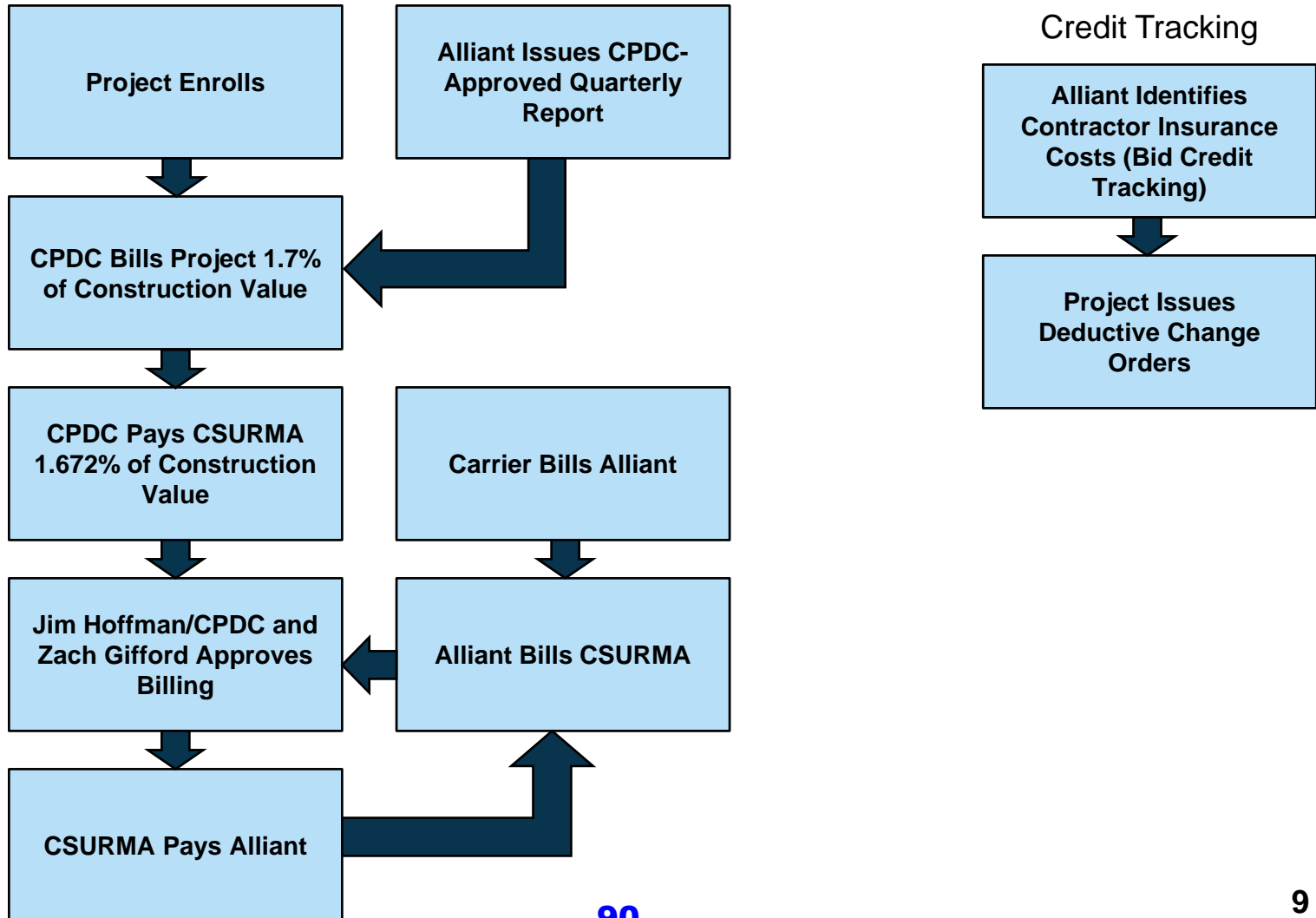
OCIP II Pro Forma

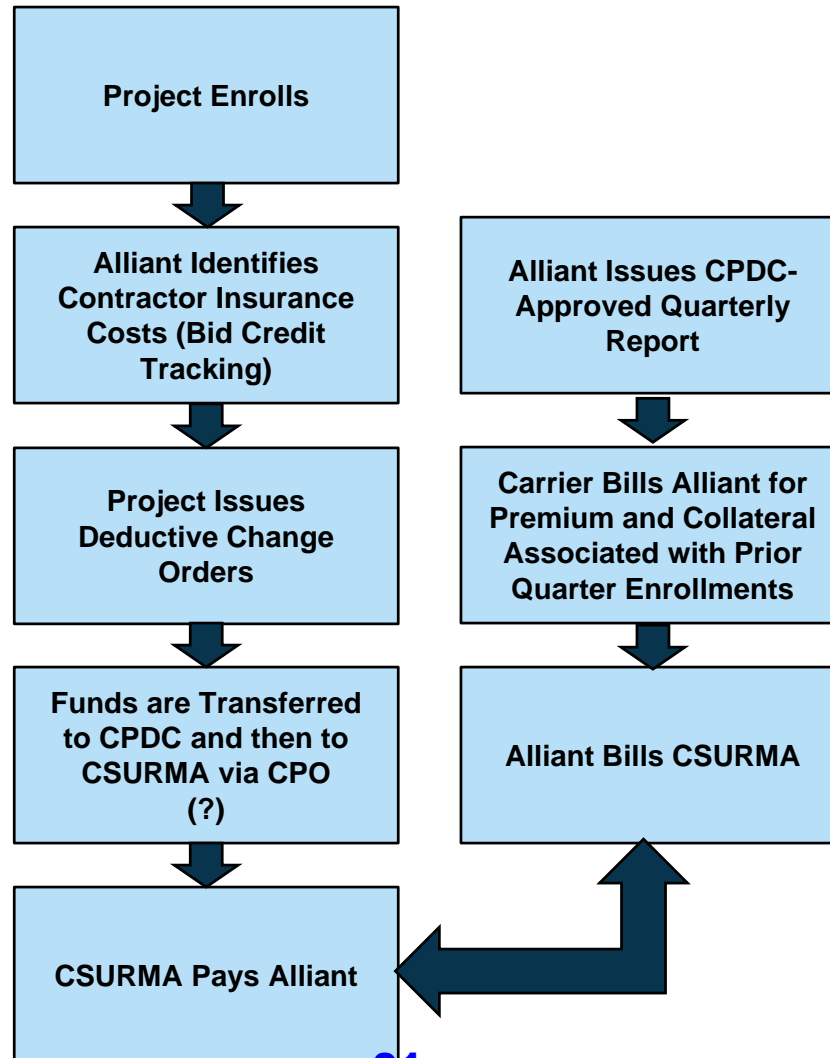
PROJECTS		ESTIMATED CV			
Construction Value (CV)	\$	750,000,000			
Estimated Payroll (22%)	\$	165,000,000			
ESTIMATED CONTRACTOR INSURANCE COSTS		PREMIUM	% OF CV		
Trade Contractor Workers Compensation	\$	12,000,000	1.60%		
Trade Contractor General Liability	\$	3,750,000	0.50%		
General Contractor General Liability	\$	3,000,000	0.40%		
Total	\$	18,750,000	2.50%		
OCIP PROGRAM COSTS (including taxes, surcharges, & LCF)		FIXED COSTS	MAX DEDUCTIBLES (LOSS AGGREGATE)	FIXED COSTS + MAX DEDUCTIBLES PAID	
Workers Compensation/General Liability Premium Rate (per 1000 CV)	\$	6.32	\$ 6.31	\$ 12.63	
Workers Compensation/General Liability Premium & Loss Aggregate	\$	4,740,000	\$ 4,733,333	\$ 9,473,333	
Excess Premium (0.236%)	\$	1,750,296		\$ 1,750,296	
Claims Expense at Max Deductibles (7% LCF)			\$ 331,333		
Administration / Claims Management / Loss Control (On Estimated Actual CV)	\$	1,875,000		\$ 1,875,000	
Total Program Costs	\$	8,365,296	\$ 5,064,666	\$ 13,429,962	
		1.12%	0.68%	1.79%	
PERCENTAGE OF MAXIMUM DEDUCTIBLES PAID	DEDUCTIBLES PAID	PROGRAM FIXED COSTS PLUS DEDUCTIBLES	CONTRACTOR INSURANCE COSTS	PROGRAM SAVINGS	SAVINGS % OF CV
A	B	C	D	E	
	<i>A x Loss Aggregate</i>	<i>B + Total Program Costs</i>	<i>Total Contractor Insurance Costs</i>	<i>D - C</i>	
0%	-	8,365,296	18,750,000	10,384,704	1.38%
10%	506,467	8,871,763	18,750,000	9,878,237	1.32%
20%	1,012,933	9,378,229	18,750,000	9,371,771	1.25%
25%	1,266,167	9,631,463	18,750,000	9,118,537	1.22%
30%	1,519,400	9,884,696	18,750,000	8,865,304	1.18%
40%	2,025,867	10,391,163	18,750,000	8,358,837	1.11%
50%	2,532,333	10,897,629	18,750,000	7,852,371	1.05%
60%	3,038,800	11,404,096	18,750,000	7,345,904	0.98%
70%	3,545,266	11,910,562	18,750,000	6,839,438	0.91%
80%	4,051,733	12,417,029	18,750,000	6,332,971	0.84%
90%	4,558,200	12,923,496	18,750,000	5,826,504	0.78%
100%	5,064,666	13,429,962	18,750,000	5,320,038	0.71%

Contractor insurance costs are above max program costs. At max losses, credits need only be 1.79% to break even

New Structure for OCIP II:

- **Projects will NOT be assessed a charge for OCIP coverages (workers compensation, general liability, excess liability)**
- **Contractors will include insurance costs in bids and those costs will be removed by deductive change order and paid to CSURMA**
- **Any OCIP savings will accrue to CSURMA with final disposition to be determined**





Row #	OCIP II Initial Payments	Value
1	Workers' Compensation Premium Deposit	\$ 522,759
2	General Liability Premium Deposit	\$ 500,000
3	Excess Liability - \$25M xs Primary	\$ 907,500
4	Excess Liability - \$25M xs \$25M	\$ 427,275
5	Excess Liability - \$25M po \$50M xs \$50M	\$ 411,480
6	Collateral Deposit	\$ 500,000
7	Contractors Pollution Liabilityj (CPL)	\$ 263,993
8	Owners Protective Professional Indemnity (OPPI)	\$ 141,364
	TOTAL INITIAL PAYMENTS	\$ 3,674,371
	OCIP II Quarterly Audit Payments	Value
9	Q1 2018 GL & WC Fixed Premium (\$83.5M in CV)	\$ 527,506
10	Q1 2018 Collateral	\$ 563,396
11	TOTAL Q1	\$ 1,090,902
12	Q1 2018 GL & WC Fixed Premium (\$77.7M in CV)	\$ 491,323
13	Q1 2018 Collateral	\$ 524,752
14	TOTAL Q2	\$ 1,016,075
15	TOTAL Q1 & Q2 2018	\$ 2,106,977

Current 2018 Projects

PROJECT NAME	EFF DATE	END DATE	Estimated Original Total CV	Fixed Premium	Collateral & Claims Expense	Excess Premium	Admin/Safety/Claims/Brokerage	TOTAL OCIP	OPPI	CPL	TOTAL PROGRAM	Contractor Insurance Credits (see Note 1)
University Union Renovation/Expansion	03/09/18	12/16/2019	\$ 34,040,533	\$ 215,136	\$ 229,774	\$ 80,336	\$ 85,101	\$ 610,347	\$ 38,125	\$ 8,476	\$ 656,948	\$ 680,811
Parking Structure E (see Note 2)	03/26/18	06/28/2019	\$ 49,425,560	\$ 312,370	\$ 333,623	\$ 116,644	\$ 123,564	\$ 886,200	\$ 55,357	\$ 12,307	\$ 953,864	\$ 988,511
Science Replacement Building	05/21/18	09/30/2020	\$ 77,741,042	\$ 491,323	\$ 524,752	\$ 183,469	\$ 194,353	\$ 1,393,897	\$ 87,070	\$ 19,358	\$ 1,500,324	\$ 1,554,821
Creative Arts Replacement Building	7/3/2018	6/26/2020	\$ 53,200,000	\$ 336,224	\$ 359,100	\$ 125,552	\$ 133,000	\$ 953,876	\$ 59,584	\$ 13,247	\$ 1,026,707	\$ 1,064,000
G6 Parking Structure	7/16/2018	11/30/2019	\$ 24,323,798	\$ 153,726	\$ 164,186	\$ 57,404	\$ 60,809	\$ 436,126	\$ 27,243	\$ 6,057	\$ 469,425	\$ 486,476
Student Union	8/1/2018	6/30/2020	\$ 46,000,000	\$ 290,720	\$ 310,500	\$ 108,560	\$ 115,000	\$ 824,780	\$ 51,520	\$ 11,454	\$ 887,754	\$ 920,000
Student Housing	8/13/2018	5/29/2020	\$ 43,364,775	\$ 274,065	\$ 292,712	\$ 102,341	\$ 108,412	\$ 777,530	\$ 48,569	\$ 10,798	\$ 836,897	\$ 867,296
			\$ 328,095,708	\$ 2,073,565	\$ 2,214,646	\$ 774,306	\$ 820,239	\$ 5,882,756	\$ 367,467	\$ 81,696	\$ 6,331,919	\$ 6,561,914
				0.632%	0.675%	0.236%	0.250%	1.793%	0.112%	0.025%	1.930%	2.000%
	2018				2019				2020			
Construction Term (Quarters)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
8	\$ 85,101	\$ 85,101	\$ 85,101	\$ 85,101	\$ 85,101	\$ 85,101	\$ 85,101	\$ 85,101				
6	\$ 164,752	\$ 164,752	\$ 164,752	\$ 164,752	\$ 164,752	\$ 164,752						
10		\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	\$ 155,482	
8			\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000		
6			\$ 81,079	\$ 81,079	\$ 81,079	\$ 81,079	\$ 81,079	\$ 81,079				
8			\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000		
8			\$ 108,412	\$ 108,412	\$ 108,412	\$ 108,412	\$ 108,412	\$ 108,412	\$ 108,412	\$ 108,412		
Credits	\$ 249,853	\$ 405,335	\$ 842,827	\$ 842,827	\$ 842,827	\$ 842,827	\$ 678,075	\$ 678,075	\$ 511,894	\$ 511,894	\$ 155,482	
Cumulative Credits		\$ 655,188	\$ 1,498,015	\$ 2,340,842	\$ 3,183,668	\$ 4,026,495	\$ 4,704,569	\$ 5,382,644	\$ 5,894,538	\$ 6,406,432	\$ 6,561,914	

Note 1: General Contractors generally charge 0.75% - 1.25% of construction value for GL whereas actual costs are typically 0.25% - 0.5%. Therefore, insurance credits are lower than the avoided contractor insurance costs shown on the pro form.

Note 2: Parking Structure E was bid net

Approaches	Details	Contractor Insurance Cost
A. Original Alliant Pro Forma	2011 Estimate for First \$500M	2.25%
B. Net Bid with Audit of Contractors' Actual Insurance Cost	2014 Audit of 77% of Enrolled Construction Value on 8 Projects	2.52%
C. Bid Credit Tracking with Change Orders (CSU discounts credit by 15%)	9 Projects Underway 3 Projects With Data	2.00% - 2.60% 1.70% - 2.20% (after discount) (estimated ultimate credit on 3 projects)
D. Turner Proposed CCIP	San Marcos PPP	2.80%
E. Level 10 CCIP	Typical Charge as per CFO	2.50%
F. CCIPs	Typical Commercial / Institutional Projects in CA	1.9% - 2.8% (CCIP pricing would not include CPL / OPPI)



	Expense	Amount
Workers' Compensation Premium Deposit	(522,759)	
General Liability Premium Deposit	(500,000)	
Excess Liability - \$25M xs Primary	(907,500)	
Excess Liability - \$25M xs \$25M	(427,275)	
Excess Liability - \$25M po \$50M xs \$50M	(411,480)	
Collateral Deposit	(500,000)	
Contractors Pollution Liabilityj (CPL)	(263,993)	
Owners Protective Professional Indemnity (OPPI)	(141,364)	
TOTAL UPFRONT PREMIUM & DEPOSITS	(3,674,371)	

Assumptions & Notes

Projects assumed to average a 2 year term with a payment to CSURMA at project midpoint and at project end
 Values do not include \$703M in OCIP I rollover costs
 Fixed premium on OCIP I rollover projects should have already been paid to CSURMA by CPDC
 This is a cash flow analysis only, and does not represent savings to the University from the OCIP
 After year 1, the collateral pay-in is dropped from 100% of the loss aggregate to 66%
 Because of upfront payments, XS premiums are not billed until newly enrolled CV reaches \$750M
 There are no insurance credits for CPL & OPPI premiums
 Only Q1 & Q2 2018 payments represent actual values. Others are estimates based upon simplified timing assumptions and uniform enrollment of projects
 Enrollment of new projects ends after 3 years in order to allow 2 years for completion

Year	Quarter	Estimated Enrolled Project Value	Total Program Cost Including OCIP, XS, CPL,	Estimated Bid Credits (2.0%)	2018				2019				2020				2021				2022							
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
2018	1Q	83,466,093	1,610,896	1,669,322	0	0	494,256	340,405	0	494,256	0	340,405	0	0	0	0											1,669,322	
					(1,090,902)																						(1,090,902)	
	2Q	77,741,042	1,500,402	1,554,821	0	0	0	0	0	777,410	0	0	0	0	777,410	0												1,554,821
						(1,419,093)																						(1,419,093)
	3Q	166,888,573	3,220,949	3,337,771	0	0	0	0	243,238	1,425,648	0	243,238	0	1,425,648	0	0												3,337,771
4Q	100,000,000	1,930,000	2,000,000									1,000,000				1,000,000											(2,827,092)	
								(1,694,000)																			2,000,000	
																											(1,694,000)	
																											(3,674,371)	
																											(3,674,371)	
																											227,868	
																											334,009	
																											150,000	
																											0	
																											0	
2019	1Q	100,000,000	1,710,000	2,000,000									1,000,000			1,000,000											2,000,000	
																												(1,694,000)
	2Q	100,000,000	1,710,000	2,000,000										1,000,000			1,000,000											2,000,000
																												(1,694,000)
	3Q	100,000,000	1,710,000	2,000,000											1,000,000			1,000,000										2,000,000
4Q	100,000,000	1,710,000	2,000,000																								(1,694,000)	
																											2,000,000	
																											(1,930,000)	
																											1,500,000	
																											350,000	
																											522,759	
																											500,000	
																											0	
2020	1Q	100,000,000	1,710,000	2,000,000												1,000,000						1,000,000					2,000,000	
																												(1,930,000)
	2Q	100,000,000	1,710,000	2,000,000													1,000,000					1,000,000						2,000,000
																												(1,930,000)
	3Q	100,000,000	1,710,000	2,000,000																			1,000,000			1,000,000		2,000,000
4Q	100,000,000	1,710,000	2,000,000																								(1,930,000)	
																											2,000,000	
																											(1,930,000)	
																											1,500,000	
																											1,500,000	
TOTAL	1,228,095,708			Cumulative	(4,765,273)	(1,419,093)	(2,332,837)	(641,718)	(1,450,762)	1,003,314	1,306,000	1,026,402	(930,000)	495,648	1,347,410	70,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,709,092	
					(4,765,273)	(6,184,366)	(8,517,203)	(9,158,920)	(10,609,683)	(9,606,369)	(8,300,369)	(7,273,966)	(8,203,966)	(7,708,319)	(6,360,908)	(6,290,908)	(4,290,908)	(2,290,908)	(290,908)	1,709,092	2,709,092	3,709,092	4,709,092	5,709,092				

CSURMA SUPPORT FOR SYSTEMWIDE EH&S SOFTWARE PACKAGE

ISSUE: CSURMA’s Executive Committee agreed to support campus implementation of the University of California’s Risk and Safety Solutions (RSS) software modules, with campuses to pay for annual licensing. In April, the State Auditor released a report that described deficiencies in the University’s EH&S management, among them the need for a systemwide software platform to help manage EH&S processes and exposures. The Chancellor’s Office determined the best solution was to implement the RSS package on a systemwide basis, which the Chancellor committed partial funding for FY 2018/19. The Chancellor’s Office asked the balance be absorbed by CSURMA in its FY 2018/19 budget and include the cost of the software in the Campus Liability Risk Pool rates in the following years. Note, the additional cost for the software in FY 2019/20 and beyond is due to the cost of adding the “Chemicals” module which the Chancellor’s Office negotiated to be deferred in Year 1. Table 1 shows the cost:

Table 1
Annual Cost for RSS Software Package

	FY 2018/19	FY 2019/20	FY 2020/21
Software Cost	\$500,000	\$902,200	\$755,213
MSDS Module	59,187	59,187	59,187
C.O. Support	(500,000)	(500,000)	(500,000)
CSURMA Cost	* \$59,187	\$461,387	\$314,400

* CSURMA has budgeted up to \$140,000 for RSS software in FY 2018/19.

RECOMMENDATION: Pending final determination of the Chancellor’s Office, Table 1 shows the possible cost that may be allocated to CSURMA. The Executive Committee is asked to consider a possible budget amendment arising from the Chancellor’s Office request to fund the RSS software cost, approve execution of a service agreement and direct staff to include the cost as an unmodified allocation component of the Campus Liability Risk Pool rates starting in FY 2019/20.

FISCAL IMPACT: CSURMA budget included \$140,000 for RSS software implementation at seven campuses (*i.e.* \$20,000 each). The additional cost of a systemwide implementation of a broader package of modules will cost \$500,000 in Year 1 (*i.e.*, \$21,739 per campus), offset by the Chancellor’s Office contribution. A midterm budget amendment will be prepared if the Executive Committee takes action to approve additional expenditure on RSS software in the

current fiscal year. The cost in future years will be included in the budget and charged to the Liability Program fund.

BACKGROUND: CSURMA has recognized the need to support campus implementation of a software package to manage EH&S processes and exposures. Previously, the Executive Committee had agreed to support implementation of a limited number of the RSS software at seven campuses per year. This was intended to be a voluntary offering. Following the State Auditor's report, it's now clear that CSU needs a systemwide solution on a common software package. In addition, campuses may have additional costs such as bar code labels that will be reimbursed to CSURMA.

PUBLICATION: None.

ATTACHMENT(S):

- a. MSDS Module Customer Order Form

222 Merchandise Mart Plaza, Suite 1750
Chicago, IL 60654
Ph: 312.881.2000
Fax: 866.320.1021
Tax ID #: 04-3626476

Contract Number: 083836
Contract Date: 7/20/2018
Sales Rep: Charles Morin
Offer Valid Through: 8/19/2018

Customer Information

Bill to:
Customer: CSU Office of the Chancellor
Attn: Mary Carrillo
Address: 401 Golden Shore
Long Beach, CA 90802

Ship to:
Customer: CSU Office of the Chancellor
Attn: Mary Carrillo
Address: 401 Golden Shore
Long Beach, CA 90802

Terms and Conditions

Related Contract:
Contract Start Date:
Contract End Date:
Term:
Coverage:
RS049801, RS029231, 029291, 021081, SFU26123
Fourteen (14) calendar days after execution
Determined upon execution
3 Years
23 Location(s)

PO Number:
Payment Terms: Net 30
Billing Frequency: Annually
Initial Invoice Due: 30 Days from Execution

MSDS Management	Qty	Year 1	Year 2	Year 3
HQ RegXR Account	1	\$59,187.00	\$59,187.00	\$59,187.00
Management Licenses - HQ	2	\$0.00	\$0.00	\$0.00
Additional Management Licenses - HQ	74	\$0.00	\$0.00	\$0.00

Services	Qty	Year 1	Year 2	Year 3
Implementation Services	1	\$0.00		
Total:		\$59,187.00	\$59,187.00	\$59,187.00

This Customer Order is governed by the terms and conditions of the MSDSonline Master Subscription Agreement, as posted on www.MSDSonline.com. By signing below, Customer agrees to be bound by such terms and conditions. MSDSonline may deem this Customer Order null and void if executed agreement is not received by MSDSonline by the "Offer Valid Through" date listed above, or if the document is returned with handwritten changes.

CSU Office of the Chancellor

Signature: _____

Name: _____

Title: _____

Date: _____

MSDSonline

Signature: _____

Name: _____

Title: _____

Date: _____

Base subscription pricing includes:

- 1 annual HQ subscription(s) for the Customer and its employees included within the Coverage of this agreement
- A Primary Account Administrator and 75 Additional Administrator(s). Additional Administrators may be purchased for \$250 USD per Administrator.
- Unlimited MSDS database searches, views and additions to the eBinder.
- Annual allotment of 50 MSDS Requests and 100 MSDS Uploads. Additional MSDS Requests may be purchased in bundles of fifty (50) for \$200 USD; additional MSDS Uploads may be purchased in bundles of (100) for \$200 USD.
- Implementation Services and Customer/Technical Support.

Implementation Service: MSDSonline will provide implementation assistance that includes the following:

- An assigned contact who will escort you through the implementation process.
- Assistance with the configuration of the system in a manner most suitable to your environment.
- Training (phone or Web conference) to any named system administrator (Primary or Additional).
- Help facilitating the deployment of your system across your organization.
- Unlimited access to the Customer Care and Technical Support resources to answer any questions you may have (between the hours of 7am and 7pm CST).

This agreement supersedes Customer Order Form #RS049801, RS029231, 029291, 021081, SFU26123. Unless otherwise noted, all fees are in USD and Year One (1) fees become due within 30 calendar days of the execution of this Customer Order Form. The Base Subscription period will commence on the Contract Start Date, as noted on page one (1) of this agreement; the Contract Start Date will become the subscription “anniversary date”. Subsequent yearly fees will be invoiced between 45 and 60 days before each anniversary date, with payments due prior to each anniversary date. Customer may at its discretion pre-pay the full term of the agreement. Sales tax associated to this Order will appear on the invoice, where applicable.

Supplemental Provisions
CSU General Provisions for Information Technology Acquisitions
for
Information Security Requirements

Introduction

This document contains contract language to be used to develop supplemental provisions for CSU General Provisions for Information Technology Acquisition contracts involving the use of CSU information assets. This language is intended to be used when the nature of the information asset or resource requires protection. Use of supplemental contract language is required in order to comply with ICSUAM Policy 8040 Section 200, Payment Card Industry Data Security Standards (PCI DSS), NACHA, FERPA, and the Health Insurance Portability and Accountability Act (HIPAA).

DEFINITIONS

Affiliate - an entity now or hereafter controlled by, controlling or under common control with a Party. Control exists when an entity owns or controls more than 50% of the outstanding shares or securities representing the right to vote for the election of directors or other managing authority of another entity.

Confidential Information - The term “Confidential Information” shall mean this Agreement and all proprietary information, data, trade secrets, business information, any Protected Information regarding students, employees or other individuals or entities, including but not limited to, Social Security numbers, other tax identification numbers, credit card, bank account and other financial information, and other information of any kind whatsoever which:

- a) a Party (“Discloser”) discloses, in writing, orally or visually, to the other Party (“Recipient”) or to which Recipient obtains access in connection with the negotiation and performance of this Agreement, and which
- b) relates to:
 - i. the Discloser, or
 - ii. in the case of Contractor as Recipient, the CSU, its students and employees, and its third-party contractors or licensors who have made confidential or proprietary information available to the CSU.

Party – The CSU or Contractor.

CSU Protected Data - data defined as “Protected Level 1” and “Protected Level 2” in the CSU Data Classification Standard (<http://www.calstate.edu/icsuam/documents/Section8000>), 8065.0 Asset Management

Representative - an employee, officer, director, or agent of a Party.

Relationship Manager - the respective employees of each Party that each Party shall designate to act on its behalf with regard to matters arising under this Agreement; each Party shall notify the other in writing of the name of their Relationship Manager; however, the Relationship Manager shall have no authority to alter or amend any term, condition or provision of the Agreement; further, each Party may change its Relationship Manager by providing the other Party with prior written notice.

Subcontractor - a third party to whom Contractor has delegated or subcontracted any portion of its obligations set forth herein.

Work Product - All discoveries, inventions, work of authorship or trade secrets, or other intellectual property and all embodiments thereof originated by Contractor within the scope of Services provided under this Agreement, whether or not prepared on CSU's premises.

Contractor – Contractor is any party to an agreement with the CSU along with any Contractor Representative, Subcontractor, Affiliate, or other entity over whom the Contractor has control.

1.0 ACKNOWLEDGEMENT

Contractor acknowledges that its contract/purchase order with the California State University (“the CSU”) may allow the Contractor access to CSU Protected Data including, but not limited to, personal information, student records, health care information, or financial information. This data may be transferred in various forms, notwithstanding the manner in which or from whom it is received by Contractor subject to state laws that restrict the use and disclosure of such information, including the California Information Practices Act (California Civil Code Section 1798 et seq.) and the California Constitution Article 1, Section 1. Contractor represents and warrants that it will keep CSU Protected Data confidential both during the Term and after the termination of the Agreement.

2.0 DISCLOSURE REQUIREMENTS

Contractor agrees that it will include all of the terms and conditions contained in this agreement in all subcontractor contracts providing services under this Agreement.

Contractor shall not use or disclose CSU Protected Data other than to carry out the purposes of this agreement. Contractor shall not disclose any CSU Protected Data other than on a “need to know” basis and then only:

- a. To its representatives, provided however, that each such employee or officer has entered into a confidentiality agreement;
- b. To affiliates of or Subcontractors to Contractor, only if previously approved by the CSU and provided that
 - i. Use by such Affiliates or Subcontractor shall be limited to the purpose of this agreement;
 - ii. Affiliate or Subcontractor is bound by contract and or confidentiality agreement to protect CSU data from unauthorized access.

If required by a court of competent jurisdiction or an administrative body to disclose Protected Data, Contractor shall notify the CSU in writing prior to any such disclosure in order to give the CSU an opportunity to oppose any such disclosure. Prior to any disclosure of Confidential Information as required by legal process, the Contractor shall:

- c. Notify the CSU of any, actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure immediately upon becoming so obligated, and
- d. Delay disclosure until the CSU has provided contractor with notice that they will oppose or agree to such disclosure or the time specified for legal compliance is reached.

Any access, transmission, or storage of Protected Data outside the United States shall require prior written authorization by the CSU.

2.1 Exceptions to Obligations of Confidentiality

With the exception of the data classified as “Protected Level 1” or “Protected Level 2” under the CSU Data Classification Standard, identified in (<http://www.calstate.edu/icsuam/documents/Section8000>), 8065.0 Asset Management obligations of confidentiality shall not apply to any information that:

- a. Contractor rightfully has in its possession when disclosed to it, free of obligation to the CSU to maintain its confidentiality;
- b. Contractor independently develops without access to CSU Protected Data;
- c. Is or becomes known to the public other than by breach of this contract;
- d. The CSU or its agent releases without restriction; or
- e. Contractor rightfully receives from a third party without the obligation of confidentiality.

Any combination of Protected Data disclosed with information not so classified shall not be deemed to be within one of the foregoing exclusions merely because individual portions of such combination are free of any confidentiality obligation or are separately known in the public domain.

Failure by Contractor to comply with any provision of this Section shall constitute a default subject to Paragraph 14 of the CSU General Provisions for Information Technology Acquisitions.

3.0 INFORMATION SECURITY PLAN

Contractor agrees that it will protect CSU Protected Data according to published information security policy and standards and no less rigorously than it protects its own confidential information but in no case less than reasonable care.

Contractor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures, which may include but not be limited to encryption techniques, to preserve the confidentiality, integrity and availability of all such Protected Data.

In addition, Contractor represents and warrants that in performing the Services, it will comply with all applicable privacy and data protection laws and regulations of the United States including, as applicable,

the provisions in the Gramm-Leach-Bliley Act, 15 U.S.C. Section 6801 et seq., the Family Education Rights and Privacy Act ("FERPA"), 20 USC Section 1232(g) et seq., and of any other applicable non-U.S. jurisdiction, including the European Union Directives, and that it will use best efforts, consistent with Federal Trade Commission and other applicable guidance, to protect CSU's Protected Information from identity theft, fraud and unauthorized use.

Failure by Contractor to comply with any provision of this Section shall constitute a default subject to Paragraph 14 of the CSU General Provisions for Information Technology Acquisitions.

4.0 INCIDENT RESPONSE MANAGEMENT

4.1 Notification of a Security Incident.

Contractor shall report, in writing, to the CSU any use or disclosure of CSU Protected Data not authorized by this Agreement or authorized in writing by the CSU, including any reasonable belief that an unauthorized individual has accessed CSU Protected Data. This report shall be made to the CSU's primary contact and its designated information security officer. It shall include details relating to any known or suspected security breach of Contractor's system or facilities which contain CSU Protected Data or any other breach of Protected Data relating to this Agreement. This report shall be made not later than within twenty-four (24) hours after discovery, if the information was, or is reasonably believed to have been, acquired by an unauthorized person.

4.2 Notification Contents

Contractor's report shall identify:

- The nature of the unauthorized use or disclosure,
- The time and date of incident,
- A description of CSU Protected Data used or disclosed,
- Who made the unauthorized use or received the unauthorized disclosure,
- What Contractor has done or shall do to mitigate any harmful effect of the unauthorized use or disclosure, and
- The corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure.

Contractor shall provide such other information, including a written report, as reasonably requested by the CSU.

4.3 Notification to Parties

Contractor agrees to fully cooperate with the CSU with the preparation and transmittal of any notice, which the CSU may deem appropriate or required by law, to be sent to affected parties regarding the known or suspected security breach, and to be financially responsible for any such notice resulting from Contractor's, its Representatives, Affiliates, or Subcontractors acts or omissions with regard to the data security requirements of this Agreement. Contractor shall take appropriate remedial action with respect to the integrity of its security systems and processes.

5.0 COMPLIANCE

5.1 PCI-DSS Requirements – Intentionally removed as not applicable.

5.2 PA DSS Requirements – Intentionally removed as not applicable.

5.3 NACHA Requirements – Intentionally removed as not applicable.

5.4 Health Insurance Portability and Accountability Act (HIPAA) Requirements – Intentionally removed as not applicable.

6.0 PERSONNEL SECURITY REQUIREMENTS

Any work to be performed in connection with this Agreement by Contractor, its Affiliates or Subcontractors must be performed in the United States, unless the prior written consent of the CSU is received to perform work outside the United States. Further, CSU Protected Data may not be transmitted or stored outside the United States without the prior written consent of the CSU.

Contractor shall require all Representatives, Affiliates and Subcontractors with access to CSU Protected Data, as a condition of their engagement, to participate in annual security awareness training.

Contractor shall comply and shall cause its Representatives, Affiliates and Subcontractors to comply with all personnel, facility, safety and security rules and regulations and other instructions of the CSU, when performing work at a CSU facility, and shall conduct its work at the CSU facilities in such a manner as to avoid endangering the safety, or interfering with the convenience of, CSU Representatives or customers.

Contractor shall not knowingly permit a Representative, Affiliate, or Subcontractor to have access to the records, data or premises of the CSU when such Representative, Affiliate or Subcontractor:

- (a) has been convicted of a crime;
- (b) has engaged in a dishonest act or a breach of trust; or
- (b) uses illegal drugs.

Contractor agrees that under no circumstances shall any of Contractor's Representatives, Affiliates or Subcontractors, whether full-time or part-time, connect to any CSU system or access any CSU data, for purposes of downloading, extracting, storing or transmitting information through personally owned, rented or borrowed equipment including, but not limited to mobile devices (e.g., laptops, PDAs, cell phones, etc.,)

Contractor represents that it maintains comprehensive hiring policies and procedures which include, among other things, a background check for criminal convictions, and pre-employment drug testing, all to the extent permitted by law. Contractor shall conduct thorough background checks and obtain references for all its Representatives, Affiliates, and Subcontractors who have access to CSU's protected information.

Any exceptions are at variance with the CSU policy and must be approved in advance according to CSU policy guidelines.

7.0 RECORD RETENTION REQUIREMENTS

Contractor shall maintain all records pertaining to the Services provided to the CSU under this Agreement for a period of five (5) years, and if longer after termination of the Agreement, subject to applicable law or regulation. Contractor further agrees to provide to the CSU, at its request, a full copy of all such records for the CSU to maintain at a U.S. location which the CSU shall designate.

Any residual data that exists on backups must be destroyed or purged within *six (6) months*. Backup data may not be archived. Contractor to provide evidence or certification that this section has been complied with.

8.0 THE CSU RIGHT TO CONDUCT AND/OR REVIEW RISK ASSESSMENTS

A Contractor, with access to the CSU protected data, shall conduct risk assessments and/or audits of its use of CSU protected data at least annually. The Contractor shall provide the CSU with copies of its latest information security risk assessments and/or audits upon request.

If any assessment and/or audit discloses material variances from the performance requirements set forth in this Agreement or a breach by Contractor of the provisions of this Agreement, Contractor shall be deemed in breach of this Agreement.

9.0 TERMINATING OR EXPIRING THE AGREEMENT – RETURN/DESTROY PROTECTED DATA

Note – This section is required if the product/service involves Protected Data.

Upon the termination or expiration of this Agreement, or at any time upon the request of the CSU, Contractor and its subcontractors shall return all CSU Protected Data (and all copies and derivative works thereof made by or for Contractor). Further, Contractor and all subcontractors shall delete or erase such Protected Data, copies and derivative works thereof, from their computer systems.

The CSU shall have the right to require Contractor to verify, to CSU's satisfaction, that all CSU Protected Data has been returned, deleted or erased. Contractor agrees to fully cooperate with the CSU's requests for verification.

**CHANGE IN CALCULATION OF THE CAMPUS WC RISK POOL
PREMIUM AUDIT ADJUSTMENT**

ISSUE: CSURMA has been participating in the CSAC Excess Insurance Authority's (*EIA*) Primary Workers' Compensation Program since January 1, 2015. EIA covers the Campus and AORMA Workers' Compensation programs fully from first-dollar to the state's statutory required limits. EIA's coverage structure involves primary reinsurance and excess insurance. EIA recently replaced *Great American* as the reinsurer in the primary layer with *State National Insurance Co.* The new reinsurer desires to adhere to standard premium audit practices.

EIA and CSURMA had agreed to a premium audit process allowing Campus WC to over-report payroll projections by 2.5% while reducing the premium rate by 2.5%, thereby creating a margin for premium adjustments upon audit of the final actual payroll. This strategy was developed to minimize the fiscal impact on CSU's budget and was intended to be cost neutral while complying with *Great American's* need for premium audits based on final actual payrolls. The new reinsurer prefers to calculate the final premium per standard industry practice. In so doing, *State National* agrees to waive the first 2.5% of additional premium that otherwise is earned at final audit. A letter of explanation from EIA's broker is attached to this item.

RECOMMENDATION: No action is required on this item; however, the Executive Committee may take action or provide direction to staff.

FISCAL IMPACT: Depending on the difference between projected payroll and actual payroll for FY 2018/19 and FY 2019/20, there may be some additional cost to CSURMA.

BACKGROUND: The above does not involve AORMA WC as its program is audited per standard industry practice.

Typically, a minimum and deposit premium is payable at the beginning of each coverage period based on the projected payroll for the coverage period. At the end of the coverage period, a final audit of actual payroll determines the earned premium from which a premium adjustment is calculated.

ATTACHMENT(S):

- a. Letter to Zachary Gifford from EIA's Broker dated August 13, 2018



August 13, 2018

Mr. Zachary Gifford
Secretary / Auditor
CSURMA

RE: CSAC EIA Primary Workers' Compensation Layer
2.5% Margin Clause on Payroll

Dear Zach:

As you know, we instituted a margin clause on the payroll for the primary layer a couple of years ago. This program improvement artificially inflated the payroll used in this layer by 2.5% (and artificially reduced the rate accordingly) so that when the audit was done, the CSURMA would not pay any additional premium for the first 2.5% of any payroll increase.

At the renewal of this layer on July 1st of this year, we replaced the expiring reinsurer (Great American) with State National Insurance Company. In the process of getting their reinsurers to support the improved renewal, we had to slightly amend the calculation method for this margin clause. Instead of artificially inflating the payroll by 2.5%, the reinsurers have agreed to waive the first 2.5% of any premium due under the payroll audit. While this is very similar, it is not exactly the same. Two examples are calculated below to show how they are slightly different.

Inflating payroll and decreasing rate to get rid of 2.5% of audit

Initial Payroll	4,057,072,184		
Inflated Payroll	4,138,498,989		
	Original	Adjusted to waive 2.5% of audit	
Premium Rate	0.2982	0.2908	
Corridor	7,000,000		

Use original rate & Payroll, and waive first 2.5% of audit premium

Initial Payroll	4,057,072,184		
Inflated Payroll	N/A		
	Original	Adjusted to waive 2.5% of audit	
Premium Rate	0.2982	N/A	
Corridor	7,000,000		

Payroll	Audit	Audited Premium	Audit Premium
4,057,072,184	0.00%	12,100,000	0
4,097,642,906	1.00%	12,100,000	0
4,138,213,628	2.00%	12,100,000	0
4,138,498,989	2.50%	12,100,000	0
4,178,784,330	3.00%	12,151,423	31,423
4,219,335,071	4.00%	12,269,400	169,400
4,239,925,793	5.00%	12,387,375	287,375
4,300,496,515	6.00%	12,505,350	405,350
4,341,067,237	7.00%	12,623,325	523,325

Payroll	Audit	Audited Premium	Waived Premium audit	Audit Premium	Difference
4,057,072,184	0.00%	12,100,000	0	0	0
4,097,642,906	1.00%	12,221,000	121,000	0	0
4,138,213,628	2.00%	12,342,000	242,000	0	0
4,138,498,989	2.50%	12,402,500	302,500	0	0
4,178,784,330	3.00%	12,463,000	302,500	60,500	9,075
4,219,335,071	4.00%	12,584,000	302,500	181,500	12,100
4,239,925,793	5.00%	12,705,000	302,500	302,500	13,125
4,300,496,515	6.00%	12,826,000	302,500	423,500	18,150
4,341,067,237	7.00%	12,947,000	302,500	544,500	21,175

Mr. Zachary Gifford
CSURMA
Page 2 of 2



We wanted to make sure you understood this slight change. Please let us know if you have any questions.

Sincerely,

ALLIANT INSURANCE SERVICES, INC.

A handwritten signature in black ink, appearing to read "Gordon B. DesCombes".

Gordon B. DesCombes
Executive Vice President

cc: Daniel Howell, Alliant
Mike Fleming, CSAC EIA

CSURMA AORMA BENEFITS PROGRAM
BROKER/CONSULTANT SERVICES AGREEMENT ADDENDUM

ISSUE: At its meeting on September 5th and 6th, the AORMA Committee will be asked to approve the CSURMA AORMA Benefits Program participation agreement as well as review the addendum to the Broker/Consultant Services Agreement dated January 1, 2016 between Alliant Insurance Services, Inc. and the California State University Risk Management Authority which allows Alliant to receive compensation for benefits purchased through CSAC EIA.

RECOMMENDATION: Staff recommends that the Committee review the contract addendum and provide direction as appropriate.

FISCAL IMPACT: There is no direct financial impact to CSURMA. All AORMA Benefits Program premiums are paid by the members directly to CSAC EIA. However, in the event a member does not pay or pays late, CSURMA may be asked to front the missing funds. *(See the participation agreement attached for additional details.)*

BACKGROUND: Effective January 1, 2019, the AORMA Benefits Program will begin purchasing its benefits through the CSAC EIA. CSAC EIA will require each Program Participant to sign a separate Memorandum of Understanding (MOU) prior to joining either the health or dental benefits program. Inclusion in the AORMA Benefits Program is subject to the eligibility guidelines within the CSAC EIA Administrative Guidelines.

The AORMA Benefits Program Administrator will be using CSAC EIA's approved benefits administrator, Benefit Coordinators Corporation (BCC), for the cost allocation, invoicing and eligibility management. CSAC EIA will invoice BCC directly. BCC in turn will invoice the Members. All members will be required to pay BCC electronically; payments via check will not be permitted. Once all the benefits premium is received from the members, BCC will pay CSAC EIA. If not all of the members have paid or paid on time, CSURMA will be asked to front the missing funds. The AORMA Benefits Program participation agreement outlines these procedures.

PUBLICATION: The AORMA Benefits Program Administrator is working directly with all Program Participants and prospective members and will disseminate information accordingly.

ATTACHMENT(S):

- a. AORMA Benefits Program Participation Agreement
- b. Broker/Consultant Services Agreement addendum
- c. CSAC EIA Administrative Guidelines
- d. CSAC EIA Premium Payment Agreement

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
(CSURMA)**

**PARTICIPATION AGREEMENT
FOR THE
CSURMA AORMA BENEFITS PROGRAM**

We, _____ signatory to the California State University Risk Management Authority “CSURMA” Joint Exercise of Powers Agreement, have agreed by action of our Board of Directors on _____ 20 _____, to participate in the CSURMA Auxiliary Organizations Risk Management Alliance “AORMA” Benefits Program, hereinafter referred to as “AORMA Benefits Program”. As evidenced by the authorized signatures on Page Three of this document, we agree to become a participant in the AORMA Benefits Program and be referred to as a “Program Participant.”

It is understood that this Participation Agreement pertains only to the AORMA Benefits Program and not to any other program operated by CSURMA.

We understand that the following requirements have been met and insurance coverage through the AORMA Benefits Program begins on January 1, 2019:

- 1) All applicable participation fees have been paid.
- 2) We have executed this AORMA Benefits Program Participation Agreement.
- 3) We are a member of the Joint Powers Authority. This means we:
 - a) Have been approved for Joint Powers Authority membership by the Executive Committee;
 - b) Have executed the Joint Exercise of Powers Agreement; and,
 - c) Have executed a “Resolution to Join” in accordance with the Joint Exercise of Powers Agreement.

MINIMUM TIME OF PARTICIPATION AND NOTICE OF WITHDRAWAL:

The Program anniversary date is January 1 of each year.

It is understood that the AORMA Benefits Program requires an initial three full program year commitment. Withdrawal from the AORMA Benefits Program cannot occur until three full years of participation has occurred. *If a CSURMA AORMA Member joins mid-term it would be three full program years plus the partial first year of participation.*

A Program Participant may withdraw only at the end of the Program Year, provided it has given the AORMA Benefits Program Administrator 90-days written notice of its intent to withdraw from the program. Once the Program Participant has withdrawn from the AORMA Benefits Program,

there is a one-year waiting period to come back to the AORMA Benefits Program, and the Program Participant will be subject to underwriting approval again.

RESPONSIBILITIES OF PROGRAM PARTICIPANTS:

It is understood that as a Program Participant we are obliged to do the following:

- Take such action, including providing the AORMA Benefits Program Administrator with information, as is necessary to carry out the AORMA Benefits Program as required by the CSURMA Joint Exercise of Powers Agreement, Bylaws and the policies established by the AORMA Committee, Executive Committee and/or the Board of Directors;
- Pay the AORMA Benefits Program when due any and all premium, taxes and fees. Withdrawal does not relieve a Program Participant from liability for monies owed; and
- Adhere to all CSAC EIA Administrative Guidelines (for those benefits programs purchased through CSAC EIA).

RESPONSIBILITY FOR PROGRAM PREMIUMS:

It is also understood that AORMA Benefits Program Participants are responsible for their share of all AORMA Benefits Program premiums and any other expenses deemed necessary by the CSURMA Board of Directors. A Program Participant's share of the program premiums shall be reflected, as accurately as possible, within its program premium invoice.

Program Participants agree to the following policy regarding premium payments:

- I. Program Participants will receive AORMA Benefits Program premium invoices on a monthly basis.
- II. Invoices shall be due and payable as invoiced upon receipt, but not later than the last day of the month prior to the month for which the Program Participant is invoiced. (Example: January premiums are due no later than December 31.) Invoices will become delinquent on the first day of the month for which the Program Participant is invoiced. (Example: January premium will be delinquent on January 1.)
- III. Program Participant invoices remaining unpaid for 60 days beyond the due date shall be transferred to CSURMA for payment responsibility.
- IV. Interest will begin accruing on the first day of premium delinquency. Interest will be assessed on any amounts which are unpaid.

- V. The interest rate shall be at least equivalent to the investment income rate that CSURMA would have earned if the funds had instead been investing during the same calculation period, plus 4%.
- VI. Participation in the AORMA Benefits Program may be revoked if a Program Participant's program invoice remains unpaid for 90 days beyond the due date. Notwithstanding any other provision to the contrary, a Program Participant's termination from the AORMA Benefits Program due to late payment or non-payment of premium will be at the discretion of the AORMA Committee.

The withdrawal or termination of Program Participant from the AORMA Benefits Program shall not terminate the responsibility to continue to contribute to its share of financial obligations incurred by CSURMA by reason of the Program Participant's previous participation.

* * * * *

It is the policy of the CSURMA Executive Committee that members who leave the AORMA Benefits Program remain subject to assessments described here and in the Joint Powers Agreement, Bylaws, and other governing documents policy and procedures.

We acknowledge and agree that this Participation Agreement shall automatically conform to any amendments made to the CSURMA Joint Exercise of Powers Agreement or Bylaws which affect the conditions of participation in the AORMA Benefits Program. Any other amendments to this Participation Agreement shall require a two-thirds vote of the members of the Board of Directors of the CSURMA who are elected by the Auxiliary Organization members of the CSURMA.

In recognition of the above, this Participation Agreement is executed on

_____, 20 _____.

Auxiliary Organization Name

Signature

Name

Title

**NEW PROGRAM ADDITION PER BROKER/CONSULTANT SERVICES
AGREEMENT Between CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT
and ALLIANT INSURANCE SERVICES, INC.**

I. RECITALS

In October 2015, CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY (“CSURMA”) and ALLIANT INSURANCE SERVICES, INC. (“Broker”) entered into a Broker/Consultant Services Agreement (“Broker Agreement”). The term of the Broker Agreement is January 1, 2016 through December 31, 2019.

Pursuant to Section VI of the Broker Agreement, Attachment A thereto set out the compensation payable to Broker for certain specified services and programs. Attachment A further provides, in relevant part, that: “As new programs are developed, Broker shall negotiate equitable compensation with CSURMA.”

On October 27, 2017, CSURMA approved the formation of the CSURMA AORMA Benefits Program. Effective January 1, 2019, CSAC-EIA will pay Broker the following compensation schedule per the existing CSAC-EIA / Alliant agreement:

- Anthem Medical Plan: \$11 Per Employee Per Month
- Kaiser Medical Plan: \$7 Per Employee Per Month
- Dental Preferred Provider Organization Plan: 5% Commission on total plan premium
- Dental Health Maintenance Organization Plan: 7% Commission on total plan premium
- Vision: \$0.50 Per Employee Per Month

Accordingly, CSURMA and Broker now wish to modify the terms of compensation provided for under Section VI and Attachment A of the Broker Agreement in order to reflect the additional of the new CSURMA AORMA Benefits Program.

II. ADDITION OF NEW PROGRAM

In accordance with the above Recitals, CSURMA and Broker agree that for each and all of the time periods listed, Attachment A of the Broker Agreement is modified to: (i) add a new program identified as the CSURMA AORMA Benefits Program, and (ii) set the Compensation Rate for that Program at per the schedule above in section I.

All other terms and conditions contained in the Broker Agreement remain the same and shall remain in full force and effect. No other terms and conditions are intended to be, and are not affected or modified by the addition of the new program.

CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

By: _____ Date: _____, 2018
Lisa Chavez, Chair

Attest:

By: _____ Date: _____, 2018
Zachary Gifford, CSURMA Secretary-Auditor

By: _____ Date: _____, 2018
Robert Eaton, CSURMA Treasurer

ALLIANT INSURANCE SERVICES, INC.

By: _____ Date: _____, 2018
Daniel Howell, Senior Executive Vice President

CSAC EIA Administrative Guidelines



We are public employees. Just like you.

The CSAC Excess Insurance Authority, referenced as EIA in this document, is a Joint Powers Authority (JPA) that is a member-directed risk sharing pool of public agencies committed to providing risk coverage programs and risk management services, which drive member stability and efficiency.

CSAC EIA was established in 1979 to find cost effective insurance solutions and risk management services for California Counties. In 2001 Public Entities (non-Counties) joined the EIA. 95% percent of the California Counties and 60% of California Cities are a member of the EIA program.

In 2003 the EIAHealth program was formed to provide a cost-effective alternative to the current health and benefits plans being offered to California Counties and Public agencies.

The committees within the EIA are all formed from the EIA membership. They were formed for the development, governance, oversight, and future direction of all programs and services. The committees are open to all members of the program and not just the voting committee members.

PUBLIC ENTITIES HELPING PUBLIC ENTITIES

Joining together with other public entities in California provides EIA members with the most stable long-term insurance solutions available. Our commitment to providing access to quality health care at affordable rates has helped public entities with the stability they need to budget and save on overall costs for employee benefits.



Contents

Purpose	4
Contracts	5
Program Eligibility	6
Qualified Subscribers	6
Qualified Dependents (To age 26)	7
Documentation Member Entity should use to qualify dependents:	8
Mid-Year Qualifying Events.....	8
Retroactivity (other than COBRA):	9
Benefit Substitution and Claims	10
Medical and Pharmacy Carrier Appeals Process:	10
Out-of-Network Claims and Referrals	11
Out-of-Network Emergency Claims.....	11
Process for Appeal of Emergency Claims	12
Claims Not Covered Under the Plan.....	12
Open Enrollment Timeline	13
Ancillary New Group Implementation Timelines:	14
Reporting	16
Things to know about how the program is set up	17
Administration	20
Services provided through Third Party Administrator (TPA).....	21
Adding Coverage to the Billing and Eligibility Administration.....	23
Networks Used for Medical and Pharmacy.....	24
Billing and Premiums	26
Additional Information and References	27
Contacts	28
Definitions: Pharmacy Program.....	29

Purpose

The purpose of the EIAHealth Administrative Guidelines is to provide clear, consistent, and effective guidance to Program members and service providers participating in the EIAHealth Program. This guidance seeks to educate members on administrative process as it pertains to eligibility, retroactivity and some claims administration. The intent is to preserve the integrity of the Program and each of its participating members benefit plans as well as to protect the rights of covered employees, retirees and their dependents. These guidelines may be amended from time to time to comply with new legislation and applicable regulations.

Any reference to “Member Entity” in this document is meant to include any publicly funded organization that falls under the category of County, City or Special District and that is a member of the EIA Employee Benefits Program. It may include any other entity that falls outside of the aforementioned categories if the EIA Committee has approved the employer group to join the overall EIA program.

The EIA Employee Benefits program does not extend coverage to Educational Organizations. Organizations that are not Publicly Funded are not eligible to join the EIA Programs.

Contracts

There is one Joint Powers Agreement for all of the EIA Major programs. A EIA Member Entity who has been approved to join a major EIA program will be asked to sign the Joint Powers Agreement and a resolution identifying who has the authority to sign the contracts. If the Member Entity is already a member of one of the Major EIA programs, the JPA will not need to be signed again.

A Memorandum of Understanding will need to be signed for each major program the Member Entity requests to join. See table below for major and misc. programs.

See table below to identify which contracts are needed based on the scenarios provided below.

Contracts must be signed prior to the effective date of coverage.

Please email a copy of the signed contracts to the Alliant Service team and the original signed copy should be mailed to:

CSAC Excess Insurance Authority
 Attention: Sidney DiDomenico - Employee Benefits Manager
 75 Iron Point Circle Suite 200
 Folsom, CA 95630

Employee Benefits Major Programs			Employee Benefits Misc. Programs		
	Medical Dental			Vision Life AD&D EAP	
Program Joining	Scenario	JPA	MOU	Resolution	Premium Payment Agreement
Major Program	Not a current member of any EIA Major Programs	✓	✓	✓	
Major Program	A current member of an EIA Major program		✓		
Misc Program	Not a current member of any EIA major or misc. programs			✓	✓
Misc Program	A current member of an EIA major or minor programs				

Program Eligibility

Member Entities are responsible for verifying all enrollments are qualified members to enroll in the EIA plans. This includes verification of qualified dependents.

Below is an outline of who is considered a qualified applicant to the benefits of the program. Each Member Entity may have additional rules that would narrow who is allowed to enroll, but the Member Entity may not extend coverage beyond what is allowed without EIA consent.

- Example 1: If a Member Entity would like to extend coverage to grandchildren that would need to be reviewed by the EIA for consent.
- Example 2: If a Member Entity decided it did not want to offer coverage to spouses, the Member Entity has full right to do this, as it doesn't exceed what is allowed under the EIA program parameters.

Qualified Subscribers

Qualified subscribers are defined as:

1. Full-time salaried or hourly employees who are actively at work at least 30 hours per week. Employee of the Member Entity must meet the eligibility requirements within the Member Entity's guidelines set for employees.
2. A part time employee who is working a minimum of 20 or more hours per week.
3. Variable Hour, Temporary, Seasonal, and others who become eligible based on the ACA Look-back Measurement/Stability Period.
4. Cobra Participants Eligible to elect coverage through COBRA.
5. A retiree who meets the eligibility requirements set by the Member Entity for retiree benefits (pre and post Medicare)
6. To qualify for EIA Medicare plans and rates, retiree must be enrolled in Medicare Parts A&B.
7. Retired employees who are currently eligible and participating on the plan will be eligible to continue coverage under the program, if the coverage permits. Retirees who declined coverage may not enroll in any coverage at a subsequent enrollment date.
8. A surviving Spouse of an employee or retiree who is able to continue lifetime coverage as a subscriber. Spouse in this circumstance should be enrolled under the Early Retiree or the Medicare plan since they are not an active employee. This does not refer to the Cobra offered to Surviving spouses – this would be extended coverage with no termination date defined.
9. Board members, Trustees, Council Members, or Other Elected officials: Directors, board members, and other elected/appointed officials can only elect plan if they are eligible on the current plan and are subject to the same requirements as Active employees. Exceptions can be made at the recommendation of AUS and with the approval of the EIAHealth Committee.

Qualified Dependents (To age 26)

(Items in red added for clarification purposes – will be brought to committee for review)

Qualified Dependents are defined as:

1. Natural Child(ren)
2. Adopted Child(ren)
3. Step Child(ren)
4. Court-Ordered Dependent (Legal Guardian)
5. Child(ren) of a California State Registered Domestic Partner
6. Other Qualified Dependent(s) of a Registered Domestic Partner
7. Spouse
8. Registered Domestic Partner*
9. Disabled Dependents
10. Others not included above that are claimed for tax purposes, must be approved by EIA staff.

Overage-Dependent: Once a dependent turns 26, they are considered an over-age dependent. Over-age dependents will be termed off the respective member plan the first of the month following their birth month.

Disabled Dependents do not have to go through medical review until age 26. Once they are age 26 annual medical review is required. There is no age limit for medically approved disabled dependents.

Non-Qualified Dependents fall outside of the definitions above. Common examples of Non-Qualified Dependents are listed below:

1. Grandchild(ren)
2. Parent(s)
3. Grandparent(s)
4. Niece/Nephew
5. Foster child(ren) – Non-Qualified as they are covered by the State of California
6. Legally Separated Spouse/Domestic Partner
7. Divorced Spouse
8. Financial Dependents that are not court ordered

Domestic Partners*: CSAC EIA will allow coverage under both the standard version and extended version of the law. The California Family Code defines a domestic partnership as: 1) two adults of the same sex who have chosen to share one another's lives in an intimate and committed relationship of mutual caring; or 2) two equally committed adults of the opposite sex if one or both partners are over age 62 and one or both partners meet specified eligibility criteria under the Social Security Act. The extended version of the law extends coverage to those individuals who are in a domestic partnership and their qualified dependents and who meet the eligibility criteria under the Social Security act regardless of age or gender.

Unless otherwise specified, Domestic Partners must be California State Registered Domestic Partners. If other certification is approved by the member the certification will need to be requested on the member's initial Group application for review.

Documentation Member Entity should use to qualify dependents:

Dependent Type	Verification Documents
Spouse	<ul style="list-style-type: none"> - Prior year's Federal Tax Form that shows the couple was married (financial information may be blocked out) - Marriage Certificate for newly married couple where tax return is not available
Domestic Partner	<ul style="list-style-type: none"> - Certificate of Registered Domestic Partnership issued by State of California - Affidavit of Domestic Partnership (when applicable)
Children, Stepchildren, and/or Adopted Children up to age 26	<ul style="list-style-type: none"> - Legal Birth Certificate or Hospital Birth Certificate (to include full name of child, parent(s) name & child's DOB) <ul style="list-style-type: none"> o State Birth Certificates may take 4 to 8 weeks to be received, in the meantime a Hospital Birth announcement/certificate can be used as proof for enrollment. - Legal Adoption Documentation
Legal Guardianship up to age 18	<ul style="list-style-type: none"> - Legal Court Documentation establishing Guardianship
Disabled Dependents over age 26	<ul style="list-style-type: none"> - Legal Birth Certificate or Hospital Birth Certificate (to include full name of child, parent(s) name & child's DOB) - If newly being added to the plan. - Prior year's Federal Tax Form that shows child is claimed as an IRS dependent (income information may be blocked out) - If newly being added to the plan. - Completed Disabled Dependent Certification Form completed and submitted to the Medical Carrier for approval to add/continue coverage

Mid-Year Qualifying Events

Mid-Year Qualifying Events refers to both the addition and termination of employee and dependent coverages. All plan changes resulting from Mid-Year Qualifying Events will be effective on the first of the month following the event. Births and deaths are exceptions and coverage may be added/dropped outside of the first of the month following. All Mid-Year Qualifying Events will follow HIPAA guidelines – which allows employees up to 31 days to report the event to their employer. If any member does not have a copy of the approved Mid-Year Qualifying Events through HIPAA, please contact CSAC EIA who will provide a soft copy.

Retroactivity (other than COBRA):

- Members may retroactively make changes within 60 days of the effective date of change.
- If a request to make a change is between 61 to 90 days from the effective date of change the request will require EIA staff approval before processing.
- All retro activity requested over 90 days will be reviewed by EIA staff. Over 90 day requests must be submitted to the EIA using the EIAHealth retro activity form.

Retroactivity for COBRA

COBRA Federal guidelines will always be followed without exception. If any group does not have the COBRA guidelines, they may reach out to CSAC EIA who will provide a soft copy of the manual to the member. The Program makes available COBRA administrative services for all EIAHealth Program members. If a member decides to self-administer COBRA coverage, the member will have to acknowledge in writing their understanding of the potential liability they are taking on.

Benefit Substitution and Claims

Benefit substitution occurs when the claims administrator requests that the plan make a substitution in benefits due to an individual's specific medical issue. Such requests are typically generated by the claims administrator's nurse case manager who works on high dollar claims to make sure the best possible care is being provided to the patient. The administrator provides background on the medical condition and what substitution of benefits is being requested and the cost or savings associated with such substitution. The administrator also works with the patient (or their family member) to make sure they understand what the substitution is and how it will affect the patient's benefits. ("Claims administrator" or "administrator" in this context refers only to the Medical and Pharmacy claims administrators only i.e. currently Anthem Blue Cross, Blue Shield of California, Kaiser, Delta Health Systems, or Express Scripts.

Benefit Substitution Approval Guidelines

All benefit substitutions will be disclosed to the EIAHealth Committee on an annual basis.

Circumstance	Dollar Amount	Approval Method
Administrator recommends benefit substitution and it costs more than regular benefit	Medical – under \$10,000 RX – under \$1,000 per prescription per month	EIA staff with consent from member
Administrator recommends benefit substitution and it costs more than regular benefit	Medical – over \$10,000 RX – over \$1,000 per prescription per month	EIA staff with consent from member
Administrator recommends benefit substitution and it costs less than regular benefit	Dollar amount not applicable since change creates plan savings	EIA staff with consent from member

Medical and Pharmacy Carrier Appeals Process:

Carriers will review appeals internally and if the internal appeals are exhausted, the carrier will send the appeal to a third party for an independent review of the appeal. If the appeal is still denied, the Member Entity can request for the EIA to review for approval. EIA staff will consult with the member and will approve payment if the member agrees and will work with the claims administrator to pay remaining balance of the claim.

Out-of-Network Claims and Referrals

Unless specifically covered under a member employers' contract, out-of-Network claims will be denied unless prior approval is requested and approved by the claims administrator or if the service was provided due to a life-threatening emergency.

Circumstance	Approval Method	Approvers
Administrator's Medical Management team determines that service is Medically Necessary	Exception made	EIA staff with consent from member
Administrator would normally approve under a fully-insured contract	Exception made	EIA staff with consent from member
Patient wants to go out of network and it is not medically necessary	Handle case by case	EIA Committee

Out-of-Network Emergency Claims

The claims administrator will determine if the claim was a true medical emergency. If the claim is determined to be for a medical emergency, EIA staff will have authority to pay up to amounts billed for emergency services. Staff will consult with the member to make sure they are in agreement with the payment. CSAC EIA will ask the claims administrator to negotiate with the provider or facility to accept UCR (Usual, Customary, and Reasonable) allowances for claims without balance billing the patient. If payment of UCR allowances is not agreed to, billed charges will be paid (less any applicable copayments, deductibles or co-insurance amounts associated with the plan's benefits that are the patient's responsibility to pay).

For two tiered PPO plans, if a claim is determined to be a non-emergency out-of-network claim, the plan will pay per the out-of-network coverage specified by the member's applicable plan document. If a non-emergency out-of-network claim occurs under an EPO plan (one tiered PPO plan) with no-out of network coverage, the claim will be denied and the patient will be responsible for payment.

Process for Appeal of Emergency Claims

1. Claim is submitted by out-of-network provider or patient to the claims administrator.
2. Claims administrator will pay the claim based upon the plan document for the patient.
3. The patient must submit an appeal to the claims administrator if they feel the claim was not processed correctly.
4. If the claims administrator approves the appeal, the patient sends all necessary paperwork to member who in turn sends it to EIA staff.
5. Appeal received by EIA staff and verified with claims administrator.
6. If deemed to be a true emergency as determined by the claims administrator, the EIA staff will consult with the member and will approve payment if the member agrees and will work with the claims administrator to pay remaining balance of the claim.

Claims Not Covered Under the Plan

EIA staff has authority to approve up to \$1,000 per claim. Any claim greater than \$1,000 would be referred back to the member entity for consideration and final approval. The member would submit the claim request on behalf of the patient to EIA staff along with all of the proper documentation needed to make a determination on the claim (includes appeal paperwork sent to the claims administrator and the administrator's denial letter and any background information explaining why the claim was denied). EIA staff will consult with the administrator on the specific claim and work with the member to determine if the claim should be paid.

Staff and Alliant will create a form that the member will sign stating that they understand that making this exception would potential require them to amend their plan documents. Each member must designate who has the authority to submit the appeal to EIA staff. For any claim approved by the member entity, EIA staff will maintain records to ensure that the Committee is made aware of repeated claims for similar conditions prior to making a determination on subsequent claims.

Open Enrollment Timeline

In order to ensure a smooth transition into EIAHealth and minimize employee disruption, EIA staff and Alliant strongly encourage members to complete the open enrollment process by November 7th of each year. Adhering to this deadline will help ensure that ID Cards are delivered to employees for January 1st. Below is the overall timeline for reference.

Medical Renewal and Plan Changes timeline	
June	EIAHealth Renewal approved by EIA Committee
	Renewal Letters released to Member Entity
June	NOTE: Member Entities considering exiting EIAHealth must give notice to the EIA by June 1 st
	Member Entity confirms renewal by August 1 st
August	<ul style="list-style-type: none"> • Deadline to make changes is August 15th • Changes that come in after August 15th will delay open enrollment • No changes will be accepted after September 1st
	TPAs and Carriers begin to prepare systems with new plans and rates
September	All renewals that have not been confirmed by September 1 st will be confirmed with no changes
	Open enrollment materials developed and sent to member entity
September	TPAs complete renewal changes in preparation for October OE – Member Entity reviews rate/plan changes in the TPA system
October	Open Enrollment for EIAHealth members held between October 1-31
November	1 st -7 th - Member Entity reviews all open enrollment changes and enters any last minute changes to TPA
	8 th – 30 th TPA creates test file and begins testing files with carriers
	1 st - EIAHealth files are sent to all carriers
December	8 th - ID cards are triggered and mailed to members to be received before January 1
January	1 st - Plans are active ready for members to access care

Ancillary New Group Implementation Timelines:

Dental

Task	Lead time	Responsibility	Example for January 1 Effective
NOTIFICATION OF SALE			
<i>New group confirmation of plans sold</i>	45 Days	Client	October 26-31
SETUP IMPLEMENTATION CALL			
<i>Discuss enrollment and billing</i>	30 Days	Alliant	November 10-15
APPLICATIONS/CONTRACTS			
<i>EIA Contracts</i>	30 Days	Client	December 1
ENROLLMENT/COMMUNICATION MATERIALS			
<i>Distribute Benefit Summary, OE Flyers (EOC delivered 30 days after effective date)</i>	30 Days	Alliant	November 10-15
ELIGIBILITY /BILLING SET UP			
<i>Initial Enrollment to TPA/Carrier</i>	30 Days	Client	November 25-30
<i>TPA billing set up confirmed</i>	25 Days	TPA	November 25-30

Vision

Task	Lead time	Responsibility	Example for January 1 Effective
NOTIFICATION OF SALE			
<i>New group confirmation of plans sold</i>	45 Days	Client	October 26-31
SETUP IMPLEMENTATION CALL			
<i>Discuss enrollment and billing</i>	30 Days	Alliant	November 10-15
APPLICATIONS/CONTRACTS			
<i>EIA Contracts</i>	30 Days	Client	December 1
ENROLLMENT/COMMUNICATION MATERIALS			
<i>Distribute Benefit Summary, OE Flyers (EOC delivered 30 days after effective date)</i>	30 Days	Alliant	November 10-15
ELIGIBILITY /BILLING SET UP			
<i>Initial Enrollment to TPA/Carrier</i>	30 Days	Client	November 25-30
<i>TPA billing set up confirmed</i>	25 Days	TPA	November 25-30

Life and Disability

Task	Lead Time	Responsibility	Example for January 1 Effective
NOTIFICATION OF SALE <i>New group confirmation of plans sold</i>	60 Days	Service Team	October 26-31
SETUP IMPLEMENTATION CALL <i>Discuss enrollment and billing (Self-Administration process for Life/DI only)</i>	45 Days	Alliant	November 10-15
APPLICATIONS/CONTRACTS <i>EIA Contracts:</i>	30 Days	Client	December 1
ENROLLMENT/COMMUNICATION MATERIALS <i>Receive and distribute Plan Materials: Benefit Summary, OE Flyers, EOC (EOC is delivered within 30 days after effective date)</i>	45 Days	Alliant	November 10-15
ELIGIBILITY /BILLING SET UP <i>TPA billing set up confirmed</i>	30 Days	TPA	November 25-30
<i>Census for enrollment in the Supplement Life/DI</i>	20 Days	N/A	December 5-10

EAP

Task	Lead time	Responsibility	Example for January 1 Effective
NOTIFICATION OF SALE <i>New group confirmation of plans sold</i>	45 Days	Client	October 26-31
SETUP IMPLEMENTATION CALL <i>Discuss enrollment and billing</i>	30 Days	Alliant	November 10-15
APPLICATIONS/CONTRACTS <i>EIA Contracts</i>	30 Days	Client	December 1
ENROLLMENT/COMMUNICATION MATERIALS <i>Distribute Benefit Summary, OE Flyers, EOC</i>	30 Days	Alliant	November 10-15
BILLING <i>Billing is self-reported quarterly – client updates employee count on invoice as needed</i>	NA	EIA/Client	EIA will send invoice end of December for first quarter payment

Reporting

EIAHealth:

EIAHealth will provide Program-level data upon request. As with almost all JPA Programs, individual or detailed employer claims data is not available.

EIAHealth does provide each member group with a detailed utilization report designed to supply the employer with useful and actionable data to make informed decisions regarding plan design, cost containment, and wellness efforts. A sample of this report can be supplied upon request. Please note, the EIAHealth Annual Utilization report is only available once a group has at least 12 months of plan year data available

Dental:

Group specific utilization reports and experience are available based on size threshold (refer to Table 3). Reports are on a Calendar Year basis available after early February. Delta Dental takes 8-10 days to processes Adhoc report requests, multiple requests may take additional time.

	Self Funded ¹	Fixed/Experienced Rated			
<u>Group Size</u>	<u>100+</u>	<u>Under 250</u>	<u>251-1000</u>	<u>1001+</u>	<u>Stabilization groups</u>
Claims & Enrollment	✓	⊘	⊘	✓	✓

¹For reports by Division there must be 100+ per division.

Things to know about how the program is set up

Our goal is to match your requested plan designs as closely as possible; however, we cannot guarantee a 100% match to your requested plan designs. Some differences may be found through the implementation process, and we will make every attempt to notify you as soon as possible with potential impacts and solutions.

Below provides details about how plans are set up under the EIA.

Medical:

- HSA vendors are not automatically chosen and set up for the member entity. The Member Entity may use a bank of their choice or may use the Carrier preferred HSA bank. This will be billed and paid separately by the Member Entity. These fees are not included in the Health rates provided in a new business quote or at renewal.
- Federal COBRA is offered through the EIAHealth plan, however Cal COBRA is not offered through the program or by the Carriers (exception for fully insured HMO plans). Members will need to take an individual plan after Federal COBRA is exhausted.
- Medicare Retiree members must have Medicare Parts A and B to be enrolled in the Medicare Medical plans. If EGWP is offered, they will be automatically enrolled in Part D when they enroll in the Medicare Medical plan. If Retiree does not have Medicare A or B please speak with your Alliant Service team about rates and plans for non-Medicare retirees. Kaiser Senior Advantage members will be auto enrolled in the Part D plan.
- Actively working Medicare members will remain enrolled in the active plan until they retire. The family unit remains together under the active plan while the Medicare active employee remains working. Once they retire, the family may have split contracts and rates. This would also include a dependent who is Medicare eligible, they would remain with the subscriber on the active plan until the subscriber retires and is moved to a retirement plan.
- The member would advise Medicare that they are on an active plan and show proof of coverage to avoid any Medicare late enrollment fees into the Part B benefit. Medicare will add the eligible member on the Part A benefit of Medicare. Medicare will be a secondary payer to the active plan. Member does not need to pay for Part B while on the active plan and can waive that benefit until they move to the retiree plan.
- The EIA does not offer a Medicare HMO, Medicare Advantage, HMO Part D or Medical only plans.

Pharmacy

- The Pharmacy ID Card is a separate card from the Medical ID card for all plans except High Deductible, Anthem HMO and all Kaiser Plans. PPO, EPO Blue Shield HMO medical cards will display as No Pharmacy because pharmacy coverage is carved out to Express Scripts.
- Express Scripts uses Accredo Health Group for their specialty drugs. Specialty drugs are dispensed in 30 day supply or less only. All specialty drugs must go through Accredo to be covered.
- Members using Mail Order will need to request a new prescription for mail order scripts. (*Encouraged to request a 90 day supply with four refill allowance*).
- Mail order- if the medication is a new prescription and is a high cost medication a 90 day supply may not be given initially and will charge members only 30 day supply.
- Ability to waive the prior authorizations (PA) and Utilization Management (UM) programs for the first six months of the new group implementation, to ensure a smooth transition for the member. The PA and UM programs will be implemented to match as close as possible to the current programs, but the drugs under those programs may differ from the previous Pharmacy benefit manager, much like the formulary will differ. If implemented they will be effective 7-1 and member notices will be sent 60-90 days in advance of 7-1.
- There will be separate Pharmacy out of pocket maximum from the Medical plan. The combined total of the separate out of pocket maximums will follow ACA rules. The proposal will include the outline of those separate limits in the appendix.
- Pharmacy Benefits for Medicare Retirees through an Employer Group Waiver Program (EGWP) [also known as; PDP or Medicare Part D] will follow the formulary based on CMS guidelines. The EIA only has one EGWP plan design. There can be no variation from this plan design. Please request a copy of the EIA EGWP plan design if this benefit is being offered.
- Members cannot decline the pharmacy benefit. Enrollment in the medical plan will trigger an automatic enrollment into the Pharmacy benefit.
- We are unable to accommodate Pharmacy coordination of benefits.
- There are various programs that the EIA has purchased that are part of the benefit and savings programs. These programs will be discussed as requested or during the implementation process. (Mandatory Generic, Dispense as Written, Retail Refill Allowance, Pharmacy Management programs).
- The following programs are automatically added to every group joining the EIA Pharmacy benefit program through Express Scripts: Fraud, Waste and Abuse; Hepatitis C Cure Value; Cholesterol Care Value, and Oncology Care Value.

EAP

Pooled training hours

MHN will continue to quote groups with 10 training hours per proposal, however the EIA has the ability as the contract holder to pool all hours together. Each Member entity is guaranteed their 10 hours quoted, however each member entity can request more hours as needed.

The pool often leave over 900 hours on the table each year, so there are ample training hours available to the pool.

Here is how you can obtain more hours beyond the allotted hours:

1. Submit the number of hours requesting to your Alliant service team
2. Include summary of the reason for request
3. Alliant Service team will submit to the Program Management team for approval
4. Approval will be communicated by the Program Management team to both the Alliant Service team and the EAP carrier

A current training catalog is available by request.

Administration

The EIA services are provided through the EIA contracted vendors. These vendors provide core administrative services as part of EIA program not only for the member groups but also to run the EIA program processes. Therefore, the vendors chosen by the employer must be one of the EIA contracted administrative vendors.

Should a member group consider employing a second third party administrator (TPA) that can perform similar functions, it is important to understand the risks and logistics associated. The EIA Program TPAs cannot adjust the processes associated with Program on a member-level basis. Therefore, additional work may be incurred on the Client administrative team to enable systems and processes.

Prior to considering another vendor, Alliant should be engaged to review and discuss capabilities/roadblocks and concerns.

Administration	Carriers
Medical	Anthem, Blue Shield, Kaiser
Pharmacy	Express Scripts
Dental	Delta Dental
Vision	VSP or MES
Life and Disability	Cigna or Voya
EAP	MHN
Administration	Third Party Administrators (TPA)
Medical/ Pharmacy Billing/Eligibility	Employee Benefits Solutions (EBS/Workterra), Benefit Coordinators Corp (BCC), and Businessolver
Dental Billing/Eligibility	Preferred Benefit Insurance Administrators (PBIA)
Vision (VSP) Billing/Eligibility	Preferred Benefit Insurance Administrators (PBIA)
Vision (MES) Billing/Eligibility	Paper enrollment – MES direct
Life and Disability Billing	Benefit Coordinators Corp (BCC)
EAP Billing	EIA Staff (self-billing)

Services provided through Third Party Administrator (TPA)

Medical:

Base Services for Benefits Administration

- Enrollment Eligibility
 - On-line enrollment
 - Mid-year plan changes
 - Open Enrollment managed by dedicated service team
 - Employee Self Service capabilities
- Billing
 - Consolidated billing/invoicing
 - Reconciliation
 - Remittance of payments to carriers and other partners
- *Retiree billing and administration
- ** FSA Administration
- Cobra Administration
- Reporting
 - Census, open enrollment reports, adhoc system data reports
- Customer Service for assistance with on-line system
- Dedicated Account Management team

Buy-up Services for Benefits Administration

- Administration of additional lines of coverage outside of medical
- ACA Employer reporting
- Administrative function for basic life and sup life (including EOI verification)
- Dependent audits
- Cobra open enrollment packets and initial new hire notices
- Mailing/fulfillment requests (ex: open enrollment notices)
- Dedicated call center to answer questions for eligibility, billing and or claims and assist with urgent enrollment requests
- Wellness programs
- Voluntary benefits administration

*Retiree Billing under Businessolver is an added \$2.00 PPPM and not part of the Core Services

** FSA administration under Businessolver is quoted upon request and is an additional cost

Dental and Vision:

Services provided through Third Party Administrator (TPA)

- Enrollment Eligibility
 - On-line enrollment by HR Administrative Staff
 - Mid-year plan changes
 - Employee Self Service capabilities
- Billing
 - Consolidated billing/invoicing/ reconciliation
 - Remittance of payments to carriers and other partners
- Reporting
 - Census

Federal Cobra administration is not included with the Dental and Vision administrative services

NOTE: If member Entity is currently enrolled in the EIAHealth Program, the TPA of choice is able to send information to PBIA for enrollment to avoid dual entry by the Member Entity. Additional fees may apply.

Adding Coverage to the Billing and Eligibility Administration

If you are using one of the EIAHealth TPAs for your medical and pharmacy benefits, and you have other ancillary coverage that you would like to add to the services offered by the Medical TPAs, please refer to the pricing below.

TPA	Monthly Fee	Service
EBS/Workterra	\$0.50 per medical enrolled (fee is not charged per ancillary plan)	Administration of Dental, Vision, Life & DI and EAP
Benefit Coordinators Corporation (BCC)	\$0.50 per medical enrolled (fee is not charged per ancillary plan)	Administration of Dental, Vision, Life & DI and EAP
Businessolver	See below	See below

Businessolver:

- No fee shall be charged when the ancillary lines that are being added are part of the EIA program
- \$0.75 per medical enrolled monthly fee shall be charged for four or less non-EIA* lines of coverage added
- If more than four non-EIA* lines of coverage are to be added, Businessolver will provide the quoted monthly fee
- \$2.00 per participant for Retiree direct billing
- FSA costs will be quoted as requested

*Non-EIA coverage is any line of coverage not purchased through the EIA program.

HSA

Please note, Employer will be billed directly for HSA fees. Fees and services are separate from the EIA proposal and are not included in the pricing. Client may use the Medical carrier HSA preferred vendor or an external vendor.

Networks Used for Medical and Pharmacy

The following tables identify the networks being used for both Medical and Pharmacy services.

The services for pharmacy coverage may be accessed through a separate Express Scripts Pharmacy ID Card. For the Anthem HMO and both Anthem and Blue Shield HDHP plans, the Medical ID card should be used to access the pharmacy benefit.

For the Kaiser plans, members will receive a Kaiser ID Card for all access.

Each table below has been created based on the Medical Carrier. Be sure to reference the table pertaining to the Medical carrier being accessed.

ANTHEM NETWORK OF PROVIDERS			
Benefit	ASO Network	HMO Network	HDHP
Medical	PPO & EPO Network is the Blue Cross PPO (Prudent Buyer)	Blue Cross HMO (CaliforniaCare)	PPO & EPO Network is the Blue Cross PPO (Prudent Buyer)
Retail Rx	Express Scripts Retail Network	Express Scripts Retail Network	Express Scripts Retail Network
Mail Order Rx	Express Scripts Pharmacy	Express Scripts Pharmacy	Express Scripts Pharmacy
Specialty RX	Accredo Specialty Health (When a medical claim - CVS Caremark)	Accredo Specialty Health (When a medical claim - CVS Caremark)	Accredo Specialty Health (When a medical claim - CVS Caremark)
Mental Health / Sub abuse	Prudent Buyer/Anthem's BHN	Providers within the PMG/IPA or Anthem's BHN	Prudent Buyer/Anthem's BHN
Disease Management	Prudent Buyer (DM Program)	Prudent Buyer (DM Program)	Prudent Buyer (DM Program)
DME	Blue Cross PPO	Blue Cross HMO	Blue Cross PPO
Chiropractic	Prudent Buyer and/or if Rider is purchased, ASH	Providers within the PMG/IPA or if Rider is purchased ASH	Prudent Buyer and/or if Rider is purchased, ASH
Acupuncture	Prudent Buyer and/or if Rider is purchased, ASH	Providers within the PMG/IPA or if Rider is purchased ASH	Prudent Buyer and/or if Rider is purchased, ASH

BLUE SHIELD OF CALIFORNIA NETWORK OF PROVIDERS

Benefit	ASO Network	HMO Network	HDHP
Medical	Blue Shield PPO Network	Blue Shield HMO Network	Blue Shield PPO Network
Retail Pharmacy	Express Scripts	Express Scripts	Blue Shield network
Mail Order Rx	Express Scripts Pharmacy	Express Scripts Pharmacy	Prime Mail
Specialty Pharmacy	Accredo Health Group	Accredo Health Group	Walgreens & Caremark
Mental Health / Sub abuse	Blue Shield PPO Network	Magellan	Blue Shield PPO Network
Disease Management	Blue Shield Condition Management Program	Blue Shield Condition Management Program	Blue Shield Condition Management Program
DME	PPO – Blue Shield Network providers	HMO – Through Medical group	PPO – Blue Shield Network providers
Chiropractic	Blue Shield PPO Network	ASHP	Blue Shield PPO Network
Acupuncture	No true "network" provider must be licensed all paid at in-network level	ASHP	No true "network" provider must be licensed all paid at in-network level

KAISER NETWORK PROVIDERS

Benefit	HMO Network	HDHP
Medical	Kaiser Permanente Network	Kaiser Permanente Network
Retail Rx	Kaiser Permanente Network	Kaiser Permanente Network
Mail Order Rx	Kaiser Permanente Network	Kaiser Permanente Network
Specialty Rx	Kaiser Permanente Network	Kaiser Permanente Network
MH and Sub abuse	Kaiser Permanente Network	Kaiser Permanente Network
Disease Mgmt	Kaiser Permanente Network	Kaiser Permanente Network
DME	Kaiser Permanente Network	Kaiser Permanente Network
Chiropractic	ASHP	ASHP
Acupuncture	ASHP	ASHP

Billing and Premiums

Medical Premiums are due to the third part administrator (TPA) prior to the first of each month. Payments need to be received by the pool on the 1st of each premium month to fund incoming claims.

Example: Premium payments for January are due at the end of December.

Dates to send payment to the TPA will be worked out between the Member entity and the TPA to ensure payments can be received by the pool by the 1st.

If a member entity foresees that payment will be late, a request for an approval for late payment must be submitted to the Alliant Program team who will submit the request on behalf of the member entity.

Otherwise all late payments are subject to interest fees.

Eligibility changes take effective the first of the following month following qualifying event (this includes any probationary periods that group may set). No proration of rates is available.

Additional Information and References

Below is a snapshot of who to go to for the various scenarios.

Request	Notes
Provider list	<p>Anthem: www.anthem.com/ca/EIAHealth/</p> <p>Blue Shield: www.blueshieldca.com/csac</p>
Open Enrollment packages	Program Team will provide to service teams
OE Giveaways/Carrier Representation	Alliant Service team will work with Carrier
Reports (if applicable)	Program Team will provide to service teams
Renewal	<p>Program Team will release renewal letters directly to the Member Entity in accordance with timelines and will work with carriers to implement plan changes</p> <p>Alliant Service Team will work with Member Entity on Renewal strategy and communicate changes to the program team</p>
Enrollment and Retro Requests	The Third Party Administrator (TPA) will submit the request for approval to the Program Team, who will request approval from the EIA Staff
Escalated Claims Issues	Alliant Service team or Program Team
Premium Billing Questions	TPA

Contacts

Alliant Service Team Account Executives:

Account Executive	Email	Phone
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Alliant Program Team Contacts:

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<p>Lisa Farrell Assistant Vice President, Programs Service Manager 949-660-5909 lfarrell@alliant.com</p>	<p>Laurinda Newell Vice President, Manager Programs, and Analytics 949-660-5990 laurinda.newell@alliant.com</p>

EIA Contacts:

<p>Sidney DiDomenico Employee Benefits Manager CSAC EIA 916-850-7312 sdidomenico@CSAC-EIA.org CSAC EIA Web site: http://www.csac-eia.org Address: CSAC Excess Insurance Authority 75 Iron Point Circle, Suite 200 Folsom, CA 95630</p>	<p>Kathleen Barnes Employee Benefits Specialist CSAC EIA 916-850-7300 kbarnes@CSAC-EIA.org CSAC EIA Web site: http://www.csac-eia.org</p>
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Definitions: Pharmacy Program

This section is designed to help members navigate and understand complicated Pharmacy Benefit Manager (PBM) terminology.

Accredo: An Express Scripts specialty pharmacy.

Accredo clinical days' supply: Accredo has in place clinically based recommended days' supply rules for the various medicines within the specialty offering. These rules are put in place to ensure appropriate drug use and to decrease waste of high-cost drugs.

Acute medication: Drugs taken for a limited time to treat temporary medical conditions or illnesses, such as antibiotics for infections.

Appeal: A review of an initial or first-level appeal denial, along with any additional information provided or available, to determine if the member's use of the drug meets the Plan's intent for coverage. Appeals are related to coverage denials; they are not related to procedures addressing member complaints or grievances. Express Scripts completes appeals according to business policies that are aligned with state and federal regulations. For more information, refer to [Process Overviews](#).

Appeals process: A specific process that a member needs to follow when making an appeal request. Depending on the appeal type, decisions are made by an Express Scripts pharmacist, physician, panel of clinicians, trained prior authorization staff or an independent third-party utilization management company. Members are notified of the decision and of any rights to appeal an adverse benefit decision. For ERISA plans: Under Section 502(a) of ERISA, members have the right to bring a civil action if their final appeal is denied. For more information, refer to [Process Overviews](#).

Benefit exclusion: Also referred to as "not covered," this includes a drug or drug class that is not included in the member's benefit and means there are no alternatives to try or exceptions to coverage.

Biosimilar: A biopharmaceutical drug designed to have active properties similar to one that has previously been licensed.

Brand: A drug protected by a patent, which prohibits other companies from manufacturing the drug while the patent is in effect, issued to the original innovator or marketer and manufactured by a single source. The name is unique and usually does not describe the chemical makeup (for example, Tylenol®).

Note: The following is background information for plan sponsors only.

In copy and pricing terms, a brand is classified as a non-generic drug that can be multi-source or single-source, as defined below:

- Multi-source brand: Available from multiple sources — generally the brand

originator and generic manufacturers

- Single-source brand: Patent-protected and available from only one source

Compound: A medicine that's made of two or more ingredients that are weighed, measured, prepared or mixed according to a prescription order.

Controlled Substance: Federal Legend Drug that has potential to cause addiction or abuse.

Copay/coinsurance: The cost of a covered drug paid by the member at the time the prescription is filled and after the deductible is met (if applicable) per individuals or families.

Copay assistance: For specialty medications filled through Accredo, an Express Scripts specialty pharmacy, the Contact Center and Patient Access teams work with patients to identify and address the need for financial assistance. Express Scripts works with more than 130 copayment programs and continually strives to find more ways to assist members.

Coverage review: Also known as the initial review or initial determination, this process is followed when a member requests coverage for a drug, or requests coverage for a drug at a higher benefit. It's the first review of drug coverage based on the Plan's conditions of coverage. The initial review decision is based on the information provided by the prescriber (clinical) or the patient (administrative) and the criteria in place. If the initial review is denied, then the patient/representative may appeal the decision. For more information, refer to [Process Overviews](#).

Data sharing: The Plan authorizes certain data to be used in data analysis initiatives at Express Scripts. Express Scripts processes more than a billion prescriptions annually for tens of millions of Americans and has extensive experience integrating eligibility and PBM data with medical claims and lab data on behalf of its clients and their medical carriers. This data analysis enables Express Scripts to help identify and make relevant opportunities actionable for members, caregivers, and providers and to help deliver enhanced member safety, cost savings and member service.

Excluded: Drugs that are not covered and will not be reimbursed by the Plan's pharmacy benefit.

Formulary: A preferred list of drug products that typically limits the number of drugs available within a therapeutic class for purposes of drug purchasing, dispensing and/or reimbursement. Products are selected on the basis of safety, efficacy and cost. For more information, refer to [Formulary](#).

Formulary exclusions: Certain drugs are excluded from the formulary. Clinically effective alternatives are available for all excluded products.

Formulary exclusion exception review: The prescriber may request an exception to the formulary exclusion. Express Scripts contacts the prescriber for information to determine if the conditions of coverage are met for an exception to the formulary exclusion. If the formulary exception is denied, the patient or their representative may appeal the decision.

Generic: A drug that has the same active ingredients in the same dosage form and strength as its brand-name counterpart. The color and shape may differ between the generic and brand-name drug; however, the active ingredients must be the same for both. The U.S. Food and Drug Administration (FDA) approves both brand-name and generic drugs and requires generics to have the same active ingredients and be absorbed in the body the same way as brand-name drugs. These requirements assure that generic drugs are as safe and effective as brand-name drugs. Generic drugs often cost less than brand-name drugs. A generic drug can be produced once the manufacturer of the brand-name drug is required to allow other manufacturers to produce the drug.

Home delivery: A distribution channel in which the member receives a prescription drug through the mail from the Express Scripts PharmacySM.

Maintenance medication: Drugs taken over an extended period of time for a long-term condition, such as high blood pressure, depression, or asthma. These drugs are typically filled through the home delivery pharmacy for a 90 days' supply to provide members with lower costs and more convenience.

Maximum allowable cost - A Maximum allowable cost or MAC list generally refers to a payer or PBM-generated list of products that includes the upper limit or maximum amount that a plan will pay for generic drugs and brand name drugs that have generic versions available (multi-source brands). Essentially, no two MAC lists are alike and each PBM picks and chooses products for their MAC lists, using different criteria to derive and apply prices to the list. Some of the factors that PBMs consider to choose products for inclusion on a list are availability of the product in the marketplace, whether the product is obtainable from more than one manufacturer, how the product is rated by the FDA in relation to the innovator drug and price differences between the brand and generic products. However, there is no standardization in the industry as to the criteria for the inclusion of drugs on MAC lists or for the methodology as to how the maximum price is determined, changed or updated.

National Pharmacy & Therapeutics Committee - The National Pharmacy & Therapeutics (P&T) Committee, a fully independent body that makes final formulary determinations, comprises 15 independent physicians and one independent pharmacist who are not employed by Express Scripts. This committee reviews clinical information (formulary evaluation, place in therapy, and competitive product category overviews) for medications newly approved by the FDA. It focuses on clinical considerations.

The P&T Committee meets six times per year. If necessary, mail ballots may be used to seek committee member comments and approval for new clinical designations between

meetings—for example, following Food and Drug Administration (FDA) approval of a therapeutic-breakthrough drug.

Network pharmacy: A pharmacy (also called a retail network pharmacy) that participates in the Plan's network. In most cases, members need to use a network pharmacy to pay the amounts specified by the Plan.

Non-network pharmacy: A pharmacy not associated with the retail network. Benefits will not be covered at the same rate as a network pharmacy and members will have to pay the full cost of the medication at non-network pharmacies.

Not covered: Also known as “benefit exclusion,” this includes a drug or drug class that is not included in the member’s benefit, which means there are no alternatives to try or exceptions to coverage.

Over the counter (OTC): A drug that’s available without a prescription from a doctor.

Participating pharmacy: Any licensed retail pharmacy with which Express Scripts (or its affiliates) has executed an agreement to provide covered drugs to members. This does not include any home delivery or specialty pharmacy affiliated with that participating pharmacy. Participating pharmacies are independent contractors of Express Scripts.

Pharmacy benefit manager (PBM): An information-based, clinically oriented service organization that manages prescription benefits for other organizations. PBM services can include contracting with a network of pharmacies; establishing payment levels for provider pharmacies; negotiating rebate arrangements; developing and managing formularies and preferred drug lists for the Plan’s review and selection; maintaining patient compliance programs; performing drug utilization review; and operating disease management programs. Many PBMs also operate home delivery pharmacies. Express Scripts is your Plan’s PBM.

Note: In performing these duties for the Plan, Express Scripts is not acting as a plan fiduciary within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) but implements the offerings and decisions consistent with the Plan’s fiduciaries direction. PBMs can also perform pharmacy benefit claims and appeals review. If functioning in that capacity, Express Scripts may have a limited fiduciary role.

Pharmacy network: Groups of chain and independently owned pharmacies that contract with a claims processor or plan administrator to provide medicine and pharmacy services to members at a preset price.

Plan design: The elements of pharmacy benefits, such as drugs covered, member costs, limitations and conditions of benefit coverage under the Plan and permitted locations for obtaining covered drugs. Express Scripts manages plan design components as determined by the Plan.

Prescription drug – according to the FDA:

- Prescribed by a doctor
- Bought at a pharmacy
- Prescribed for and intended to be used by one person
- Regulated by FDA through the New Drug Application (NDA) process. This is the formal step a drug sponsor takes to ask that the FDA consider approving a new drug for marketing in the United States. An NDA includes all animal and human data and analyses of the data, as well as information about how the drug behaves in the body and how it is manufactured.

According to Wikipedia: A prescription drug (also prescription medication or prescription medicine) is a pharmaceutical drug that legally requires a medical prescription to be dispensed.

Prescription drug covered expense - Services provided within a given health or pharmacy care plan. Health care and drug benefit services provided or authorized by the payer's Medical Staff or payment for health care services.

Prescription drug plan (PDP): A stand-alone plan, covering only prescription drugs.

Rebate: Money received from certain drug manufacturers as a result of the inclusion of those manufacturers' branded products on the formulary.

Specialist pharmacist: An Express Scripts pharmacist who receives extra training in medicines used to treat specific long-term and complex conditions. These pharmacists use nationally accepted, evidence-based procedures and work with physicians to identify gaps in care across different providers. Specialist pharmacists personally counsel patients to help them understand and follow through on their treatments.

Specialty drug: A high-cost drug, including infused or injectable medicines, that usually require close monitoring and special storage. Specialty drugs are generally prescribed to people with an ongoing or complex medical condition.

Split fill: An Accredo program that divides the copay into four breaks, using the standard day breaks of 1-15, 16-30, 31-60 and 61-90 (alternative day breaks are available). The standard for 1-15 days' copay is 1/6 of the standard copay. This is part of the clinical days' supply program.

Therapeutic Resource Center[®] (TRC): Through personalized care delivered by experienced specialist pharmacists within TRCs, Express Scripts improves patient safety, essential medication adherence and the affordability of drug regimens by closing important gaps in care and optimizing therapies for members with long-term conditions.

Tiers: The level of coverage for each drug, for example, generic drug tier, brand drug tier or specialty drug tier. The coinsurance or copayment will depend on which tier the drug is in — with lower tier drugs typically costing less than higher tier drugs.

Variable copay: For commercial clients, this out-of-pocket protection plan is available if an Exclusive Specialty design is selected with no grace fills at retail pharmacies. This program adjusts copayment assistance from members' accumulated out-of-pocket maximums to reflect only what the member actually pays. Accredo completes these adjustments retroactively on a weekly or monthly basis, with communications to notify impacted members.

INVOICE PAYMENT AGREEMENT

This Agreement is entered into on _____ by and between the CSAC Excess Insurance Authority (EIA) and _____.

WHEREAS, _____ desires to participate in a miscellaneous program (or programs) of the EIA or access a service program (or programs) offered by the EIA, and

WHEREAS, _____ is not a member of the EIA and has not executed the EIA Joint Powers Agreement;

Now, therefore, it is hereby agreed by and between the parties to this Agreement that participation by _____ in any miscellaneous or service program [or programs] of the EIA shall not confer upon it any rights, duties or obligations which may otherwise arise with respect to membership in the EIA.

It is further agreed that _____ shall be bound by any terms and/or conditions that may apply to any miscellaneous or service program (or programs) in which it participates, including but not limited to the terms of the CSAC Excess Insurance Authority's Invoice and Premium Payment Policy Resolution No. B12-002, which is attached hereto.

By: _____

Name: _____

Date: _____

Name of Entity: _____

By: Michael Fleming

Name: Michael Fleming

Date: _____

Name of Entity: CSAC Excess Insurance Authority

Resolution No. B12-002

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CSAC EXCESS INSURANCE AUTHORITY ADOPTING AN INVOICING AND PAYMENT POLICY

WHEREAS, the CSAC Excess Insurance Authority recognizes the importance of making timely payments to insurers, claimants, and others who provide coverage and services to members;

WHEREAS, late payment to insurers and others may result in cancellation of coverage or services which may affect all members of a program;

WHEREAS, the timely payment of Authority invoices by some members and the untimely payment of Authority invoices by others creates an inequity among members; and

WHEREAS, the JPA provides that penalties for late payment of Authority invoices may be determined and assessed by the Board of Directors (Article 17(e)).

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE CSAC EXCESS INSURANCE AUTHORITY HEREBY ADOPTS THE FOLLOWING POLICY, WHICH SUPERCEDES AND REPLACES RESOLUTION NO. 06-002:

- I. EIA shall endeavor to mail invoices to members as soon as practicable.
- II. Invoices shall be due and payable upon receipt and shall become delinquent 30 calendar days from the date of invoice or effective date of coverage or on some other specified delinquent date, whichever is latest.
- III. A "Delinquent Notice" shall be mailed by EIA on or about the delinquent date reminding the member of the terms of this policy.
- IV. Following a grace period of 15 calendar days from the mailing of the delinquent notice, interest will be assessed on any amounts which remain unpaid. The interest charge will accrue beginning on the first day following the delinquent date but will be waived on any amounts paid during the grace period.
- V. The interest rate shall be equal to the rate established by the Inter-fund Borrowing Policy plus 4%.
- VI. A separate invoice for interest charges shall be mailed to members upon receipt of funds after the expiration of the grace period.
- VII. Any invoices remaining unpaid for a period of 90 days beyond the grace period shall be reviewed by the Executive Committee.

VIII. Notwithstanding any other provision to the contrary regarding late payment of invoices or cancellation from a program, at the discretion of the Executive Committee, any member that fails to pay an invoice when due may be given a ten (10) day written notice of cancellation.

PASSED AND ADOPTED by the Board of Directors of the CSAC Excess Insurance Authority, this 1st day of June, 2012, by the following vote:

AYES: Counties of Alameda, Butte, Contra Costa, El Dorado, Fresno, Inyo, Kings, Lassen, Mendocino, Merced, Nevada, Orange, Placer, Riverside, Sacramento, San Diego, San Joaquin, San Luis Obispo, Santa Barbara, Santa Clara, Shasta, Sierra, Solano, Stanislaus, Sutter, Tehama, Trinity, Tulare, Ventura, Yuba and Thomas Vance, Charlie Mitchell, Teri Enos-Guerrero, Larry Moss, Scott Schimke and Ashley Fenton

NOES: None


ABSENT: Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Imperial, Kern, Lake, Madera, Marin, Mariposa, Modoc, Mono, Monterey, Napa, Plumas, San Benito, Santa Cruz, Siskiyou, Sonoma, Tuolumne, Yolo and Marlon Robbins, Kimberly J. Greer, Deborah Grant and Lynne Margolies

ABSTAIN: None

ATTEST:



Michael Fleming
Chief Executive Officer/Secretary



Scott Schimke
President, CSAC Excess Insurance Authority

RENEWAL OF THE VEOCI AGREEMENT

ISSUE: The Committee will be asked to approve the contract extension of the existing contract with Veoci, the Virtual Emergency Operations Center which provides a systemwide cloud-based emergency management, business continuity and disaster recovery platform. The original contract with Veoci was approved by the Executive Committee on March 9, 2017, as an innovation grant submitted by the Emergency Managers Affinity Group. The renewal contract will provide 230 Veoci licenses (10 per campus.)

RECOMMENDATION: Staff recommends that the Committee discuss the Veoci extension proposal and take action as appropriate.

FISCAL IMPACT: The cost for the 230 licenses is approximately \$46,000. The final quote will be presented for the Committee's approval at the meeting.

BACKGROUND: At its meeting on March 9, 2017, the Executive Committee approved funding for an innovation grant proposal from the Emergency Managers Affinity Group for integration of the VEOCI Emergency Management software systemwide to expand interoperability between the campuses and the Chancellor's Office during a major disaster. As summarized by the affinity group within the grant proposal, "addition of the VEOCI Emergency Management to systemwide emergency management programs will greatly enhance interoperability within the CSU system during emergency events. VEOCI is a cloud-based virtual EOC program that integrates communications, coordination, and documentation functions into a single system. In the event of a major disaster impacting one or multiple CSU campuses, EOC staffing, communications, requests for supplies or services, and coordination of resources will be a major issue. The VEOCI system will ensure that impacted campuses will be able to more effectively manage EOC and field operations within the campus as well as allow other able CSU campuses to support these functions from their campuses through the VEOCI system. The VEOCI system has already been procured and promoted by the Chancellors office for the CSU, and the pricing model negotiated by the CO has been extended by VEOCI to this project. The CSU Emergency Management Affinity Group has fully vetted this proposal through its members and have gotten unanimous consensus that all campuses will benefit from the addition of this system. The project cost includes system implementation, basic training, and an allotment of 10 user licenses per campus. Actual distribution of these licenses may vary depending on individual campus needs and campuses can easily add additional licenses at their own expense, or scale back the number of licenses if they desire. The management of the system and requests for support from VEOCI will be controlled at

the individual campus level, and at this time and barring future funding availability, the annual renewal of the licenses will be the responsibility of the individual campuses.

PUBLICATION: None.

ATTACHMENT(S):

- a. Additional information will be provided as a handout during the meeting.

CALIFORNIA MARITIME ACADEMY – DAY ON THE BAY

ISSUE: The California Maritime Academy (CMA) does not purchase Protection and Indemnity (i.e. Liability Coverage) for the Training Ship Golden Bear (TSGB). The CMA is hosting its annual alumnae and community outreach event on Sunday October 7, 2018 and has been asked to show proof of liability coverage. It has been proposed that CSURMA agree to cover injuries to the approximately 700 guests attending the event. No coverage would be provided for operation of vessel or third party damages. It has been previously agreed that the CSURMA Campus Liability and Workers' Compensation Risk Pools do cover CMA officers, employees and cadets during TSGB operations.

RECOMMENDATION: Staff recommends that the Executive Committee consider this request and take action as appropriate.

FISCAL IMPACT: CMA reports no prior claims from attendees of the Day on the Bay event. If injuries to guests result in claims, these would impact the Liability Risk Pool, subject to the campus deductible.

BACKGROUND: Soon after CMA was brought into the CSU system, Alliant was asked to place coverage for Protection and Indemnity on the TSGB. Coverage was placed with the American Club to a limit of \$100 million at a premium of about \$180K annual. No coverage was placed on the hull as the agreement with MARAD was clear that CMA was not liable for the hull beyond routine maintenance.

In the early 2000's the American Club coverage was dropped and CMA went bare as respects liability to third parties from operation of the vessel. It was thought that the premium was too expensive considering the loss history. Systemwide Risk Management agreed that the officers, employees and cadets (as well as other CSU students on the training voyages) would be covered for injuries via workers' compensation program or the liability program since this was within the education program.

PUBLICATION: None.

ATTACHMENT(S): None.

AORMA PROGRAMS UPDATE

ISSUE: The Auxiliary Organizations Risk Management Alliance (AORMA) continues to address the insurance and risk management needs of its members. All Auxiliary Organizations in Good Standing purchase insurance coverage through the AORMA.

The AORMA Chair, will report on the activities of the AORMA Committee.

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

FISCAL IMPACT: None.

BACKGROUND: The AORMA was first marketed to CSU Auxiliary Organizations in 1998. Since that time, the program has grown from 12 members to 86 members, and represents 100% participation.

PUBLICATION: None.

ATTACHMENT(S): None.

AIME PROGRAMS UPDATE

ISSUE: The Athletic Injury Medical Expense (AIME) program continues to address the insurance and risk management needs of its members.

The Executive Committee Liaison for AIME, will report on the activities of the AIME Committee.

RECOMMENDATION: This item is for information only; no action is required on this item at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: AIME is designed to cover medical expenses arising from injuries to student athletes while practicing or competing in inter-collegiate sports programs of the university.

PUBLICATION: None.

ATTACHMENT(S): None.

CAMPUS WORKERS' COMPENSATION PROGRAM
AGGREGATE STOP LOSS COVERAGE STATUS (PARCEL)

ISSUE: CSURMA purchased an Aggregate Stop Loss insurance policy known as the Pool Aggregate Retention Casualty Excess Loss (*PARCEL*) from Safety National Casualty Company. *PARCEL* caps the Campus Workers' Compensation risk pool's claims liabilities to a maximum of \$101,000,000 total for the six (6) year period beginning July 1, 2002 to June 30, 2008. Thereafter, *PARCEL* pays up to \$16,000,000 in additional claim liabilities. *PARCEL* is triggered once \$101,000,000 has been paid by the Campus WC risk pool on claims with dates of injury within the six year coverage period. *PARCEL* reduces the Campus WC risk pool's claim liabilities and solidifies CSURMA's financial position, thus assuring program stability and campus budget stability. The additional coverage limit boosts the risk pool's funding from 70% to 90% actuarial confidence. Staff will provide a status report on claims payments as of June 30, 2018 and the ongoing claims monitoring process as respects *PARCEL*.

RECOMMENDATION: No action requested. This item serves to inform the Executive Committee on the aggregate claim status as respects *PARCEL*.

FISCAL IMPACT: None. The cost for *PARCEL* was paid in FY 2009-10.

BACKGROUND: CSURMA has been providing coverage for the Campus Workers' Compensation program since 1997, including all prior Workers' Compensation claim liabilities from the campuses. CSURMA's liability is limited to a Self-Retention limit, which has increased from \$350,000 to \$2,500,000 over the years. Claims in excess of the Self-Retention limit are covered by commercial excess carriers.

PUBLICATIONS: None

ATTACHMENT(S):

- a. 2002-08 Campus WC Aggregate Loss Status at June 30, 2018
- b. *PARCEL* Terms of Coverage

CSURMA - Campus WC Aggregate Stop Loss Coverage
Safety National (PARCEL)
Policy #: FCA-3E22-CA

Policy Year	SIR	LIMITED PAID LOSSES			
		at 6/30/2008	at 6/30/2016	at 6/30/2017	at 6/30/2018
2002-03	\$ 350,000	20,527,681	23,889,595	24,401,336	24,489,843
2003-04	\$ 1,000,000	14,192,136	17,896,911	18,309,708	18,366,588
2004-05	\$ 2,500,000	7,919,171	11,674,938	11,752,356	11,882,989
2005-06	\$ 2,500,000	6,718,466	13,453,073	13,846,035	13,955,221
2006-07	\$ 2,500,000	5,279,080	11,907,086	12,302,348	12,542,993
2007-08	\$ 2,500,000	2,200,918	14,369,269	14,908,313	15,045,940
TOTAL		\$ 56,837,453	\$ 93,190,872	\$ 95,520,096	\$ 96,283,574
		Annual Chg	\$ 2,797,366	\$ 2,329,223	\$ 763,479
		% Chg	3.1%	2.5%	0.8%
Aggregate Attachment:		\$101,000,000			
Aggregate Balance:		\$44,162,547	\$7,809,128	\$5,479,904	\$4,716,426

Policy Year	SIR	LIMITED INCURRED LOSSES			
		at 6/30/2008	at 6/30/2016	at 6/30/2017	at 6/30/2018
2002-03	\$ 350,000	23,311,559	24,704,944	25,267,726	25,199,205
2003-04	\$ 1,000,000	16,725,359	18,648,550	18,735,915	18,710,792
2004-05	\$ 2,500,000	10,432,672	12,829,192	12,581,687	12,643,125
2005-06	\$ 2,500,000	9,496,860	15,542,352	14,835,626	14,945,968
2006-07	\$ 2,500,000	9,306,296	13,967,833	14,273,027	14,312,940
2007-08	\$ 2,500,000	7,306,312	16,513,475	16,283,776	16,559,780
TOTAL		\$ 76,579,058	\$ 102,206,347	\$ 101,977,757	\$ 102,371,811
Aggregate Attachment:		\$101,000,000			
Aggregate Balance:		\$24,420,942	(\$1,206,347)	(\$977,757)	(\$1,371,811)

Coverage Limit Excess of Stop Loss: \$16,000,000

PARCEL applies to Policy Years 7/1/02 to 6/30/08 (Liability Period)

Claims Reporting: Quarterly Loss Runs concurrent with the Liability Period

Source: CSU WC Claims Runs (Sedgwick CMS)

**WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY
AGGREGATE EXCESS RETROACTIVE REINSURANCE
AGREEMENT
EFFECTIVE JULY 1, 2009**

Issued to

**CALIFORNIA STATE UNIVERSITY,
(hereinafter the "Employer")**

By

**SAFETY NATIONAL CASUALTY CORPORATION
(Hereinafter the "Reinsurer")**

ARTICLE I – BUSINESS COVERED

This Agreement applies only to Loss sustained by the Employer because of liability imposed upon the Employer by the Workers' Compensation or Employers' Liability Laws of the State of California, or such other states, provided that the Loss shall not be greater than it would have been had liability been imposed by the State of California; on account of bodily injury by accident or bodily injury by occupational disease due to Occurrences taking place within the Liability Period to Employees of the Employer engaged in the business operations and all other operations necessary, incidental, or appurtenant thereto. Bodily injury includes resulting death.

ARTICLE II – COVER

The Reinsurer agrees to be liable for the Employer's Loss on account of all Occurrences taking place within the Liability period, but excluding Loss per Occurrence in excess of the amounts specified in the Schedule below as the Employer's Self-Insured Retention for each year of the Liability Period, which is in excess of an aggregate amount, hereinafter called the Aggregate Loss Fund, subject to a Maximum Limit of Indemnity of \$16,000,000.00 United States dollars.

POLICY YEAR

SELF-INSURED RETENTION

7/1/02-6/30/03	\$ 350,000
7/1/03-6/30/04	\$1,000,000
7/1/04-6/30/05	\$2,500,000
7/1/05-6/30/06	\$2,500,000
7/1/06-6/30/07	\$2,500,000
7/1/07-6/30/08	\$2,500,000

ARTICLE III – LIABILITY PERIOD

The liability of the Reinsurer for Loss hereunder shall be determined on an aggregate basis for Loss paid during each year of the Liability Period. The Liability Period shall commence at 12:01 A.M. on July 1, 2002 and end at 12:01 A.M. on June 30, 2008, both dates inclusive. All time is stated in Western Standard Time.

ARTICLE IV – EXCLUSIONS

- 1) Salaries, wages, and remuneration provided to Employees;
- 2) Fees to the Employer's Service Company and/or costs of administration of claims;
- 3) Punitive or exemplary damages as they relate to claims made under the Employers' Liability coverage provided by this Agreement;

- 4) Fines or penalties assessed against the Employer for any violation by the Employer, or its representative(s), of any statute or regulation, unless the fines or penalties result from a reasonable dispute as to Workers' Compensation benefits owed by the Employer;
- 5) Assessments and taxes made upon the Employer as a self-insurer, whether imposed by statute, regulation or otherwise;
- 6) Any amounts required to be paid by the Employer because of:
 - (a) Serious and willful misconduct of the Employer, including intentional torts and intentional acts or omissions resulting in injury, acts or omissions taken with reckless disregard of the possible occurrence of an injury or acts or omissions taken that are substantially certain to result in injury, regardless of whether or not said actions may be classified in the State(s) as intentional torts,
 - (b) Coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any Employee and/or related personnel practices, policies, acts or omissions by the Employer,
 - (c) Knowingly employing an Employee in violation of law, and/or
 - (d) Rejection by the Employer of any Workers' Compensation Law, Failure to comply with any health, safety, or notification law or regulation;
- 7) Loss voluntarily assumed by the Employer under any contract or agreement, whether express or implied;
- 8) Loss for which the Employer carries a full coverage Workers' Compensation and Employers' Liability policy; and
- 9) Any amount owed by the Employer pursuant to provision of any law that provides non-occupational disability benefits.

ARTICLE V -- DEFINITIONS

"Loss" -- shall mean actual payments, less recoveries, legally made by the Employer to Employees and their dependents in satisfaction of: (a) statutory benefits, (b) settlements of suits and claims, and (c) awards and judgments. Loss shall also include Claim Expenses, paid by the Employer, as defined below. The term Loss shall not include the items specifically excluded by Article IV of this Agreement.

"Claim Expenses" -- shall mean court costs, interest upon awards and judgments and the reasonable costs of investigation, adjustment, defense, and appeal, including pension or appeal bond costs (provided that the prosecution of such appeal and/or the posting of such pension or appeal bond is approved by the Reinsurer), of claims, suits or other proceedings brought against the Employer under the Workers' Compensation or Employers' Liability Laws of the State of California, or other State(s), as provided in Article I, even though such claims, suits, proceedings or demands are wholly groundless, false or fraudulent. Claim Expenses shall not include fees to the Employer's Service Company.

"Aggregate Loss Fund" or "Loss Fund" – shall mean \$101,000,000.00 United States dollars.

"Employers' Liability" – shall mean coverage for the Employer against claims for damages, which arise out of the injuries to Employees in the course of their work. Employers' Liability provides protection in cases not covered by the Workers' Compensation law of the State of California.

"Occurrence" – shall mean accident. In addition, bodily injury by occupational disease must be caused or aggravated by the conditions of employment and shall be deemed to have occurred on the last day of the last exposure to those conditions of employment causing or aggravating such injury by occupational disease, or such dates as is otherwise established by the Workers' Compensation and Employers' Liability Laws of the appropriate State(s). Bodily injury by occupational disease sustained by each Employee shall be deemed to be a separate Occurrence unless such disease results directly from an accident.

"Employee" – as respects liability imposed upon the Employer by the Workers' Compensation Law of any State, the word Employee shall mean any person performing work which renders the Employer liable under the Workers' Compensation Law of the State of California, which is the State of the injured Employee's normal employment, for bodily injuries or occupational disease sustained by such person.

"Service Company" – shall mean Sedgwick Claims Management Services, Inc.

"State" – shall mean any state, territory, or possession of the United States of America and the District of Columbia.

ARTICLE VI – REIMBURSEMENT

Should the Employer pay any loss in excess of the Aggregate Loss Fund created for the Liability Period, the Reinsurer shall reimburse the Employer upon receipt of a formal proof of Loss and other such evidence acceptable to Reinsurer of such payment. Within a reasonable period of time, reimbursement shall be made by the Reinsurer.

ARTICLE VII – PREMIUM

The premium paid to the Reinsurer in the amount of \$2,824,729 shall be paid in a single installment within forty-five (45) days after the Effective Date of this Agreement. Failure to pay premium in accordance with the provisions of this Article shall void the terms and conditions of this Agreement.

ARTICLE VIII – SELF-INSURER

The Employer, by acceptance of this Agreement, warrants that it was an agency of the State of California and thereby was permissibly uninsured in the State of California during the Liability Period and continues to maintain its status as permissibly uninsured in the State of California as of the Effective Date of this Agreement.

ARTICLE IX – SERVICE AND ADMINISTRATION

This Agreement contemplates the concurrent and continued existence of a separate service agreement between the Employer and the Service Company, its designated representative, providing services approved by the Reinsurer. The Employer agrees that its Service Company shall furnish the Reinsurer with quarterly loss runs concurrent with each Liability Period of this Agreement. The provision of loss runs alone does not relieve the Employer of its reporting obligations as set forth in Section XI of this Agreement. Any change in Service Company by the Employer must be communicated to Reinsurer prior to the change of the Service Company.

ARTICLE X – OTHER INSURANCE

The Employer may carry any other insurance, reinsurance or indemnity with any other insurer or reinsurer provided, however, that if the Employer carries other insurance, reinsurance, or indemnity with any other insurer or reinsurer covering a Loss also covered by this Agreement, the insurance afforded by this Agreement shall apply in excess of and shall not contribute with such other insurance or reinsurance.

ARTICLE XI – DEFENSE OF CLAIMS

The Employer shall investigate and settle or defend all claims and shall conduct the defense and appeal of all actions, suits, and proceedings commenced against it. The Employer shall forward promptly to the Reinsurer copies of any pleadings or reports as may be requested. The Reinsurer shall not be obliged to assume charge of the investigation, defense, appeal or settlement of any claim, suit, or proceeding brought against the Employer, but the Reinsurer shall be given the opportunity to investigate, defend or participate with the Employer in the investigation and defense of any claim, if, in the opinion of the Reinsurer, its liability under this Agreement might be involved.

ARTICLE XII – GOOD FAITH CLAIMS ADMINISTRATION

The Employer shall use diligence, prudence, and good faith in the investigation, defense, pursuit of recovery from others and settlement of all claims. The Employer shall not unreasonably refuse to settle any claim which, in the exercise of sound judgment with respect to the entire claim, should be settled, provided, however, that the Employer shall not make any payment or agree to any settlement for any sum which would involve the limits of the Reinsurer's liability hereunder without the approval of the Reinsurer. If the Reinsurer is prejudiced by the Employer's failure to exercise diligence, prudence, and good faith, the Reinsurer may elect to disclaim coverage for Loss from such claim.

ARTICLE XIII – INSPECTION AND AUDIT

The Reinsurer shall have the right, but not the obligation, to inspect the premises and equipment and/or to audit the books and records of the Employer and of its agents and representatives, including all records relating to claims matters, at any reasonable time during the period of this Agreement and within three (3) years after final settlement of all claims due to Occurrences happening during the term of this Agreement.

ARTICLE XIV -- RECOVERY FROM OTHERS

The Employer agrees to prosecute any and all valid claims the Employer may have against any other party or source that may mitigate any Loss under this Agreement and return to the Reinsurer any amount so recovered, less the reasonable expense of collecting such amounts.

The Reinsurer shall have the Employer's rights to prosecute any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. The Employer agrees that it will assist the Reinsurer in any prosecution of any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. Any amounts recovered by the Reinsurer from any other party or source that may mitigate Loss under this Agreement shall first be used to pay the expenses of collection and to reimburse the Reinsurer for any amount it may have paid the Employer for the Liability Period concerned, and all remaining amounts collected shall be paid to the Employer.

ARTICLE XV -- CHANGE IN AGREEMENT

No condition, provision, or declaration of this Agreement shall be waived or altered at any time except by an addendum signed by both parties to this Agreement. This Agreement hereby terminates, supersedes, and replaces all previously issued Workers' Compensation Insurance or Reinsurance Agreements, as amended, between the Employer and the Reinsurer.

If terms of this Agreement are in conflict with any law applicable to this Agreement, this statement amends this Agreement to conform to such law. In addition, in the event any terms are in conflict with applicable laws, the remaining terms of the Agreement shall be enforceable.

ARTICLE XVI -- ARBITRATION

- 1) Any dispute arising out of the interpretation, performance or breach of this Agreement, including the formation or validity thereof, shall be submitted for decision to a panel of three arbitrators. Notice requesting arbitration shall be in writing and sent certified or registered mail, return receipt requested.
- 2) One arbitrator shall be chosen by each party and the two arbitrators shall then choose an impartial third arbitrator who shall preside at the hearing. If either party fails to appoint its arbitrator within thirty (30) days after being requested to do so by the other party, the latter, after ten (10) days' prior notice by certified or registered mail of its intention to do so, may appoint the second arbitrator.
- 3) If the two arbitrators do not agree on a third arbitrator within sixty (60) days of their appointment, the third arbitrator shall be chosen in accordance with the procedures for selecting the third arbitrator in force on the date the arbitration is demanded, established by the AIDA Reinsurance and Insurance Arbitration Society -- U.S. (ARIAS). The arbitrators shall be persons knowledgeable about insurance and reinsurance who have no personal or financial interest in the result of the arbitration. If a member of the panel dies, becomes disabled or is otherwise unwilling or unable to serve, a substitute shall be selected in the same manner as the departing member was chosen and the arbitration shall continue.

- 4) Within thirty (30) days after all arbitrators have been appointed, the panel shall meet and determine timely periods for briefs, discovery procedures and schedules of hearings.
- 5) The panel shall be relieved of all judicial formality and shall not be bound by the strict rules of procedure and evidence. Notwithstanding anything to the contrary in this Agreement, the arbitrators may at their discretion consider underwriting and placement information provided by the Employer to the Reinsurer, as well as any correspondence exchanged by the parties that is related to this Agreement. The arbitration shall take place in such location as the parties shall agree. The decision of any two arbitrators shall be in writing and shall be final and binding. The panel is empowered to grant interim relief as it may deem appropriate.
- 6) The panel shall interpret this Agreement as an honorable engagement rather than as merely a legal obligation and shall make its decision considering the custom and practice of the applicable insurance and reinsurance business as promptly as possible after the hearings. Judgment upon an award may be entered in any court having jurisdiction thereof.
- 7) Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the cost of the third arbitrator. The remaining costs of the arbitration shall be allocated by the panel. The panel may, at its discretion, award such further costs and expenses as it considers appropriate, including but not limited to attorneys' fees, to the extent permitted by law.

ARTICLE XVI – ASSIGNMENT

An assignment of interest under this Agreement will not bind the Reinsurer unless an addendum signed by an authorized representative of the Reinsurer assigning interest under this Agreement is issued by the Reinsurer.

ARTICLE XVII – BANKRUPTCY OR INSOLVENCY OF EMPLOYER

The bankruptcy or insolvency of the Employer will not relieve the Reinsurer or the Employer of its duties and liabilities under this Agreement. After payments have been made by or on behalf of the Employer, reimbursements due under this Agreement will be made by the Reinsurer as if the Employer had not become bankrupt or insolvent, but not in excess of the Reinsurer's limit of indemnity.

ARTICLE XVIII – ACCEPTANCE

By acceptance of this Agreement, the Employer agrees that the statements in this Agreement are the Employer's representations; that this Agreement is issued in reliance upon such representations; that this Agreement embodies all agreements existing between the Employer and the Reinsurer, or any of its agents, relating to this excess insurance, and that full compliance by the Employer with all terms of this Agreement is a condition precedent to the Reinsurer's liability hereunder.

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CALIFORNIA STATE UNIVERSITY

(Employer)

BY: Charles Merick

TITLE: Secy

DATE: 6-10-290

SAFETY NATIONAL CASUALTY CORPORATION

(Reinsurer)

BY: Donald R. Scott

TITLE: President

DATE: 6/15/10

FY 2018/2019 LONG RANGE PLANNING GOALS

ISSUE: Each year the Executive Committee conducts a Long Range Action Planning meeting to gauge progress and to re-evaluate where efforts should be focused.

RECOMMENDATION: This item is for information only; no action is requested.

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

BACKGROUND: The CSURMA Executive Committee adopts the FY 2018/2019 Long Range Planning goals to be accomplished. The Committee will receive a report from Staff on the assigned responsibilities and deadlines of the FY 2018/2019 Long Range Planning goals.

PUBLICATION: None.

ATTACHMENT(S):

- a. FY 2018/2019 CSURMA Long Range Action Plan

FY 2018/19 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
LRP-1 SPECIAL EVENTS RESOURCE GUIDE					
Roll Out of Special Events Resource Guide Including Outreach to Campus and Auxiliary Organization Event Planners	1	Identify and engage consultant to create Special Events Risk Management Manual and training modules.	SRM	Aug-15	Completed
	2	Consultant presents Special Event Management Project at Fitting the Pieces Together Conference	SRM	Nov-16	Completed
	3	Develop subject content for special events risk management manual.	SRM	Apr-17	Completed
	4	Oversee design and development of special events risk management manual.	SRM	Apr-17	Completed
	5	Consultant develops training module(s) for CSU LMS	SRM	Mar-18	In Process
	6	Roll out manual to all campus and auxiliary organization staff	SRM	Mar-18	Completed
	7	Post manual on the CSURMA website	PA	Mar-18	Completed
	8	Roll out special events training on the CSU LMS	SRM	Apr-18	In Process
	9	Finaliz review by legal counsel	SRM	Apr-18	In Process
	10	Consultant presents the completed Special Event Management manual	SRM	Oct-18	
LRP-2 RMIS REPORTING					
Roll Out of RMIS System to Campus Risk Managers, EH&S and WC Coordinators	1	Populate Ventiv database with hierarchy structure.	PA	17-Oct	In Process
	2	Populate Ventiv database with Phase 1 policy data.	PA	17-Dec	In Process
	3	Present Phase 1 project results and recommendations for Phase 2.	SRM, PA	17-Dec	In Process
	4	Implement initial benchmarking project.	SRM, PA	18-Jan	In Process
	5	Approve Phase 2 and ongoing database maintenance plan.	EC	18-Mar	In Process
	6	Report to EC and BOD.	SRM, PA	18-Apr	In Process
	7	Presentation of sustainable long term benchmarking program.	SRM, PA	18-Oct	
	8	Approval of long term benchmarking project scope and costs.	EC	19-Jan	
LRP-3 CAPTIVE INSURER					
Captive Formation and Analysis of CSURMA Investment Options	1	Identify and engage consultant to evaluate CSURMA's captive utilization options.	EC, SRM, PA	Jan-16	Completed
	2	Review the Pinnacle Actuarial Resources initial evaluation of CSURMA's captive utilization options.	EC	May-16	Completed
	3	Present further evaluation to EC for direction	EC	Sep-16	Completed
	4	Report on project to EC and BOD	BOD	Nov-16	Completed
	5	Approval of the use of a captive for the legacy workers' compensation claims	EC	Mar-17	Completed
	6	Report on project to the BOD	PA	May-17	Completed
	7	Perform legal and actuarial work needed to evaluate further	SRM, PA	Feb-18	In Process
	8	Analyze captive relative to JPA & new investment flexibility	SRM, PA	Mar-18	In Process
	9	Oversee development of a captive cell	SRM, PA	May-18	In Process
	10	Review CSU's new investment flexibility with legal counsel as it pertains to CSURMA.	SRM, PA	Sep-18	
LRP-4 CAMPUS VISITS					
Campus Visits to include CABO Member, RM and EH&S, Athletic Directors and Trainers, Auxiliary Organization	1	Schedule meetings with all Campus VPs	PA	Aug-16	Completed
	2	RPTG will meet to review risk pool rating plans	SRM, RPTG, PA	Oct-16	Completed
	4	Completion of Campus VP presentation	PA	Nov-16	Completed
	5	Completion Campus visits	SRM, PA	Mar-17	In Process
	6	Report on project to the BOD	BOD	Apr-18	Completed

FY 2018/19 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
Leadership	7	Schedule meetings with all Campus RM and EH&S, Athletic Trainers and Auxiliary Organization Leadership	PA	Aug-18	In Process
	8	Completion of visit presentations	PA	Mar-19	
	9	Completion of Campus visits	SRM, PA	Mar-19	
LRP-5 SYSTEMWIDE EH&S					
CSURMA Support of Systemwide Environmental Health and Safety Initiatives Such as Compliance, Chemical Safety, Laboratory Safety	1	Report on project to the BOD	BOD	Apr-18	Completed
	2	Survey all Campuses to ascertain what EH&S initiatives are in place	SRM, PA	May-18	Completed
	3	Present EH&S survey information to CABO, provide direction to EC	PA, CABO	Aug-18	Completed
	4	EC to discuss EH&S safety training and tracking systems available	EC	Sep-18	In Process
	5	EC to recommend systemwide EH&S safety training and tracking system to SRM	EC	Oct-18	
LRP-6 STUDENT CLUB ACTIVITIES					
Campus Support for Managing Liability Arising from Club Activities Including CSURMA Programs and Services	1	Complete marketing specifications and coverage program design	PA	Mar-18	Completed
	2	Submit specs to insurers for coverage quotes	PA	Mar-18	Completed
	3	Review quotes received from insurers	PA	Mar-18	Completed
	4	BOD and EC to approve the Club Liability Insurance Program (CLIP)	EC, BOD	Apr-18	Completed
	5	Send out notification to campuses for roll out of the program	PA	May-18	Completed
LRP-7 IRIC AND SERG MANUAL TRAINING					
Conduct Intensive North – South Training of New IRIC and SERG Manuals Directed at CSU Procurement Professionals	1	Present IRIC at CSU Business Conference	PA	Apr-18	Completed
	2	Schedule training dates	PA	Apr-18	In Process
	3	Finalize IRIC and SERG presentations	PA	Apr-18	In Process
	4	Southern California IRIC training presentation	PA	Apr-18	
	5	Northern California IRIC training presentation	PA	TBD	
	6	Southern California SERG training presentation	PA	TBD	
	7	Northern California SERG training presentation	PA	TBD	
LRP-8 BUDGETING PRACTICES RELATED TO CSURMA DIVIDENDS					
Review Timing and Budgeting Practices Related to CSURMA Dividends	1	Review budgeting practices related to CSURMA dividends	PA	Apr-18	Completed
	2	EC to review recommendations and provide direction to PA	EC	Apr-18	Completed
	3	Revise Policies and Procedures as appropriate in accordance with changes, if any	PA	Apr-18	Completed
LRP-9 FINANCIAL REPORTING					
Review of Financial Reports to EC and BOD for	1	Completion of Report of Financial Strength for all CSURMA Insurers and Reinsurers for FY 17/18	PA	Apr-18	Completed
	2	EC to review report for all FY 17/18 Insurers / Reinsurers	EC	Apr-18	Completed

FY 2018/19 CSURMA LONG RANGE ACTION PLAN

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
Compliance, Relevance and Effectiveness	3 BOD to review report for all FY 17/18 Insurers / Reinsurers	BOD	Apr-18	Completed
	4 Completion of Report of Financial Strength of all CSURMA Insurers and Reinsurers for FY 18/19	PA	Oct-18	
	5 BOD to review report for all FY 18/19 Insurers / Reinsurers	BOD	Oct-18	
LRP-10	QUARTERLY CSURMA REPORTS FOR CABO UTILIZING RMIS DASHBOARD AND GRAPHICS			
Update of Quarterly CSURMA Report to CABO Utilizing RMIS Dashboard and Graphics	Presentation of sustainable long term benchmarking program to CABO	SRM	Oct-18	
	Prepare quarterly Risk Management update to include the RMIS dashboard and graphics	SRM	Oct-18	
LRP-11	OCIP DIVIDEND POLICY AND PROCEDURE			
Development of OCIP Dividend Policy and Procedure	1 Develop revisions to policies and procedures to address the allocation of potential OCIP dividends	PA	Apr-18	Completed
	2 EC to review OCIP dividends allocations	EC	Oct-18	Completed
	3 BOD to approve the final formula to allocate OCIP dividends	BOD	Oct-18	Completed

BOD: CSURMA Board of Directors
CABO: CSU Chief Administrators and Business Officers
CO: Chancellor's Office
CPDC: CO Capital Planning Design & Construction

EC: CSURMA Executive Committee
OGC: CSU Office of General Counsel
PA: CSURMA Program Administrator
SRM: CSU Systemwide Risk Management

CSURMA ADMINISTRATIVE SERVICE CALENDAR

ISSUE: This item is provided as information 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.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Administrative Service Calendar

CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
JANUARY 2018				
01/01/18	CSURMA Policies and Procedures (odd in odd years / even in even years)	Alliant Staff	Robert Leong	Completed
01/02/18	FORM 700 - JPA ADMIN finalizes current year member listing	Alliant Staff	Tevea Him	Completed
01/06/18	State Filing - Statement of Facts – Roster of Public Agencies - file with Secretary of State	Alliant Staff	Tevea Him	Completed
01/06/18	State Filing - Joint Powers Authority - file with Secretary of State - As Needed	Alliant Staff	Tevea Him	In Process
01/06/18	State Filing - Financial Statement to the County Auditor and State Controller	Alliant Staff	Tevea Him	Completed
01/06/18	State Filing - Treasurers' Bond	Alliant Staff	Tevea Him	
01/07/18	Announce the new AORMA Committee Vice Chair as well as open seats on the AORMA Committee	Nominations Committee	Mimi Long	Completed
1/7-10/2018	CSURMA AOA CONFERENCE	Alliant Staff	Mimi Long	Completed
01/07/18	CSURMA EC Meeting	Alliant Staff	Mimi Long	Completed
01/09/18	AORMA PC Meeting	Alliant Staff	Mimi Long	Completed
01/15/18	AIME Committee Meeting	Alliant Staff	Stacey Weeks	Completed
01/15/18	FORM 700 - JPA ADMIN sends Form 700 to CSURMA FILERS, including EC, BOD, AORMA, Standing Committees, and designated consultants, including identified Alliant personnel	Alliant Staff	Tevea Him	Completed
01/31/18	Final premium / rate letter to all AORMA members	Alliant Staff	Mimi Long	Completed
01/31/18	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
FEBRUARY 2018				
02/01/18	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
02/01/18	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 12/31	Alliant Staff	Tevea Him	Completed
02/01/18	UIP - Send EDD Claims Information to Individual Members	Alliant Staff	Tevea Him	Completed
02/01/18	Campus Liability Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	N/A
02/01/18	Campus Workers' Compensation Risk Pool claims audit (every odd year)	Alliant Staff	Jacki Graf	N/A
02/01/18	AORMA Workers' Compensation program claims administration audit (every even year)	Alliant Staff	Jacki Graf	
02/01/18	AIME Risk Pool claims audit (every odd year)	Alliant Staff	Mimi Long	N/A
02/01/18	AORMA Liability Program claims audit (every odd year)	Alliant Staff	Mimi Long	N/A
02/15/18	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
02/22/18	AORMA Program Committee Meeting (Teleconference) - Canceled	Alliant Staff	Mimi Long	Completed
MARCH 2018				
03/01/18	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery (verify w/ Yumi)	Carl Warren	Mimi Long	
03/01/18	AORMA Liability Program - Reinsurance Recovery (verify w/ Yumi)	Carl Warren	Mimi Long	Completed
03/01/18	Chancellor's Office Services Budget Proposals	Alliant Staff	Mimi Long	Completed
03/01/18	CSURMA Budget (EC and AORMA Approval)	Alliant Staff	Robert Leong	Completed
03/01/18	Review of the CSURMA Master Investment Policy	Alliant Staff	Mimi Long	Completed
03/01/18	CSURMA Mid-Term Budget Amendments	Alliant Staff	Robert Leong	Completed
03/01/18	FORM 700 - Follow up No. 3 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
03/01/18	Review the Auxiliary Service Provider Report	Alliant Staff	Mimi Long	Completed
03/01/18	Appointment of the Campus Programs RPTG - Spring 2018 (FY 2019/2020)	Alliant Staff	Robert Leong	In Process
03/08/18	AORMA Committee Meeting	Alliant Staff	Mimi Long	Completed
03/08/18	CSURMA EC Meeting	Alliant Staff	Mimi Long	Completed
03/09/18	CSURMA EC LRP Meeting	Alliant Staff	Mimi Long	Completed
03/15/18	FORM 700 - Follow up - JPA ADMIN follows up with FILER, prepares status report for CSURMA EC review at Long Range Planning meeting	Alliant Staff	Tevea Him	Completed
03/20/18	Forward slate of nominees to fill the open seats on the AORMA Committee	Alliant Staff	Mimi Long	Completed

CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
03/31/18	Completion of the Form 700 – Statement of Economic Interest	BOD and Alliant Staff	Tevea Him	Completed
APRIL 2018				
04/01/18	Campus Risk Pool Administrator verifies Campus Primary and Alternate representative remain in place by contacting campus representatives (i.e. ensure no leave of absence, retirement, change in duties, etc.)	Alliant Staff	Tevea Him	Completed
04/01/18	FORM 700 - JPA ADMIN sends all forms received to FPPC for processing	Alliant Staff	Tevea Him	Completed
04/01/18	Send out ballot for AORMA Committee term beginning on July 1, 2018	Alliant Staff	Tevea Him	Completed
4/23-24/2018	<i>Fitting the Pieces Together Conference, San Diego</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
04/25/18	<i>CSURMA BOD NMO Meeting via Teleconference</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
04/25/18	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
04/25/18	<i>CSURMA BOD Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
04/30/18	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	Completed
MAY 2018				
05/07/18	<i>AIME Committee Meeting</i>	<i>Alliant Staff</i>	<i>Stacey Weeks</i>	
05/01/18	Approval by EC Resolution allowing Treasurer to invest or reinvest funds (annual approval required - see Res 01-15 BOD)	BOD and Alliant Staff	Tevea Him	Completed
05/01/18	Approval of Conflict of Interest Code by BOD every even-number year - File with FPPC as required.	BOD and Alliant Staff	Tevea Him	Completed
05/04/18	Receive back all AORMA Committee ballots for the term beginning on July 1, 2018	Alliant Staff	Tevea Him	Completed
05/11/18	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
05/15/18	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	Completed
05/30/18	Send out appointment letters to the newly appointed AORMA Standing Committee Chairs for the term beginning on July 1, 2018	AORMA Chair/Alliant Staff	Tevea Him	Completed
05/30/18	Send out appointment letters to the newly elected AORMA Committee members for the term beginning on July 1, 2018	AORMA Chair/Alliant Staff	Tevea Him	Completed
05/30/18	Send out appointment letters to the newly elected Executive Committee members for the term beginning on July 1, 2018	AORMA Chair/Alliant Staff	Tevea Him	Completed
05/30/18	Update the AORMA Committee and Standing Committee Org Chart for the term beginning July 1, 2018	Alliant Staff	Tevea Him	Completed
05/30/18	Update the AORMA Committee and Standing Committee Roster for the term beginning July 1, 2018	Alliant Staff	Mimi Long	Completed
JUNE				
06/01/18	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery (verify w/ Yumi)	Carl Warren	Mimi Long	
06/01/18	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
06/23/18	<i>AORMA Program Committee Meeting (Teleconference)</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: CO Enterprise Accounting / Financial Services - July 1, 2017 to June 30, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: UC Office of Risk Services Performing Arts Center of Excellence - November 1, 2013 to June 30, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: A-G Administrator (AIME) - July 1, 2009 to June 30, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Alliant Loss Control Services - July 1, 2017 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: CO OGC / Legal - July 1, 2017 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: CO Risk Management - July 1, 2017 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Employers Risk - July 1, 2013 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Agility - July 1, 2017 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Sedgwick - July 1, 2013 to June 30, 2019</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Employers Group Service Corp - July 1, 2013 to June 30, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>
06/30/18	<i>Expiring Contract: Sedgwick CMS - July 1, 2013 to June 30, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	<i>Completed</i>

CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
06/30/18	<i>Expiring Contract: Witt O'Brien's, LLC (formally Witt Group Holdings, LLC) - July 1, 2014 to July 1, 2018</i>	Alliant Staff	Mimi Long	Completed
06/30/18	Request COI from all vendor's contract	Alliant Staff	Andrew Gaspari	Completed
JULY				
07/01/18	OCIP Renewal (5 year program)	Alliant Staff	Daniel Howell/ Mimi Long	
07/01/18	Financial audit prep with KPMG	Alliant Staff / RM	Van Rin	Completed
07/01/18	Send to CSU Accounting the approved dividends and allocation of program costs for invoicing	Alliant Staff	Van Rin	Completed
07/04/18	Send out AORMA binder, insurance summary and invoice to all members	Alliant Staff	Van Rin	Completed
07/05/18	Request Workers' Compensation and Liability loss runs @ 6/30 – Forward to Actuary	Alliant Staff	Mimi Long	Completed
07/07/18	Request Liability (EPL check register) for minimum EPL deductible calculation for upcoming fiscal year	Alliant Staff	Tevea Him	
07/14/18	FORM 700 - Follow up No. 1 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
07/15/18	Final FY Payroll - request from Chancellor's Office	Alliant Staff	Robert Leong	
07/15/18	Process the Liability and Workers' Compensation dividend checks and forward to Alliant for distribution	CSU Accounting	Van Rin	Completed
07/TBD/2018	AORMA Officers Retreat – TBD	AORMA Officers	Mimi Long	Completed
07/21/18	FORM 700 - Follow up No. 2 - JPA ADMIN follows up with FILER	Alliant Staff	Tevea Him	
07/28/18	FORM 700 - FORMS DUE TO FPPC ON THIS DATE [ASSUMING/LEAVING]	Alliant Staff	Tevea Him	
07/31/18	Actuarial Study - receive draft and forward to RM	Alliant Staff	Robert Leong	
07/31/18	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report - Present to EC in Sept	Alliant Staff	Robert Leong	
07/31/18	Distribute the Liability and Workers' Compensation dividend checks	Alliant Staff	Van Rin	
07/31/18	Request final audited payroll from all Workers' Compensation program members for expired year	Alliant Staff	Tevea Him	Completed
07/31/18	Survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate (every three years)	Liability TPA	Mimi Long	
07/31/18	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	
07/31/18	Appointment of the Campus Programs RPTG - 2019 (FY 2021/2022)	Alliant Staff	Robert Leong	
07/31/18	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report	Alliant Staff	Robert Leong	
AUGUST				
08/01/18	FORM 700 - JPA ADMIN sends entering and leaving office notices to AORMA FILERS who will be taking office on AORMA and Standing Committees	Alliant Staff	Tevea Him	
08/01/18	Send out letter regarding Campus Appointment of CSURMA Board of Directors Members and Alternate	Alliant Staff	Tevea Him	
08/01/18	Send out letter to regarding Claims Settlement Authority Annual Confirmation	Alliant Staff	Tevea Him	
08/01/18	Send out letter to regarding Foreign Travel Authority Confirmation	Alliant Staff	Tevea Him/ Stacey Weeks	
08/01/18	Completion of draft actuarial studies for Workers' Compensation and Liability programs	Actuary	Mimi Long	
08/01/18	AOA EC Meeting: Send out AORMA Summary	Alliant Staff	Mimi Long	
08/11/18	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
08/15/18	AOA EC Meeting - San Diego	Alliant Staff	Mimi Long	
08/31/18	Calculate additional premium or return premium for each Workers' Compensation program member based on the audited payroll	Alliant Staff	Mimi Long	
08/31/18	Calculate each member's minimum EPL deductible for the upcoming program term	Alliant Staff	Mimi Long	
08/31/18	Complete Target Surplus Funding Report	Alliant Staff	Mimi Long	
08/31/18	Completion of Financial Audit	CSU Accounting	Mimi Long	

CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
08/31/18	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 6/30	Alliant Staff	Tevea Him	
Begin Task	Completion of the Public Self-Insurer's Annual Report for CSURMA (must be filed with the state by Oct 1st.)	Alliant Staff	Mimi Long	
Begin Task	AORMA Workers' Compensation Desk Audit	Alliant Staff	Mimi Long	
SEPTEMBER				
09/01/18	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Carl Warren	Mimi Long	
09/01/18	Stewardship Report	Alliant Staff	Mimi Long	
09/01/18	10/01 - EQ Renewal Anniversary	Alliant Staff	Daniel Howell	
09/05/18	<i>AORMA Long Range Plan meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/05/18	<i>AORMA New Committee Member Orientation meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/06/18	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/06/18	<i>CSURMA EC Orientation Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/07/18	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/12/18	<i>CAJPA Fall Conference and Training Seminar -South Lake Tahoe</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/14/18	CAJPA Standards review (2017 and every 3 years thereafter)	Alliant Staff	Mimi Long	
09/15/18	Prepare invoices or checks for the Workers' Compensation payroll audit	CSU Accounting	Van Rin	
09/15/18	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	
09/27/18	<i>AORMA Program Committee Meeting (Teleconference)</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
09/30/18	CSURMA Quarterly EPL Deductible Recoverys ending September 30 (Begin Task)	Alliant Staff	Van Rin	
09/30/18	Completion of the AORMA Committee (September Letter) updating all AORMA members on the funding and dividends approved for the upcoming fiscal year	Alliant Staff/AORMA C	Mimi Long	
OCTOBER				
10/01/18	Request completion of the Liability application	Alliant Staff	Mimi Long	
10/01/18	Update the CSURMA Tri-Fold based on June 30 financials.			
10/01/18	Request estimated Workers' Compensation payroll	Alliant Staff	Mimi Long	
10/15/18	CSURMA Quarterly Investment Reschedule for EC Meeting	Alliant Staff	Tevea Him	
10/15/18	<i>AIME Committee Meeting</i>	<i>Alliant Staff</i>	<i>Stacey Weeks</i>	
10/25/18	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/25/18	<i>CSURMA BOD NMO Meeting via Teleconference</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/26/18	<i>CSURMA BOD Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/26/18	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
10/31/18	Government Compensation Report (request from CSU Accounting)	Accounting	Tevea Him	
10/31/18	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Alliant Staff / Sedgwick	Tevea Him	
NOVEMBER				
11/01/18	Review CAJPA Accreditation Standard for new or reoccurring item	Alliant Staff	Tevea Him	
11/01/18	FORM 700 - Campus Risk Pool Administrator sends request to campus president to confirm appointments of primary and alternate representative to BOD (Note: AORMA Representatives are maintained through their election process)	Alliant Staff	Tevea Him	
11/28/18	Send campus risk pool renewal budget (Budget)	Alliant Staff	Robert Leong	
11/28/18	Send campus risk pool renewal budget (Early Bird Renewal Letter)	Alliant Staff	Robert Leong	
11/28/18	Campus Risk Pool Deductible - Confirm (every 3 years - 2017, 2020)	Alliant Staff	Robert Leong	N/A
11/30/18	Review volunteer losses within the Workers' Compensation program	Alliant Staff	Mimi Long	
11/30/18	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 9/30	Alliant Staff	Tevea Him	

CSURMA AORMA SERVICE CALENDAR

DATE	ACTION / RESPONSIBILITY	RESPONSIBLE ENTITY	LEAD	STATUS
11/29/18	<i>AORMA Program Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
DECEMBER				
12/01/18	2018 Vendor Survey - Review List of Vendors and Work on Recipients	Risk Management	Risk Management	
12/01/18	Appointment of the Club Sport Insurance Programs RPTG - Spring 2019 (FY 2019/2020)	rob	Robert Leong	
12/01/18	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Carl Warren	Mimi Long	
12/06/18	<i>AORMA Committee Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
12/07/18	<i>CSURMA EC Meeting</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	
12/15/18	FORM 700 - Campus Risk Pool Administrator sends revised Campus Primary and Alternate CSURMA BOD member listing to JPA ADMIN	Alliant Staff	Tevea Him	
12/15/18	Quarterly Risk Management Report for Systemwide Risk Management	Alliant Staff	Dan Howell	
12/30/18	Financial Audit - mail to Secretary of State and County Auditor	Alliant Staff/Accounting	Tevea Him	
12/31/18	CSURMA Quarterly EPL Deductible Recoverys	Alliant Staff	Van Rin	
12/31/18	<i>Expiring Contract: Enterprises Rent A Car - January 1, 2018 - December 31, 2018</i>	<i>Alliant Staff</i>	<i>Mimi Long</i>	

2018 CSURMA MEETING CALENDAR

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

RECOMMENDATION: No action is requested on this item.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA – 2018 Meeting Calendar

2018 CSURMA MEETING CALENDAR

JANUARY				FEBRUARY				MARCH			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
7	3:30 PM	EC (AOA Conference)	Sacramento	22	9:00 AM	PC	Teleconference	8	10:00 AM	AORMA	Long Beach
9	7:30 AM	PC (AOA Conference)	Sacramento					8	2:30 PM	EC	Long Beach
7 - 10		AOA Annual Conference	Sacramento					9	8:30 AM	EC LRP	Long Beach
15	10:30 AM	AIME									
APRIL				MAY				JUNE			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
23 - 24		Fitting the Pieces Conference	San Diego	7	10:30 AM	AIME	San Francisco	TBD		AOA EC	TBD
25	TBD	AORMA	San Diego		2:00 PM	BOD Orientation	Teleconference	21	1:00 PM	PC	Teleconference
25	8:30 AM	EC	San Diego								
25	10:30 AM	BOD	San Diego								
JULY				AUGUST				SEPTEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
23-24	11:00 AM	AORMA Officers Retreat	Monterey	TBD		AOA EC	TBD	5	9:00 AM	AORMA New Member	Sacramento
								5	10:00 AM	AORMA LRP	Sacramento
								6	9:00 AM	AORMA	Sacramento
								6	4:00 PM	EC Orientation	Sacramento
								7	8:30 AM	EC	Sacramento
								27	1:00 PM	PC	Teleconference
OCTOBER				NOVEMBER				DECEMBER			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
15	10:30 AM	AIME	Fullerton	TBD		AOA EC	TBD	6	10:00 AM	AORMA	TBD
	2:00 PM	BOD Orientation	Teleconference	29	8:00 AM	PC	San Francisco	7	8:30 AM	EC	TBD
25	10:00 AM	AORMA	Long Beach								
26	8:30 AM	EC	Long Beach								
26	10:30 AM	BOD	Long Beach								

AORMA = Auxiliary Organizations Risk Management Alliance Committee
 AIME = Athletic Injury Medical Expense Committee
 AORMA LRP = AORMA Long Range Planning Meeting

PC = AORMA Programs Committee
 AOA = CSU Auxiliary Organizations Association
 BOD = CSURMA Board of Directors

EC = CSURMA Executive Committee
 EC LRP = EC Long Range Planning Meeting

CSURMA EXECUTIVE COMMITTEE AND STAFF CONTACT LIST

ISSUE: Attached is a list of CSURMA Executive Committee members and the Program Administrators.

RECOMMENDATION: It is recommended that members review the list at each meeting for accuracy, making revisions as appropriate. If there are any changes, please contact Tevea Him at thim@alliant.com.

FISCAL IMPACT: None.

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

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Executive Committee and Staff Contact List

CSURMA EXECUTIVE COMMITTEE MEMBERS
Effective at July 1, 2018

Seat	Member	Position	Campus	Organization	E-Mail	Telephone Number
Chair	Lisa Chavez	Vice-President, Administration and Chief Financial Officer	Los Angeles	California State University Los Angeles	lisa.chavez@calstatela.edu	323-343-3500
Vice Chair	Kevin Saunders	VP Administration & Finance	Monterey Bay	California State University Monterey Bay	kesaunders@csUMB.edu	831-582-3397
CSU Seat #1	Thom Davis	Vice President for Business and Administrative Services	Bakersfield	California State University, Bakersfield	tdavis31@csUB.edu	661-654-2287
CSU Seat #2	Lisa Kao	Associate Director, EHS, Risk Management and Sustainability	Fresno	California State University Fresno	lisak@csUFresno.edu	559-278-6910
CSU Seat #3	Scott Apel	Vice President, Administration and Finance	Long Beach	California State University Long Beach	scott.apel@CSULB.edu	562-985-8716
CSU Seat #4	Amy Thomas	Director of Safety & Risk Management	Stanislaus	California State University, Stanislaus	althomas@CSUSTAN.edu	209-667-3035
AORMA Seat #5 - Chair	Dwayne Brummett	Director of Business Services	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	dbrummet@CALPOLY.edu	805-756-5768
AORMA Seat #6 - V Chair	Dave Nakamura	Executive Director	Humboldt	Humboldt State University Center	dave.nakamura@HUMBOLDT.edu	707-826-4878
Treasurer	Robert Eaton	Assistant Vice Chancellor, Financing, Treasury, and Risk Management	Chancellor's Office	California State University, Office of the Chancellor	reaton@CALSTATE.edu	562-951-4572
Secretary Auditor	Zachary Gifford	Director of Systemwide Risk Management and Public Safety	Chancellor's Office	California State University, Office of the Chancellor	zgifford@CALSTATE.edu	562-951-4580



California State University Risk Management Authority

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
JPA Program Administrator – Alliant Insurance Services, Inc.				
Certificate of Insurance Requests	Van Rin Andrew Gaspari	vrin@alliant.com andrew.gaspari@alliant.com	415-403-1408 415-403-1412	415-874-4810 415-874-4810
General CSURMA Coverage Questions	Robert Leong Van Rin Amy Lightner Daniel Howell	rleong@alliant.com vrin@alliant.com amy.lightner@alliant.com dhowell@alliant.com	415-403-1441 415-403-1408 415-403-1457 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
General AORMA Coverage Questions	Mimi Long Van Rin Amy Lightner Daniel Howell	mlong@alliant.com vrin@alliant.com amy.lightner@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1457 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
AIME	Stacey Weeks Robert Leong	sweeks@alliant.com rleong@alliant.com	415-403-1448 415-403-1441	415-874-4810 415-874-4810
Inland Marine	Van Rin Mimi Long Andrew Gaspari	vrin@alliant.com mlong@alliant.com andrew.gaspari@alliant.com	415-403-1408 415-403-1423 415-403-1412	415-874-4810 415-874-4810 415-874-4810
Participant Accident Insurance (PAI)	Van Rin Tevea Him	vrin@alliant.com thim@alliant.com	415-403-1408 415-403-1416	415-874-4810 415-874-4810
Special Events Insurance	Van Rin	vrin@alliant.com	415-403-1408	415-874-4810
Foreign Travel Program	Stacey Weeks Van Rin	sweeks@alliant.com vrin@alliant.com	415-403-1448 415-403-1408	415-874-4810 415-874-4810
General Risk Management Questions	Mimi Long Van Rin Amy Lightner Daniel Howell	mlong@alliant.com vrin@alliant.com amy.lightner@alliant.com dhowell@alliant.com	415-403-1423 415-403-1408 415-403-1457 415-403-1426	415-874-4810 415-874-4810 415-874-4810 415-874-4810
Workers' Compensation Claims Consultant	Jacki Graf	jgraf@alliant.com	415-403-1438	415-874-4810
Alliant Claims Consulting	Robert Frey Diana Walizada Elaine (Kim) Tizon Sheila McClenaghan	rfrey@alliant.com dwalizada@alliant.com elaine.tizon@alliant.com sheila.mcclenaghan@alliant.com	415-403-1445 415-403-1453 415-403-1458 415-403-1492	415-403-1466 415-403-1466 415-403-1466 415-403-1466
Form 700	Tevea Him	thim@alliant.com	415-403-1416	415-402-0773
Website and Technology Questions	La Shaunda Gaines Tevea Him Myron Leavell	lashaunda.gaines@alliant.com thim@alliant.com mleavell@alliant.com	415-403-1489 415-403-1416 415-403-1404	415-874-4810 415-874-4810 415-874-4810

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c/o Alliant Insurance Services, Inc. • 100 Pine Street, 11th Floor, San Francisco, CA 94111-5101 • Phone: 415-403-1400 Fax: 415-874-4810



California State University Risk Management Authority

CONTACT LIST

Coverage	Contact	E-Mail Address	Office	Fax
CSU Chancellor's Office				
CSU Chancellor's Office	Leona Ching	lching@calstate.edu	562-951-4580	562-951-4859
	Robert Eaton	reaton@calstate.edu	562-951-4572	562-951-4971
	Zachary Gifford	zgifford@calstate.edu	562-951-4568	562-951-4859
	Martha Guiditta	mguiditta@calstate.edu	562-951-4557	562-951-4859
	Audra Reed	areed@calstate.edu	562-951-4564	562-951-4971
	Steve Relyea	srelyea@calstate.edu	562-951-4600	562-951-4971
	Jody VanLeuven	jvanleuven@calstate.edu	562-951-4574	
CSU Chancellor's Office Office of General Counsel	William Hsu Nada Moeiny	whsu@calstate.edu nmoeiny@calstate.edu	562-951-4500 562-951-4500	562-951-4956 562-951-4956
CSU Chancellor's Office Financial Services Division Systemwide Accounting & Reporting	Sedong John Alice Kim Cindi Le Jessica Liu Tanaka	sjohn@calstate.edu akim@calstate.edu cle@calstate.edu jliu@calstate.edu	562-951-4577 562-951-4627 562-951-4651 562-951-4621	562-951-4865 562-951-4865
Chancellor's Office Systemwide Professional Development	David Kervella Chris Fondacaro	dkervella@calstate.edu cfondacaro@calstate.edu	562-951-4403 562-951-4403	

Coverage	Contact	E-Mail Address	Office	Fax
Loss Control Consultants – Alliant Risk Control				
Alliant Risk Control Consulting	John Owen <i>Northern California</i>	jowen@alliant.com	916-643-2736	
	Kristina Loiselle <i>Southern California</i>	kloiselle@alliant.com	949-260-5042	
	Tim Leech <i>Central California</i>	tleech@alliant.com	949-260-5008	

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