

**MINUTES OF THE CSURMA AORMA  
PROGRAMS COMMITTEE MEETING**

**FEBRUARY 25, 2016**

**TELECONFERENCE MEETING**

**1:00 PM**

**MEMBERS PRESENT**

Guy Dalpe, Associated Students, Inc., San Francisco State University  
Gigi Kiama, University Corporation, CSU Monterey Bay  
Bill Olmsted, University Union Operation of CSUS, Inc.  
Jason Porth, The University Corporation, San Francisco State University  
Jun Reina, Capital Public Radio, Inc., CSU Sacramento (*arrived at 1:29pm*)  
Raven Tyson, Associated Students of San Diego State University

**ABSENT MEMBERS**

None

**STAFF, GUESTS AND CONSULTANTS**

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

**A. CALL TO ORDER**

The meeting was called to order by Gigi Kiama at 1:05 PM.

**A1. Approval of the Agenda Order**

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

**First:** Guy Dalpe  
**Second:** Jason Porth

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Gigi Kiama	X			
Bill Olmsted	X			
Jason Porth	X			
Jun Reina				X
Raven Tyson	X			

**Motion carried.**

**B. PUBLIC COMMENTS**

There were no public comments.

**C. GENERAL ADMINISTRATION**

**C1. Approval of Minutes – December 3, 2015**

A motion was made to approve the minutes of the December 3, 2015 meeting.

**First:** Guy Dalpe  
**Second:** Jason Porth

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Gigi Kiama	X			
Bill Olmsted	X			
Jason Porth	X			
Jun Reina				X
Raven Tyson	X			

**Motion carried.**

**C2. Risk Reduction Innovation Matching Grant Incentive Program**

Mimi Long reviewed the new Risk Reduction Innovation Matching Grant Incentive Program – Scoring Matrix. The Committee used the new matrix to score the two applications received by CSU Fresno Athletics Corporation and Associated Students, CSUF, Inc. Within the Scoring Matrix, a score of 75 is required for a grant award. Neither application received a score of 75 or higher.

The Committee directed Staff to correct two typos on the Matrix – produce should be product, and to change the points on Item 3 (Inspires original, inventive, innovative, cutting edge or ingenious safety ideas) from 10 to 20 and change the points on Item 5 (Has a broader application) from 25 to 15. The Committee also directed Staff to contact the two submitters and provide them with the new Scoring Matrix so that they can have a chance to resubmit their application along with the completed Scoring Matrix.

A motion was made to revise the Scoring Matrix as noted above and to allow the auxiliaries to resubmit their applications along with the completed Scoring Matrix.

**First:** Bill Olmstead  
**Second:** Jason Porth

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	<b>X</b>			
Gigi Kiama	<b>X</b>			
Bill Olmsted	<b>X</b>			
Jason Porth	<b>X</b>			
Jun Reina	<b>X</b>			
Raven Tyson	<b>X</b>			

**Motion carried.**

**C3. Discussion of Option for Members to Retain Dividends with CSURMA**

Mimi Long noted that Staff had received a request from a Member to discuss the option of Members having the ability to keep their dividends on account with CSURMA to accumulate over time. After discussions with CSURMA Accounting, Long noted that Staff was not recommending this change, but was asking that the Programs Committee discuss this option and provide feedback. The Committee was not in favor of this idea. No action was taken.

**C4. AORMA Property Program Deductibles Rates**

Mimi Long explained that the deductible for the AORMA Property Program was changed effective July 1, 2014 to:

- \$5,000 Per Occurrence (*Personal Property & Business Interruption/Rents*)
- 1% of the Real Property Value (*Real Property*), subject to a minimum of \$5,000 and maximum of \$50,000

In retrospect, Staff believes that the 1% deductible amount is too high and makes assigning a deductible confusing. Auxiliary Organizations own very few buildings with values in excess of \$10,000,000. Staff recommends applying a specific dollar amount deductible based on the building's value.

The following proposed real property deductible amounts were reviewed by the Programs Committee:

Real Property - Proposed Deductible Schedule			
Building Value		# of bldgs	Deductible
Less than	5,000,000	451	5,000
5,000,001	10,000,000		5,000
10,000,001	20,000,000	16	10,000
20,000,001	25,000,000		10,000
25,000,001	40,000,000	5	25,000
40,000,001	50,000,000		25,000
50,000,001	60,000,000	4	50,000
60,000,001	70,000,000		50,000
70,000,001	80,000,000		50,000
80,000,001	90,000,000		50,000
90,000,001	100,000,000		50,000
100,000,001	and above		50,000

This change will result in lower deductibles for most of the Members. Only four buildings would be subject to the maximum deductible of \$50,000.

A motion was made to recommend adoption of the revised real property deductibles, retrospectively to July 1, 2014, to the AORMA Committee.

**First:** Guy Dalpe  
**Second:** Jason Porth

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Gigi Kiama	X			
Bill Olmsted	X			
Jason Porth	X			
Jun Reina	X			
Raven Tyson	X			

**Motion carried.**

A motion was made to recommend a partial reimbursement to the Spartan Shop in the amount of \$8,500 which represents the deductible adjustment.

**First:** Guy Dalpe  
**Second:** June Reina

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	X			
Gigi Kiama	X			

Bill Olmsted	<b>X</b>			
Jason Porth	<b>X</b>			
Jun Reina	<b>X</b>			
Raven Tyson	<b>X</b>			

**Motion carried.**

**C5. Crime Program – Amendments to the AORMA Memorandum of Coverage**

Mimi Long explained that ERISA requires all employee benefit plans to be bonded for at least 10% of the plan assets subject to a minimum bond amount of \$1,000 and a maximum bond amount of \$500,000. The current AORMA Crime Program provides a limit of \$2,000,000 which well exceeds the ERISA bonding requirement.

The AORMA Crime Program currently includes a \$5,000 per occurrence deductible. ERISA requires the bond to insure the plans for the first dollar of the loss. The AORMA memorandum of coverage is currently silent with regard to the ERISA required bond coverage as well as the \$0 deductible. The excess crime policy specifically adds coverage for the employee benefit plans. In order to clarify that the AORMA Crime Program does comply with the ERISA bonding requirement, the AORMA Crime Program memorandum of coverage has been amended. The Committee reviewed the changes.

**Item 3: Limits of Liability:**

1. Per Occurrence - **including coverage required by ERISA to protect employee benefit plans):**.....\$25,000
2. Annual Aggregate for all Member losses paid within the Coverage Period.....\$100,000

**Item 4: Deductible:**

1. Per Occurrence:.....\$5,000
2. Per Occurrence – **coverage required by ERISA to protect employee benefit plans:**.....\$0

A motion was made to recommend approval to the AORMA Committee of the amendments to the FY 16/17 the Crime Program memorandum of coverage (MOC) as well as the MOCs for prior years.

**First:** Guy Dalpe  
**Second:** Gigi Kiama

NAME	AYE	ABSTAIN	NAY	ABSENT
Guy Dalpe	<b>X</b>			
Gigi Kiama	<b>X</b>			

Bill Olmsted	<b>X</b>			
Jason Porth	<b>X</b>			
Jun Reina	<b>X</b>			
Raven Tyson	<b>X</b>			

**Motion carried.**

**C6. Sonoma State Enterprises, Inc. – New Workers’ Compensation Program Member**

Effective February 1, 2016, Sonoma State Enterprises, Inc. (Enterprises) began hiring its own employees. Enterprises is seeking approval to join the AORMA workers’ compensation program. Staff has provided the preliminary approval pending final approval by the AORMA Programs Committee.

A motion was made to approve Sonoma State Enterprises, Inc. as a new member of the AORMA Workers’ Compensation Program effective February 1, 2016.

**First:** Raven Tyson

**Second:** Jun Reina

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Guy Dalpe	<b>X</b>			
Gigi Kiama	<b>X</b>			
Bill Olmsted	<b>X</b>			
Jason Porth	<b>X</b>			
Jun Reina	<b>X</b>			
Raven Tyson	<b>X</b>			

**Motion carried.**

**D. INFORMATION ITEMS**

The Committee Members reviewed the information items.

- D1. Review of the Praesidium Utilization Report**
- D2. Review of the Alliant Loss Control Services Utilization Report**
- D3. Review of the Target Solutions Utilization Report**
- D4. Review of the Employers Group Utilization Report**
- D5. 2016 CSURMA AORMA Meeting Calendar**
- D6. FY 15/16 Long Range Action Plan**
- D7. CSURMA AORMA Committee and Standing Committee Roster**

**E. ADJOURNMENT**

A motion was made to adjourn the meeting at 2:20 PM