

**MINUTES OF THE CSURMA AORMA  
COMMITTEE MEETING**

**SEPTEMBER 12, 2013**

**CSU OFFICE OF THE CHANCELLOR  
Munitz Room, 401 Golden Shore, Long Beach, CA**

**9:00 AM**

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**MEMBERS PRESENT**

Dwayne Brummett, Associated Students, Cal Poly San Luis Obispo  
Robert de Wit, Forty-Niner Shops, Inc., CSU Long Beach  
Patricia Worley, Associated Students Inc., Sacramento State University  
Frank Mumford, CSU Fullerton Auxiliary Services Corporation, CSU Fullerton  
Gigi Kiama, University Corporation, CSU Monterey Bay  
Guy Dalpe, Cesar Chaves Student Center, San Francisco State University  
Leslie Davis, University Union Operation of CSUS, Inc., Sacramento State University  
Keith Kompasi, Fresno Association, Inc., CSU Fresno  
Brian Nowlin, CSULB Foundation, CSU Long Beach  
Melinda Coil, San Diego State University Research Foundation  
Haleh Minakary, The Cal Poly Pomona Foundation, Inc., Cal Poly Pomona

**MEMBER ABSENT**

Kurt Borsting, Associated Students, Inc., CSU Fullerton

**STAFF, GUESTS AND CONSULTANTS**

Daniel Howell, Alliant Insurance Services, Inc.  
Mimi Long, Alliant Insurance Services, Inc.  
Tevea Him, Alliant Insurance Services, Inc.  
William Hsu, CSU Office of General Counsel  
Mauri McGuire, Carl Warren & Company  
Jill Sibling, Carl Warren & Company (9:20 AM until 9:45 AM via teleconference)  
Trish Daniels, Sedgwick (9:45 AM until 10:00 AM via teleconference)

**A. CALL TO ORDER**

The meeting was called to order by the Chair, Dwayne Brummett at 9:06 AM.

**B. PUBLIC COMMENTS**

There were no public comments.

**C. CONSENT CALENDAR**

- C1. Approval of the Agenda**
- C2. Approval of Minutes – May 9, 2013**

A motion was made to approve the September 12, 2013 agenda and the minutes from the May 9, 2013 meeting.

**MOTION: Keith Kompsi**  
**SECOND: Guy Dalpe**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**D. CLOSED SESSION**

A motion was made to enter closed session at 9:08 AM.

**MOTION: Guy Dalpe**  
**SECOND: Frank Mumford**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			

Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

A motion was made to exit closed session 10:03 AM.

**MOTION: Frank Mumford**

**SECOND: Leslie Davis**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

The Chair reported that action was taken during closed session and that action was taken to authorize settlement.

The Chair changed the order of the agenda.

**F8. AORMA Liability Program Claims Administration Audit Report**

Mimi Long explained that CSURMA engaged Bickmore Risk Services to conduct a liability claims administration audit of Carl Warren and Company. As stated in the audit, Bickmore found the overall performance of Carl Warren and Company to be at 96% level, indicating a Superior performance level. Bickmore does note, however, that the area of litigation

performance can improve. The audit points out that Carl Warren has had some difficulty controlling the defense attorneys. It was suggested that Carl Warren revise its current engagement letter to emphasize that payment of the attorney’s legal bills is contingent upon receipt of the signed engagement letter, submission of case analysis and budget and submission of revised litigation budget when the approved budget is exceeded.

Bickmore also suggested developing a letter to defense counsel which suspends payment of legal bills due to non-compliance within the terms of the engagement letter.

A motion was made to accept the Bickmore liability claims administration audit as presented.

**MOTION: Frank Mumford**

**SECOND: Robert De Wit**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**F9. Approval of Amended Legal Counsel Engagement Letter and Legal Bill Suspension Letter**

As discussed in Item F8 above, Carl Warren has had some difficulty in obtaining timely updates and reports from defense counsel. Bickmore suggested that the AORMA standard defense counsel engagement letter be amended to include a clause which would allow Carl Warren to stop paying the attorney’s legal bills if they are not in compliance with the terms of the engagement letter. The committee reviewed the amended Legal Counsel Engagement Letter and the Legal Bill Suspension Letter.

A motion was made to approve the revised Legal Counsel Engagement Letter and the new Legal Bill Suspension Letter as presented.

**MOTION:** Robert De Wit  
**SECOND:** Leslie Davis

A motion was made to revise the above motion to approve the substantive contents of the Legal Counsel Engagement Letter and the new Legal Bill Suspension Letter, but to allow Carl Warren to decide on the exact wording and language of the two documents on a case-by-case basis.

**MOTION:** Robert De Wit  
**SECOND:** Leslie Davis

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
AORMA Committee Alternates Vote Only When Committee Members are Absent				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

A motion was made to approve the substantive contents of the Legal Counsel Engagement Letter and the new Legal Bill Suspension Letter, but to allow Carl Warren to decide on the exact wording and language of the two documents on a case-by-case basis.

**MOTION:** Robert De Wit  
**SECOND:** Leslie Davis

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			

Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

**F10. Addendum to Carl Warren Third Party Claims Administration Contract**

Daniel Howell explained that the CSU Board of Trustees audit of CSURMA recommended that CSURMA should require the third party claims administrators to be contractually obligated to provide the monthly bank statements necessary to perform internal reconciliations. Carl Warren is currently providing CSURMA with the monthly bank statements, however, this requirements is not explicitly documented in Carl Warren’s contract with CSURMA.

A motion was made to approve the addendum to the current Carl Warren service agreement for the term July 1, 2011 to June 30, 2016.

**MOTION: Guy Dalpe**  
**SECOND: Haleh Minakary**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

**F7. Approved Legal Counsel and Maximum Allowable Hourly Rate for Legal Counsel**

Mimi Long explained that AORMA’s policy and procedure L-3 requires that at least every 36 months, the AORMA liability TPA survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate for legal counsel. Mauri McGuire recommended that the maximum allowable hourly rate remain \$225. She stated that there are many qualified and reputable attorneys on AORMA’s current approved defense counsel list, many of whom come highly recommended by the Office of General Counsel, who are willing to work for \$225 per hour. Mauri reiterated that the maximum hourly rate for university defense counsel is even lower than AORMA’s maximum hourly rate and that attorneys who work with both the university and auxiliaries will honor the lower university rate.

A motion was made to approve the AORMA legal counsel listing and the maximum allowable hourly rate for legal counsel at the current rate of \$225.

**MOTION: Frank Mumford**

**SECOND: Robert De Wit**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe			X	
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**E. STANDING COMMITTEE REPORTS**

**E1. Programs Committee Report**

Guy Dalpe let the committee know the Programs Committee has been working on the revised property and crime allocation formulas which were discussed in detail at yesterday’s meeting and the possible extension of liability coverage to the Auxiliaries Multiple Employer VEBA Trust. The VEBA trust was established in August 2010 to prefund future retiree medical benefits. The trust program administration is provided by Keenan and the trust investment is provided by Benefit Trust who hires Morgan Stanley.

The Programs Committee discussed possible claims against the trust and what effect they would have on AORMA's self-insured layer. The trust currently purchases a stand-alone fiduciary liability policy with a \$1,000,000 limit and a \$1,000 deductible. If AORMA's liability program (including fiduciary liability) is extended to cover the trust, AORMA's self-insured layer would respond first to any claim against the trust. As the trust is an investment vehicle for retiree health and welfare benefits, it is conceivable that a claim could be made against the trust for not adhering to the trust's investment policy. Depending on the circumstances of the claim, AORMA would at a minimum owe a defense to the trust.

Daniel Howell noted that the each member of the VEBA Trust are all AORMA members, still have a fiduciary duty to their retirees; therefore, it is his believe that extending coverage to the VEBA Trust is not significantly increasing the pool's overall liability as the exposure already exists for each member individually.

Willy Hsu was uncomfortable with the idea of allowing coverage to be extended to the VEBA Trust when the entity does not entirely fit within the criteria of Policy and Procedure L-5. If the AORMA Committee or Programs Committee does allow the extension, this sets a precedent for future requests.

Mimi Long explained that per Policy and Procedure L-5, the Programs Committee has the ability to approve the extension of coverage with the advice of legal counsel and the AORMA underwriter. Keith Kompasi expressed concern that the AORMA Committee would not be involved in the final approval process. Mimi noted that because the VEBA Trust does not fit within the guidelines of Policy and Procedure L-5, the AORMA Committee would have to approve a revision to the Policy and Procedure before coverage could be extended.

Guy Dalpe state that the Programs Committee has requested additional information from the VEBA Trust and will review this item again at its next meeting.

## **E2. Member Services, Loss Control and Training Committee Report**

Dwayne Brummett stated that all of the current MSLCTC items have already been discussed yesterday, so an additional report was not necessary.

## **E3. AOA Executive Committee Report**

Dwayne Brummett provided a brief overview of the last AOA Executive Committee meeting. Dwayne noted that the AOA Executive Committee would like to know more about the projects being worked on by AORMA. The AOA EC discussed the scholarship program and executive compensation.

## **F. GENERAL ADMINISTRATION**

**F1. FY 14/15 AORMA Liability and Workers' Compensation Program Actuarial Studies**

Daniel Howell and Mimi Long explained that CSURMA retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The complete reports for the AORMA Liability Program and Workers' Compensation Program were handed out separately. The information provided by the actuary is used to establish fiscal year-end financial reports and as the starting point in consideration of rates and funding for FY 14/15 as well as the potential for dividends or assessments.

Staff notes regarding the liability program:

1. The loss rate graph III-1 demonstrates how the actuary is discounting the two bad loss years AORMA had in 08/09 and 11/12 as anomalies. Over a ten year period two of the ten years produced higher than expected losses. At an 80% confidence, this is what would be anticipated.
2. The Estimated Outstanding Losses increased from \$2,389,287 as of June 30, 2012 to \$2,878,554 as of June 30, 2013, an increase of \$489,267. This increase can be attributed to (a) about \$1.3 million paid between June 30, 2012 and June 30, 2013, (2) an increase in projected ultimate losses for years through 2011/12 of about \$600,000, and (3) the addition of the projected ultimate losses for 2012/13 of about \$1.25 million.
3. For FY 08/09, a new claim was reported within FY 12/13 and has an incurred value of \$263,693
4. For FY 11/12, seven large claims contributed \$1,745,805 to the total limited reported losses as of 6/30/13. See Graph 111-4 and Exhibit LI-20.

Staff notes regarding the workers' compensation program:

1. The Estimated Outstanding Losses increased from \$7,332,366 as of June 30, 2012 to \$7,646,069 as of June 30, 2013, an increase of \$313,703.
2. The loss rate per \$100 in payroll increased slightly from .87 to .90 due to rising medical costs.
3. Since June, 2005, AORMA has only had one large claim (\$2,038,366) that pierced the excess insurance layer.

A motion was made to accept the reports for use in CSURMA's financial reporting, total funding and premium allocations.

**MOTION: Keith Kompasi**

**SECOND: Leslie Davis**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
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Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**F2. Target Surplus Funding Report and Dividend Calculation**

The committee discussed the target surplus funding report and dividend calculation in detail at yesterday’s meeting. Mimi noted that the recommendation for dividend distribution is 33% of the maximum dividend available for both the liability and workers’ compensation programs. Last year, the dividend distribution was 25% of the maximum dividend available for each program.

A motion was made to approve a dividend of 33% of the maximum dividend available for both the liability (\$978,346) and workers’ compensation (\$845,387) programs.

**MOTION: Guy Dalpe**  
**SECOND: Keith Kompsi**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				

<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

**F3. Review and Approval of the FY 14/15 Liability Program – Total Funding**

Mimi explained that in response to comments received during campus visits that AORMA is holding too much money as surplus, staff is presenting two different FY 14/15 funding options for the liability program. The committee reviewed funding options at both a 70% and 80% confidence level. Keith Kompsi agreed with the comments received by staff that AORMA is retaining too much money as surplus and stated that he feels it’s important to view the dividend as unrelated to the funding. As the liability program is extremely well funded, he felt funding at a lower confidence level is appropriate. He also noted that the university’s liability program is funded at a 70% confidence level. Pat Worley agreed that it is important that AORMA committee members consider the comments received from the membership and to respond accordingly.

Mimi explained that the total expenses for FY 14/15 include a 10% increase to the reinsurance / excess liability insurance. Genesis has not increased its premium since inception of the program. Staff anticipates an increase for FY 14/15 if losses increase. Staff does not anticipate an increase in the non-allocated claims admin costs or the JPA program admin costs.

A motion was made to approve the FY 14/15 liability program total funding at a 70% confidence level (\$3,823,115).

**MOTION:** Keith Kompsi  
**SECOND:** Frank Mumford

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe		<b>X</b>		
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				

Kurt Borsting – Alternate				<b>X</b>
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**F4. Review and Approval of the FY 14/15 Workers’ Compensation Program – Total Funding**

Mimi explained that in response to comments received during campus visits that AORMA is holding too much money as surplus, staff is presenting two different FY 14/15 funding options for the workers’ compensation program. The committee reviewed funding options at both a 70% and 80% confidence level. Staff anticipates an increase in the excess workers’ compensation premium due to the recent large claim settlement and market condition. Because only one claim has pierced the self-insured retention of \$500,000, staff does not anticipate that the excess carrier will require an increased SIR. Staff does not anticipate an increase in JPA program admin costs or claims administration.

Keith Kompsi commented that the surplus funds within the workers’ compensation program are not as abundant as the surplus funds within the liability program and therefore supported maintaining the 80% confidence level funding for the workers’ compensation program.

A motion was made to approve the FY 14/15 workers’ compensation program total funding at an 80% confidence level.

**MOTION: Frank Mumford**

**SECOND: Guy Dalpe**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				<b>X</b>

**F5. Review and Approval of the FY 14/15 Property Program – Total Funding**

Mimi Long explained that the property program currently has an aggregate limit of \$250,000 and therefore an actuarial study is not required. For FY 14/15, the proposed pooled layer funding layer has been increased from \$250,000 to \$350,000. AORMA exceeds its \$250,000 aggregate every year so the excess carrier may require an increase in AORMA’s aggregate limit. Therefore, the proposed funding is based on this higher pooled layer limit. Daniel Howell has negotiated a rate reduction for FY 14/15 with the excess underwriter if AORMA does not have significant loss experience during FY 13/14. Therefore, a slight premium decrease for FY 14/15 is included in the proposed funding. Staff does not anticipate that the JPA admin costs will increase. Mimi reiterated that because a member’s total insurable property values may change between January, 2014 and July, 2014, the January budget letters to the members will include a final property rate rather than a final property premium.

A motion was made to approve the total FY 14/15 property program funding of \$3,179,019.

**MOTION: Guy Dalpe**  
**SECOND: Haleh Minakary**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				X

**F6. Approval of the FY 14/15 Crime Program Funding**

Mimi Long explained that the crime program has a \$25,000 per occurrence deductible and a \$100,000 annual aggregate. Historically, the crime pooled layer has been funded at \$75,000. This is enough funding for three crime claims. Because AORMA has never had more than one crime claim in any one year, staff has proposed reducing the pooled layer funding to \$50,000. Due to the recent excess carrier claim settlement of \$500,000, staff anticipates that the excess crime insurance premium will increase for FY 14/15; therefore, the proposed excess insurance premium has been increased by 5%. Staff does not anticipate an increase in the JPA program

admin costs. Mimi confirmed that the proposed total funding of \$337,000 is final. If the excess insurance costs increase more than anticipated, the funds will be taken from the program's reserves. At June 30, 2013, the crime program had a fund balance of \$110,755

A motion was made to approve the total FY 14/15 crime program funding of \$337,000.

**MOTION: Guy Dalpe**  
**SECOND: Gigi Kiama**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**MOTION CARRIED**

**F11. Approval of Policy and Procedure Review Schedule**

Staff developed an AORMA policy and procedure review schedule for the committee's review and approval. The schedule specifies that every policy and procedure will be reviewed at least biennially. After the committee approves the review schedule, it will be added the annual service calendar.

A motion was made to approve the AORMA policy and procedure review schedule as presented.

**MOTION: Frank Mumford**  
**SECOND: Guy Dalpe**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				X

**F12. Approval of Revision to Policy & Procedure A-6 – Risk Reduction Matching Grant Program**

Mimi Long explained that during the MSLCTC meeting on June 3, 2013, the committee reviewed the final version of Policy & Procedure A-6 – Risk Reduction Matching Grant Program and requested that the following wording be added:

The Member will be expected to complete the proposed risk reduction project within the timeline provided within the grant application. **Upon review**, the MSLCTC may rescind the grant if the Member has not started, or completed, the risk reduction project within the timeframe proposed.

The MSLCTC wanted to make it clear within the policy and procedure, that the grant could be rescinded only after the MSLCTC reviewed the progress of the project and found that the member had not started, or completed, the project within the timeframe proposed. The MSLCTC didn't want a member to think that the grant would automatically be rescinded because there was a delay.

A motion was made to approve the revision within the Policy & Procedure A-6 as presented.

**MOTION: Guy Dalpe**  
**SECOND: Melinda Coil**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			

Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**F13. Approval of Revisions to Policy & Procedure A-5 – Annual Calendar of Reports, Audits and Filings**

Mimi Long explained that Policy & Procedure A-5 has been amended to document that the claims administration audits for both the liability and workers’ compensation programs will be complete every even number year. The policy and procedure refers back to CSURMA Policy & Procedure #5, which did state that both the campus and auxiliary workers’ compensation programs would receive claims audits every odd year. The CSURMA EC will be approving changes to CSURMA Policy & Procedure #5 to show that the campus and auxiliary workers’ compensation claims audits will occur in different years.

A motion was made to approve the revision to Policy and Procedure A-5 as presented.

**MOTION: Frank Mumford**

**SECOND: Guy Dalpe**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				

Vote Only When Committee Members are Absent				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

**F14. CSU Board of Trustees Audit of CSURMA and Management’s Response**

Daniel stated that the AORMA committee had only reviewed the draft version of the CSU Board of Trustees Audit of CSURMA report; and therefore, staff included in this agenda packet the final version for the committee’s review. The Program Administrator is working with the Chancellor’s Office under the direction of the Executive Committee to obtain closure of the items.

**F15. Adoption of CSURMA AORMA 2014 Meeting Calendar**

Mimi explained that in prior years, AORMA committee meetings, except for the May and October meetings were held in the Alliant offices in San Francisco. Recently, hotel rates in San Francisco have increased, and therefore, meetings have been held in either the Chancellor’s Office or the Alliant offices in Newport Beach. After these meeting dates are approved, Staff will research hotel rates in San Francisco. If reasonably priced accommodations are available, the AORMA committee meetings will be held in San Francisco. If not, the meetings will be held in either the Chancellor’s Office or the Alliant offices in Newport Beach. Mimi also suggested CSU Sacramento and Cal Poly Pomona as possible meeting sites. The committee members felt that the Chancellors Office was the most convenience. Therefore, if San Francisco hotel rates remain too high, the preference would be to hold meetings in the Chancellor’s Office. Staff will hold the meetings in Newport Beach only if the Chancellor’s Office is not available or Long Beach hotel rates are too high.

A motion was made to adopt of the CSURMA AORMA 2014 meeting dates as presented.

**MOTION: Frank Mumford**

**SECOND: Gigi Kiama**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			

Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				<b>X</b>

**F16. Completion of the AORMA Service Calendar**

The committee reviewed the AORMA service calendar which includes activities that occur on a regular basis as documented in AORMA’s policies and procedures, contracts and/or meeting minutes. This calendar will be kept up-to-date and will be included in each agenda packet and will be presented annually for approval.

A motion was made to approve the AORMA service calendar as presented.

**MOTION: Melinda Coil**

**SECOND: Frank Mumford**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				<b>X</b>

**F17. Approval of 2014 AOA Conference Sponsorship**

Mimi explained that historically, CSURMA has provided sponsorship in the amount of \$15,000. However, last year, for the 2013 conference, CSURMA increased its sponsorship to \$18,000. The additional \$3,000 was to backfill the sponsorship lost due to the termination of the AOUT trust.

A motion was made to approve the 2014 AOA conference sponsorship from CSURMA AORMA of \$18,000.

**MOTION:** Guy Dalpe  
**SECOND:** Leslie Davis

Frank Mumford suggested that CSURMA increase its sponsorship to \$20,000 and that Alliant agree to match the \$20,000 sponsorship.

A motion was made to revise the prior motion to approve the CSURMA 2014 AOA conference sponsorship of \$20,000 and to encourage Alliant to match the \$20,000 sponsorship.

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe		X		
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				X

**MOTION CARRIED**

A motion was made to approve the CSURMA 2014 AOA conference sponsorship of \$20,000 and to encourage Alliant to match the \$20,000 sponsorship.

**MOTION:** Frank Mumford  
**SECOND:** Gigi Kiama

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			

Guy Dalpe		<b>X</b>		
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting – Alternate				<b>X</b>

**F18. Review of Property Program Rating Allocation for FY 14/15**

The revised FY 14/15 property program rating allocation was discussed in detail at yesterday’s meeting; therefore, there was no additional discussion at this meeting regarding the allocation. Mimi did mention, however, that the Programs Committee would be reviewing the property memorandum of coverage and would recommend revisions as required.

A motion was made to approve the revised FY 14/15 property program allocation formula as presented.

**MOTION: Guy Dalpe**  
**SECOND: Robert De Wit**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>

**F19. Review of Crime Program Rating Allocation for FY 14/15**

The revised FY 14/15 crime program rating allocation was discussed in detail at yesterday’s meeting; therefore, there was no additional discussion at this meeting.

A motion was made to approve the revised FY 14/15 crime program allocation formula as presented.

**MOTION: Guy Dalpe**  
**SECOND: Robert De Wit**

**MOTION CARRIED**

NAME	AYE	ABSTAIN	NAY	ABSENT
Dwayne Brummett	X			
Robert de Wit	X			
Brian Nowlin	X			
Frank Mumford	X			
Gigi Kiama	X			
Guy Dalpe	X			
Keith Kompsi	X			
Leslie Davis	X			
Melinda Coil	X			
Haleh Minakary	X			
<b>AORMA Committee Alternates</b> <b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				X

**G. INFORMATION ITEMS**

The information items were presented for review. There was no discussion regarding these items.

- G1. CSURMA AORMA 2013 Meeting Calendar**
- G2. CSURMA AORMA Program Administrator’s Contact Lists**
- G3. AORMA’s Travel Reimbursement Policy**
- G4. AORMA Committee Member – Effective 7/01/13**

**F. ADJOURNMENT**

A motion was made to adjourn the meeting at 11:47 AM.

**MOTION: Frank Mumford**  
**SECOND: Keith Kompsi**



**APPROVED**

**MOTION CARRIED**

<b>NAME</b>	<b>AYE</b>	<b>ABSTAIN</b>	<b>NAY</b>	<b>ABSENT</b>
Dwayne Brummett	<b>X</b>			
Robert de Wit	<b>X</b>			
Brian Nowlin	<b>X</b>			
Frank Mumford	<b>X</b>			
Gigi Kiama	<b>X</b>			
Guy Dalpe	<b>X</b>			
Keith Kompsi	<b>X</b>			
Leslie Davis	<b>X</b>			
Melinda Coil	<b>X</b>			
Haleh Minakary	<b>X</b>			
<b>AORMA Committee Alternates</b>				
<b>Vote Only When Committee Members are Absent</b>				
Pat Worley - Alternate				
Kurt Borsting - Alternate				<b>X</b>