



CSURMA AORMA OFFICERS RETREAT
“This is an Open Public Meeting”

In accordance with the requirements of the Bagley-Keene Open Meeting Act, notice of this meeting must be posted in a publicly accessible place, including the internet, at least ten days in advance of the meeting. This meeting agenda shall also be posted at the address of the teleconference location with access for the public via phone/speaker phone.

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Tuesday, July 7, 2015
 11:00 a.m. – 4:00 p.m.

Wednesday, July 8, 2015
 8:00 a.m. – 12:00 p.m.

Alliant Insurance Services, Inc.
 Golden Gate Conference Room
 100 Pine Street, 11th Floor
 San Francisco, CA 94111

A.	TOPICS FOR DISCUSSION	Page:
1.	Long Range Action Plan	
	a. AORMA Committee – FY 14/15	<i>p. 4</i>
	b. CSURMA Executive Committee – FY 15/16	<i>p. 7</i>
2.	Review of Rating Plans	
	a. Liability Rating Plan	<i>p. 10</i>
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4.	CSURMA AORMA – Effectiveness of communication to the membership	
	e. CSURMA Website	<i>Verbal</i>
	f. Campus Visits	<i>p. 36</i>
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	h. AOA AORMA Breakfast Presentation	<i>Verbal</i>
	i. AORMA Bulletins	<i>Verbal</i>
	j. Quarterly AORMA AOA Executive Committee Update	<i>Verbal</i>
5.	Succession Planning	
	a. AORMA Committee and Standing Committee Roster and Org Chart @ July 1, 2015	<i>p. 88</i>
	b. Committee Member Prospects	<i>p. 91</i>

- c. Policy & Procedure A-1 – AORMA Committee Composition, Elections and Term Limits *p. 94*
 - d. Policy & Procedure A-2 – AORMA Committee and Standing Committee Roles and Responsibilities *p. 97*
- 6. CSURMA AORMA Program Staffing *verbal*
- 7. AOA Conference – Session Topics *Verbal*
 - a. AORMA Breakfast Presentation
- 8. AORMA Workers’ Compensation Program – Prospects *p. 103*
- 9. Ideas for Creation or Modification of CSURMA AORMA Programs and/or Services *Verbal*

B. APPENDICES

- 1. Liability Program
 - a. List of member EPL deductibles *p. 104*
 - b. Estimated fund balance @ March 31, 2015 *p. 107*
 - c. Total funding report for FY 15/16 *p. 109*
 - d. Liability loss ratios *p. 110*
 - e. Loss exhibit *p. 113*
 - f. Policy & Procedure L-1 – Claims Reporting
 - g. Policy & Procedure L-2 – Liability Claims Administration and Litigation Management
 - h. Policy & Procedure L-3 – Legal Counsel Selection
 - i. Policy & Procedure L-4 – Employee Driving Standards
 - j. Policy & Procedure L-5 – Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations
 - k. Policy & Procedure L-6 – Requirement to Purchase PAI for all Activities Involving Minors
 - l. Policy & Procedure L-7 – Employment Practices Deductible
- 2. Workers’ Compensation Program
 - a. Estimated fund balance @ March 31, 2015 *p. 117*
 - b. Total funding report for FY 15/16 *p. 119*
 - c. Workers’ compensation loss ratios *p. 120*
 - d. Loss exhibit *p. 121*
 - e. W-1 - Workers' Compensation Deposit Development Plan (current)
 - f. W-1 - Workers’ Compensation Deposit Development Plan (proposed)
 - g. W-2 - Contribution Payments
 - h. W-3 - Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less
 - i. W-4 - Claims Handling Procedures and Guidelines
 - j. W-5 - Workers' Compensation Coverage Claims Settlement Authority
 - k. W-6 - Volunteer Coverage
 - l. W-8 - Workers' Compensation Program Payroll Reporting Responsibilities

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	a. UI-1 - Formula for Determining Unemployment Insurance Program Annual Contributions	
6.	Target Surplus Funding Policy / Dividends	
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	b. Target surplus funding report	
	c. History of dividends declared	
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	b. Policy & Procedure A-6 – Risk Reduction Matching Grant Program	
	c. Policy & Procedure A-7 – Travel Reimbursement Policy	
11.	CSURMA Joint Powers Authority Agreement	
12.	CSURMA Bylaws	
13.	AORMA Participation Agreement	

CSURMA AORMA FY 14/15 - LONG RANGE ACTION PLAN

#	RESPONSIBLE ENTITY	ACTION/RESPONSIBILITY	DEADLINE	STATUS
AORMA COMMITTEE				
A-1	WORKERS' COMPENSATION POLICIES AND PROCEDURES			
	Staff (Alliant)	Review all workers' compensation policies and procedures and recommend revisions as necessary.	January, 2014	Completed
	PC	Review all workers' compensation policies and procedures and recommend approval to the AORMA Committee, with revisions as appropriate. All workers' compensation policies and procedures have been reviewed.	February 2, 2014	Completed
	AORMA Committee	Review and approve revisions to the workers' compensation policies and procedures.	March 20, 2014	Completed
A-2	CLOSED SESSION POLICY AND PROCEDURE			
	AORMA Committee	Review and approve the new policy and procedure	October 23, 2014	Completed
A-3	MEMBER ALLOCATION FORMULA – RATING PLAN REVIEW POLICY AND PROCEDURE			
	AORMA Committee	Review and approve the new policy and procedure	October 23, 2014	Completed

CSURMA AORMA FY 14/15 - LONG RANGE ACTION PLAN

	RESPONSIBLE ENTITY	ACTION/RESPONSIBILITY	DEADLINE	STATUS
PROGRAMS COMMITTEE				
P-1	LIABILITY PROGRAM MEMBER ALLOCATION FORMULA (for FY 15/16 term)			
	PC	Discuss current liability program member allocation formula and alternative allocation formulas	December 12, 2013	Completed
	PC	Review alternative member allocation formula (first review)	February 6, 2014	Completed
	PC	Review alternative member allocation formula (second review)	April 10, 2014	Completed
	AORMA Officers	Review alternative member allocation formula	July, 2014	Completed
	PC	Receipt of supplemental actuarial reports – based rates and experience modification factors. Review draft alternative member allocation formula with actuarial factors included.	August 28, 2014	Completed
	AORMA Committee	Discuss modifications to the liability program member allocation formula.	September 10, 2014	Completed
	PC	Approval of FY 15/16 liability program member allocation formula	November, 2014	Completed
	AORMA Committee	Approval of FY 15/16 liability program member allocation formula	January, 2015	Completed
P-2	EARTHQUAKE COVERAGE FOR CONDOMINIUM OWNERS (WHEN HOA DOES NOT PURCHASE EARTHQUAKE COVERAGE)			
	Staff	Secure exposure information from the members	November, 2014	This item was closed out by the AORMA Committee.
	Staff	Obtain and review earthquake proposals	February, 2015	
	Programs Committee	Review and recommend revisions, as required	February, 2015	
	AORMA Committee	Review final earthquake proposals	March 19, 2015	

CSURMA AORMA FY 14/15 - LONG RANGE ACTION PLAN

#	RESPONSIBLE ENTITY	ACTION/RESPONSIBILITY	DEADLINE	STATUS
MEMBER SERVICES, LOSS CONTROL AND TRAINING COMMITTEE				
M-1	RISK REDUCTION INNOVATIVE MATCHING GRANT PROGRAM			
	MSLCT Committee	Review revisions to grant criteria within policy and procedure A-6; recommend approval to the AORMA Committee	November, 2014	Completed
	AORMA Committee	Review and approve revisions to grant criteria within policy and procedure A-6	December, 2014	Completed
M-2	AORMA INSURANCE HANDBOOK – IS THIS COVERED?			
	Staff	Complete the AORMA – Is This Covered Handbook	January, 2015	Completed
	MSLCT Committee	Review handbook and recommend revisions as appropriate	January, 2015	N/A
	Staff	Present the handbook during the AOA Session – AORMA What’s Covered and What’s Not	February 9, 2015	Completed
	Staff	AORMA Coverage Brochures	Continuous	In Progress
M-3	REAL PROPERTY ACQUISITIONS - CHECKLIST			
	Staff	Complete the AORMA Real Property Acquisitions - Checklist	January, 2015	Completed
	MSLCT Committee	Review checklist and recommend revisions as appropriate	February, 2015	Completed
	AORMA Committee	Review final checklist	March, 2015	Completed
M-4	KEEPING MINORS SAFE WHILE ON CAMPUS – HANDBOOK			
	Staff	Complete the Keeping Minors Safe While on Campus Handbook. The scope of this project was changed by the MSLCTC.	January, 2015	Completed
	MSLCT Committee	Review handbook and recommend revisions as appropriate. The project timeline was changed by the MSLCTC. Each year two or three minor projects will be suggested by the MSLCTC for completion and addition to the handbook. The MSLCTC chose Traveling with Minors and Overnight Wilderness Activities with Minors	February, 2015	Completed
	AORMA Committee	Review final handbook. Review completed sections of the handbook.	June, 2015	Completed

FY 2015/16 CSURMA LONG RANGE ACTION PLAN

Approved

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
LRP-1 FORM 700 ELECTRONIC FILING				
Research the ability to electronically file the CSURMA Form 700's	1 Confirm if CSURMA is able to file its Form 700's electronically	PA	May, 2015	Completed
	2 Evaluate available software options	PA, SRM	August, 2015	
	3 Select appropriate software	EC	September, 2015	
	4 Develop implementation plan and communications	PA	November, 2015	
	5 Implement electronic filing of form 700's	PA	January, 2016	
	6 Monitor roll out and report to CSURMA EC	PA	March, 2016	
LRP-2 WORKERS' COMPENSATION CLAIMS CLOSURE INITIATIVE				
Develop and implement plan to reduce WC claims liability, with specific goal to	1 Report on program Progress to CSURMA Board	PA, SRM	April, 2015	Completed
	2 Identify additional claims for action, adopt strategy	PA, SRM, Sedgwick, Consultant	May, 2015	Completed
	3 Implement transition to claim filing billing of project costs	PA, SRM, Sedgwick, Consultant	July, 2015	
	4 Status report to CSURMA EC	PA, SRM	September, 2015	
	5 Status report to CSURMA EC, continuation evaluation	PA, SRM	May, 2016	
LRP-3 AGILITY RECOVERY PROPERTY LOSS RECOVERY PROGRAM				
Agility Recovery Program	1 Advise CSURMA BOD of Program Development	PA, SRM	April, 2015	Completed
	2 Negotiate and bind the Agility Recovery Program services as an added feature of the Campus and AORMA property Programs	PA, SRM	July, 2015	Completed
	3 Announce the roll out Agility Recovery Program through a bulletin to campus and auxiliary organization staff	PA, SRM	July, 2015	Pending
	4 Develop loss event protocol to trigger use of Agility services	PA, SRM	July, 2015	
	5 Report on usage and outcomes	PA, SRM	March, 2016	
	6 Determine whether to continue the program for FY 16/17	EC	March, 2016	
LRP-4 ADDITIONAL COVERED PARTY - POLICY AND PROCEDURE				
Develop a Policy and Procedure that describes the underwriting criteria for granting additional insured status	1 Develop a Policy and Procedure describing the underwriting criteria for granting additional insured status, prepare draft MOC, endorsement and certificate changes	PA, SRM, OGC	September, 2015	
	2 CSURMA EC review and recommendation to the BOD	EC	September, 2015	
	3 CSURMA BOD review, approval and adoption	BOD	October, 2015	
LRP-5 ON-LINE EDUCATION MULTI-STATE SURETY INITIATIVE				
Place a blanket surety bond for all	1 Determine scope of on-line programs and jurisdictions, research if placement of a blanket bond, or alternative Systemwide placement approach, is feasible	PA, SRM, OGC	August, 2015	

FY 2015/16 CSURMA LONG RANGE ACTION PLAN

Approved

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS	
CSU campuses and auxiliary organizations that provide on-line university courses	2	Present information to the CSURMA EC for direction	PA, SRM, OGC	September, 2015	
	3	Report on project to CSURMA BOD	PA, SRM, OGC	October, 2015	
	4	Approval of blanket or alternative surety program as appropriate	EC	December, 2015	
	5	Implement program and communicate with campus stakeholders	PA	January, 2016	
LRP-6 STUDENT PLACEMENT AGREEMENTS					
Implement more master insurance and indemnity agreements with key hosting partners	1	Research existing placement agreements for student internships, particularly in Teaching, Nursing/Allied Health, and Service Learning programs to identify key hosting partners	PA, SRM	August, 2015	Pending
	2	Present list of key target hosts to CSURMA EC	PA, SRM	September, 2015	
	3	Draft proposed master insurance and indemnity language for student placement agreements and contact key hosting partners	PA, SRM, OGC	October, 2015	
	4	Update CSURMA BOD on progress	PA, SRM	October, 2015	
	5	Report to EC on Progress of Master Insurance and Indemnity Agreements	SRM	March, 2016	
LRP-7 CSU / UC WORKERS' COMPENSATION SUMMIT					
Plan a CSU / UC Workers' Compensation Summit to share claim strategies and best practices	1	Plan the CSU / UC Workers' Compensation Summit agenda	SRM	September, 2015	
	2	Update the CSURMA EC on status of the Summit development	SRM, EC	September, 2015	
	3	Send out Workers' Compensation Summit invitations	PA, SRM	November, 2015	
	4	Conduct the Summit	SRM	February, 2016	
	5	Report back to the CSURMA EC as to the Summit take-aways	SRM, EC	March, 2016	
LRP-8 CAMPUS AND AORMA RISK PROGRAM BENCHMARKING AND TREND ANALYSIS					
Develop a Workers' Compensation statistical industry benchmarking operation	1	Research benchmarking resources available	PA	April, 2015	Completed
	2	Develop conceptual proposal for short and long term benchmarking	PA, SRM	May, 2015	Completed
	3	Approval of initial benchmarking project scope and costs	EC	May, 2015	Completed
	4	Implement initial project	PA, SRM	September, 2015	
	5	Initial report to CSURMA EC and BOD, and CSU CABO	PA, SRM	October, 2015	
	6	Report to AORMA Membership at AOA Conference	PA, SRM	February, 2016	
	7	Presentation of sustainable long term benchmarking program	PA, SRM	March, 2016	
	8	Approval of long term benchmarking project scope and costs	EC	March, 2016	
LRP-9 SPECIAL EVENTS RISK MANAGEMENT MANUAL					
Creation of a Special Events Manual	1	Identify and engage consultant to develop Special Events Risk Management Manual and training modules	SRM	August, 2015	Completed
	2	Oversee the creation of a special events risk management manual	SRM	June, 2016	
	3	Roll out manual to all campus and auxiliary organization staff	SRM	July, 2016	

FY 2015/16 CSURMA LONG RANGE ACTION PLAN

Approved

GOAL	ACTION / TASK	RESPONSIBLE ENTITY	DEADLINE	STATUS
	4 Post manual on the CSURMA website	PA	July, 2016	
	5 Present the Special Events Risk Management Training at Fitting the Pieces Together Conference	SRM	November, 2016	
	6 Roll out special events training on the CSU learning management system	SRM	July, 2017	

LRP-10 INSURANCE POLICY DATABASE

Implementation of an Insurance Policy Database to assist with litigation	1	Research and identify viable software products	PA, SRM	September, 2015	Pending
	2	Approve selection of software product	EC	September, 2015	
	3	Project overview report to CSURMA BOD and CABO	SRM, PA	October, 2015	
	4	Populate database with Phase 1 data	PA	February, 2016	
	5	Present Phase 1 project results and recommendations for Phase 2	SRM, PA	March, 2016	
	6	Approve Phase 2 and ongoing database maintenance plan	EC	March, 2016	

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

AORMA - Liability Insurance Program



Layer Limit - \$20,000,000

Excess Insurance Layer

Various Insurers - \$15,000,000 xs of \$5,000,000

Layer Limit - \$5,000,000

AORMA Reinsured Layer

Genesis Reinsurance Corp. - \$4,650,000 xs of \$350,000

Layer Limit - \$350,000

AORMA Pooled Layer - \$350,000 per occurrence

Entities covered ... the member, governing board, officers, employees and volunteers

AORMA Member Deductible \$0; except for EPL

Member employment practices deductibles ...

\$25,000 for all members except; \$50,000 for CSU East Bay Foundation; Cal State L.A. UAS; UEI CSU Sacramento; Cal Poly Corp (SLO) \$75,000 for CSU Fresno Foundation; SJSU Research Foundation and CSULB Research Foundation; \$100,000 for Cal Poly Pomona; SDSU Research Foundation

AORMA - Liability Insurance Program



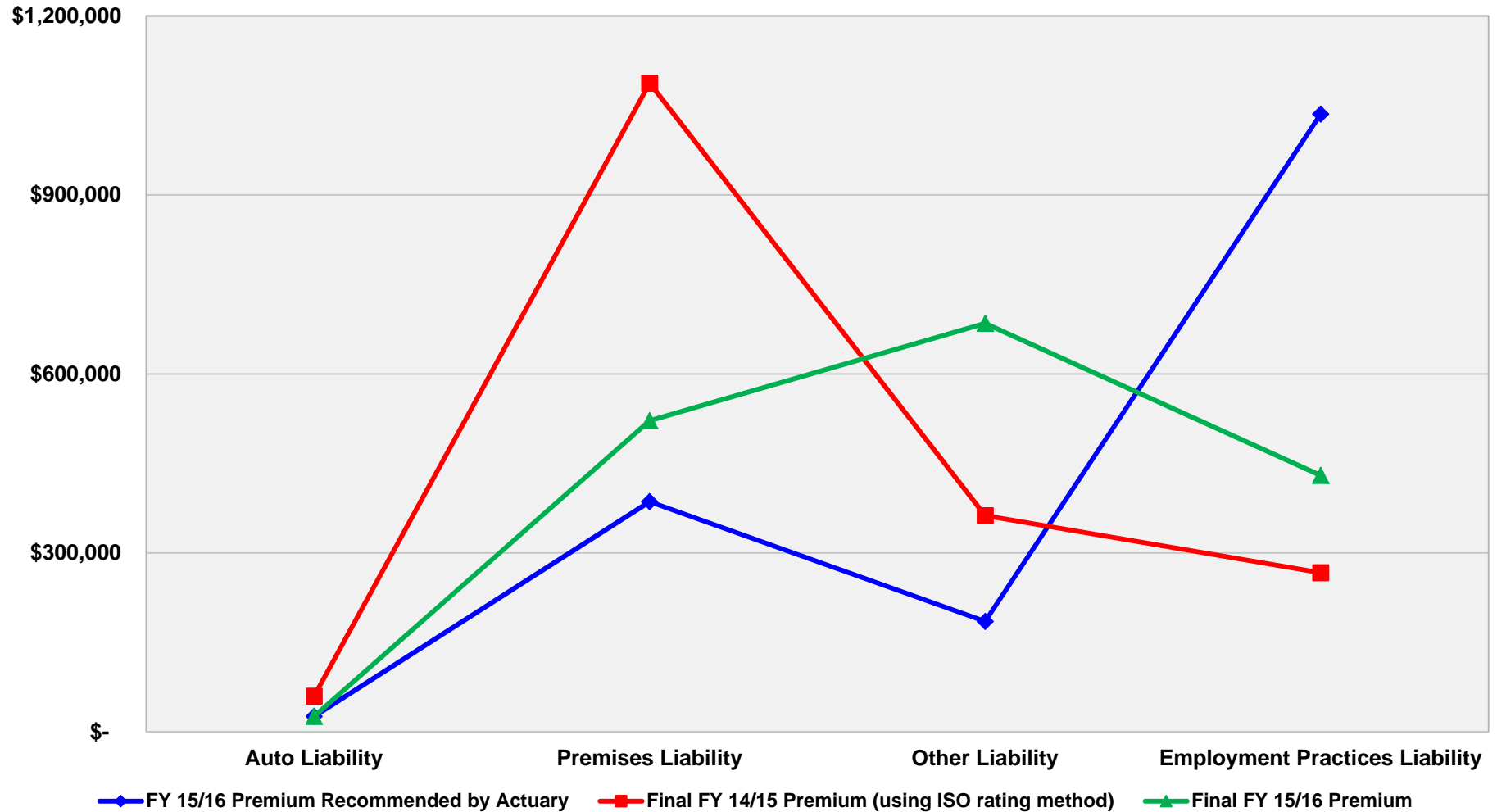
Member Allocation Formula

- **Four basic rates determined by the CSURMA Actuary based on AORMA's loss experience**
 1. Employment Practices Liability
 2. Premises Liability
 3. Auto Liability
 4. All Other Liability
- **Size credit up to 30%**
- **Experience modification factors determined by the CSURMA Actuary**
(Collared at .75 and 2.00)
- **Collared rates and premiums for first year** - For FY 15/16 the premium for any one member can not increase more than 30% or decrease more than 13%
- **EPL deductible credits** - \$50,000 - 13%, \$75,000 - 25.5%, \$100,000 – 36%
- **Excess premium and administrative costs capped for larger members**

AORMA - Liability Insurance Program



New Member Allocation Formula - Premium Comparison



AORMA – Workers’ Compensation Insurance Program



Excess Insurance Layer
Safety National

Workers’ Compensation - Statutory

Employer’s Liability - \$4,500,000 xs of \$500,000

The program includes ... workers’ compensation and employer’s liability, incidental maritime exposures, and includes registered volunteers as covered employees (as resolved by the Member)

AORMA Pooled Layer - \$500,000
This layer is reinsured by CSAC EIA

Deductible ... there are no individual deductibles

AORMA – Workers' Compensation Insurance Program



Member Allocation Formula

- **AORMA Classification Codes**
 - 1001** – Primarily Clerical, Administrative and Non-Manual, Non-Instructional
 - 1002** – Primarily Professional Student Activity Functions, Consulting, Certain Aspects of performing Arts, Off-Site Work Not Physical in Nature
 - 1004** – Retail
 - 1005** – Sport Activity, Day Care Centers
 - 1006** – Food Service
 - 1007** – Primarily Manual Labor

- **Member's estimated and actual payroll within each classification code**

- **Experience modification factors determined by the CSURMA Actuary**
(Maximum change of +/- 15% from prior year; adjusted for the normalization factor)

- **This coverage program is auditable**

CSURMA AORMA

POLICY AND PROCEDURE NO. W - 1

SUBJECT:	WORKERS' COMPENSATION DEPOSIT DEVELOPMENT PLAN <u>MEMBER ALLOCATION</u> <u>FORMULA</u>
ADOPTED:	MAY 15, 2008
EFFECTIVE:	MAY 15, 2008
AMENDED:	DECEMBER 8, 2009 <u>SEPTEMBER 10, 2015</u>

PURPOSE:

It shall be the policy of the CSURMA Auxiliary Organizations Risk Management ~~Authority Alliance (AORMA)~~ to determine each member's allocation of the workers' compensation **Total Program Funding** workers' compensation ~~Deposit Development~~ as outlined in the method outlined in the following procedure Workers' Compensation Member Allocation Formula noted below:-

PROCEDURE:

Annually, in September, the AORMA Committee will approve the **Total Program Funding** for the workers' compensation program for the upcoming fiscal year.

Annually, in December, the Programs Committee will approve or accept the following allocation criteria with the Workers' Compensation Member Allocation Formula:

1. **AORMA Basic Rates** for each class code
2. **Experience Modification Factors** (as determined by the actuary)

ALLOCATION FORMULA:

1. The member's **Experience Modification Factor** is applied separately to each of the **AORMA Basic Rates**. *Result – Member's modified rates.*
2. Member's modified rates are applied separately to the member's estimated payroll, separated by class code, for the upcoming fiscal year. *Result – Member's final modified deposit premium.*



California State University Risk Management Authority
 Auxiliary Organizations Risk Management Alliance

**** Example ****

1001	.50	*	.95	=	.48
1002	1.00	*	.95	=	.95
1004	1.50	*	.95	=	1.43
1005	3.00	*	.95	=	2.85
1006	4.00	*	.95	=	3.80
1007	5.00	*	.95	=	4.75
AORMA basic rates			Experience modification factor		Modified rates
1001	.48	*	\$1,000,000	=	\$4,800
1002	.95	*	\$800,000	=	\$7,600
1004	1.43	*	\$0	=	\$0
1005	2.85	*	\$0	=	\$0
1006	3.80	*	\$0	=	\$0
1007	4.75	*	\$0	=	\$0
					\$12,400
	Modified rates		Estimated payroll		Final modified deposit premium

ANNUAL PAYROLL AUDIT:

Deposit Audit Adjustment—The Member's final payroll separated by AORMA class code classifications will be audited requested at the end of each program year. The Member's final workers' compensation premium will be calculated by multiplying the Member's actual payroll per class code by the Member's modified rates. ~~and~~ The Members will receive either a refund or additional deposit billing based on how their audited contribution compares with their initial deposit. Members will allocate their payroll to each of the AORMA class codes as outlined in the (1) AORMA Workers' Compensation Explanation of Classification Codes and (2) AORMA Workers' Compensation Payroll Rules to Follow publications.

DEFINITIONS:

1. **AORMA Basic Rates** – The **AORMA Basic Rates** will be approved annually by the Programs Committee. The WCIRB class code rates shown below will be utilized when determining the AORMA Basic Rates. A normalization factor will be added to the WCIRB class code rates in order to achieve the **Total Program Funding** required as approved by the AORMA Committee.

Class Code Description	AORMA	WCIRB
Clerical	1001	8810
Off-site activities / professional / student activities	1002	8868
Retail	1004	8071
Sports / day care	1005	9053

Food service	1006	9079
Manual labor	1007	9101

2. **Experience Modification Factor** – The actuary will determine each Member’s Experience Modification Factor based on the most current published WCIRB method. The Experience Modification Factors will be adjusted for the ~~off-balance~~normalization factor and capped at a maximum change of +/- 15% from the prior (balanced) Experience Modification Factor.
3. **Total Program Funding** - The Total Program Funding costs will include (1) the pooled layer funding requirement, as recommended by the actuary, (2) administrative costs and (3) excess insurance or reinsurance costs.

~~Deposits: — AORMA will collect a deposit from each member each year. The deposits will provide funds to pay claims, if necessary and also to pay excess insurance and administrative expenses. The deposits will be credited with investment income at the rate earned on the Authority's investments.~~

~~Deposits for each member for each year are determined by the Board. New deposits will be based upon the AORMA Classification Code Loss Rates adjusted to meet the overall claims funding determined by an actuarial study plus the cost of excess insurance, and adjusted by the Members’ experience modification factor. Administrative costs will be allocated based on each Members’ % of unmodified premium.~~

~~Each member's experience modification will be determined on the basis of the most recent California Workers’ Compensation Experience Rating Plan.~~

WORKERS' COMPENSATION DEPOSIT DEVELOPMENT PLAN

~~Each member's share of deposit will depend on its payroll per the selected AORMA Classification Codes and its Experience Modification.~~

~~A member's Experience Modification reflects its own loss experience to the extent it is credible. To the extent that the member's own experience is not credible (small size), the Experience Modification reflects the expected experience for the AORMA classification code.~~

~~Elements of the Plan:~~

1. ~~Reported Workers' Compensation Losses~~ — Member's share of past paid losses and case

reserves incurred in the prior five full coverage years.

2. ~~Deposit Basis (Pure Premium)~~ Member's deposit basis is determined using the AORMA Classification Codes payrolls divided by 100 and multiplied by the AORMA Pure Premium rates. Those pure premium rates are then modified to meet the actuarially determined funding at the selected confidence level plus excess insurance.
3. ~~Experience Modification~~ Each Member's deposit basis is then modified by the experience modification. AORMA currently uses the WCIRB Experience Rating Plan. The experience modification is determined from the following formula:
 - a. If losses are below \$21,000 then the following formula applies:

$$H / I$$
 Where $H = (A + B + F / G + B)$ and $I = (A + B + F / E + B + F)$
 - b. If losses are above \$21,000 then the following formula applies:

$$J / K$$
 Where $J = (A + B + (C * D) + ((1 - C) * F)) / (G + B)$ and

$$K = (A + B + (C * D) + ((1 - C) * F)) / (E + B + (C * F) + ((1 - C) * F))$$

A = Actual Losses below \$21,000
 B = The B Stabilizing Number from WCIRB Experience Rating Table III.
 This number limits the effect of a single severe accident.
 C = A specified % for each Member from the WCIRB Experience Rating Table III. For losses excess of \$21,000, only a certain % of that loss is counted towards the experience modification. For example, if there is a loss of \$50,000, then only 11% of that loss is counted in the calculation.
 D = Total actual losses less losses below \$21,000.
 E = Primary expected losses determined from the WCIRB expected loss rate per AORMA classification code and adjusted by the primary adjustment factor per class code from the WCIRB Experience Rating Table II.
 F = Expected losses less the primary expected losses.
 G = Total Expected Losses.
4. ~~Adjustments to reflect experience modification on funding.~~ The deposit basis is finally adjusted to reflect the impact of the members' experience modifications so that total funding maintains the necessary approved actuarial funding and cost of excess insurance.
5. ~~Administrative Costs.~~ The Administrative Costs are allocated on the basis of the Members' % share of unmodified premium.

~~6. Deposit Adjustments. The Workers' Compensation Committee reserves the ability to apply a minimum and maximum % change from the prior year deposits.~~

~~**Plan Fund Adjustment** — In accordance with Policy and Procedure A-4 — AORMA Dividend/Assessment Policy, the plan fund adjustments are calculated annually and presented to the Board of Directors. Members eligible for a refund can apply the refund to the next year's Workers' Compensation Annual Deposit thereby reducing the amount due.~~

AORMA – Property Insurance Program



Excess Insurance Layer

APIP (Alliant Property Insurance Program) - Various Insurers
\$1,000,000,000 xs of \$100,000

Deductibles ... please review the policy summary for other deductibles that may apply

Sub-limits ... please review the policy summary for the various sub-limits included within the program

AORMA Pooled Layer

\$100,000 per occurrence
\$250,000 aggregate

Member Deductible

Deductibles ... \$5,000 for personal property and business interruption / loss of rents - 1% of real property value subject to a min of \$5,000 and a max of \$50,000 ; Cyber Liability \$25,000, Pollution \$50,000, Flood \$250,000 in Zone A & V, \$100,000 for all other Zones

Member Allocation Formula

- **Basic rates for;**
 - ✓ Real property
 - ✓ Business personal property and business income / rental value (this rate will be 20% higher than real property rate)
- **Member's total insurable values**
- **Size credit – currently 30%**
- **Loss ratio surcharge – currently between 5% and 25%**
- **Minimum premium – currently \$600**



CSURMA AORMA

POLICY & PROCEDURE NO. P-1

SUBJECT: PROPERTY PROGRAM MEMBER ALLOCATION FORMULA

ADOPTED: NOVEMBER 6, 2013
SEPTEMBER 10, 2015

EFFECTIVE: JULY 1, 2014

AMENDED: N/A

POLICY:

It shall be the policy of the CSURMA AORMA to determine each member’s allocation of the total property program costs as outlined in the Property Program Member Allocation Formula noted below:

PROCEDURE:

Annually, in September, the AORMA Committee will approve the Total Property Program Costs for the upcoming fiscal year.

Annually, in December, the Programs Committee will approve the following allocation criteria within the Property Program Member Allocation Formula and will approve the final member allocation for the upcoming fiscal year:

1. Basic rates
2. Maximum premium for calculating the size credit
3. Maximum size credit percentage
- ~~4. Minimum collared rate percentage~~
- ~~5. Maximum collared rate percentage~~
- 6.4. Minimum premium
- 7.5. Loss ratio surcharge schedule

PROPERTY PROGRAM MEMBER ALLOCATION FORMULA:

Basic Rates:

- *TIV = Total Insurable Values*
- *RP/BI = Real Property / Business Income and Rental Value*
- *BPP = Business Personal Property*

Two basic rates are included in the allocation formula; one for RP/BI and one for business BPP. The BPP rate is 20% higher than the RP/BI rate.

1. RP/BI TIV is multiplied by the RP/BI rate. *Result – RP/BI basic premium.*
2. BPP TIV is multiplied by the BPP rate. *Result – BPP basic premium.*
3. RP/BI basic premium and BPP basic premium are added together. *Result – basic premium.*
4. Basic premium is divided by the total TIV. *Result – basic rate.*

**** Example ****

1.	\$50,000,000 RP/BI TIV	*	.2000 RP/BI Rate <i>(per \$100 in TIV)</i>	=	\$100,000 RP/BI Basic Premium
2.	\$25,000,000 BPP TIV	*	.2400 BPP Rate <i>(per \$100 in TIV)</i>	=	\$60,000 BPP Basic Premium
3.	\$100,000 RP/BI Basic Premium	+	\$60,000 BPP Basic Premium	=	\$160,000 Basic Premium
4.	\$160,000 Basic Premium	/	\$75,000,000 Total TIV	=	.2133 Basic Rate <i>(per \$100 in TIV)</i>

Size Credit:

1. Basic premium is divided by the **Maximum Premium for Calculating Size Credit**. *Result – percentage of total basic premium compared to the Maximum Premium for Calculating Size Credit.*
2. Percentage of total basic premium compared to **Maximum Premium for Calculating Size Credit** is multiplied by **Maximum Size Credit Percentage**. *Result – size credit percentage.*
3. Basic rate is multiplied by the size credit percentage. *Result – Basic rate with size credit.*

**** Example ****

1.	\$160,000 Basic Premium	/	\$600,000 Maximum Premium for Calculating Size Credit	=	27% % of Total Basic Premium Compared to Maximum Premium for Calculating Size Credit
2.	27% % of Total Basic Premium Compared to Maximum Premium for Calculating Size Credit	*	30% Maximum Size Percentage Credit	=	8% Size Credit Percentage
3.	.2133 Basic Rate	-	8% Size Credit Percentage	=	.19620 Basic Rate w/ Size Credit

Collared Rates:

- ~~1. Prior year's final rate is multiplied by the **Minimum Collared Rate Percentage**. *Result – minimum collared rate.*~~
- ~~2. Prior year's final rate from the prior year is multiplied by the **Maximum Collared Rate Percentage**. *Result – maximum collared rate.*~~
- ~~3. The basic rate w/ size credit is used if it is greater than the minimum collared rate and less than the maximum collared rate.~~

**** Example ****

1.	.2172 Prior year's final rate	*	90% Minimum Collared Rate Percentage	=	.1955 Minimum Collared Rate
2.	.2172 Prior year's final rate	*	120% Maximum Collared Rate Percentage	=	.2606 Maximum Collared Rate
3.	.1962 > .1955 and .1962 < .2606 The Basic Rate w/ Size Credit is used if it is greater than the Minimum Collared Rate and less than the Maximum Collared Rate			=	.1962 Basic Rate w/ Size Credit and Collar

Loss Rating:

1. Five years paid claims (minus deductible) is divided by total premium for five prior years. *Result – loss ratio.*
2. Member's five-year loss ratio is reviewed against loss ratio surcharge schedule. *Result – loss ratio surcharge is assigned.*
3. Basic rate w/ size credit ~~and collar~~ is increased by loss ratio surcharge. *Result – final rate.*
4. Final rate is multiplied by total TIV. *Result – Final premium.*

**** Example ****

1.	\$125,000 Five Years Paid Claims	/	\$500,000 Total Premium for Five Prior Years		25% Loss Ratio
2.	25% 25% Loss Ratio is reviewed against Loss Rating Surcharge Schedule and Surcharge is Assigned.			=	5% Loss Ratio Surcharge
3.	5% Loss Ratio Surcharge	+	.19603 Basic Rate w/ Size Credit and Collar	=	.205860 Final Rate
4.	.205860 Final Rate <u>(per \$100 in TIV)</u>	*	\$75,000,000 Total TIV	=	\$154,500350 Final Premium

<u>Loss Ratio Surcharge Schedule</u>		
Loss ratio less than 20%	=	No surcharge
Loss ratio between 20% and 40%	=	5% surcharge
Loss ratio between 40% and 60%	=	10% surcharge
Loss ratio between 60% and 80%	=	15% surcharge
Loss ratio between 80% and 100%	=	20% surcharge
Loss ratio in excess of 100%	=	25% surcharge

Minimum Premium:

1. If the final premium is greater than the Minimum Premium, use the final premium. *Result – final premium w/ minimum premium if applicable.*

**** Example ****

1.	\$154,500	>	\$600	=	\$154,500
	If the Final Premium is greater than the minimum premium, use the Final Premium				Final Premium

DEFINITIONS:

1. **RP/BI - Real Property, Business Interruption and Rental Value Basic Rate** – This rate will be approved annually by the Programs Committee. It may increase or decrease depending the total property program funding required for the upcoming fiscal year.
2. **BPP – Business Personal Property Basic Rate** - This rate will be approved annually by the Programs Committee. It may increase or decrease depending the total property program funding required for the upcoming fiscal year. This rate will be 20% higher than the Real Property, Business Interruption and Rental Value Basic Rate.
3. **Maximum Premium for Calculating Size Credit** – The Maximum Premium for Calculating the Size Credit dollar amount will be approved annually by the Programs Committee. The Maximum Premium for Calculating Size Credit is used to calculate each member’s size credit. The member’s basic premium is divided by the Maximum Premium for Calculating Size Credit, as an example - $\$300,000$ (member’s basic premium) / $\$600,000$ (Maximum Premium for Calculating Size Credit) = 50% (member’s percentage of size credit). This member would be subject to 50% of the total **Size Credit Percentage**.
4. **Size Credit Percentage** – The Size Credit Percentage will be approved annually by the Programs Committee. The Size Credit Percentage represents the maximum size credit available to any one member. As an example – 50% (member’s percentage of size credit) * 30% (Size Credit Percentage) = 15% member’s size credit.

~~5. **Minimum Collared Rate Percentage**—The Minimum Collared Rate Percentage will be approved annually by the Programs Committee. The Minimum Collared Rate Percentage is the maximum rate decrease percentage (compared to the member’s final property rate for the prior year) that any member can receive.~~

~~6.5. **Maximum Collared Rate Percentage**—The Maximum Collared Rate Percentage will be approved annually by the Programs Committee. The Maximum Collared Rate Percentage is the maximum rate increase percentage (compared to the member’s final property rate for the prior year) that any member can receive.~~

AORMA – Fidelity / Crime Insurance Program



Excess Insurance Layer

Lloyd's of London

\$2,000,000 any one loss (inclusive of \$100,000 AORMA pooled layer)

\$40,000,000 aggregate

The Program includes coverage for ... employee dishonesty, including faithful performance, theft, computer crime, counterfeiting, forgery and loss to employee benefit assets

AORMA Pooled Layer

\$25,000 per loss

\$100,000 aggregate

Member Deductible

\$5,000

Member Allocation Formula

- **Basic rate**
- **Member's total payroll**
- **Size credit** – currently 30%
- **Loss ratio surcharge** – currently between 10% and 20%
- **Minimum premium** – calculated based on expenditures if the Member has no payroll or minimal payroll



CSURMA AORMA

POLICY & PROCEDURE NO. C-1

SUBJECT: CRIME PROGRAM MEMBER ALLOCATION FORMULA

ADOPTED: NOVEMBER 6, 2013
SEPTEMBER 10, 2015

EFFECTIVE: JULY 1, 2014

AMENDED: N/A

POLICY:

It shall be the policy of the CSURMA AORMA to determine each member’s allocation of the total crime program costs as outlined in the Crime Program Member Allocation Formula noted below:

PROCEDURE:

Annually, in September, the AORMA Committee will approve the total crime program costs for the upcoming fiscal year.

Annually, in December, the Programs Committee will approve the following allocation criteria within the Crime Program Member Allocation Formula and will approve the final member allocation for the upcoming fiscal year:

- 1. Basic rate
- 2. Maximum premium for calculating the size credit
- 3. Maximum size credit percentage
- ~~4. Minimum collared rate percentage~~
- ~~5. Maximum collared rate percentage~~
- ~~6.4.~~ Minimum premium schedule
- ~~7.5.~~ Loss ratio surcharge schedule

Basic Rates:

The payroll used within this allocation is the estimated payroll for the upcoming fiscal year.

- 1. Payroll is multiplied by the **Basic Rate**. *Result – basic premium*

**** Example ****

CSURMA AORMA

POLICY & PROCEDURE NO. C-1

1.	\$10,000,000 Payroll	*	.0400 Basic Rate <i>(per \$100 in payroll)</i>	=	\$4,000 Basic Premium
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Size Credit:

1. Basic premium is divided by the **Maximum Premium for Calculating Size Credit**. *Result – percentage of total basic premium compared to the Maximum Premium for Calculating Size Credit.*
2. Percentage of total basic premium compared to **Maximum Premium for Calculating Size Credit** is multiplied by **Maximum Size Credit Percentage**. *Result – size credit percentage.*
3. Basic rate is multiplied by the size credit percentage. *Result – Basic rate with size credit.*

**** Example ****

1.	\$4,000 Basic Premium	/	\$10,000 Maximum Premium for Calculating Size Credit	=	40% % of Total Basic Premium Compared to Maximum Premium for Calculating Size Credit
2.	40% % of Total Basic Premium Compared to Maximum Premium for Calculating Size Credit	*	30% Maximum Size Percentage Credit	=	12% Size Credit Percentage
3.	.0400 Basic Rate	-	12% Size Credit Percentage	=	.0352 Basic Rate w/ Size Credit

Collared Rates:

- ~~1. Prior year's final rate is multiplied by the **Minimum Collared Rate Percentage**. *Result – minimum collared rate.*~~
- ~~2. Prior year's final rate from the prior year is multiplied by the **Maximum Collared Rate Percentage**. *Result – maximum collared rate.*~~
- ~~3. The basic rate w/ size credit is used if it is greater than the minimum collared rate and less than the maximum collared rate.~~

**** Example ****

1.	.0350 Prior year's final rate	*	85% Minimum Collared Rate Percentage	=	.0298 Minimum Collared Rate
2.	.0350 Prior year's final rate	*	145% Maximum Collared Rate Percentage	=	.0508 Maximum Collared Rate

3.	.0352 > .0298 and .0352 < .0508	=	.0352
	The Basic Rate w/ Size Credit is used if it is greater than the Minimum Collared Rate and less than the Maximum Collared Rate		Basic Rate w/ Size Credit and Collar

Loss Rating:

- Five years paid claims (minus deductible) is divided by total premium for five prior years. *Result – loss ratio.*
- Member’s five-year loss ratio is reviewed against loss rating surcharge schedule. *Result – loss ratio surcharge is assigned.*
- Basic rate w/ size credit ~~and collar~~ is increased by loss ratio surcharge. *Result – final rate.*
- Final rate is multiplied by total payroll. *Result – Final premium.*

**** Example ****

1.	\$20,000	/	\$17,500	=	114%
	Five Years Paid Claims		Total Premium for Five Prior Years		Loss Ratio
2.	114%			=	20%
	114% Loss Ratio is reviewed against Loss Rating Surcharge Schedule and Surcharge is assigned.				Loss Ratio Surcharge
3.	20%	+	.0352	=	.0422
	Loss Ratio Surcharge		Basic Rate w/ Size Credit and Collar		Final Rate
4.	.0422	*	\$10,000,000	=	\$4,220
	Final Rate		Total TIV		Basic Premium w/ Size Credit, Collars and Loss Rating
<u>Loss Ratio Surcharge Schedule</u>					
	Loss ratio less than 50%			=	No surcharge
	Loss ratio between 50% and 100%			=	10% surcharge
	Loss ratio in excess of 100%			=	20% surcharge

Minimum Premium:

The expenditures used within this allocation are the expenditures documented in the member’s most recent financial audit.

- Using the Minimum Premium Schedule, each member is assigned a minimum premium based on their total expenditures. *Result – member’s scheduled minimum premium.*

- Member's final premium is compared to the member's scheduled minimum premium. *Result – the minimum premium will be applied if the member's final premium is less than the minimum premium.*

**** Example ****

1.	\$40,000,000	=	\$3,250
	Expenditures are reviewed against the Minimum Premium Schedule and a Minimum Premium is assigned.		Loss Ratio
2.	\$4,220 > \$3,250	=	\$4,220
	If Basic Premium is greater than Minimum Premium, use Basic Premium. If Basic Premium is less than Minimum Premium, use Minimum Premium		Basic Premium w/ Size Credit, Collars , Loss Rating and Minimum Premium
<u>Minimum Premium Schedule</u>			
	Expenditures less than \$2,000,000	=	\$250
	Expenditures between \$2,000,001 and \$6,000,000	=	\$1,250
	Expenditures between \$6,000,001 and \$10,000,000	=	\$2,250
	Expenditures between \$10,000,001 and \$20,000,000	=	\$2,750
	Expenditures greater than \$20,000,001	=	\$3,250

Administrative Costs:

- The crime program administrative costs will be divided evenly between all of the crime program members. *Result – member's crime program administrative costs.*
- Member's crime program administrative costs are added to the member's final premium or minimum premium, whichever applies. *Result – total crime program premium.*

**** Example ****

1.	\$25,000	/	87	=	\$287
	Total crime program administrative costs		Number of crime members		Per member total crime program administrative costs
2.	\$4,220	+	\$287	=	\$4,507
	Basic Premium w/ Size Credit, Collars , Loss Rating and Minimum Premium		Per member total crime admin costs		Total Crime Premium

DEFINITIONS:

1. **Basic Rate** – This rate will be approved annually by the Programs Committee. It may increase or decrease depending the total crime program funding required for the upcoming fiscal year.
2. **Maximum Premium for Calculating Size Credit** – The Maximum Premium for Size Credit dollar amount will be approved annually by the Programs Committee. The Maximum Premium for Size Credit is used to calculate each member’s size credit. The member’s basic premium is divided by the Maximum Premium for Size Credit, as an example - $\$5,000$ (*member’s basic premium*) / $\$10,000$ (*Maximum Premium for Size Credit*) = 50% (*member’s percentage of size credit*). This member would be subject to 50% of the total Size Credit Percentage.
3. **Size Credit Percentage** – The Size Credit Percentage will be approved annually by the Programs Committee. The Size Credit Percentage represents the maximum size credit available to any one member. As an example – 50% (*member’s percentage of size credit*) * 30% (*Size Credit Percentage*) = 15% *member’s size credit*.
- ~~4. **Minimum Collared Rate Percentage** – The Minimum Collared Rate Percentage will be approved annually by the Programs Committee. The Minimum Collared Rate Percentage is the maximum rate decrease percentage (compared to the member’s final crime rate for the prior year) that any member can receive.~~
- ~~5. **Maximum Collared Rate Percentage** – The Maximum Collared Rate Percentage will be approved annually by the Programs Committee. The Maximum Collared Rate Percentage is the maximum rate increase percentage (compared to the member’s final crime rate for the prior year) that any member can receive.~~

AORMA SIR Liability Fund Program Target Surplus Funding Analysis at \$500,000 SIR

Gross Premium 2016/17 (at 70% CL)	\$3,670,387	<i>10% Increase over FY 15/16 Gross Premium</i>
Maximum Retention per loss:	\$500,000	
O/S Reserves at 6/30/15:	\$1,343,046	
*Surplus at 3/31/15:	\$4,521,861	
Funding above 70% Conf Level:	\$4,190,112	
Funding above 80% Conf Level:	\$3,830,718	

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium:Surplus	<1.5:1	\$2,446,924	0.81
Surplus:Retention	>5:1	\$2,500,000	9.04
O/S Reserve:Surplus	≤1.5:1	\$895,364	0.30

Maximum Dividend Available:	\$2,021,861
Dividend 50%	\$1,010,931
Dividend 33%:	\$667,214
Dividend 25%	\$505,465

2016/17 Pool Funding Options - Does Not Include ULAE

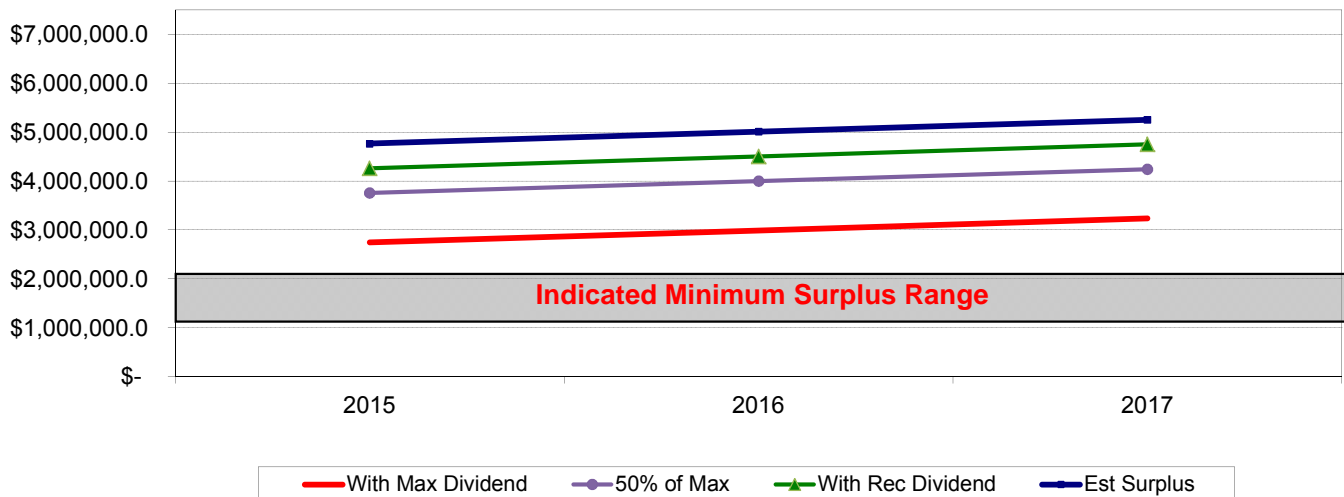
Confidence levels	Factor	Pool Premium	Surplus
Expected	1.000	1,565,665	-
60%	1.045	1,636,109	70,444
70%	1.156	1,809,897	244,232
80%	1.364	2,135,553	569,888

The Pool Premium is from the Actuarial Study dated August, 2014

Three Year Funding Plan

	Amount to Add To Surplus	Est. Surplus Balance	With Max Dividend	With 25% Dividend
Estimated Balance at 3/31/15	N/A	4,521,861	N/A	N/A
2015/16 - Collection @ 70% CL	244,232	4,766,093	2,744,232	4,260,628
2016/17 - Collection @ 70% CL	244,232	5,010,325	2,988,464	4,504,860
2017/18 - Collection @ 70% CL	244,232	5,254,557	3,232,696	4,749,092

Three Year Funding Plan



AORMA Workers' Compensation Program Target Surplus Funding Analysis at \$500,000 SIR

Gross Premium 2015/16 (at 80% CL)	\$3,946,750
Maximum Retention per loss:	\$500,000
O/S Reserves at 6/30/15:	\$4,169,368
*Surplus at 3/31/15:	\$4,050,810
Funding above 70% Conf Level:	\$2,999,035
Funding above 80% Conf Level:	\$2,297,852

Ratio	Target	Indicated Minimum Surplus	Projected Ratio
Premium:Surplus	<1.5:1	\$2,631,167	0.97
Surplus:Retention	>5:1	\$2,500,000	8.10
O/S Reserve:Surplus	≤1.5:1	\$2,779,579	1.03

Maximum Dividend Available:	\$1,271,231
Dividend 50%:	\$635,616
Dividend 33%:	\$419,506
Dividend 25%:	\$317,808

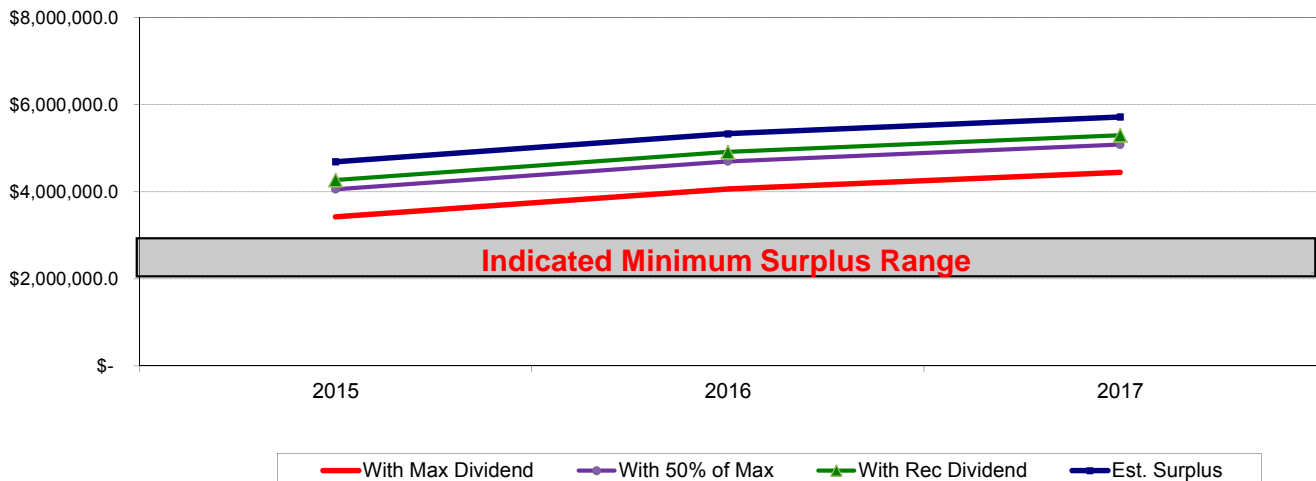
2016/17 Pool Funding Options - Does Not Include ULAE

Confidence levels	Factor	Pool Premium	Surplus
Expected	1.000	2,567,000	-
70%	1.150	2,952,050	385,050
80%	1.250	3,208,750	641,750
90%	1.500	3,850,500	1,283,500

Three Year Funding Plan

	Amount to Add To Surplus	Est. Surplus Balance	With Max Dividend	With Rec Dividend
Estimated Balance at 7/1/14	N/A	4,050,810	N/A	N/A
2016/17 - Collection @ 80% CL	641,750	4,692,560	3,421,329	4,273,054
2017/18 - Collection @ 80% CL	641,750	5,334,310	4,063,079	4,914,804
2017/18 - Collection @ 70% CL	385,050	5,719,360	4,448,129	5,299,854

Three Year Funding Plan



AORMA Campus Visit Schedule

Campus	Auxiliary Organization	Date of Visit	Team Member
Bakersfield	Associated Students, California State University, Bakersfield, Inc.	2015 08 06	Mimi
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	2015 08 06	Mimi
Bakersfield	California State University, Bakersfield Foundation	2015 08 06	Mimi
Bakersfield	California State University, Bakersfield Student Union, Inc.	2015 08 06	Mimi
Chancellor's Office	California State University Foundation	2015 05 07	Daniel & Melissa
Chancellor's Office	California State University Institute	2015 05 07	Daniel & Melissa
Channel Islands	Associated Students of California State University, Channel Islands, Inc.	2015 05 19	Mimi
Channel Islands	California State University Channel Islands Foundation	2015 05 19	Mimi
Channel Islands	University Glen Corporation	2015 05 19	Mimi
Chico	Associated Students of California State University, Chico	2015 07 29	Daniel & Mimi
Chico	The CSU, Chico Research Foundation	2015 07 29	Daniel & Mimi
Chico	The University Foundation, California State University, Chico	2015 07 29	Daniel & Mimi
Dominguez Hills	Associated Students, California State University, Dominguez Hills	2015 05 06	Mimi
Dominguez Hills	California State University, Dominguez Hills Foundation	2015 05 06	Mimi
Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation	2015 05 06	Mimi
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	2015 05 06	Mimi
East Bay	Associated Students, California State University, East Bay	2014 12 15	Rob & Melissa
East Bay	Cal State East Bay Educational Foundation	2014 12 15	Rob & Melissa
East Bay	California State University, East Bay Foundation, Inc.	2014 12 15	Rob & Melissa
Fresno	Associated Students, Inc. of California State University, Fresno	2015 08 07	Mimi
Fresno	California State University, Fresno Association, Inc.	2015 08 07	Mimi
Fresno	California State University, Fresno Foundation	2015 08 07	Mimi
Fresno	Fresno State Programs for Children, Inc.	2015 08 07	Mimi
Fresno	The Agricultural Foundation of California State University, Fresno	2015 08 07	Mimi
Fresno	The California State University, Fresno Athletic Corporation	2015 08 07	Mimi
Fullerton	Associated Students, California State University, Fullerton, Inc.	2015 03 18	Mimi
Fullerton	Cal State Fullerton Philanthropic Foundation	2015 03 18	Mimi
Fullerton	CSU Fullerton Auxiliary Services Corporation	2015 03 18	Mimi
Humboldt	Associated Students, Humboldt State University	2015 07 28	Daniel & Mimi
Humboldt	Humboldt State University Advancement Foundation	2015 07 28	Daniel & Mimi
Humboldt	Humboldt State University Center Board of Directors	2015 07 28	Daniel & Mimi
Humboldt	Humboldt State University Sponsored Programs Foundation	2015 07 28	Daniel & Mimi
Long Beach	Associated Students, California State University, Long Beach	2015 05 21	Mimi
Long Beach	California State University, Long Beach Research Foundation	2015 05 21	Mimi
Long Beach	CSULB 49er Foundation	2015 05 21	Mimi
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	2015 05 21	Mimi
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	2015 05 20	Mimi
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	2015 05 20	Mimi
Los Angeles	California State University, Los Angeles Foundation	2015 05 20	Mimi
Los Angeles	University-Student Union Board, California State University, Los Angeles	2015 05 20	Mimi
Maritime Academy	California Maritime Academy Foundation, Inc.		
Maritime Academy	The Associated Students of the California Maritime Academy		
Monterey Bay	Foundation of California State University, Monterey Bay	2015 08 04	Mimi
Monterey Bay	The University Corporation at Monterey Bay	2015 08 04	Mimi
Northridge	Associated Students, California State University, Northridge, Inc.	2015 02 26	Daniel
Northridge	California State University, Northridge Foundation	2015 02 26	Daniel
Northridge	North Campus University Park Development Corporation	2015 02 26	Daniel
Northridge	The University Corporation, CSU Northridge	2015 02 26	Daniel
Northridge	University Student Union of California State University, Northridge	Not available	
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	2015 05 22	Mimi

AORMA Campus Visit Schedule

Campus	Auxiliary Organization	Date of Visit	Team Member
Pomona	The Cal Poly Pomona Foundation, Inc.	2015 05 22	Mimi
Sacramento	Associated Students of California State University, Sacramento	2015 02 26	Mimi
Sacramento	Capital Public Radio, Inc., CSU Sacramento	Not available	
Sacramento	The University Foundation at Sacramento State	Not available	
Sacramento	University Enterprises, Inc., CSU Sacramento	2015 02 26	Mimi
Sacramento	University Union Operation of CSUS, Inc.	2015 02 26	Mimi
San Bernardino	Associated Students Inc., California State University, San Bernardino	2015 01 16	Mimi
San Bernardino	CSUSB Philanthropic Foundation	Not available	
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	2015 01 16	Mimi
San Bernardino	University Enterprises Corporation at CSUSB	2015 01 16	Mimi
San Diego	Associated Students, San Diego State University	2015 01 14	Mimi & Melissa
San Diego	Aztec Shops, Ltd., San Diego State University	2015 01 14	Mimi & Melissa
San Diego	San Diego State University Research Foundation	2015 01 14	Mimi & Melissa
San Diego	The Campanile Foundation	2015 01 14	Mimi & Melissa
San Francisco	Associated Students, Inc., San Francisco State University	2015 07 15	Mimi
San Francisco	San Francisco State University Foundation	2015 07 15	Mimi
San Francisco	The University Corporation, San Francisco State	2015 07 15	Mimi
San Jose	Associated Student, San Jose State University	2015 08 03	Mimi
San Jose	San Jose State University Research Foundation	2015 08 03	Mimi
San Jose	Spartan Shops, Inc., San Jose State University	2015 08 03	Mimi
San Jose	The Student Union of San Jose State University	2015 08 03	Mimi
San Jose	The Tower Foundation, San Jose State University	2015 08 03	Mimi
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	2015 08 05	Mimi
San Luis Obispo	Cal Poly Corporation	2015 08 05	Mimi
San Luis Obispo	California Polytechnic State University Foundation	2015 08 05	Mimi
San Marcos	California State University San Marcos Foundation	2015 01 15	Mimi
San Marcos	San Marcos University Corporation	2015 01 15	Mimi & Melissa
San Marcos	The Associated Students of California State University, San Marcos	2015 01 15	Mimi & Melissa
San Marcos	University Auxiliary and Research Services Corporation	2015 01 15	Mimi & Melissa
Sonoma	Associated Students of Sonoma State University	2015 03 27	Daniel & Melissa
Sonoma	Sonoma State Enterprises, Inc.	2015 03 27	Daniel & Melissa
Sonoma	Sonoma State University Academic Foundation, Inc.	2015 03 27	Daniel & Melissa
Stanislaus	Associated Students, Inc., California State University, Stanislaus	2015 07 14	Mimi
Stanislaus	California State University, Stanislaus Auxiliary and Business Services	2015 07 14	Mimi
Stanislaus	California State University, Stanislaus Foundation	2015 07 14	Mimi
Stanislaus	University Student Union of California State University, Stanislaus	2015 07 14	Mimi



CSURMA Informational Presentation

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 History and Overview



California State University Risk Management Authority (CSURMA) – joint powers authority created to provide insurance and risk management services for CSU Campuses and Auxiliary Organizations, including insurance and self-insurance.



Auxiliary Organizations Risk Management Alliance (AORMA) - operates within CSURMA to offer tailored coverage for CSU Auxiliary Organizations, including lower deductibles and other special coverage requirements.



Mission Statement

The California State University Risk Management Authority (CSURMA) is a joint power authority composed of CSU and its Auxiliary Organizations joined to protect member resources by providing broad coverage and quality risk management services that stabilize risk cost in a reliable, economical and beneficial manner.

- ✓ **Broad Coverage**
- ✓ **Quality Risk Management Services**
- ✓ **Stabilize Risk Cost**

How does CSURMA manage its Broad Coverages and Quality Risk Management Services?

JPA Administration (Alliant)

- Works directly with CSU ORM
- Meeting Agendas
- Meeting Minutes
- Program Manuals
- Website
- Annual Budget
- Dividend Calculations
- Program Cost Allocations
- Policies and Procedures
- Resolutions
- Loss Control Contracts
- Actuarial Reviews
- Plus 29 additional tasks

Insurance Brokerage (Alliant)

- Risk Financing Model Development
- Program Development
- Underwriting Information
- Designs and Reviews all Coverage Wording
- Evaluates the Financial Status of all Excess Insurers
- Purchases Excess Insurance for CSURMA's Coverage Programs

Claims Administration (Various)

- Liability (Carl Warren and Company)
- Workers' Compensation (Sedgwick)
- Pollution (Alliant and ACE)
- Cyber (Alliant and Beazley)
- Property (Alliant)
- PAI (HSR)
- Unemployment Insurance (Employers Edge)

Program Administrators



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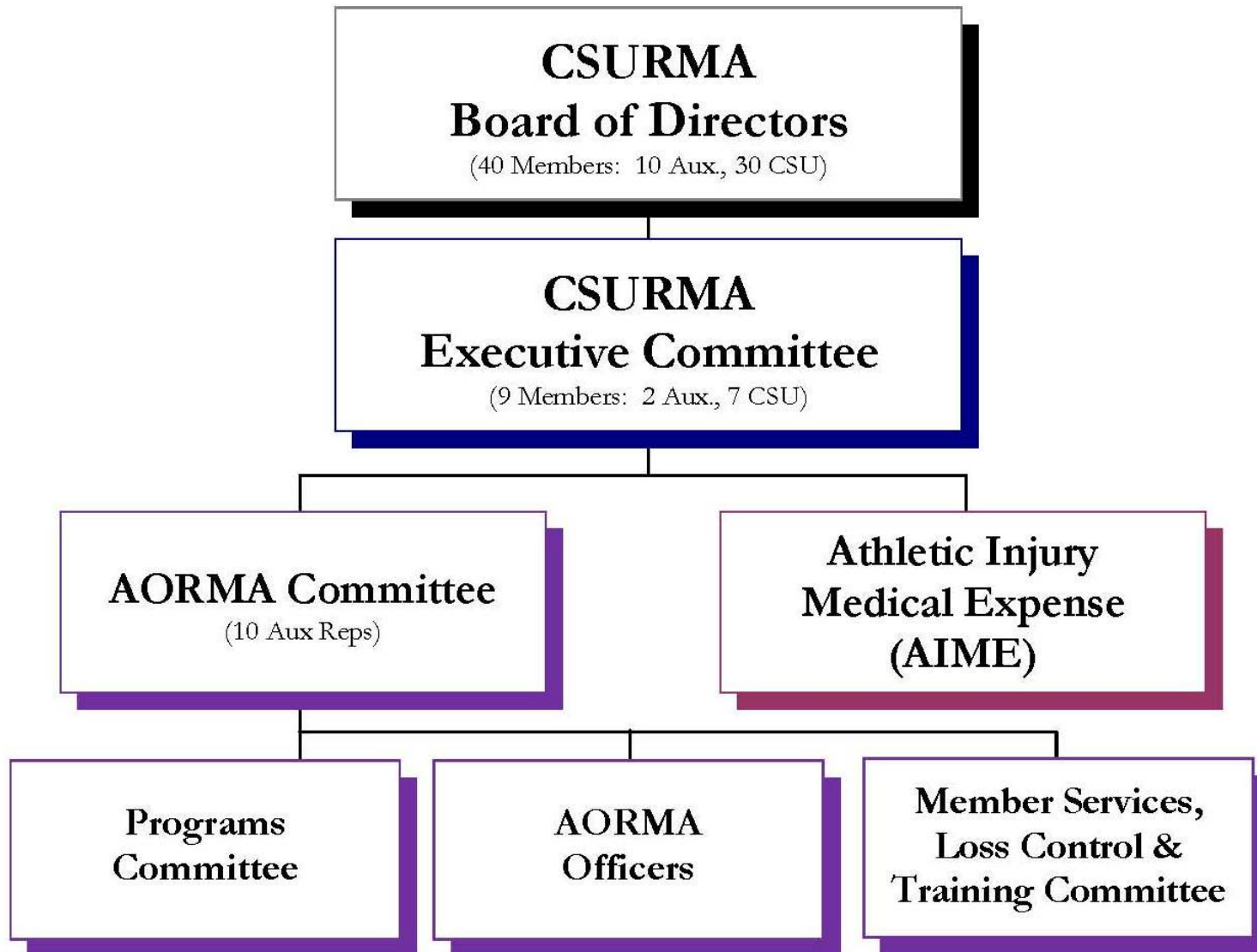


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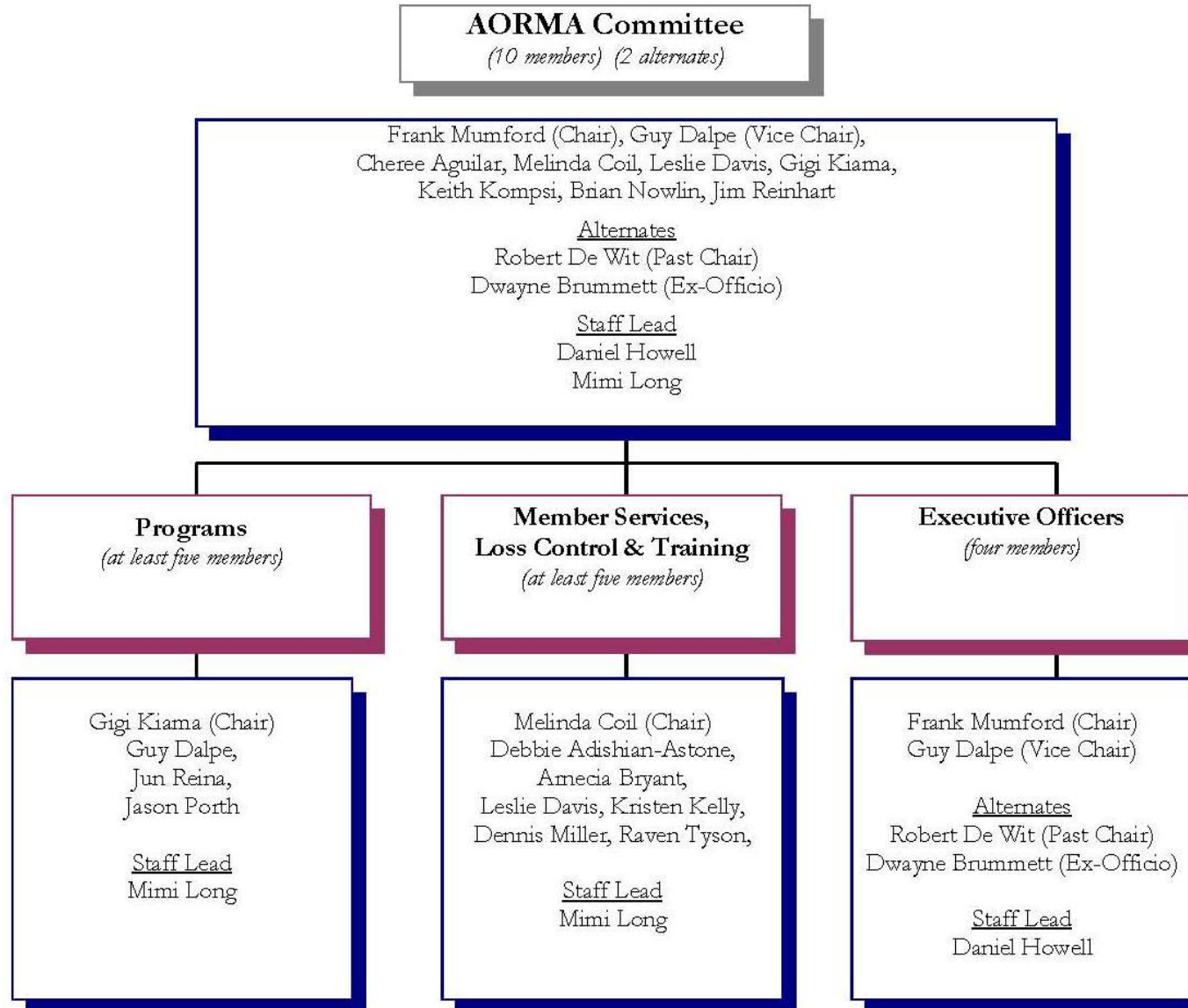


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Governance & Committees



CSURMA Organization and Structure, Continued ...



California State University Risk Management Authority (CSURMA)

History

The Chancellor's Office staff and representatives of the CSU Auxiliary Organizations developed a systematic approach to managing risk exposures which were prevalent across CSU campuses. One avenue of reform was to restructure the overall risk management program on a more collaborative basis. Special legislation was obtained to permit both the CSU as a state agency and Auxiliary Organizations as separate nonprofit corporations, to create a quasi-public entity to establish and perform pooled group insurance and related risk management functions for the benefit of all who elected to join the new entity and to participate therein. On January 1, 1997, the CSURMA was formed by the CSU and those Auxiliary Organizations that opted to join with intentions to participate in the risk management programs to be offered by the Authority.

CSURMA presently has several risk management programs in effect including the Campus Pooled Liability Program, the Campus Pooled Workers' Compensation Program, the Campus IDL/NDL/UI Program, the Campus and AORMA Property Program, the Athletic Injury Medical Expense (AIME) Program and various programs designed specifically for the Auxiliary Organizations, as members of the Auxiliary Organizations Risk Management Alliance (AORMA).

One of the primary goals of the CSURMA was to develop a forum for the CSU and the Auxiliary Organizations to develop strategies that streamline and integrate the risk management practices of the CSU system.

California State University Risk Management Authority (CSURMA) Auxiliary Organization Group Purchase Insurance Program (AGPIP)

History

CSURMA - On January 1, 1997, The California State University Risk Management Authority (CSURMA) was launched with three members – The California State University and two Auxiliary Organizations.

AGPIP - Initially, the Auxiliary Organizations were reluctant to share risk believing that their loss exposures varied too greatly from each other to equitably share in each other's losses. Therefore, on July 1, 1997, the Auxiliary Organization Group Purchase Insurance Program (AGPIP) was formed with eight Auxiliary Organization members. AGPIP was formed as a liability group purchase program, leveraging the buying clout of multiple members to obtain pricing and coverage advantages. After building its loss history (which was unavailable until AGPIP was developed) it was discovered that there were more similarities than differences in the group. Therefore, in 2002, AGPIP switched to a risk sharing liability program with a \$250,000 self insured retention. By 2006, all of the Auxiliary Organizations had voluntarily joined AGPIP. In May, 2007, AGPIP changed its name to AORMA.

AO-COMP, Inc., a Mutual Benefit Corporation (AO-Comp) Auxiliary Organizations Risk Management Alliance (AORMA)

History

AO-Comp - The self insurance group (SIG) AO-Comp, Inc. was formed on May 1, 2004 in response to the collapse of the Workers' Compensation insurance market. Auxiliary Organizations were seeing their Workers' Compensation premiums increase 400% over a three-year period. The success of the AGPIP (the self-insured liability program) raised the Auxiliary Organizations' awareness of the benefits of self insurance. AO-Comp was formed as a private self-insurance group. Initially, the Auxiliary Organizations wanted to maintain separate control. AO-Comp members feared that their workers' compensation funding would filter over to CSU. Because AO-Comp was an independent corporation, separate administration costs were applicable as well. Eventually, the AO-Comp members did see the monetary value of inclusion within CSURMA. Therefore, in 2008, after gaining approval from the State Office of Self-Insured Plans, AO-Comp transferred its remaining liabilities to CSURMA AORMA and filed for dissolution with the State.

AORMA – CSURMA engages a firm to re-brand the Auxiliary Organizations' identity. CSURMA AORMA rolls out a new logo at the 2007 AoA Conference.

CSURMA – Organization and Structure

The CSURMA is governed by a Board of Directors, which consists of thirty Directors appointed by the California State University (University) Executive Vice Chancellor, Business and Finance; and ten Directors elected by the member Auxiliary Organizations. The Directors appointed by the University serve at the pleasure of the Executive Vice Chancellor and may be replaced at any time by the Executive Vice Chancellor. Directors elected by the Auxiliary Organizations serve subject to terms and conditions adopted by the Auxiliary Organizations. Each Director of the JPA must be an officer, director or employee of the University or of an Auxiliary Organization. The Executive Vice Chancellor may also appoint alternate representatives who shall serve in the absence of the primary representatives. The CSU has thirty voting positions with the representative of the Chancellor's Office holding a total of seven votes, and one vote delegated to each of the twenty-three campuses.

CSURMA – Organization and Structure

There are four officers of the CSURMA, Chair, Vice Chair, Secretary, and Treasurer. CSU's Chief Risk Officers or such other person as the Executive Committee appoints serves as the CSURMA Secretary. The Treasurer is appointed by the Executive Committee and historically has been the Assistant Vice Chancellor of Financial Services.

The day-to-day business of the CSURMA is conducted, directed and supervised by an Executive Committee consisting of nine members of the Board of Directors. The Chair, Vice Chair and Treasurer of the Board of Directors serve on the Executive Committee along with three members elected from the University-appointed Directors, and two members of the AORMA Committee – the Chair and Vice-Chair. The Executive Committee meets approximately six times per year to consider the business of the CSURMA.

CSURMA - Purpose

The CSURMA Joint Powers Agreement defines the following as purposes of the CSURMA:

- a) Provide for the effective governance of the CSURMA;
- b) Provide for the effective operation of cooperative programs of risk management and loss prevention so as to reduce or eliminate losses and loss exposures, decrease the expenses of claims and claims administration and improve procedures to manage risks commonly experienced by the parties to this Agreement;
- c) Provide for effective operation of Coverage Programs in the areas of public liability, auto liability, errors and omissions, workers' compensation and property losses, and in such other coverage areas as the Board of Directors deems appropriate; and
- d) Implement new Coverage Programs and other programs related to the foregoing purposes, which the CSURMA deems necessary, advisable and beneficial to the parties to this Agreement.

CSURMA Joint Powers Agreement



CSURMA - Powers

The CSURMA Joint Powers Agreement defines the following as the powers of the CSURMA:

The CSURMA shall have all of the powers common to the parties to this Agreement and all additional powers afforded under California law to public entities such as Entity, formed for the purpose of jointly exercising powers common to their members. The Entity is also authorized by this Agreement to do all acts necessary for the exercise of its powers. The Entity's powers include, but are not limited to, the following:

- a) To make and enter into contracts;
- b) To incur debts, liabilities, and obligations;
- c) To acquire, hold, lease or dispose of real or personal property, receive contributions and donations of property, funds, contract for services and other forms of assistance from persons, firms, corporations, and government entities;
- d) To sue and be sued in its own name, and to settle any claim against it

CSURMA Joint Powers Agreement



CSURMA - Powers

- e) To hire employees and to retain agents, advisors and consultants;
- f) To receive and use contributions and advances from Members as provided in California Government Code §6505, including contributions or advances of personnel, equipment or property;
- g) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code §6509.5; and
- h) To carry out all provisions of this Agreement.

Pursuant to California Government Code §6500 *et seq.* the Entity's powers shall be exercised in the manner and according to Procedures provided in the laws applicable to a California State University, as set forth in Sections 66000 *et seq.* and Sections 89000 *et seq.* of the California Education Code.

Governing Documents:

- Joint Powers Agreement - *creates CSURMA, a separate governmental entity*
- Bylaws - *describes organization and governance of CSURMA operations*
- Bagley Keene Act - *CSU (Campus programs)*
- California Fair Political Practices Commission

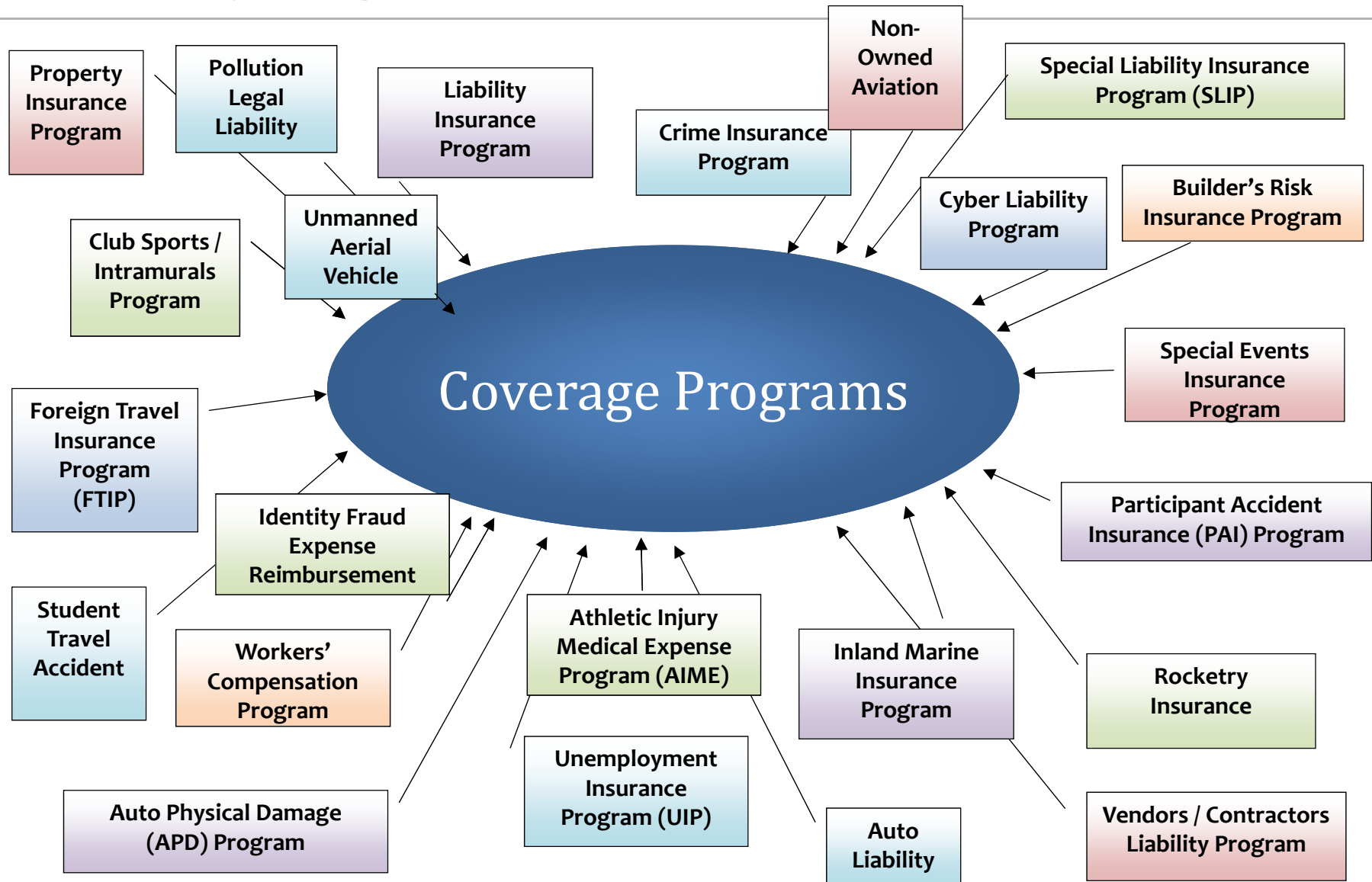
Administrative Practices:

- CSU Chancellor's Executive Orders
- CSU Systemwide Technical Letters - *Risk Management*
- CSURMA Policies & Procedures

Coverage Documents:

- Memoranda of Coverage (MOC) - *primary coverage*
- Insurance Policies - *excess insurance, reinsurance*

Coverage Programs Available to Auxiliary Organizations



AORMA Coverage Programs



Additional premium may apply depending on the Auxiliary Organization's loss exposures

All Auxiliary Organizations are Automatically Enrolled in These Programs

- Liability Program
- Property Program
- Crime Program
- Student Travel Accident
- Foreign Travel Insurance Program ^{*1}
- Non-Owned Aviation
- Rocketry Insurance ^{*2}
- I.D. Fraud Expense Coverage ^{*3}

**1 – All trips must be reported in advance*

**2 – All launch sites must be reported and listed on the policy*

**3 – Does not apply to state employee*

AORMA Coverage Programs

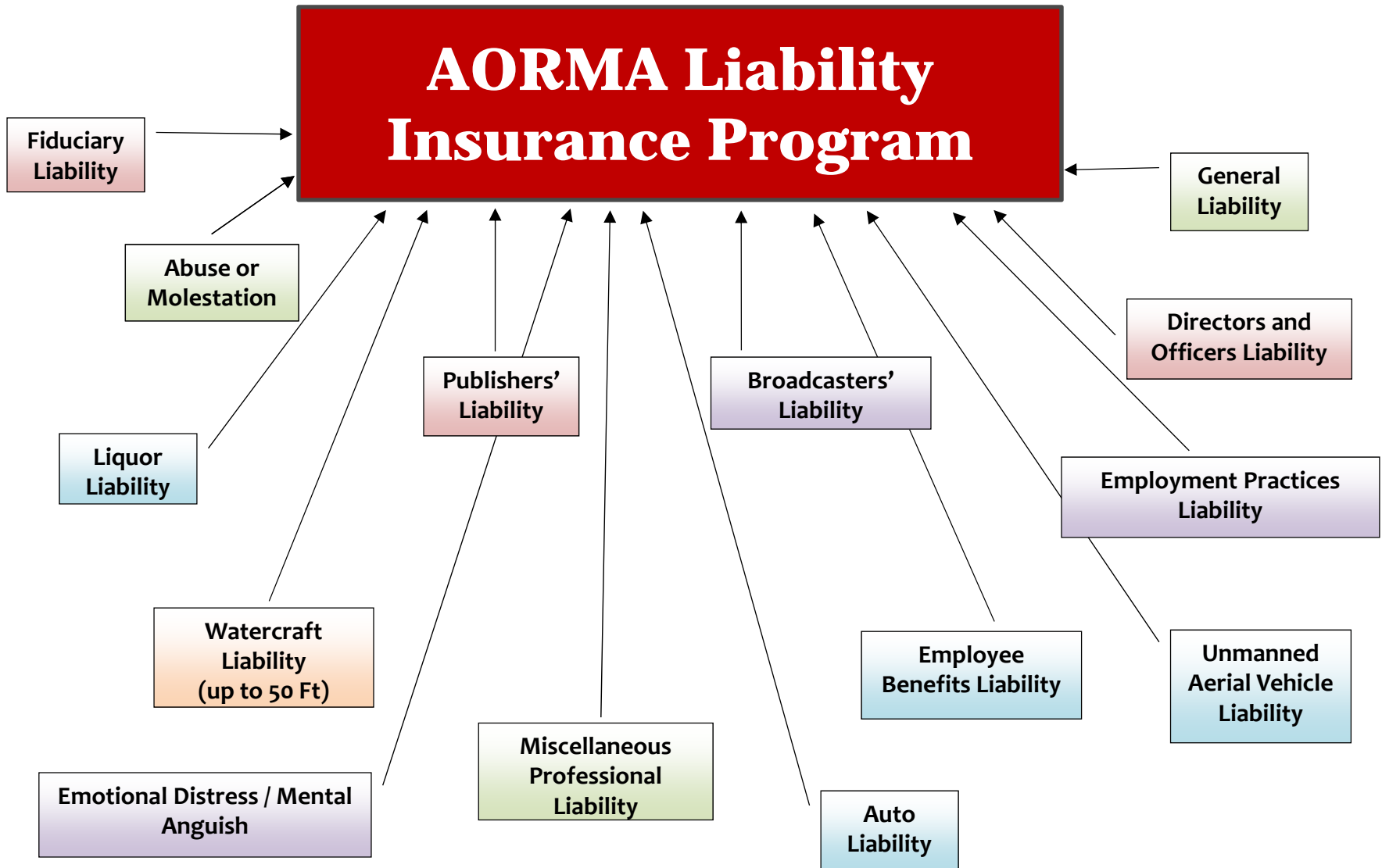


These programs are available, but must be purchased separately

Coverage Programs Available to Members

- Workers' Compensation Program
- Unemployment Insurance Program (UIP)
- Special Liability Insurance Program (SLIP)
- Special Events Insurance Program
- Participant Accident Insurance Program (PAI)
- Vendors / Contractors Liability Program
- Builder's Risk Insurance Program
- Inland Marine Insurance Program
- Auto Physical Damage Program (APD)
- Club Sports / Intramurals Program

Liability Insurance Program



AORMA - Liability Insurance Program



Layer Limit - \$20,000,000

Excess Insurance Layer

Various Insurers - \$15,000,000 xs of \$5,000,000

Layer Limit - \$5,000,000

AORMA Reinsured Layer

Genesis Reinsurance Corp. - \$4,650,000 xs of \$350,000

Layer Limit - \$350,000

AORMA Pooled Layer - \$350,000 per occurrence

Entities covered ... the member, governing board, officers, employees and volunteers

AORMA Member Deductible \$0; except for EPL

Member employment practices deductibles ...

\$25,000 for all members except; \$50,000 for CSU East Bay Foundation; Cal State L.A. UAS; UEI CSU Sacramento; Cal Poly Corp (SLO) \$75,000 for CSU Fresno Foundation; SJSU Research Foundation and CSULB Research Foundation; \$100,000 for Cal Poly Pomona; SDSU Research Foundation

Campus - Liability Insurance Program



Layer Limit - \$20,000,000

Excess Insurance Layer

Various Insurers - \$15,000,000 xs of \$5,000,000

The program includes ... General liability, auto liability, professional liability (including directors and officers liability), liquor liability, watercraft liability (up to 50 feet), employment practices liability, Medical Malpractice, UAV, Construction Projects Managed by Chancellor's Office or Campus

Layer Limit - \$5,000,000

Campus Pooled Layer

\$5,000,000 inclusive of individual campus deductible

Entities covered ... the campus and its elected and appointed officials, employees, appointed volunteers and students in nursing training

Layer Limit - \$35,000 to \$900,000

Campus deductibles ...

\$35,000 – CSU Bakersfield, CSU Channel Islands, California Maritime Academy, CSU Monterey Bay, CSU Stanislaus; \$50,000 – Humboldt State University, CSU San Bernardino, CSU San Marcos, \$100,000 – CSU Chancellor's Office, CSU Dominguez Hills, Sonoma State University, \$250,000 – CSU Chico, CSU Fresno, CSU Fullerton, CSU Long Beach, CSU Los Angeles, CSPU Pomona, CPSU San Luis Obispo, \$500,000 – CSU East Bay, SFSU, \$750,000 – CSU Northridge, SJSU; \$900,000 – CSU Sacramento, SDSU

AORMA - Liability Insurance Program



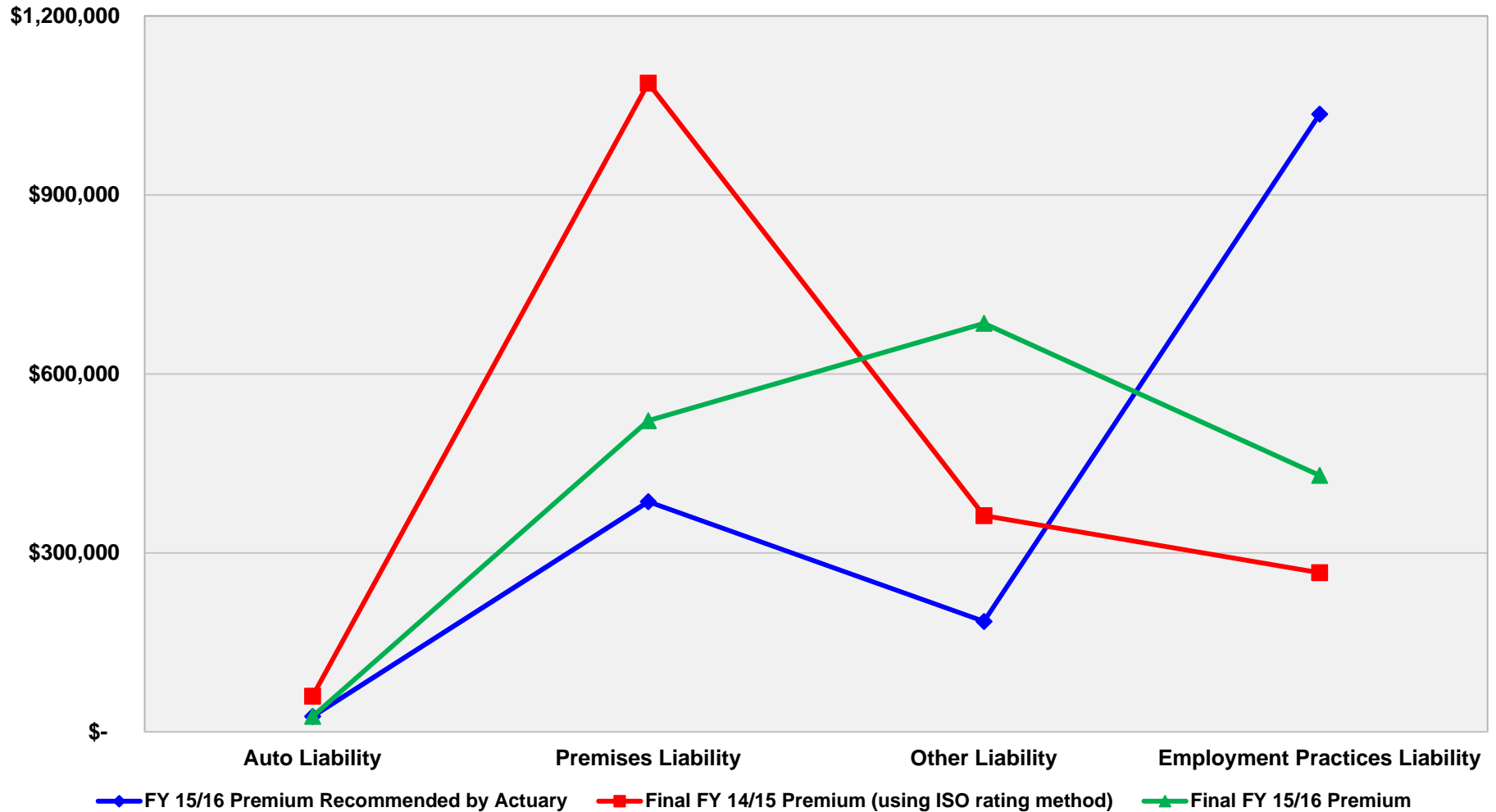
Member Allocation Formula

- **Four basic rates determined by the CSURMA Actuary based on AORMA's loss experience**
 1. Employment Practices Liability
 2. Premises Liability
 3. Auto Liability
 4. All Other Liability
- **Size credit up to 30%**
- **Experience modification factors determined by the CSURMA Actuary**
(Collared at .75 and 2.00)
- **Collared rates and premiums for first year** - For FY 15/16 the premium for any one member can not increase more than 30% or decrease more than 13%
- **EPL deductible credits** - \$50,000 - 13%, \$75,000 - 25.5%, \$100,000 – 36%
- **Excess premium and administrative costs capped for larger members**

AORMA - Liability Insurance Program



New Member Allocation Formula - Premium Comparison



AORMA – Workers’ Compensation Insurance Program



Excess Insurance Layer
Safety National

Workers’ Compensation - Statutory

Employer’s Liability - \$4,500,000 xs of \$500,000

The program includes ... workers’ compensation and employer’s liability, incidental maritime exposures, and includes registered volunteers as covered employees (as resolved by the Member)

AORMA Pooled Layer - \$500,000
This layer is reinsured by CSAC EIA

Deductible ... there are no individual deductibles

Campus – Workers' Compensation Insurance Program



Excess Insurance Layer
Safety National

Workers' Compensation - Statutory

Employer's Liability - \$2,500,000 xs of \$2,500,000

The program includes ... workers' compensation and employer's liability, incidental maritime exposures, and includes registered volunteers as covered employees (as resolved by the campus)

Campus Pooled Layer - \$2,500,000
This layer is reinsured by CSAC EIA

Deductible ... there are no individual campus deductibles

AORMA – Workers' Compensation Insurance Program



Member Allocation Formula

- **AORMA Classification Codes**
 - 1001** – Primarily Clerical, Administrative and Non-Manual, Non-Instructional
 - 1002** – Primarily Professional Student Activity Functions, Consulting, Certain Aspects of performing Arts, Off-Site Work Not Physical in Nature
 - 1004** – Retail
 - 1005** – Sport Activity, Day Care Centers
 - 1006** – Food Service
 - 1007** – Primarily Manual Labor

- **Member's estimated and actual payroll within each classification code**

- **Experience modification factors determined by the CSURMA Actuary**
(Maximum change of +/- 15% from prior year; adjusted for the normalization factor)

- **This coverage program is auditable**

AORMA – Property Insurance Program



Excess Insurance Layer

APIP (Alliant Property Insurance Program) - Various Insurers
\$1,000,000,000 xs of \$100,000

Deductibles ... please review the policy summary for other deductibles that may apply

Sub-limits ... please review the policy summary for the various sub-limits included within the program

AORMA Pooled Layer

\$100,000 per occurrence
\$250,000 aggregate

Member Deductible

Deductibles ... \$5,000 for personal property and business interruption / loss of rents - 1% of real property value subject to a min of \$5,000 and a max of \$50,000; Cyber Liability \$25,000, Pollution \$50,000, Flood \$250,000 in Zone A & V, \$100,000 for all other Zones

Campus – Property Insurance Program



Excess Insurance Layer

APIP (Alliant Property Insurance Program) - Various Insurers
\$1,000,000,000 xs of \$1,000,000

Deductibles ... please review the policy summary for other deductibles that may apply

Sub-limits ... please review the policy summary for the various sub-limits included within the program

Campus Pooled Layer

\$1,000,000 per occurrence
\$2,000,000 aggregate

Member Deductible

Campus Deductible ... \$100,000 per occurrence for all campuses except \$1,000,000 for SDSU; \$25,000 cyber liability; \$100,000 pollution; flood \$250,000 in zones A & V; \$100,000 for all other zones

AORMA – Property Insurance Program



Member Allocation Formula

- **Basic rates for;**
 - ✓ Real property
 - ✓ Business personal property and business income / rental value (this rate will be 20% higher than real property rate)

- **Member's total insurable values**

- **Size credit – currently 30%**

- **Loss ratio surcharge – currently between 5% and 25%**

- **Minimum premium – currently \$600**

AORMA – Fidelity / Crime Insurance Program



Excess Insurance Layer

Lloyd's of London

\$2,000,000 any one loss (inclusive of \$100,000 AORMA pooled layer)

\$40,000,000 aggregate

The Program includes coverage for ... employee dishonesty, including faithful performance, theft, computer crime, counterfeiting, forgery and loss to employee benefit assets

AORMA Pooled Layer

\$25,000 per loss

\$100,000 aggregate

Member Deductible

\$5,000

Campus – Fidelity / Crime Insurance Program



Excess Insurance Layer

Lloyd's of London

\$20,000,000 any one loss (inclusive of \$250,000 campus deductible)

\$40,000,000 aggregate

The Program includes coverage for ... employee dishonesty, including faithful performance, theft, computer crime, counterfeiting, forgery and loss to employee benefit assets

Member Deductible

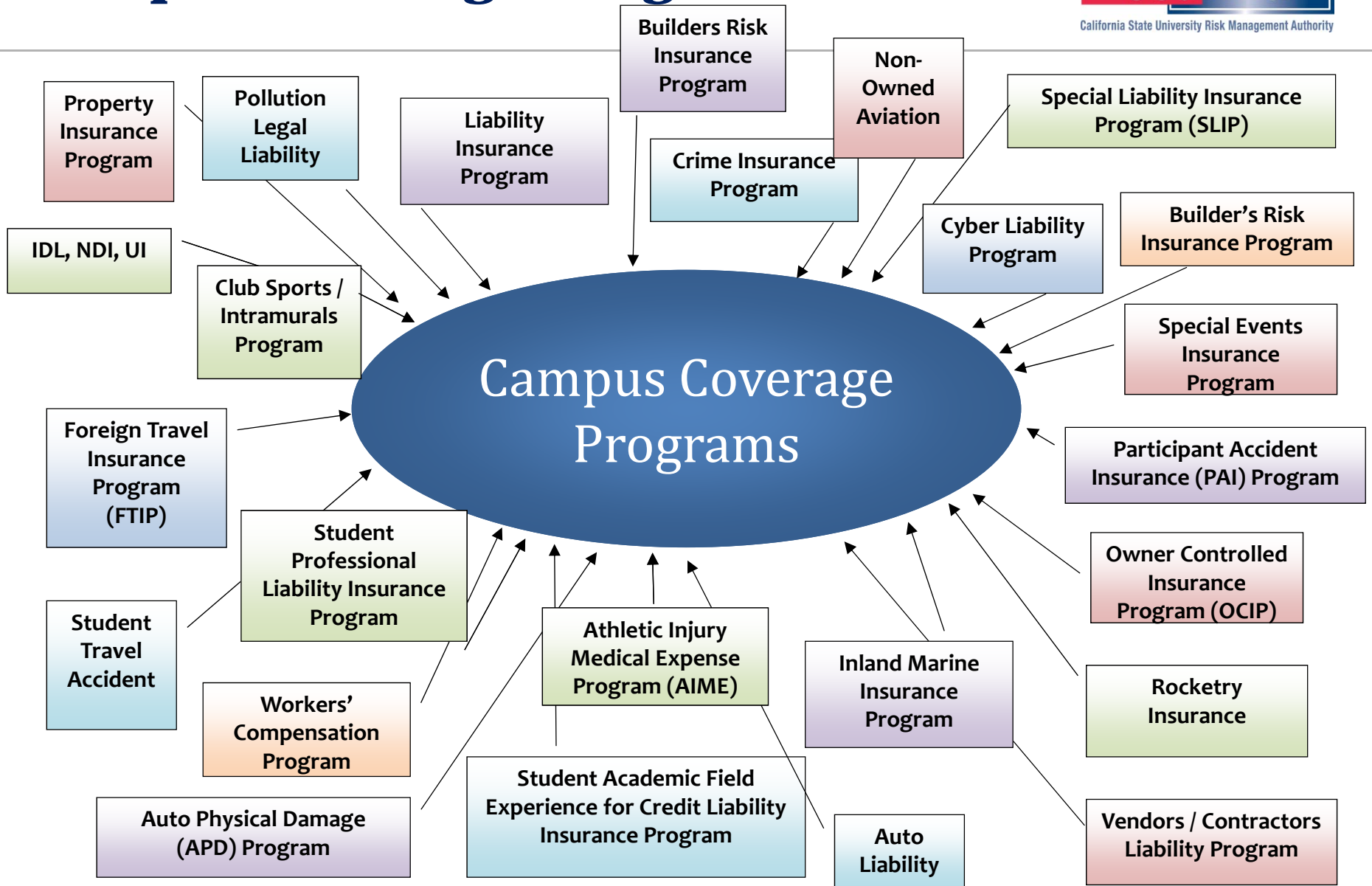
\$250,000

There is no risk sharing within this program

Member Allocation Formula

- **Basic rate**
- **Member's total payroll**
- **Size credit** – currently 30%
- **Loss ratio surcharge** – currently between 10% and 20%
- **Minimum premium** – calculated based on expenditures if the Member has no payroll or minimal payroll

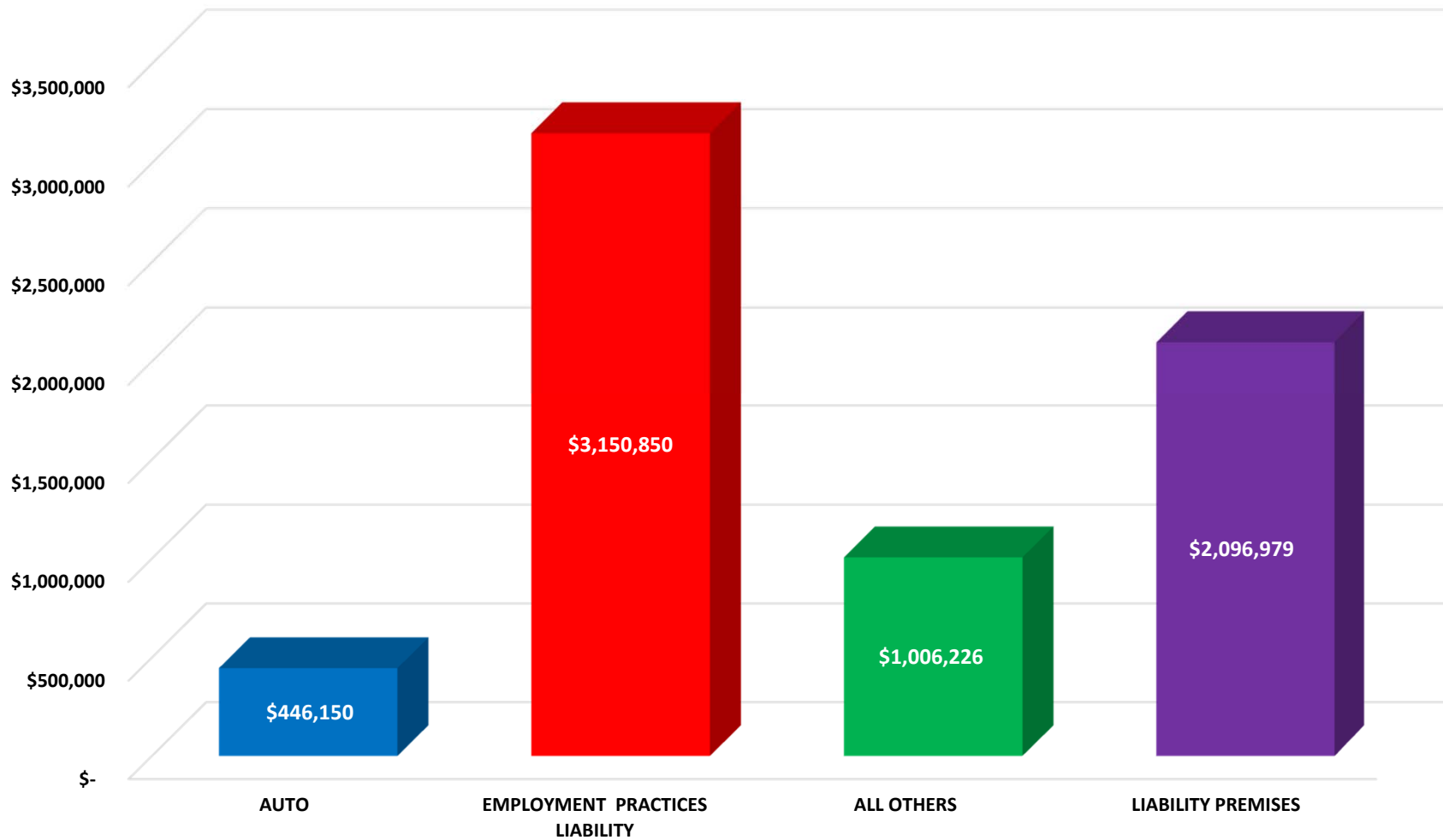
Campus Coverage Programs



AORMA Liability Program Losses



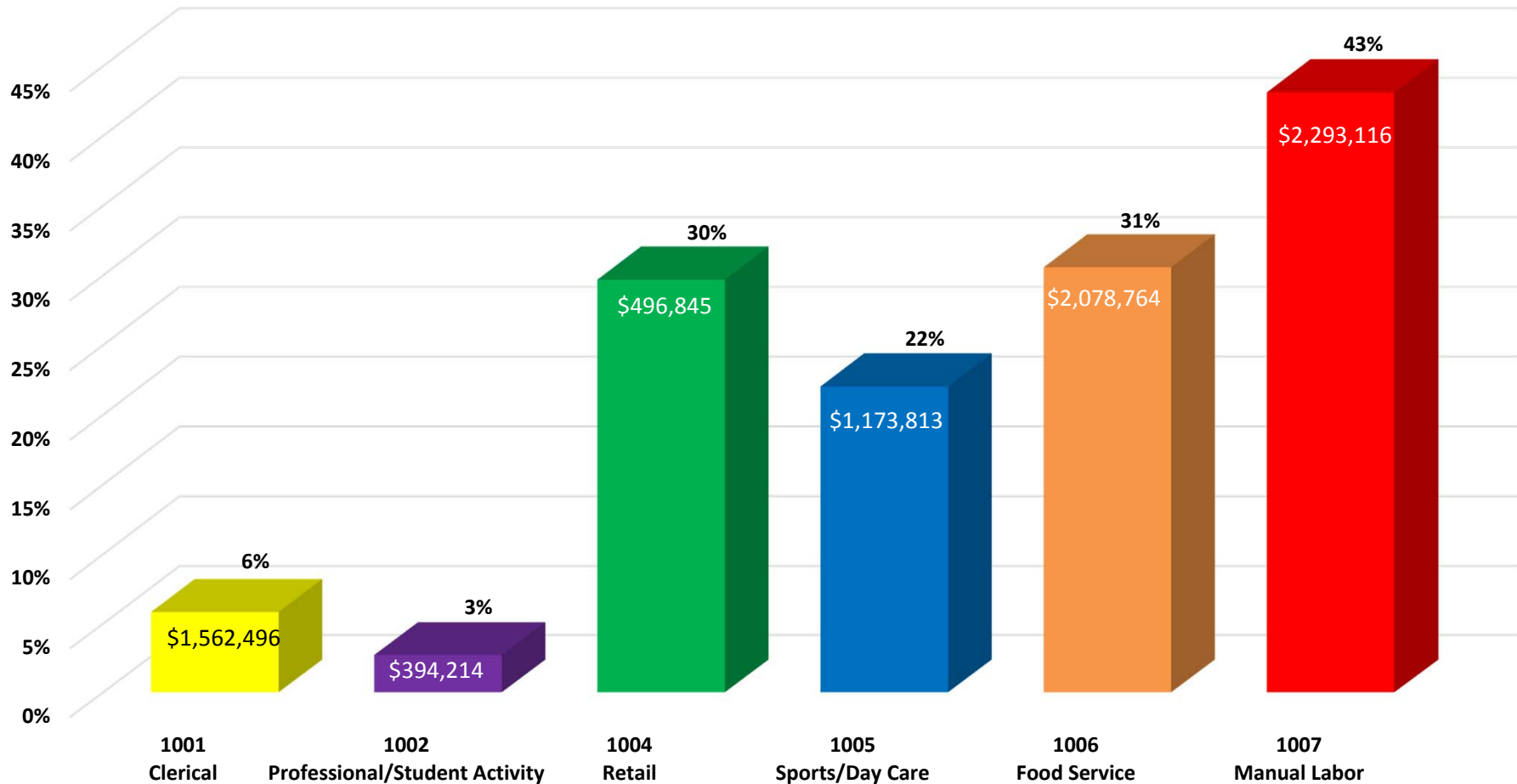
Total Incurred - Liability Loss
FY 10/11 to FY 14/15



AORMA Workers' Compensation Program Losses



Total Incurred - Workers' Compensation Losses
FY 10/11 - FY 14/15

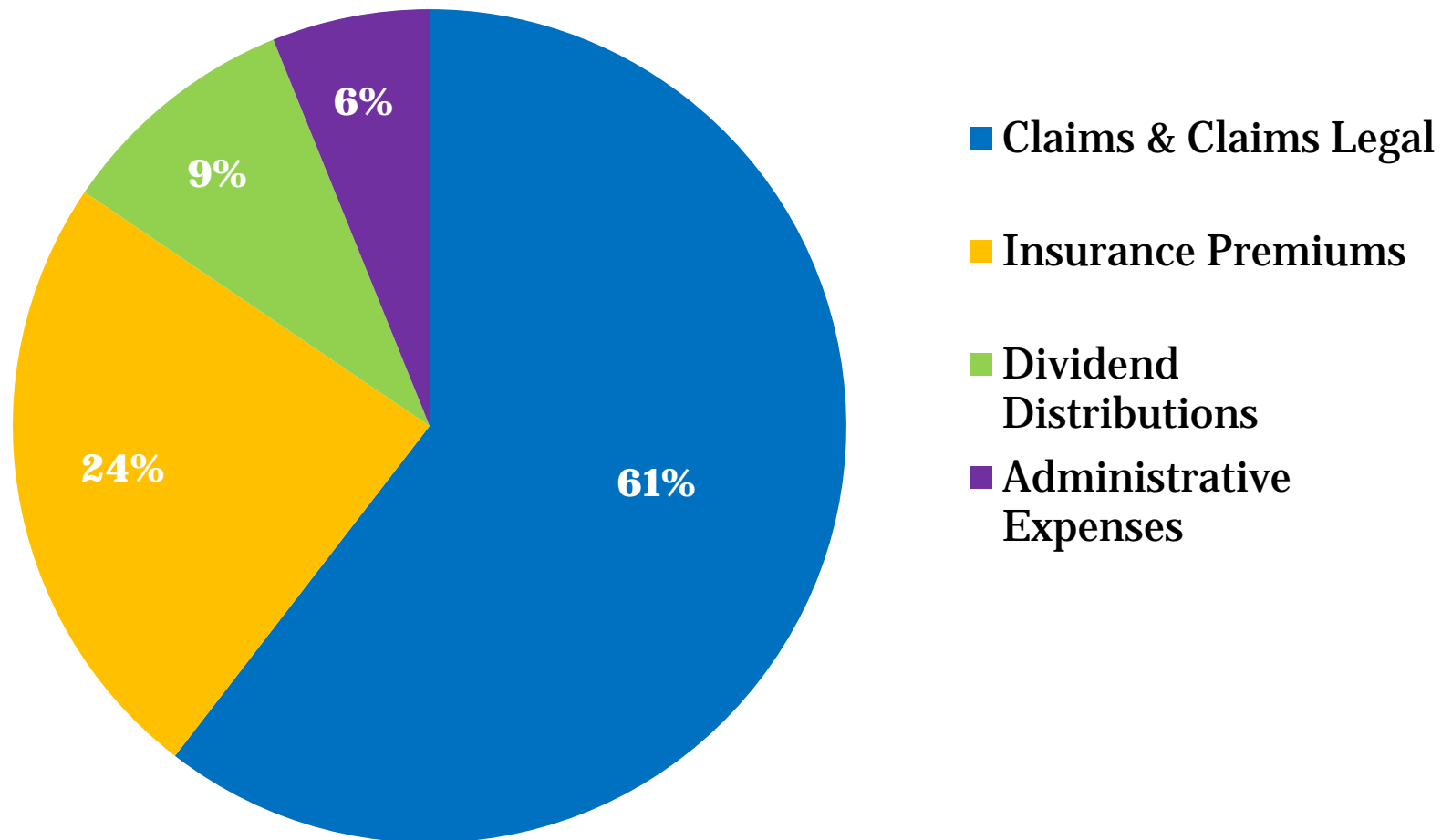


**Represents the percentage of claims compared to the payroll reported.*

CSURMA Program Expenses as of June 30, 2014



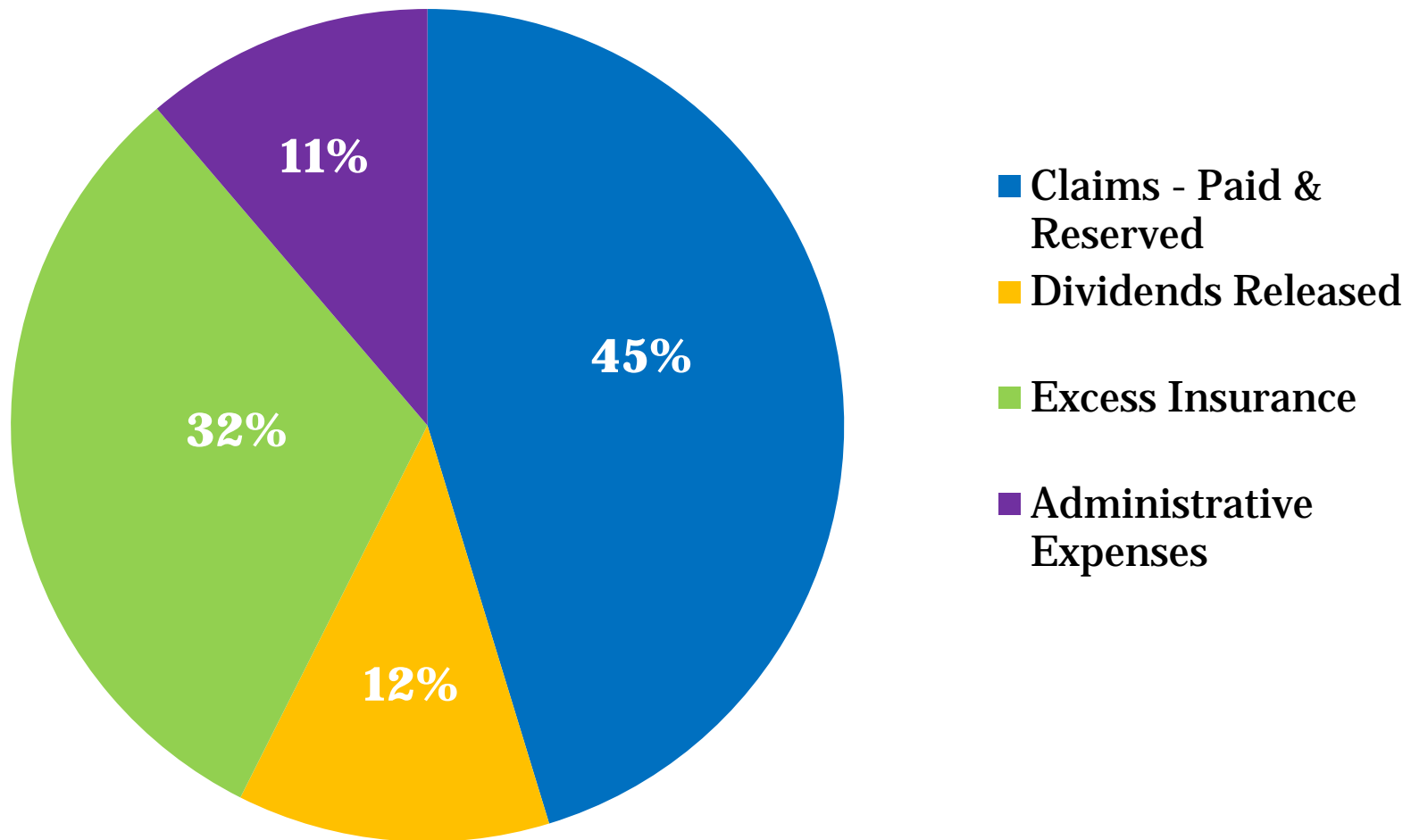
CSURMA Program Expenses @ 06/30/14 "Your Premium Dollars at Work"



AORMA Program Expenses as of June 30, 2014



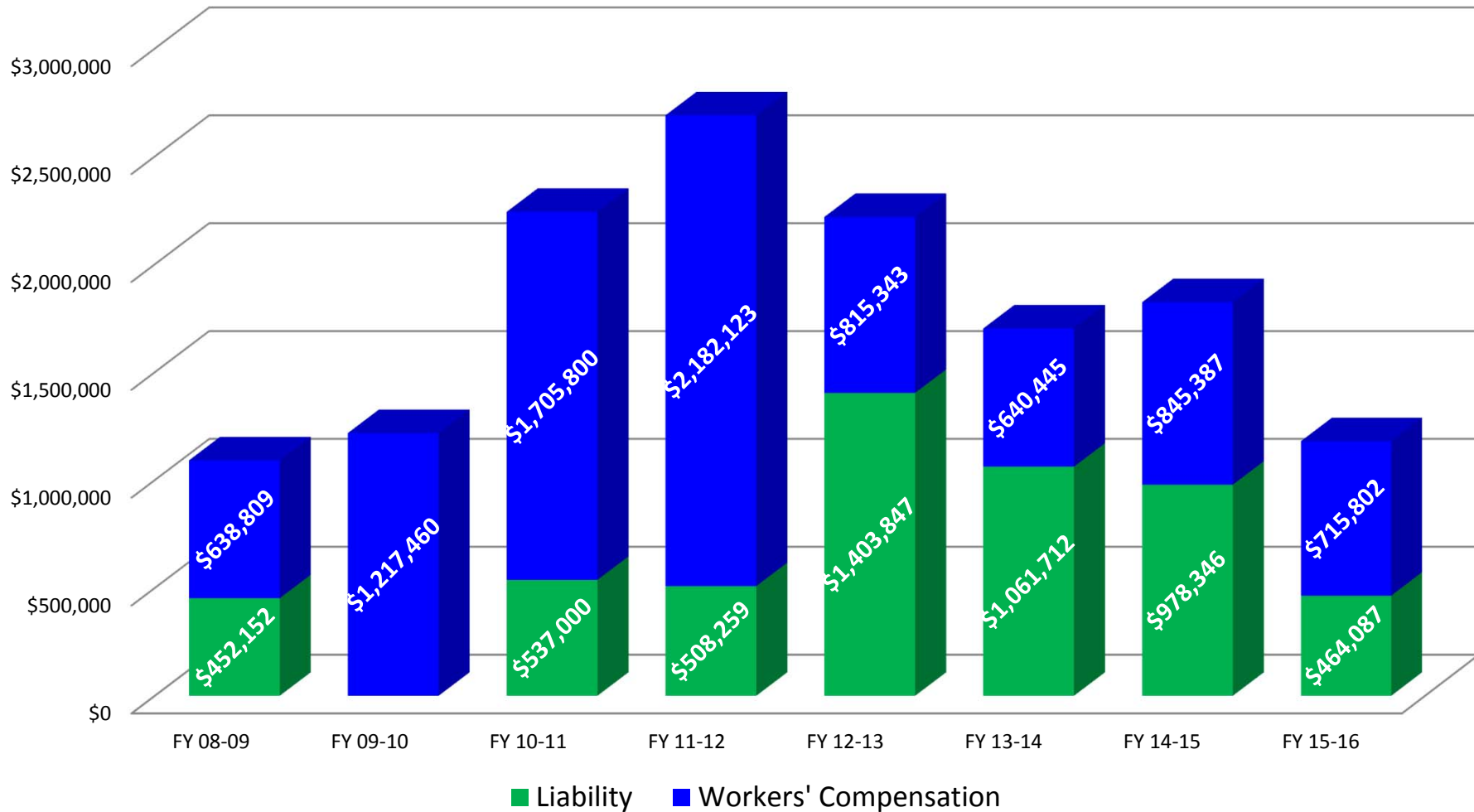
AORMA Program Expenses @ 06/30/14 “Your Premium Dollars at Work”



Total AORMA Program Dividend



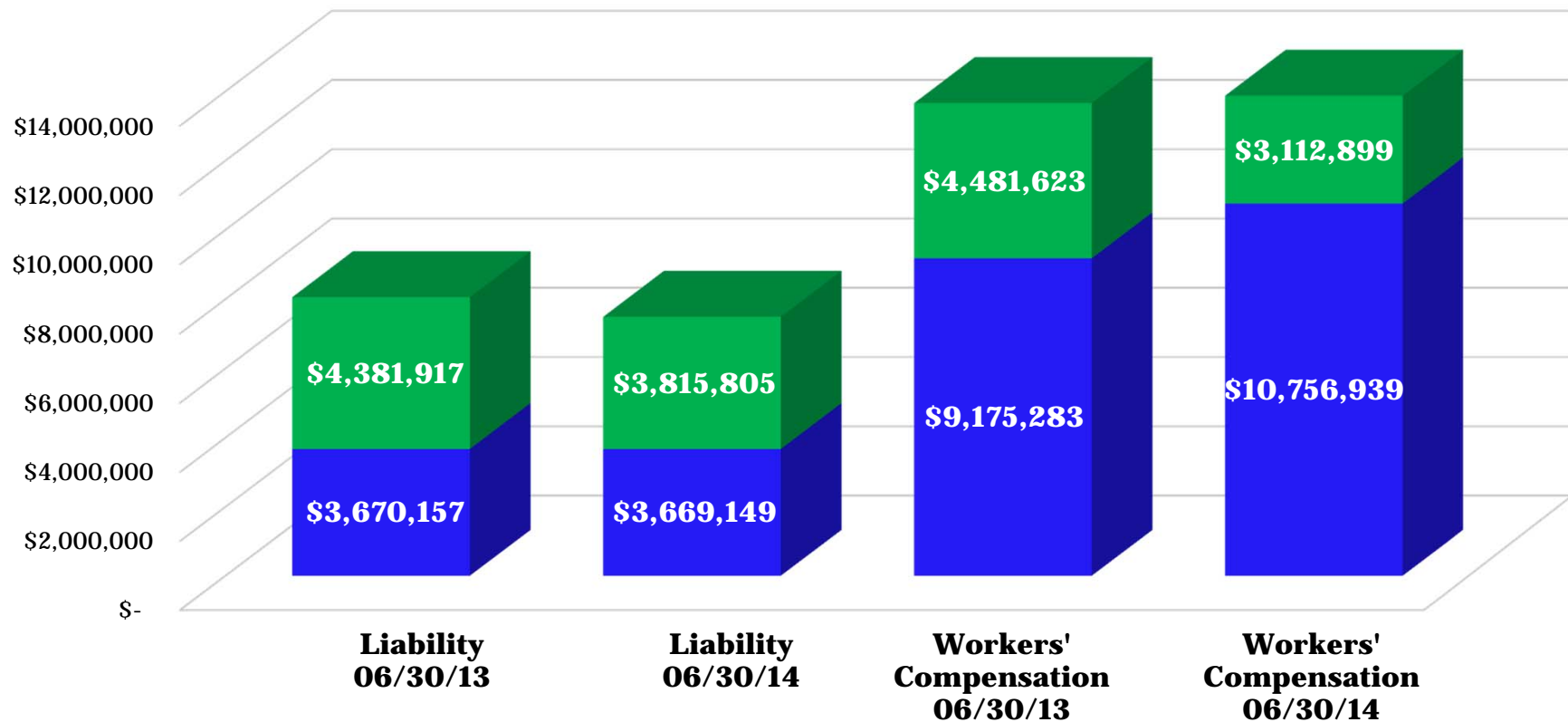
AORMA Programs Dividend Payments



AORMA Programs Estimated Fund Balance Status



AORMA Programs Estimated Fund Balance at June 30, 2014 (undiscounted)



- Estimated Fund Balance
- Estimated Outstanding Losses at an 80 % Confidence Level, plus unallocated loss adjustment expense

Loss Control and Training



*Your primary contact at
Employers Group:*

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(213) 765-3952
mnelson@employersgroup.com*

*Kimberly Nwamanna
213-765-3982
knwamanna@employersgroup.com*

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- ✓ **On-Line access to BNA's *HR Essentials***
- ✓ **Access to a staffed HR Reference Center**
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- ✓ **Access to EG's most popular Compensation & Benefits Surveys**



- ✓ **Records Management**
- ✓ **Compliance Management**
- ✓ **On-line Safety Training**
- ✓ **Custom Learning Management**

*Your primary contact at
TargetSolutions:*

*Ashlee Johnson
(858) 376-1609
ashlee.johnson@targetsolutions.com*

Loss Control and Training



*Your primary contact at Shoes for Crews
is:*

Scott Townsend
Director of Regional Accounts
Phone: (561) 242-5953
Fax: (866) 492-9820
E-mail: scott@shoesforcrews.com

- ✓ **\$10,000 slip and fall warranty**
- ✓ **Corporate discount pricing**
- ✓ **A tailored program based on your individual needs**
- ✓ **24/7 ordering and customer service**

Loss Control and Training



- ✓ On-Line Self-Assessments for Campus and Auxiliary Programs Involving Minors
- ✓ Each Program that completes the Self-Assessment will have access to six different on-line training courses
- ✓ Each Program that completes the Self-Assessment will have access to a one-hour telephone consultation

Your Primary Contact at Praesidium is:

Aaron Lundberg, LMSW
Vice President of Account Services | Praesidium, Inc.
817.801.7773 Office | 817.307.3725 Mobile
817.261.7864 Fax
Email: ALundberg@PraesidiumInc.com



Loss Control and Training

Did you know...



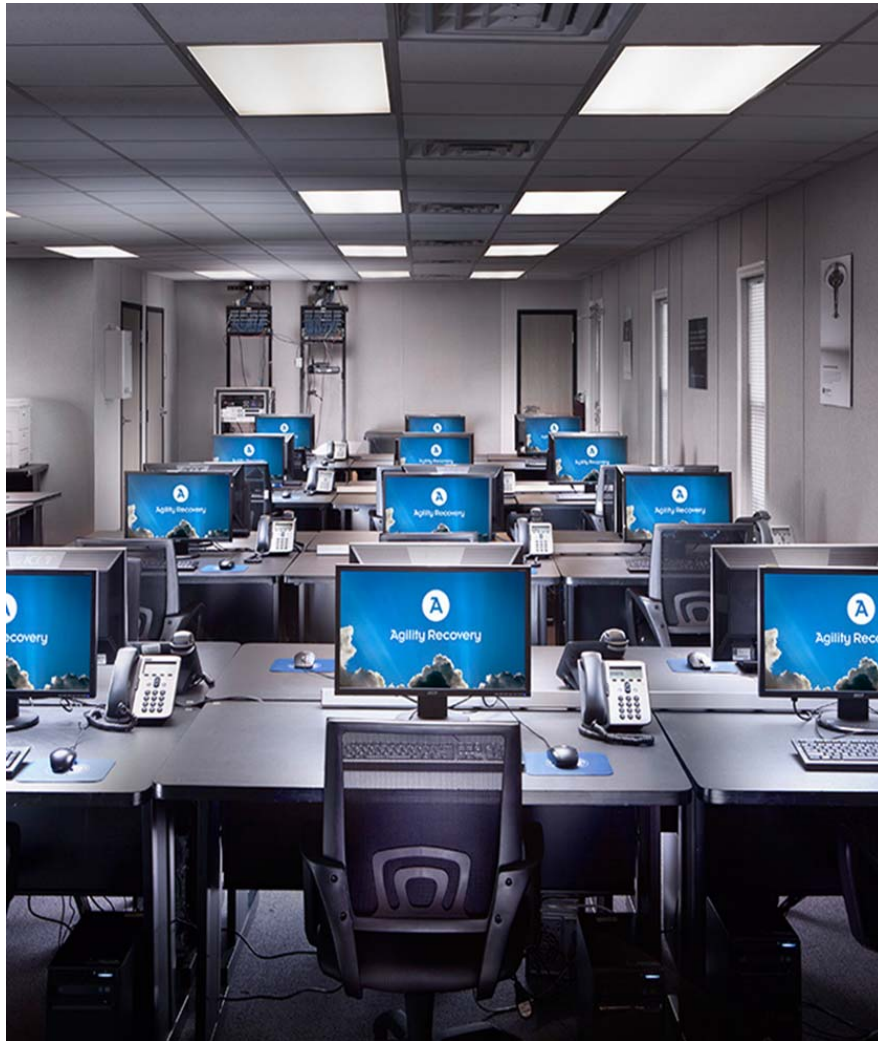
Alliant Risk Control provides safety consulting services to all AORMA members at no additional charge.

Your primary contact at Alliant Risk Control:

*Brent Escoubas
(949) 260-5013
bescoubas@alliant.com*

Loss Control and Training

Agility Recovery Provides ...



- ✓ **Office Space:** Everything needed for your employees to work
- ✓ **Power** for the office
- ✓ **Communications:** Telephone and Internet access
- ✓ **Computer System:** Computers, servers, printers, fax

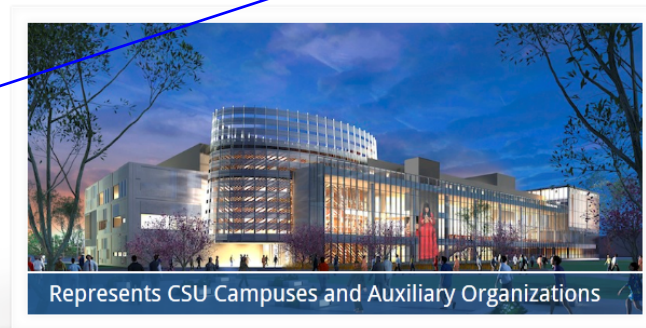
Agility Hotline: 877-364-9393

Agility Email: help@agilityrecovery.com with Contact Name, Entity, City, State and Phone number

CSURMA Website



1. Log into the CSURMA website
– www.CSURMA.org
2. Click on MEMBERS
3. Enter Username and Password
4. Click sign in



California State University Risk Management Authority

CSURMA

The Chancellor's Office staff and representatives of Auxiliary Organizations within the CSU have been developing a systematic approach to managing risk exposures now prevalent across CSU campuses.

One avenue of reform has been to restructure the overall risk management program on a more collaborative basis. Special legislation was obtained to permit both the CSU as a state agency, and Auxiliary Organizations as separate nonprofit corporations, to create a quasi-public entity to establish and perform pooled group insurance and related risk management functions for the benefit of all who elect to join the new entity and to participate therein.

On January 1, 1997, the CSURMA was formed by the CSU and those qualified Auxiliary Organizations that opted to join with intentions to participate in the risk management programs to be offered by the Authority.

The CSURMA presently has several risk management programs in effect including the Pooled Liability Program, the Pooled Worker's Compensation Program, the IDL/NDI/UI Program, the Property Program, the Athletic Injury Medical Expense (AIME) Program and the Auxiliary Group Purchase Insurance Program (AGPIP) (refer to JPA Structure, Section C).

The first three programs are designed for participation by CSU campuses, the Property and the AIME programs are designed for both campus and Auxiliary Organizations participation, and the latter program for participation by only the Auxiliary Organizations.

One of the primary goals of the CSURMA is to develop a forum for the Auxiliary Organizations and the CSU to develop strategies that streamline and integrate the risk management practices of the CSU system.

AORMA

Auxiliary Organizations Risk Management Alliance (AORMA) was established to provide group purchase comprehensive business insurance coverages for the CSU's non-profit Auxiliary Organizations. Participation in the programs is voluntary. Coverages provided include liability, workers' compensation, property, crime, unemployment insurance, auto physical damage, participant accident insurance and miscellaneous coverages.

Quick Links

- Committee Meetings and Information
- 2014-2015 Chancellor's Office International Programs

Members Only

- New Member Signup
- How to Report a Claim
- Request Certificate of Insurance
- Request Foreign Travel
- Cyber Risk Liability Program

How to Keep Up to Date

- ✓ “Fitting the Pieces Together” Conference
- ✓ AOA Conference
- ✓ CSURMA website
- ✓ Board meetings
- ✓ Committee meetings
- ✓ AORMA bulletins
- ✓ Quarterly AORMA Chair updates



Thank You!



Questions? *Please contact your Program Administrators:*

Rob Leong, Campus Programs
415-403-1441 rleong@alliant.com

Mimi Long, AORMA Programs
415-403-1423 mlong@alliant.com

Daniel Howell, Program Director
415-403-1426 dhowell@alliant.com



Or, your friendly Systemwide Risk Management professional:

Zachary Gifford, Director Systemwide Risk Management
562-951-4568 zgifford@calstate.edu

Conclusion and Questions

This presentation and much more can be downloaded
at:

www.csurma.org



AORMA Committee and Standing Committees – Organizational Chart Effective at July 1, 2015

AORMA Committee
(10 members) (2 alternates)

Frank Mumford (Chair), Guy Dalpe (Vice Chair),
Cheree Aguilar, Melinda Coil, Leslie Davis, Gigi Kiama,
Keith Kompsi, Brian Nowlin, Jim Reinhart

Alternates
Robert De Wit (Past Chair)
Dwayne Brummett (Ex-Officio)

Staff Lead
Daniel Howell
Mimi Long

Programs
(at least five members)

Gigi Kiama (Chair)
Guy Dalpe,
Jun Reina,
Jason Porth

Staff Lead
Mimi Long

**Member Services,
Loss Control & Training**
(at least five members)

Melinda Coil (Chair)
Debbie Adishian-Astone,
Arnecia Bryant,
Leslie Davis, Kristen Kelly,
Dennis Miller, Raven Tyson,

Staff Lead
Mimi Long

Executive Officers
(four members)

Frank Mumford (Chair)
Guy Dalpe (Vice Chair)

Alternates
Robert De Wit (Past Chair)
Dwayne Brummett (Ex-Officio)

Staff Lead
Daniel Howell

AORMA Committee

Ten voting members - two alternates - twelve members total

Effective at July 1, 2015

Committee	Seat	Member	Position	Type of Auxiliary	Location	Size of Campus	Type of Campus	Term	1st, 2nd or Final Term	Date Appointed
AORMA	Chair	Frank Mumford	Executive Director	CSU Fullerton Auxiliary Services Corporation	South	Large	Urban	7/1/15 - 6/30/16	N/A	7/1/2012
AORMA	Vice Chair	Guy Dalpe	Managing Director	Associated Students, Inc., San Francisco State University	North	Large	Urban	7/1/15 - 6/30/16	N/A	7/1/2011
AORMA	Past Chair	Robert de Wit	Chief Financial Officer	Forty-Niner Shops, Inc., CSU Long Beach	South	Large	Urban	7/1/15 - 6/30/16	N/A	7/1/2010
AORMA	Ex Officio	Dwayne Brummett	Director of Business Services	Associated Students, Inc., Cal Poly San Luis Obispo	Central	Medium	Urban	7/1/15 - 6/30/16	N/A	7/1/2009
AORMA	At Large	Brian Nowlin	Chief Operating Officer	California State University, Long Beach Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	Third	3/24/2011
AORMA	At Large	Cheree Aguilar	Senior Director, Human Resources	San Jose State University Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	First	7/1/2015
AORMA	At Large	Gigi Kiama	Human Resources Manager	The University Corporation at Monterey Bay	North	Small	Rural	7/1/15 - 6/30/17	Third	3/24/2011
AORMA	At Large	Jim Reinhart	Executive Director	University Enterprises, Inc. (UEI)	South	Large	Urban	7/1/15 - 6/30/17	First	7/1/2015
AORMA	At Large	Keith Kompsi	Director, Foundation Financial Services	Fresno Association, Inc., CSU Fresno	Central	Medium	Rural	7/1/14 - 6/30/16	Second	7/1/2012
AORMA	At Large	Leslie Davis	Executive Director	University Union Operation of CSUS, Inc.	North	Large	Urban	7/1/14 - 6/30/16	Second	7/1/2012
AORMA	At Large	Melinda Coil	Chief Financial Officer	San Diego State University Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	Second	7/1/2013

Member Services, Loss Control & Training Committee

Minimum of five members - at least two of whom are AORMA Committee members

Committee	Seat	Member	Position	Type of Auxiliary	Location	Size of Campus	Type of Campus	Term	1st, 2nd or Final Term	Date Appointed
MSLCTC	Chair	Melinda Coil	Chief Financial Officer	San Diego State University Research Foundation	South	Large	Urban	7/1/15 - 6/30/17	Second	7/1/2013
MSLCTC	At Large	Armeia Bryant	Associate Director, Operations	The Donald P. and Katherine B. Loker University Student Union, Inc.	South	Medium	Urban	7/1/15 - 6/30/17	Third	5/2/2011
MSLCTC	At Large	Debbie Adishian-Astone	Executive Director	CSU Fresno Association, Inc.	Central	Medium	Rural	7/1/15 - 6/30/17	Second	7/1/2013
MSLCTC	At Large	Dennis Miller	Director, Employment Services	The Cal Poly Pomona Foundation, Inc.	South	Medium	Urban	7/1/15 - 6/30/17	Third	7/1/2011
MSLCTC	At Large	Kristin Kelly	Associate Director	The Student Union of San Jose State University	North	Large	Urban	7/1/14 - 6/30/16	Third	
MSLCTC	At Large	Leslie Davis	Executive Director	University Union Operation of CSUS, Inc.	North	Large	Urban	7/1/14 - 6/30/16	First	7/1/2014
MSLCTC	At Large	Raven Tyson	Contracts & Risk Management Coordinator	Associated Students of San Diego State University	South	Large	Urban	7/1/15 - 6/30/17	Second	7/1/2013

Programs Committee

Minimum of five members - at least two of whom are AORMA Committee members

Committee	Seat	Member	Position	Type of Auxiliary	Location	Size of Campus	Type of Campus	Term	1st, 2nd or Final Term	Date Appointed
PC	Chair	Guy Dalpe	Managing Director	Associated Students, Inc., San Francisco State University	North	Large	Urban	7/1/14 - 6/30/16	Third	
PC	At Large	Gigi Kiama	Human Resources Manager	University Corporation, CSU Monterey Bay	North	Small	Rural	7/1/13 - 6/30/15	Fourth	
PC	At Large	Jun Reina	Chief Operations Officer/ Chief Financial Officer	Capital Public Radio, Inc., CSU Sacramento	North	Large	Urban	7/1/15 - 6/30/17	First	9/15/2014
PC	At Large	Jason Porth	Executive Director	The University Corporation, San Francisco State	North	Large	Urban	7/1/15 - 6/30/17	First	2/13/2015

AORMA Committee Chair serves for a period of four years - Vice Chair, to Chair, to Past President, to Ex-Officio.

Standing Committee Chair serves a one-year term, is appointed by the AORMA Committee Chair, and must be an AORMA Committee member.

AORMA Committee and Standing Committee members may serve a maximum of three consecutive two-year terms (total six years).

Size of Campus: small - less than 10,000 FTE; medium - between 10,000 and 20,000 FTE; large - more than 20,000 FTE

AORMA Executive Director and AORMA Primary Contact

Campus	Organization	First Name	Last Name	Title
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	Kellie	Garcia	Human Resources Manager
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	Douglas	Wade	Assistant VP Fiscal Services
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	Tina	Williams	Benefits Officer
Bakersfield	California State University, Bakersfield Foundation	David	Melendez	Vice President for University Advancement
Bakersfield	California State University, Bakersfield Student Union	Emile	Callahan	Interim Director
Chancellor's Office	California State University Foundation	Aaron	Moore	Director, Advancement Chief Financial Officer, CSU Foundation
Chancellor's Office	California State University Institute	George	Ashkar	Assistant Vice Chancellor/Controller
Chancellor's Office	California State University Institute	Syrus	En	Senior Financial Manager
Chancellor's Office	California State University Institute	Alice	Kim	Enterprise Accounting Supervisor
Channel Islands	Associated Students of California State University, Channel Islands	Katharine	Hullinger, ARM	Risk Manager
Channel Islands	Associated Students of California State University, Channel Islands	Genevieve Evans	Taylor	Executive Director
Channel Islands	California State University, Channel Islands Foundation	Therese	Eyer mann	Chief of Staff
Channel Islands	University Glen Corporation, CSU Channel Islands	Dr. Erik	Blaine	Executive Director
Chico	Associated Students of California State University, Chico	David	Buckley	Executive Director
Chico	Auxiliary Organization Associations	Richard	Jackson	Secretary/Treasurer
Chico	The CSU, Chico Research Foundation	Catherine "Katy"	Thoma	Executive Director
Dominguez Hills	Associated Students, California State University, Dominguez Hills	Rasheedah	Shakoor	Associate Director
Dominguez Hills	California State University, Dominguez Hills Foundation	Russel	Statham	Director of Business and Finance / Chief Financial Officer
Dominguez Hills	California State University, Dominguez Hills Philanthropic Foundation	Pamela	Hillman	Director of Special Projects
Dominguez Hills	The Donald P. and Katherine B. Loker University Student Union, Inc.	Cecilia	Ortiz	Director
East Bay	Associated Students, California State University, East Bay	Lil	Brown-Parker	Executive Assistant
East Bay	Associated Students, California State University, East Bay	Doris	Lagasca	
East Bay	Cal State East Bay Educational Foundation	Nyassa	Love	Risk Manager
East Bay	California State University, East Bay Foundation, Inc.	Mark	Almeida	Director of Enterprise Operations
Fresno	Associated Students, California State University, Fresno	Debbie	Adishian-Astone	Executive Director
Fresno	Associated Students, California State University, Fresno	Kate	Tuckness	Controller
Fresno	California State University, Fresno Foundation	Keith	Kompsi	Director
Fresno	California State University, Fresno Foundation	Nicole	Lane	HR Manager
Fresno	The California State University, Fresno Athletic Corporation	Paul M.	Oliaro	Chair, Athletic Corporation
Fresno	The California State University, Fresno Athletic Corporation	Chanel	Stovall	ACCOUNTANT II
Fullerton	Associated Students, California State University, Fullerton, Inc.	Kurt	Borsting	Interim Executive Director
Fullerton	Associated Students, California State University, Fullerton, Inc.	Dave	Edwards	Executive Director
Fullerton	Cal State Fullerton Philanthropic Foundation	Tara	Garcia	Interim Assistant Vice President
Fullerton	CSU Fullerton Auxiliary Services Corporation	Tariq	Marji	Chief Financial Officer / Treasurer
Fullerton	CSU Fullerton Auxiliary Services Corporation	Frank	Mumford	Executive Director / CEO
Humboldt	Associated Students, Humboldt State University	Joan	Tyson	General Manager
Humboldt	Humboldt State University Advancement Foundation	Mary Kay	Hartman	Director of Advancement Operations
Humboldt	Humboldt State University Advancement Foundation	Frank	Whitlatch	V.P. for Advancement
Humboldt	Humboldt State University Center	Dave	Nakamura	Executive Director
Humboldt	Humboldt State University Sponsored Programs Foundation	Steven	Karp	Director
Long Beach	Associated Students, California State University, Long Beach	Marfi	Barnes	
Long Beach	Associated Students, California State University, Long Beach	Richard	Haller	Executive Director
Long Beach	Associated Students, California State University, Long Beach	Martiz	Ware	Director of ASI, Administrative Services
Long Beach	California State University Long Beach Research Foundation	Stephanie	Moreno	Associate Director of Payroll and Benefits

AORMA Executive Director and AORMA Primary Contact

Campus	Organization	First Name	Last Name	Title
Long Beach	California State University Long Beach Research Foundation	Brian	Nowlin	Chief Operating Officer
Long Beach	California State University Long Beach Research Foundation	John	Taylor	
Long Beach	CSULB 49er Foundation	Miranda	Carvalho	Operations Analyst
Long Beach	CSULB 49er Foundation	Daisy	Garcia	
Long Beach	CSULB 49er Foundation	Michael	Losquadro	Chief Operating Officer
Long Beach	CSULB 49er Foundation	Kathy	Skara	Director Division Operations
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	Robert	De Wit	Controller
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	Rosa	Hernandez	Director - Human Resources
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	Suzanne	O'Deegan	Payroll & Benefits Coordinator
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	Don	Penrod	CEO/General Manager
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	Intef	Weser	Executive Director
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	Alma	Sahagun	Executive Director
Los Angeles	California State University, Los Angeles Foundation	Janet Schellhase	Dial	Vice President for University Advancement and Executive Director
Los Angeles	University-Student Union Board, California State University, Los Angeles	Joseph	Aguirre	Executive Director
Los Angeles	University-Student Union Board, California State University, Los Angeles	Rowena	Tran	Assistant Director USU/Financial Services
Maritime Academy	California Maritime Academy Foundation, Inc.	Beverly	Byl	Executive Director
Maritime Academy	California Maritime Academy Foundation, Inc.	Vineeta	Dhillon	Purchasing & Risk Manager
Monterey Bay	The University Corporation at Monterey Bay	Allison	Bagchee	Procurement & Risk Management Analyst
Monterey Bay	The University Corporation at Monterey Bay	Eva	Parrott	HR Generalist
Monterey Bay	The University Corporation at Monterey Bay	Kevin	Saunders	VP, Administration & Finance
Northridge	Associated Students, California State University, Northridge, Inc.	David	Crandall	General Manager
Northridge	Associated Students, California State University, Northridge, Inc.	Danisha	Lawrence	Administrative Support
Northridge	California State University, Northridge Foundation	Vance T.	Peterson	V.P. for Advancement
Northridge	California State University, Northridge Foundation	Ira N.	Unterman	Chief Financial Officer
Northridge	North Campus University Park Development Corporation	Rick	Evans	Executive Director
Northridge	North Campus University Park Development Corporation	John	Griffin	Chief Financial Officer
Northridge	University Student Union of California State University, Northridge	Debra	Hammond	Executive Director
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	Cora	Culla	Executive Director
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	Lisa	Gye	HR Manager
Pomona	The Cal Poly Pomona Foundation, Inc.	David	Prenovost	Chief Financial Officer
Pomona	The Cal Poly Pomona Foundation, Inc.	G. Paul	Storey	Executive Director
Sacramento	Associated Students of California State University, Sacramento	Gennifer	Gonzales	Human Resources Manager
Sacramento	Associated Students of California State University, Sacramento	Mark	Montalvo	Director of Finance & Admin
Sacramento	Associated Students of California State University, Sacramento	Patricia	Worley	Executive Director
Sacramento	Capital Public Radio, Inc., CSU Sacramento	Rick	Eytcheson	President/General Manager
Sacramento	Capital Public Radio, Inc., CSU Sacramento	Jun	Reina	Chief Financial Officer
Sacramento	The University Foundation at Sacramento State	Vance	Sales	Vice President for University Advancement (Interim)
Sacramento	University Enterprises, Inc., CSU Sacramento	Craig	Barth	Chief Financial Officer
Sacramento	University Enterprises, Inc., CSU Sacramento	Jim	Reinhart	Executive Director
Sacramento	University Union Operation of CSUS, Inc.	Leslie	Davis	Executive Director
San Bernardino	Associated Students Inc., California State University, San Bernardino	Cathy	Bates	Accountant I
San Bernardino	Associated Students Inc., California State University, San Bernardino	Shannon	Stratton	Executive Director
San Bernardino	CSUSB Philanthropic Foundation	Ron	Fremont	Vice President for University Advancement

AORMA Executive Director and AORMA Primary Contact

Campus	Organization	First Name	Last Name	Title
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	Susan	Avery	Office Manager
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	Aaron	Burgess	Interim Executive Director
San Bernardino	University Enterprises Corporation at CSUSB	Ingrid	Valdez	
San Diego	Associated Students, San Diego State University	Raven	Tyson	Business Office & Risk Manager
San Diego	Aztec Shops, Ltd., San Diego State University	Gayle	Fernandez	Executive Assistant
San Diego	Aztec Shops, Ltd., San Diego State University	Donna	Tusack	CEO
San Diego	San Diego State University Research Foundation	Melinda	Coil	Chief Financial Officer
San Diego	San Diego State University Research Foundation	Bob	Wolfson	Executive Director
San Diego	The Campanile Foundation	Mary Ruth	Carleton	CEO
San Francisco	Associated Students, Inc., San Francisco State University	Aimee	Barnes	Interim Executive Director
San Francisco	Associated Students, Inc., San Francisco State University	Guy	Dalpe	
San Francisco	San Francisco State University	Jay	Orendorff	Executive Director, Budget Administration and Operations
San Francisco	San Francisco State University Foundation	Teresa	Ono	Interim Secretary Treasurer
San Francisco	San Francisco State University Foundation	Venesia	Thompson	Chief of Operations
San Francisco	The University Corporation, San Francisco State	Mark	Angstman	
San Francisco	The University Corporation, San Francisco State	Jason	Porth	Executive Director
San Jose	Associated Student, San Jose State University	Jennifer	Montero	
San Jose	Associated Student, San Jose State University	Kelli Williams	Reid	Interim Executive Director
San Jose	San Jose State University Research Foundation	Norma	Rossiter	Associate Director of Business Services
San Jose	The Student Union of San Jose State University	Cathy	Busalacchi	Executive Director
San Jose	The Student Union of San Jose State University	Mary	Lewis	Director of HR
San Jose	The Tower Foundation, San Jose State University	Judy	Kass	Risk Manager
San Jose	The Tower Foundation, San Jose State University	Leslie	Rohn	Interim Chief Operating Officer
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Carol	Brizendine	Coordinator-Human Resources
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	Rick	Johnson	Executive Director
San Luis Obispo	Cal Poly Corporation	Joe	Alves	Senior Acct/Analyst
San Luis Obispo	California Polytechnic State University Foundation	Deborah	Read	Vice President for University Advancement
San Luis Obispo	California Polytechnic State University Foundation	Grant	Trexler	
San Marcos	Associated Students of California State University, San Marcos	Rodger	D'Andreas	Executive Director
San Marcos	San Marcos University Corporation	Kim	Clark	Executive Director
San Marcos	The California State University San Marcos Foundation	Neal	Hoss	Executive Director
San Marcos	University Auxiliary and Research Services Corporation	Michelle	Hinojosa	Director, Human Resources & Payroll Services
San Marcos	University Auxiliary and Research Services Corporation	Bella	Newberg	Interim Executive Director
Sonoma	Associated Students of Sonoma State University	Erik	Dickson	Executive Director
Sonoma	Sonoma State Enterprises, Inc.	Neil	Markley	Senior Director
Sonoma	Sonoma State University Academic Foundation, Inc.	Ian	Hannah	Treasurer
Sonoma	Sonoma State University Academic Foundation, Inc.	Amanda	Visser	CFO
Stanislaus	Associated Students, Inc., California State University, Stanislaus	Cesar	Rumayor	Executive Director
Stanislaus	California State University, Stanislaus Foundation	Julie	Benevedes	Interim Executive Director
Stanislaus	California State University, Stanislaus Foundation	Briquel	Hutton, CPA	Director of Audit Services/Executive Director - Foundation
Stanislaus	California State University, Stanislaus Foundation	Regan	Linderman	Controller

SUBJECT: AORMA COMMITTEE COMPOSITION,
ELECTIONS & TERM LIMITS

ADOPTED: APRIL 18, 2003

EFFECTIVE: JULY 1, 2003

AMENDED: JANUARY 15, 2005
OCTOBER 27, 2005
JANUARY 16, 2008
OCTOBER 29, 2009
JANUARY 11, 2010
SEPTEMBER 16, 2010
DECEMBER 8, 2011
SEPTEMBER 13, 2012
MARCH 20, 2014

PURPOSE:

This policy and procedure outlines the process by which members of the Auxiliary Organizations Risk Management Alliance (AORMA) Committee are nominated and elected to serve. This policy and procedure addresses the desire of the CSURMA to ensure broad organizational representation among AORMA Committee members, acknowledging the AORMA Committee's need for stability of leadership while encouraging participation from qualified candidates.

POLICY:

It is the policy of the CSURMA that, in accordance with the Bylaws, the AORMA Committee shall adopt the procedure outlined in this document for purposes of generating continuity of leadership, encouraging opportunity for diverse committee representation and participation and continuing effective administration of established insurance programs and services.

PROCEDURE:

The following steps will be taken to affect the policy:

1. The AORMA Committee will be elected from representatives of the auxiliary organization members of the CSURMA, effective July 1 of every year. No auxiliary organization will have multiple representatives serving simultaneously on either the AORMA Committee or on the same Standing Committee. At-large members may serve a maximum of three consecutive complete two-year terms. Upon reaching the end of the third complete two-year term, members will either be "termed out" (they may be again nominated after one year off the Committee) or advance to the role of Vice Chair. Terms are staggered to create a rotation of half (4) of the at-large Committee members each year.

2. The AORMA Committee will be comprised of eight at-large members and two Officers: a Vice Chair and a Chair. Additionally, two alternates may serve with the committee as Past Chair and Ex-Officio. Alternates may serve in a voting capacity only in the absence of at-large members. Officers shall serve one, one-year term in each officer seat.
3. The AORMA Committee will review its membership annually to strive for diversity on the Committee based on the following criteria:
 - Type of Auxiliary Organization (Foundation, ASI/Student Union or Commercial)
 - Mix of personnel (Executive Director, CFO, HR, etc.)
 - Campus size (small – less than 10,000 FTE, medium – between 10,000 and 20,000 FTE, or large – more than 20,000 FTE)

The AORMA Committee seats shall be rotated on July 1 of each year as follows:

- Year 1 – Elected to Vice Chair of AORMA Committee
- Year 2 – Vice Chair Succeeds to Chair of AORMA Committee
- Year 3 – Chair Succeeds to Past Chair of AORMA Committee
- Year 4 – Past Chair Succeeds to Ex-Officio
- Year 5 – Ex-Officio Leaves Office and is not allowed to serve on the AORMA Committee for at least one year.

The Vice Chair and Chair shall serve as AORMA Committee representatives to the CSURMA Executive Committee.

AORMA Committee Chair/Vice Chair Qualifications

- Served on AORMA Committee for at least two years
 - Demonstrated leadership abilities in group settings
 - Ability to serve as primary advocate and spokesperson for AORMA Committee
 - Ability to lead the AORMA Committee
4. Annually, the Chair shall appoint a Nominations Committee, consisting of at least two AORMA Committee members. The AORMA Committee Chair shall serve as chair of the Nominations Committee. The AORMA Committee Nominating Committee shall consider the following as minimum qualification criteria for individuals seeking nomination to the AORMA Committee:

AORMA Committee Representative

- Participating professional member of CSURMA AORMA for at least two years
- Served in a CSURMA auxiliary organization management position for at least two years
- Demonstrated leadership abilities
- Ability to attend meetings regularly and contribute to the AORMA Committee’s work agenda, as described in Policy & Procedure A-2.

Previous service on one of AORMA's Standing Committees is preferred, but not required.

5. Timeline for nominations:

October/November

The Nominations Committee shall poll the eligible AORMA Committee members to determine which members are willing to be nominated for the Vice Chair position and identify which of the eligible incumbents whose terms expire the following June 30 are interested in seeking re-election.

At the October AORMA Committee meeting, a Vice Chair shall be elected by the AORMA Committee from its members. All ballots will be tallied by the Ex-Officio and the CSURMA Secretary. The Past Chair shall also cast a vote, but this vote will be opened only in the event of a tie.

January

The Nominations Committee will announce to the membership the new Vice Chair as well as the opening of the nominations period for open committee positions (for July 1 appointments). The Nominations Committee will indicate which types of auxiliary representations are needed on the AORMA Committee (to ensure broad representation). Nominations will remain open through the end of February, and self-nominations will be accepted as well as nominations by others.

February

The Nominations Committee will continue to solicit nominations, especially if specific types of auxiliary organizations are not being represented.

March

A nominations slate will be forwarded to the AOA Executive Committee for review and comment. The slate, with comments, will be returned to the AORMA Committee no later than March 31.

April

All CSURMA member auxiliary organizations will be sent a ballot with the names of the nominated individuals. Each member auxiliary can vote for the representatives. Completed ballots will be due to the CSURMA by April 30.

May

Announcement at the CSURMA Board of Directors meeting of the outcomes of the election process to be effective July 1.

The AORMA Committee shall establish a statement of roles and responsibilities that provide guidance on operations of the Committee and may be amended from time to time by the AORMA Committee.

SUBJECT:	AORMA COMMITTEE AND STANDING COMMITTEE ROLES AND RESPONSIBILITIES
ADOPTED:	AUGUST 19, 2003
EFFECTIVE:	JULY 1, 2003
AMENDED:	DECEMBER 7, 2005 MAY 14, 2009 OCTOBER 29, 2009 JANUARY 11, 2010 SEPTEMBER 16, 2010 SEPTEMBER 13, 2012 MAY 8, 2014

PURPOSE:

The purpose of this policy is to describe the roles and responsibilities of participants in the CSURMA AORMA Committee and its standing committees.

POLICY:

It is the policy of the CSURMA to encourage AORMA members' participation in the AORMA Committee and Standing Committees that oversee operation of AORMA insurance programs. To that end, CSURMA AORMA has adopted Policy and Procedure A-1 that describes the process of AORMA Committee elections and representation. This policy further describes the roles and responsibilities of Committee members and officers. It is expected that AORMA Committee members will commit to meeting attendance and participation needed to conduct CSURMA business.

PROCEDURE:

The AORMA Committee will conduct elections and appointments in accordance with the CSURMA Joint Powers Agreement, Bylaws and AORMA Policy and Procedure A-1. A copy of Policy and Procedure A-1 describing roles and responsibilities of Committee members will be provided to Committee nominees and participants.

AORMA Participation in General

The AORMA Committee holds regularly scheduled meetings in person approximately four times per year with additional teleconference meetings as necessary. Following are considerations as respects AORMA Committee participation:

1. In person attendance at regularly scheduled AORMA Committee meetings is preferred. While teleconference attendance can be arranged, the Committee business is best conducted at in-person meetings. Any Committee member or Officer who is not present, either in person or via teleconference, at two or more AORMA Committee meetings in any one fiscal year, may be removed from the AORMA Committee upon a majority vote of the AORMA

Officers unless that AORMA Officer is the subject of the vote and then that AORMA Officer will be recused.

2. AORMA Committee member terms are for two years, with a maximum of three terms served before a member is either elected Vice Chair or termed out and must wait one year before again serving on the Committee. It is expected that members be prepared to serve for at least one complete term because the learning curve on CSURMA's coverage programs is steep.
3. Reasonable travel expenses associated with participation on the AORMA Committee are reimbursable as provided under CSU's travel reimbursement policy.
4. Representatives elected to the AORMA Committee are individually elected, not as direct representatives of their respective auxiliary organizations. It is expected that AORMA Committee members will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization's benefit.
5. AORMA Committee members are expected to attend two (2) CSURMA Board of Directors meetings annually (one in the fall; one in the spring) at the Chancellor's Office.
6. State law requires timely completion of appropriate paperwork, such as Fair Political Practices Commission Form 700.
7. Develop recommendations for the AORMA Committee and take action within delegated authority.

AORMA Committee Chair

In addition to the roles and responsibilities of AORMA Committee participation, in general, the AORMA Committee Chair has the following roles and responsibilities:

1. Representative of the AORMA Committee to the AOA Executive Committee and attendance at AOA Executive Committee meetings.
2. Attendance and participation in CSURMA Executive Committee meetings (approximately four times per year).
3. Availability for regular communication with, and direction of CSURMA Program Administrator staff.
4. Availability to respond to CSURMA Auxiliary Organizations member questions and concerns.
5. A commitment toward professional development in the area of risk management and representation of CSURMA at conferences and meetings, such as the AOA Annual Conference, the CSURMA Fitting the Pieces Together Conference and other conferences as appropriate.
6. Authority to appoint, with the approval of the AORMA Committee, an at-large AORMA Committee member or the AORMA Committee Vice-Chair, Past Chair or Ex Officio if that seat on the AORMA Committee is vacated.
7. Authority to establish task groups as necessary.

8. Authority to appoint chairs, members of AORMA Standing Committees and task groups (in consultation with AORMA Standing Committee Chairs).
9. Service on Standing Committees, task groups and ad hoc committees as appointed by the CSURMA Chair.
10. Attend and present at CSURMA Board of Directors meetings.

AORMA Committee Vice Chair

In addition to the roles and responsibilities of the AORMA Committee Chair, it is expected that the AORMA Committee Vice Chair will also:

1. Be prepared to serve in the succession of leadership positions for a period of four years from Vice Chair to Chair to Past Chair to Ex-officio.

Past Chair and Ex-Officio

In addition to the roles and responsibilities of AORMA Committee participation in general, the Past Chair and Ex-officio are expected to:

1. Attend AORMA Committee meetings either in person or by teleconference to remain abreast of current issues and to serve as informed alternates when regular AORMA Committee members are not present.
2. Serve on standing committees, task groups and ad hoc committees as appointed.

AORMA Standing Committees

1. The AORMA Committee reserves the right to create and dissolve any or all Standing Committees at any time.
2. The AORMA Committee shall appoint Standing Committees to provide support to the AORMA Committee. These Standing Committees are as follows:
 - a. Programs Committee
 - b. Member Services, Loss Control and Training
 - c. Executive Officers

Descriptions of these Standing Committees are outlined in an addendum to this policy.

3. Standing Committee membership will be as follows:
 - a. Programs Committee – A minimum of five members, at least two of whom shall be AORMA Committee members.
 - b. Member Services, Loss Control and Training – A minimum of five members, at least two of whom shall be AORMA Committee members.
 - c. Executive Officers – Two members and two alternates, consisting of the Chair and Vice Chair of the AORMA Committee. The Past Chair and Ex-Officio are alternates and may serve in a voting capacity only in the absence of the Chair and/or Vice Chair.

4. Every spring, the membership of each Standing Committee will recommend to the AORMA Committee Chair a nominee from the AORMA Committee for the Chair position of their respective Standing Committee.
5. The AORMA Committee Chair shall appoint Standing Chairs annually for a one-year term effective on July 1. The Chair of any Standing Committee must simultaneously be a member of the AORMA Committee.
6. AORMA Standing Committee appointments are at the discretion of the AORMA Committee Chair. It is expected that appointed members be prepared to serve for at least one complete two-year term. Standing Committee members may serve a maximum of three consecutive two-year terms, with an effective date of July 1 of the year in which they are appointed. Upon being termed out of a Standing Committee, a person may serve again on the same Standing Committee after sitting out a period of one year.
7. No auxiliary organization will have multiple representatives serving simultaneously on any AORMA Standing Committee.
8. Reasonable travel expenses associated with participation on AORMA Standing Committees are reimbursable as provided in CSURMA's travel reimbursement policy.
9. Representatives are individually appointed, not direct representatives of their respective auxiliary organizations. It is expected that representatives will approach their responsibilities from the perspective of the good of the CSURMA Auxiliary Organizations programs as a whole, rather than just their individual organization's benefit.
10. Standing Committees shall develop recommendations for the AORMA Committee and take action within delegated authority.
11. Standing Committees shall be responsible for overseeing the completion of special projects as determined by the AORMA Committee. Standing Committees will be asked to present recommendations for discussion and approval by the full AORMA Committee.

ADDENDUM

AORMA STANDING COMMITTEE DESCRIPTIONS

This addendum to CSURMA AORMA Policy and Procedure A-2 will summarize the primary roles and responsibilities of the Committees appointed by the AORMA Committee Chair. The Committees will from time to time provide reports on their activities to the AORMA Committee, making recommendations on their areas of expertise.

This addendum may be updated from time to time as the need for changes to the Committee structure are desired by the AORMA Committee.

Executive Officers Committee

The AORMA Executive Officers Committee will provide executive management oversight of AORMA operations and AORMA staff. Comprised of the AORMA Chair and Vice Chair - and Past Chair and Ex-Officio, as alternates - the Executive Officers Committee will develop relationships between the CSURMA AORMA and the AOA, manage Committee appointments, leadership and succession planning, and work with staff to develop and update miscellaneous financial, legal, governing and coverage documents. The Executive Committee shall also have claims settlement authority as outlined in AORMA Policies and Procedures L-2 and W-5.

Programs Committee

The Programs Committee will oversee the management of all programs not otherwise assigned to another committee, including, but not limited to, the Liability, Workers' Compensation, Property, Crime, Unemployment Insurance, Participant Accident Insurance and Foreign Travel Liability Programs, as well as new program development. The Committee will assist in the review of annual actuarial reports and the development of rating plans for allocation of annual costs, policies and coverage documents. Training, service provider RFP development and selection will also be handled by this Committee. The Programs Committee will act as a liaison to the AOA Human Resources Committee.

Member Services, Loss Control and Training Committee

The Member Services, Loss Control and Training Committee will assist in the development of relationships between the AORMA and the AOA, as well as continue to strengthen the relationships between the CSURMA and its Auxiliary Organization membership. The Committee will utilize newsletters, member surveys, annual reports and other methods of communicating the benefits of AORMA membership to the members. The Committee will direct staff in the development of "value-added" services such as the Certificate Tracking Program, OAYSYS-Net Property database, claims reports, service provider evaluations and the professional development through risk management training of the AORMA membership.



CSURMA AORMA

POLICY AND PROCEDURE NO. A-2

The Committee will assist in the development, implementation and evaluation of various training programs aimed at developing safety and loss control awareness among the AORMA membership. The Committee will also lead professional development of the AORMA membership in the field of risk management and be responsible for the allocation of the risk management budget among the various safety and risk control service providers.

AORMA Workers' Compensation Program
Prospects

Associated Students, Inc. of California State University, Fresno

California State University, Fresno Foundation

Fresno State Programs for Children, Inc.

The Agricultural Foundation of California State University, Fresno

Aztec Shops, Ltd., San Diego State University

AORMA Liability Program - EPL Deductible Schedule

Campus	Auxiliary Organization	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Bakersfield	California State University, Bakersfield Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chancellor's Office	California State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chancellor's Office	California State University Institute	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Channel Islands	California State University Channel Islands Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Channel Islands	University Glen Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chico	Associated Students of California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chico	Auxiliary Organization Associations	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chico	The CSU, Chico Research Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Chico	The University Foundation, California State University, Chico	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
East Bay	Associated Students, California State University, East Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
East Bay	Cal State East Bay Educational Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
East Bay	California State University, East Bay Foundation, Inc.	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	Associated Students, Inc. of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	California State University, Fresno Association, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	California State University, Fresno Foundation	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	CSU Fresno Courtyard (Not a separate AO; an operating unit of CSU Fresno Association, Inc.)	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	Fresno State Programs for Children, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	The Agricultural Foundation of California State University, Fresno	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fresno	The California State University, Fresno Athletic Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fullerton	CSU Fullerton Housing Authority	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Humboldt	Associated Students, Humboldt State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Humboldt	Humboldt State University Advancement Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Humboldt	Humboldt State University Center Board of Directors	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Long Beach	Associated Students, California State University, Long Beach	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

AORMA Liability Program - EPL Deductible Schedule

Campus	Auxiliary Organization	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
Long Beach	California State University, Long Beach Research Foundation	\$ 75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
Long Beach	CSULB 49er Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
Los Angeles	California State University, Los Angeles Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Maritime Academy	The Associated Students of the California Maritime Academy	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Monterey Bay	Foundation of California State University, Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Monterey Bay	The University Corporation at Monterey Bay	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Northridge	California State University, Northridge Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Northridge	North Campus University Park Development Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Northridge	The University Corporation, CSU Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Northridge	University Student Union of California State University, Northridge	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 100,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 25,000
Sacramento	Associated Students of California State University, Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sacramento	The University Foundation at Sacramento State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sacramento	University Union Operation of CSUS, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Bernardino	CSUSB Philanthropic Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Bernardino	University Enterprises Corporation at CSUSB	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Diego	Associated Students, San Diego State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Diego	Aztec Shops, Ltd., San Diego State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Diego	San Diego State University Research Foundation	\$ 100,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
San Diego	The Campanile Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Francisco	Associated Students, Inc., San Francisco State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Francisco	Cesar Chavez Student Center, San Francisco State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Francisco	San Francisco State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

AORMA Liability Program - EPL Deductible Schedule							
Campus	Auxiliary Organization	FY 15/16	FY 14/15	FY 13/14	FY 12/13	FY 11/12	FY 10/11
San Francisco	The University Corporation, San Francisco State	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Jose	Associated Student, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Jose	San Jose State University Research Foundation	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Jose	Spartan Shops, Inc., San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Jose	The Student Union of San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Jose	The Tower Foundation, San Jose State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Luis Obispo	Cal Poly Corporation	\$ 50,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000
San Luis Obispo	California Polytechnic State University Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Marcos	California State University San Marcos Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Marcos	San Marcos University Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Marcos	The Associated Students of California State University, San Marcos	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
San Marcos	University Auxiliary and Research Services Corporation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sonoma	Associated Students of Sonoma State University	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sonoma	Sonoma State Enterprises, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Sonoma	Sonoma State University Academic Foundation, Inc.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Stanislaus	California State University, Stanislaus Foundation	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Stanislaus	University Student Union of California State University, Stanislaus	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

Blue - represents the mandated minimum EPL deductible per Policy & Procedure L-7

Red - represents the year the member chose to increase its EPL deductible above the minimum. The member must maintain the higher deductible for three years.

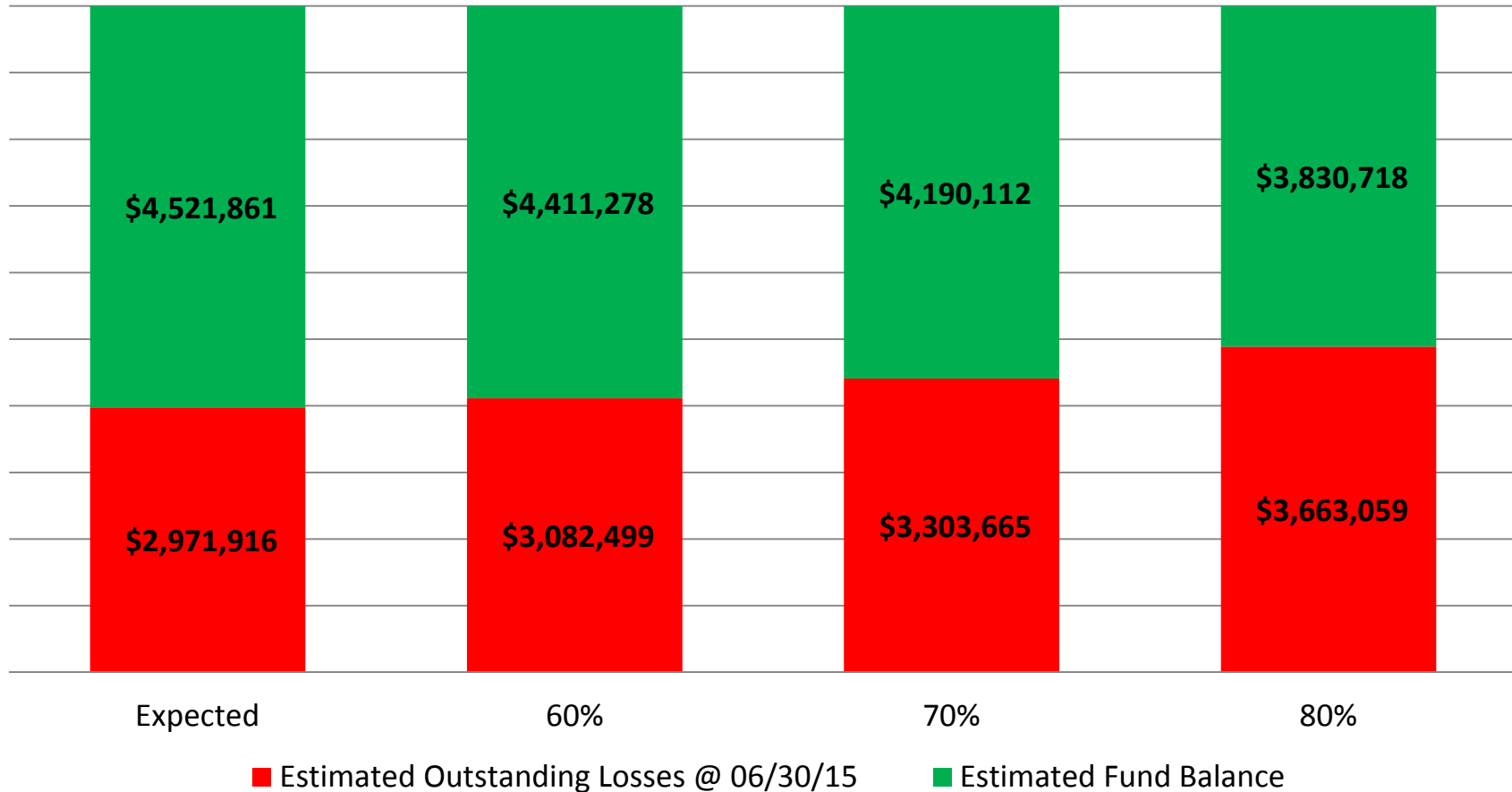
Liability Estimated Fund Balance @ 03/31/15

Confidence Level	Program Assets (Minus Dividend and Other Liabilities)	Estimated Outstanding Losses (@06/30/15 Undiscounted Including ULAE)	Estimated Fund Balance
Expected	\$7,493,777	\$2,971,916	\$4,521,861
60%	\$7,493,777	\$3,082,499	\$4,411,278
70%	\$7,493,777	\$3,303,665	\$4,190,112
80%	\$7,493,777	\$3,663,059	\$3,830,718

The Program Assets have been reduced by the dividend of \$464,087 payable in July 2015, misc liabilities of \$82,874 and unearned revenue of \$715,060.

Liability Estimated Fund Balance @ 03/31/15

Program Assets @ 03/31/15 - \$7,493,777



The Program Assets have been reduced by the dividend of \$464,087 payable in July 2015, miscellaneous liabilities of \$82,874 and unearned revenue of \$715,060.

Approved on September 11, 2014 - Option 2 - total funding of \$3,747,378

OPTION 1

**CSURMA AORMA
FY 2015/2016 Liability Program
Total Estimated Funding
70% Confidence Level**

Expense Item	Actual Program Costs FY 11/12 \$350,000 SIR	Actual Program Costs FY 12/13 \$350,000 SIR	Actual Program Costs FY 13/14 \$350,000 SIR	Forecasted Costs FY 14/15 \$350,000 SIR	Proposed FY 15/16 \$350,000 SIR
Actuarial Recommended Estimated Pooled Layer - Funding	2,198,750	1,618,750	1,565,000	1,675,550	1,627,250
Claims Administration	12,600	12,600	12,600	12,600	12,600
Program Administration Fees	728,993	742,383	727,678	730,000	730,000
Reinsurance / Excess Liability Insurance	1,147,931	1,207,471	1,193,751	1,226,444	1,350,000
Total Costs:	4,088,274	3,581,204	3,499,029	3,644,594	3,719,850
Difference from prior year:	15.49%	-12.40%	-2.29%	4.16%	2.06%

OPTION 2

Expense Item	Actual Program Costs FY 11/12 \$350,000 SIR	Actual Program Costs FY 12/13 \$350,000 SIR	Actual Program Costs FY 13/14 \$350,000 SIR	Forecasted Costs FY 14/15 \$350,000 SIR	Proposed FY 15/16 \$500,000 SIR
Actuarial Recommended Estimated Pooled Layer - Funding	2,198,750	1,618,750	1,565,000	1,675,550	1,774,778
Claims Administration	12,600	12,600	12,600	12,600	12,600
Program Administration Fees	728,993	742,383	727,678	730,000	730,000
Reinsurance / Excess Liability Insurance	1,147,931	1,207,471	1,193,751	1,226,444	1,230,000
Total Costs:	4,088,274	3,581,204	3,499,029	3,644,594	3,747,378
Difference from prior year:	15.49%	-12.40%	-2.29%	4.16%	2.82%

Actuarial Recommended Estimated Pooled Layer Funding (based on the actuarial report dated July 31, 2014)
 Claims Administration (an increase or decrease is not contemplated)
 JPA Program Administration Fee (an increase or decrease is not contemplated)
 Reinsurance / Excess Liability (a 10% increase is included to maintain the \$350,000 SIR / no increase to increase SIR to \$500,000)

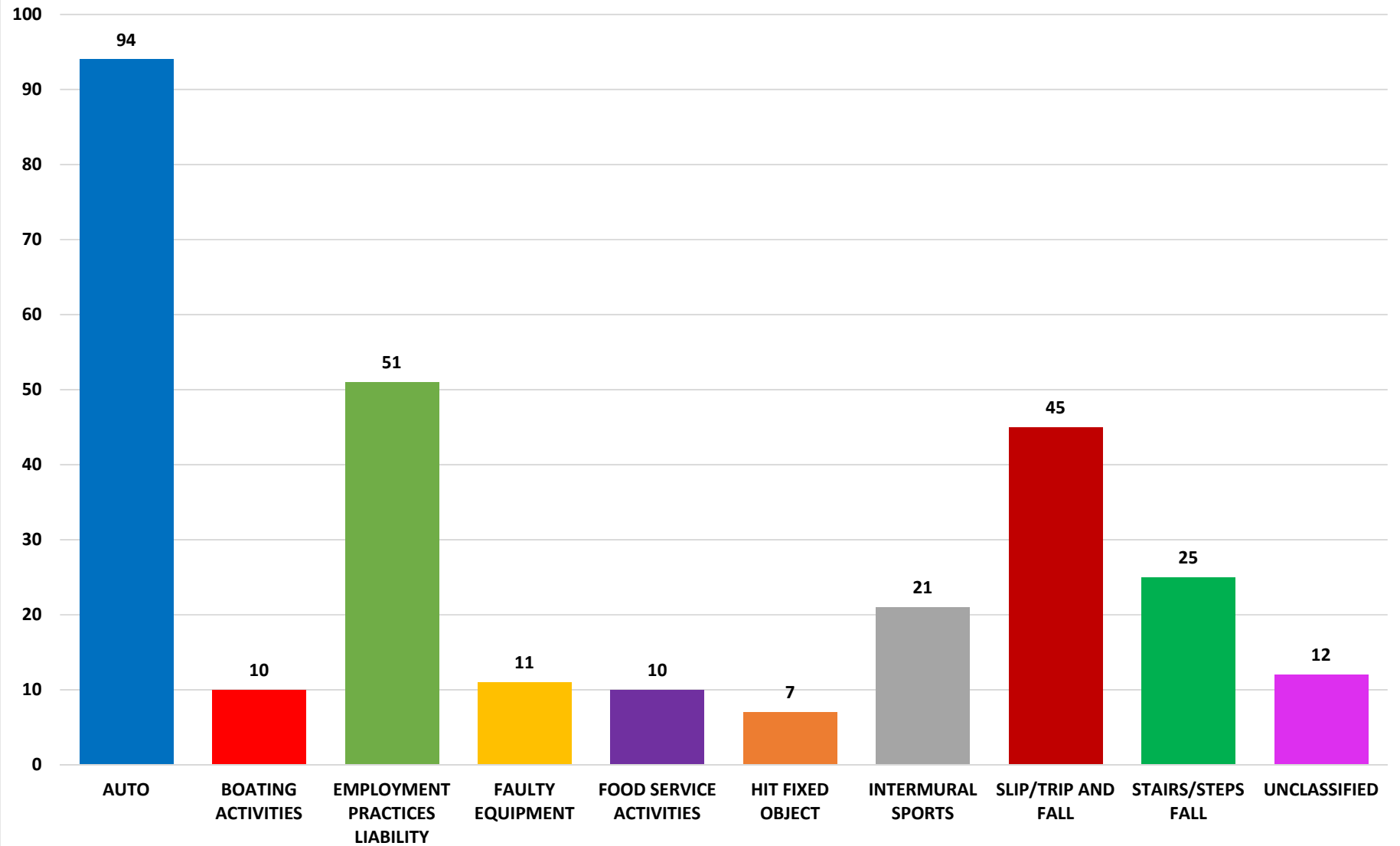
CSURMA AORMA
Liability Insurance Program
Member Loss Ratios
Loss Valuation Date - June 30, 2015

		FY 10/11 - FY 14/15				
Campus	Auxiliary Organization	Premium	# of Claims	Claims	Dividends	Loss Ratio
Bakersfield	Associated Students, California State University, Bakersfield, Inc.	\$ 34,188		\$ -	\$ 6,461	0%
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 16,758		\$ -	\$ 1,845	0%
Bakersfield	California State University, Bakersfield Foundation	\$ 106,226		\$ -	\$ 15,505	0%
Bakersfield	California State University, Bakersfield Student Union, Inc.	\$ 16,214		\$ -	\$ 7,744	0%
Chancellor's Office	California State University Foundation	\$ 7,826		\$ -	\$ 1,491	0%
Chancellor's Office	California State University Institute	\$ 10,700		\$ -	\$ 2,035	0%
Channel Islands	Associated Students of California State University, Channel Islands, Inc.	\$ 8,515		\$ -	\$ 1,591	0%
Channel Islands	California State University Channel Islands Foundation	\$ 11,280		\$ -	\$ 2,149	0%
Channel Islands	University Glen Corporation	\$ 121,559	2	\$ 158,726	\$ 22,334	131%
Chico	Associated Students of California State University, Chico	\$ 686,768	5	\$ 9,825	\$ 130,672	1%
Chico	Auxiliary Organization Associations	\$ 7,779		\$ -	\$ 1,486	0%
Chico	The CSU, Chico Research Foundation	\$ 576,119	23	\$ 1,444,410	\$ 107,450	251%
Chico	The University Foundation, California State University, Chico	\$ 46,215	1	\$ 1,891	\$ 8,626	4%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 30,866	1	\$ 225	\$ 5,796	1%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 143,391	3	\$ 19,264	\$ 27,878	13%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 91,148	5	\$ 8,178	\$ 16,955	9%
East Bay	Associated Students, California State University, East Bay	\$ 138,616	1	\$ 1,218	\$ 28,417	1%
East Bay	Cal State East Bay Educational Foundation	\$ 41,912		\$ -	\$ -	0%
East Bay	California State University, East Bay Foundation, Inc.	\$ 178,888	1	\$ 4,697	\$ 57,043	3%
Fresno	Associated Students, Inc. of California State University, Fresno	\$ 20,522		\$ -	\$ 3,926	0%
Fresno	California State University, Fresno Association, Inc.	\$ 898,765	9	\$ 51,935	\$ 188,434	6%
Fresno	California State University, Fresno Foundation	\$ 225,845	2	\$ 143,656	\$ 40,730	64%
Fresno	Fresno State Programs for Children, Inc.	\$ 46,222		\$ -	\$ 8,780	0%
Fresno	The Agricultural Foundation of California State University, Fresno	\$ 113,008		\$ -	\$ 21,454	0%
Fresno	The California State University, Fresno Athletic Corporation	\$ 1,013,509	14	\$ 49,804	\$ 182,290	5%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 176,330	6	\$ 5,392	\$ 32,767	3%
Fullerton	Cal State Fullerton Philanthropic Foundation	\$ 35,676		\$ -	\$ 6,751	0%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 282,234	7	\$ 156,426	\$ 49,067	55%
Fullerton	CSU Fullerton Housing Authority	\$ 106,737		\$ -	\$ 23,104	0%
Humboldt	Associated Students, Humboldt State University	\$ 33,358		\$ -	\$ 6,310	0%
Humboldt	Humboldt State University Advancement Foundation	\$ 8,222		\$ -	\$ 1,616	0%
Humboldt	Humboldt State University Center Board of Directors	\$ 296,813	2	\$ 9,706	\$ 59,525	3%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 151,629	4	\$ 30,841	\$ 28,278	20%
Long Beach	Associated Students, California State University, Long Beach	\$ 408,876	6	\$ 384,065	\$ 74,417	94%
Long Beach	California State University, Long Beach Research Foundation	\$ 787,051	7	\$ 480,800	\$ 142,143	61%
Long Beach	CSULB 49er Foundation	\$ 11,227	1	\$ 2,750	\$ 902	24%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 214,343	15	\$ 34,657	\$ 40,093	16%
Los Angeles	Associated Students, California State University, Los Angeles, Inc.	\$ 34,634	2	\$ 1,025	\$ 6,288	3%
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 155,291		\$ -	\$ 27,800	0%

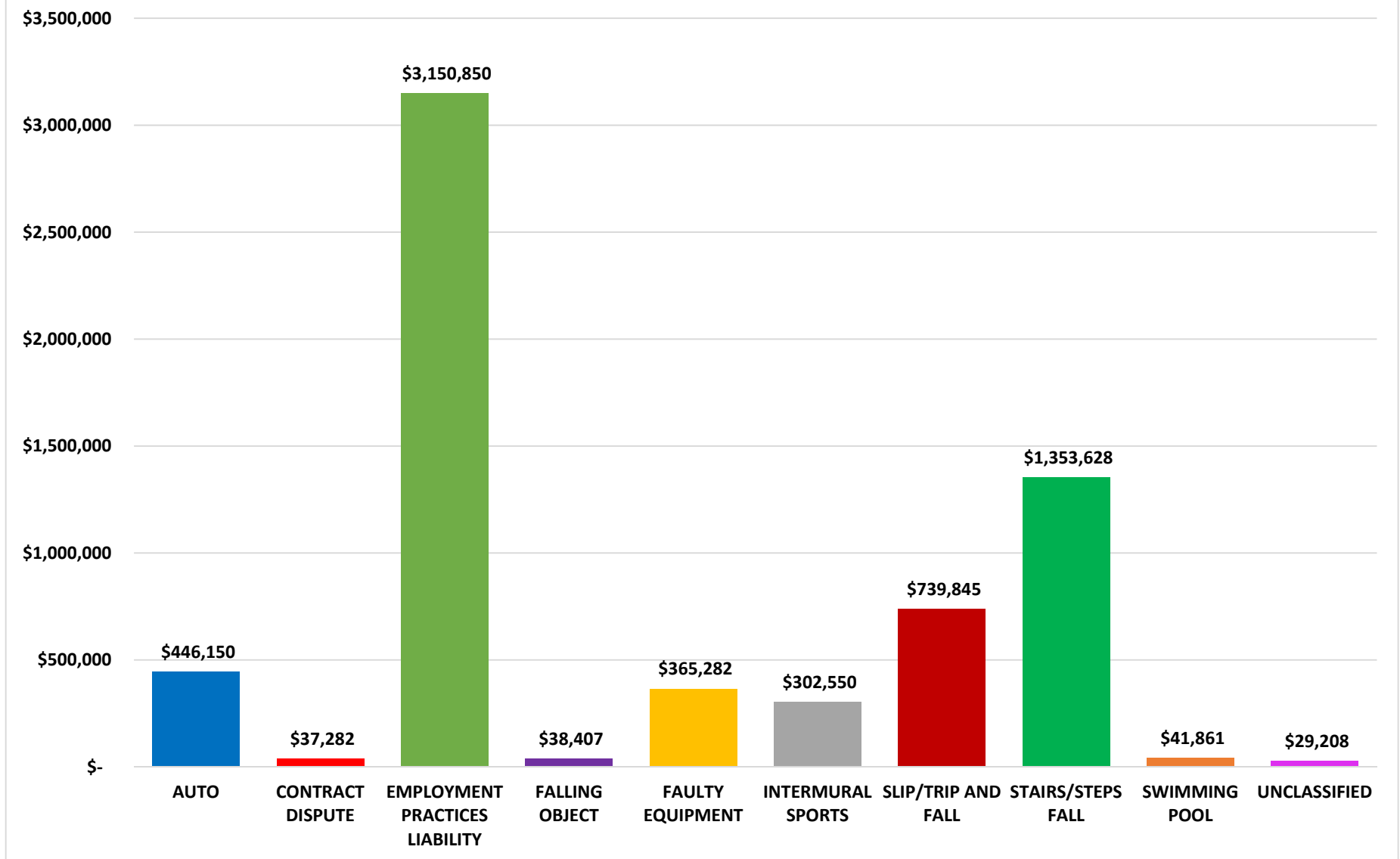
Campus	Auxiliary Organization	Premium	# of Claims	Claims	Dividends	Loss Ratio
Los Angeles	California State University, Los Angeles Foundation	\$ 19,870		\$ -	\$ 3,773	0%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 140,203		\$ -	\$ 26,416	0%
Maritime Academy	California Maritime Academy Foundation, Inc.	\$ 18,317		\$ -	\$ 3,486	0%
Maritime Academy	The Associated Students of the California Maritime Academy	\$ 17,871		\$ -	\$ 3,302	0%
Monterey Bay	Foundation of California State University, Monterey Bay	\$ 19,987		\$ -	\$ 2,268	0%
Monterey Bay	The University Corporation at Monterey Bay	\$ 311,017	1	\$ 2,114	\$ 65,218	1%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 78,520	14	\$ 39,171	\$ 13,932	50%
Northridge	California State University, Northridge Foundation	\$ 58,688		\$ -	\$ 11,060	0%
Northridge	North Campus University Park Development Corporation	\$ 28,352		\$ -	\$ 5,263	0%
Northridge	The University Corporation, CSU Northridge	\$ 402,457	7	\$ 37,645	\$ 70,088	9%
Northridge	University Student Union of California State University, Northridge	\$ 410,727	6	\$ 332,275	\$ 76,866	81%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 380,930	4	\$ 24,157	\$ 69,557	6%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 759,108	20	\$ 414,967	\$ 145,867	55%
Sacramento	Associated Students of California State University, Sacramento	\$ 515,806	13	\$ 19,270	\$ 96,328	4%
Sacramento	Capital Public Radio, Inc., CSU Sacramento	\$ 40,072	1	\$ 12,153	\$ 6,811	30%
Sacramento	The University Foundation at Sacramento State	\$ 29,613		\$ -	\$ 5,628	0%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 770,871	7	\$ 166,575	\$ 141,394	22%
Sacramento	University Union Operation of CSUS, Inc.	\$ 127,669	32	\$ 14,721	\$ 23,173	12%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 51,231		\$ -	\$ 9,712	0%
San Bernardino	CSUSB Philanthropic Foundation	\$ 11,227		\$ -	\$ 902	0%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 73,145	2	\$ 190,373	\$ 13,538	260%
San Bernardino	University Enterprises Corporation at CSUSB	\$ 277,415	1	\$ 430	\$ 51,547	0%
San Diego	Associated Students, San Diego State University	\$ 890,082	11	\$ 99,755	\$ 159,060	11%
San Diego	Aztec Shops, Ltd., San Diego State University	\$ 673,555	26	\$ 69,577	\$ 124,039	10%
San Diego	San Diego State University Research Foundation	\$ 825,195	40	\$ 1,213,121	\$ 170,170	147%
San Diego	The Campanile Foundation	\$ -		\$ -	\$ -	0%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 87,094	4	\$ 3,620	\$ 13,268	4%
San Francisco	Cesar Chavez Student Center, San Francisco State University	\$ 256,985	2	\$ 350,372	\$ 59,457	136%
San Francisco	San Francisco State University Foundation	\$ 18,577		\$ -	\$ 2,707	0%
San Francisco	The University Corporation, San Francisco State	\$ 147,632	7	\$ 16,546	\$ 38,507	11%
San Jose	Associated Student, San Jose State University	\$ 57,671	1	\$ 13,166	\$ 10,809	23%
San Jose	San Jose State University Research Foundation	\$ 155,030	7	\$ 397,532	\$ 27,824	256%
San Jose	Spartan Shops, Inc., San Jose State University	\$ 441,293	4	\$ 21,157	\$ 81,592	5%
San Jose	The Student Union of San Jose State University	\$ 635,211	5	\$ 52,780	\$ 119,012	8%
San Jose	The Tower Foundation, San Jose State University	\$ 11,753		\$ -	\$ 2,142	0%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 475,149	2	\$ 57,522	\$ 86,085	12%
San Luis Obispo	Cal Poly Corporation	\$ 713,835	16	\$ 60,383	\$ 169,666	8%
San Luis Obispo	California Polytechnic State University Foundation	\$ 7,766	1	\$ 1,600	\$ 1,398	21%
San Marcos	California State University San Marcos Foundation	\$ 27,887		\$ -	\$ 4,619	0%
San Marcos	San Marcos University Corporation	\$ 122,919	1	\$ 9,003	\$ 35,330	7%
San Marcos	The Associated Students of California State University, San Marcos	\$ 50,954		\$ -	\$ 8,089	0%
San Marcos	University Auxiliary and Research Services Corporation	\$ 135,596	1	\$ 70,000	\$ 13,417	52%
Sonoma	Associated Students of Sonoma State University	\$ 82,434		\$ -	\$ 15,654	0%
Sonoma	Sonoma State Enterprises, Inc.	\$ 184,930	1	\$ 580	\$ 34,816	0%

Campus	Auxiliary Organization	Premium	# of Claims	Claims	Dividends	Loss Ratio
Sonoma	Sonoma State University Academic Foundation, Inc.	\$ 77,987		\$ -	\$ 14,715	0%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 34,012	1	\$ 910	\$ 6,380	3%
Stanislaus	California State University, Stanislaus Auxiliary and Business Services	\$ 83,141		\$ -	\$ 15,813	0%
Stanislaus	California State University, Stanislaus Foundation	\$ 124,524		\$ -	\$ 23,577	0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 19,148		\$ -	\$ 3,646	0%
Total:		\$ 18,178,716	355	\$ 6,690,963	\$ 3,478,067	37%

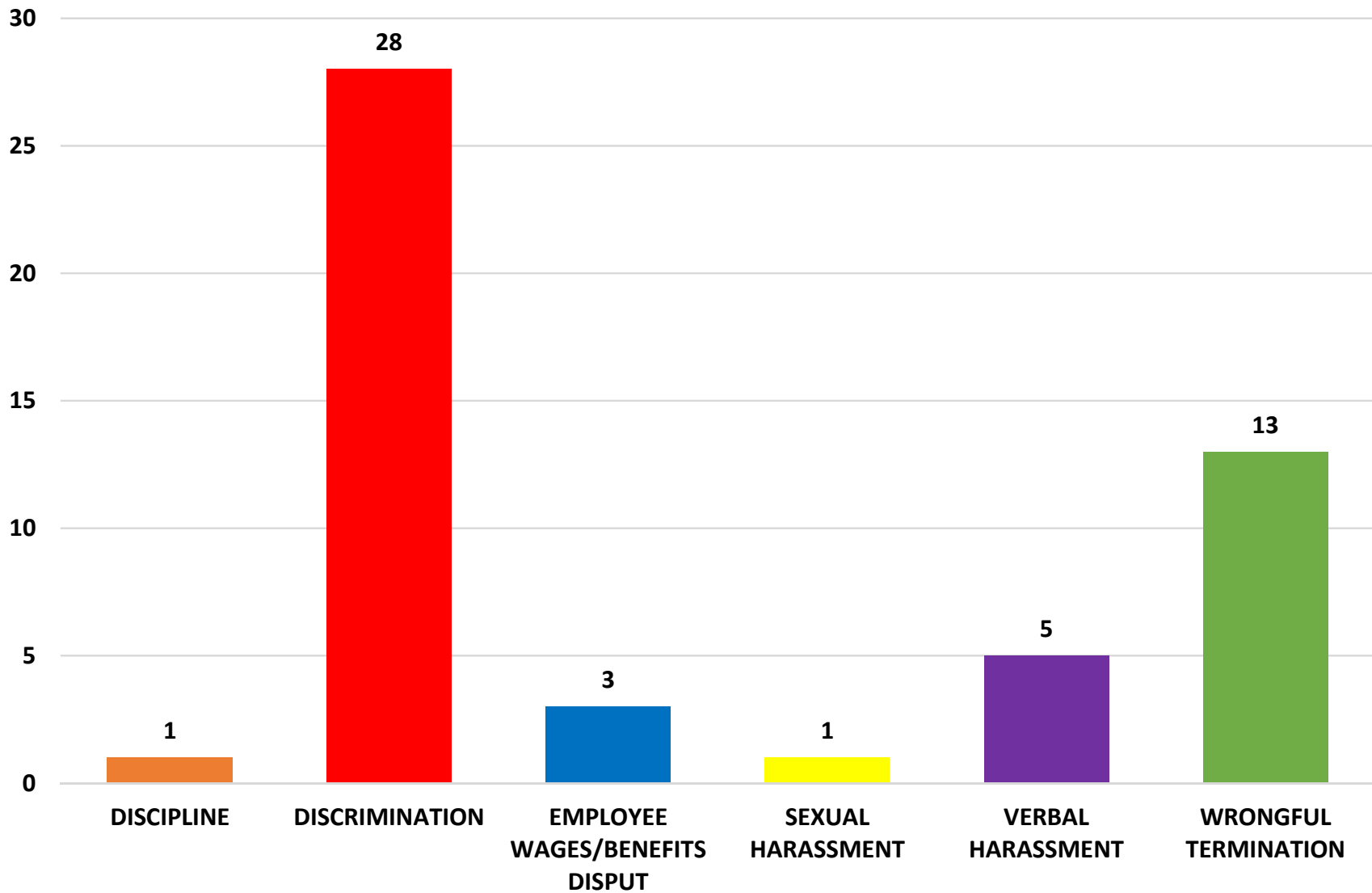
CSURMA AORMA - Liability Losses (Top 10)
Frequency of Cause of Loss by Total Incurred 2010 - 2015
as of June 30, 2015



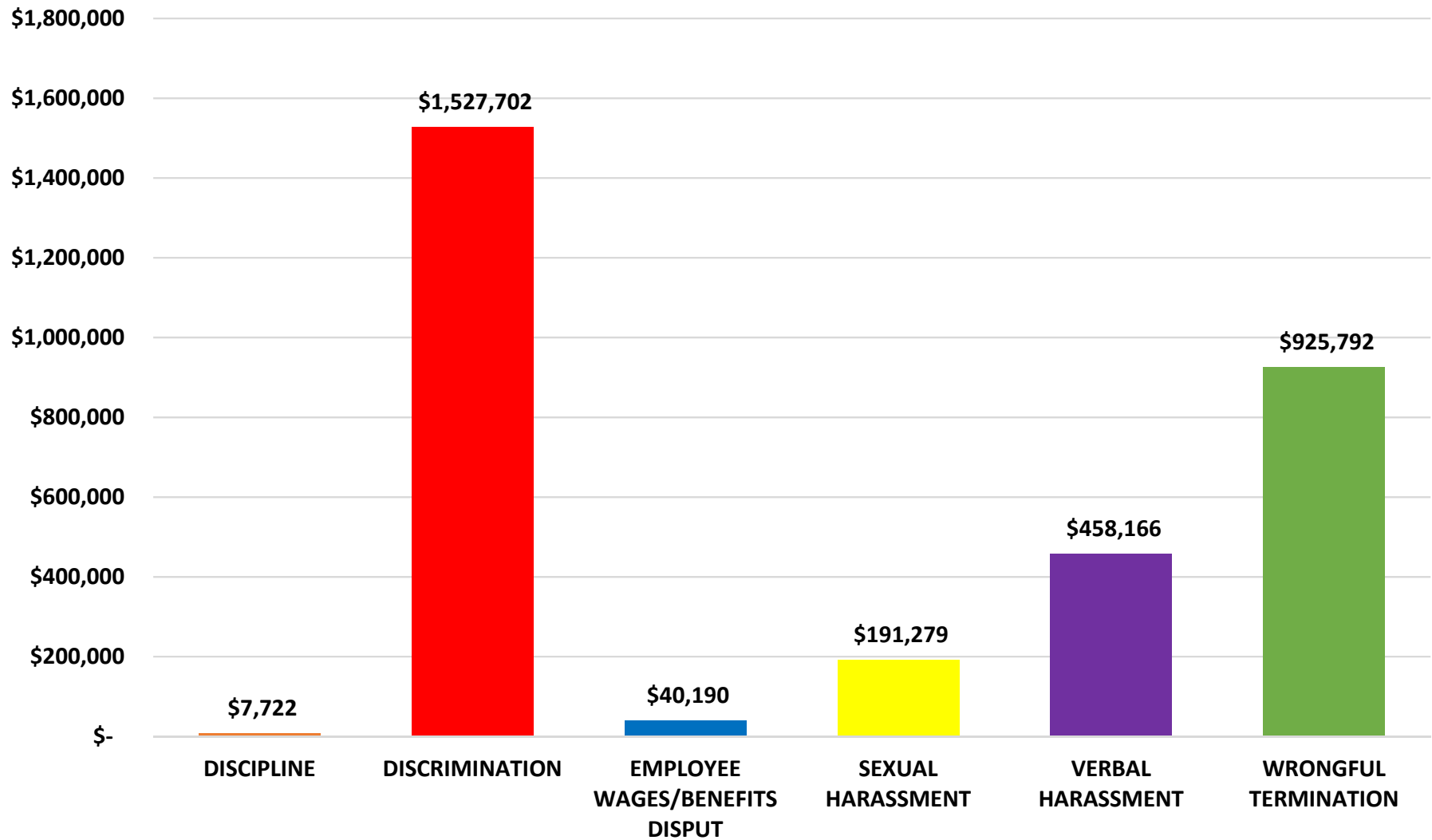
**CSURMA AORMA - Liability Losses (Top 10)
Severity of Cause of Loss by Total Incurred 2010 - 2015
as of June 30, 2015**



**CSURMA AORMA - Employment Practices Liability
Frequency of Cause of Loss by Total Incurred 2010 - 2015
as of June 30, 2015**



**CSURMA AORMA - Employment Practices Liability
Severity of Cause of Loss by Total Incurred 2010 - 2015
as of June 30, 2015**



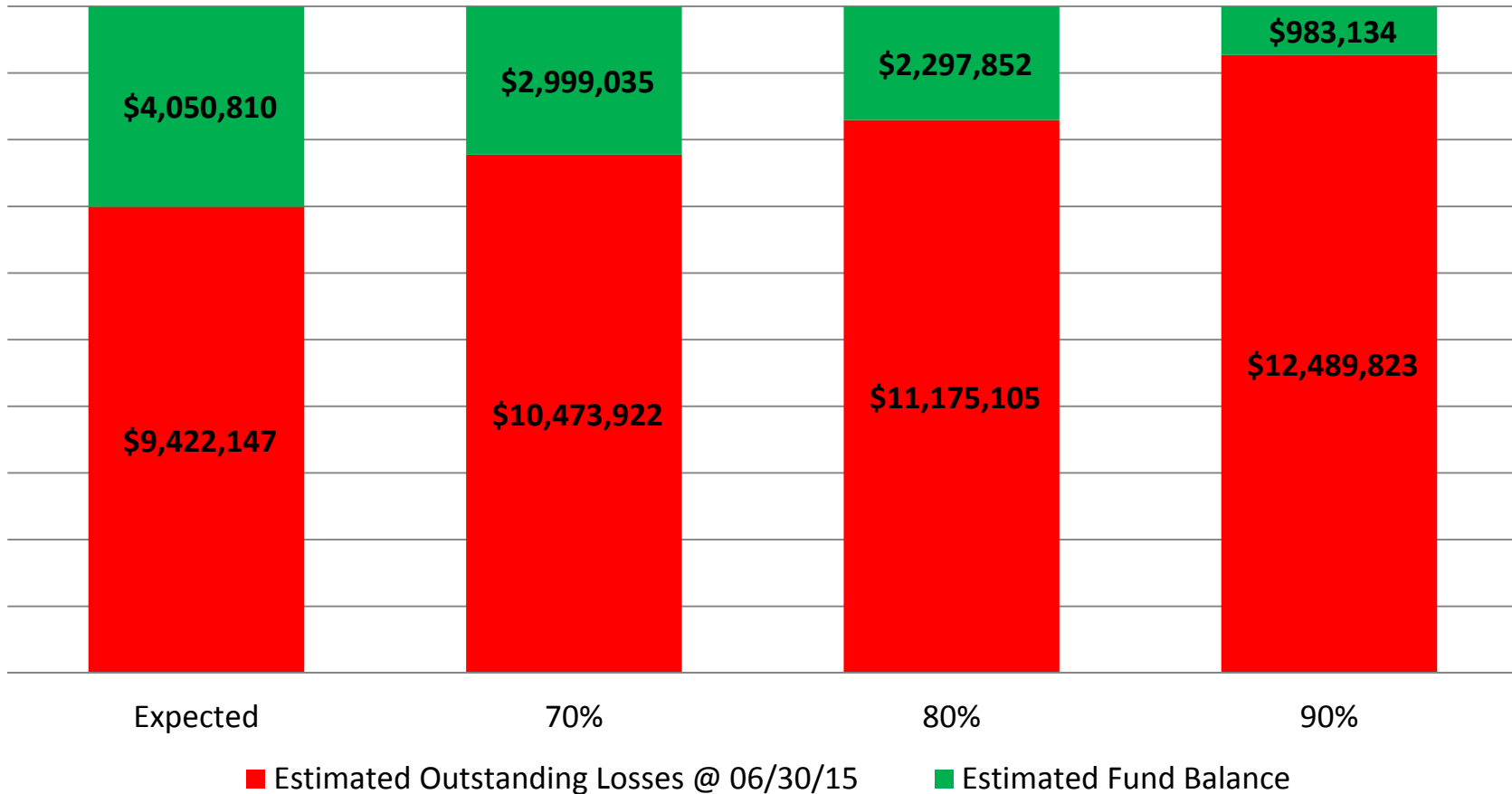
Workers' Compensation Estimated Fund Balance @ 03/31/15

Confidence Level	Program Assets (Minus Dividend and Other Liabilities)	Estimated Outstanding Losses (@ 06/30/15 Undiscounted Including ULAE)	Estimated Fund Balance
Expected	\$13,472,957	\$9,422,147	\$4,050,810
70%	\$13,472,957	\$10,473,922	\$2,999,035
80%	\$13,472,957	\$11,175,105	\$2,297,852
90%	\$13,472,957	\$12,489,823	\$983,134

The Program Assets have been reduced by the dividend of \$715,802 payable in July 2015, misc liabilities of \$137,305 and unearned revenue of \$12,705.

Workers' Compensation Estimated Fund Balance @ 03/31/15

Program Assets @ 03/31/15 - \$13,472,957



The Program Assets have been reduced by the dividend of \$715,802 payable in July 2015, misc liabilities of \$137,305 and unearned revenue of \$12,705.

Approved on September 11, 2014

CSURMA AORMA FY 2015/2016 Workers' Compensation Program Total Estimated Funding 80% Confidence Level					
Expense Item	Actual Program Costs FY 11/12 \$500,000 SIR	Actual Program Costs FY 12/13 \$500,000 SIR	Actual Program Costs FY 13/14 \$500,000 SIR	Forecasted Costs FY 14/15 \$500,000 SIR	Proposed FY 15/16 \$500,000 SIR
Actuarial Recommended Estimated Pooled Layer - Funding	\$2,541,000	\$2,928,900	\$3,149,900	\$3,108,750	\$3,208,750
Claims Administration	\$207,089	\$207,089	\$207,089	\$208,000	\$208,000
JPA Program Administration Fee	\$503,866	\$538,104	\$539,787	\$540,000	\$540,000
Excess Insurance	\$441,617	\$477,508	\$467,704	\$483,420	\$530,000
Total Expenses:	\$3,693,572	\$4,151,601	\$4,364,480	\$4,340,170	\$4,486,750
Difference from prior year:	-6.61%	12.40%	5.13%	-0.56%	3.38%
Actuarial Recommended Estimated Pooled Layer - Rate	\$0.83	\$0.95	\$1.03	\$1.04	\$1.08

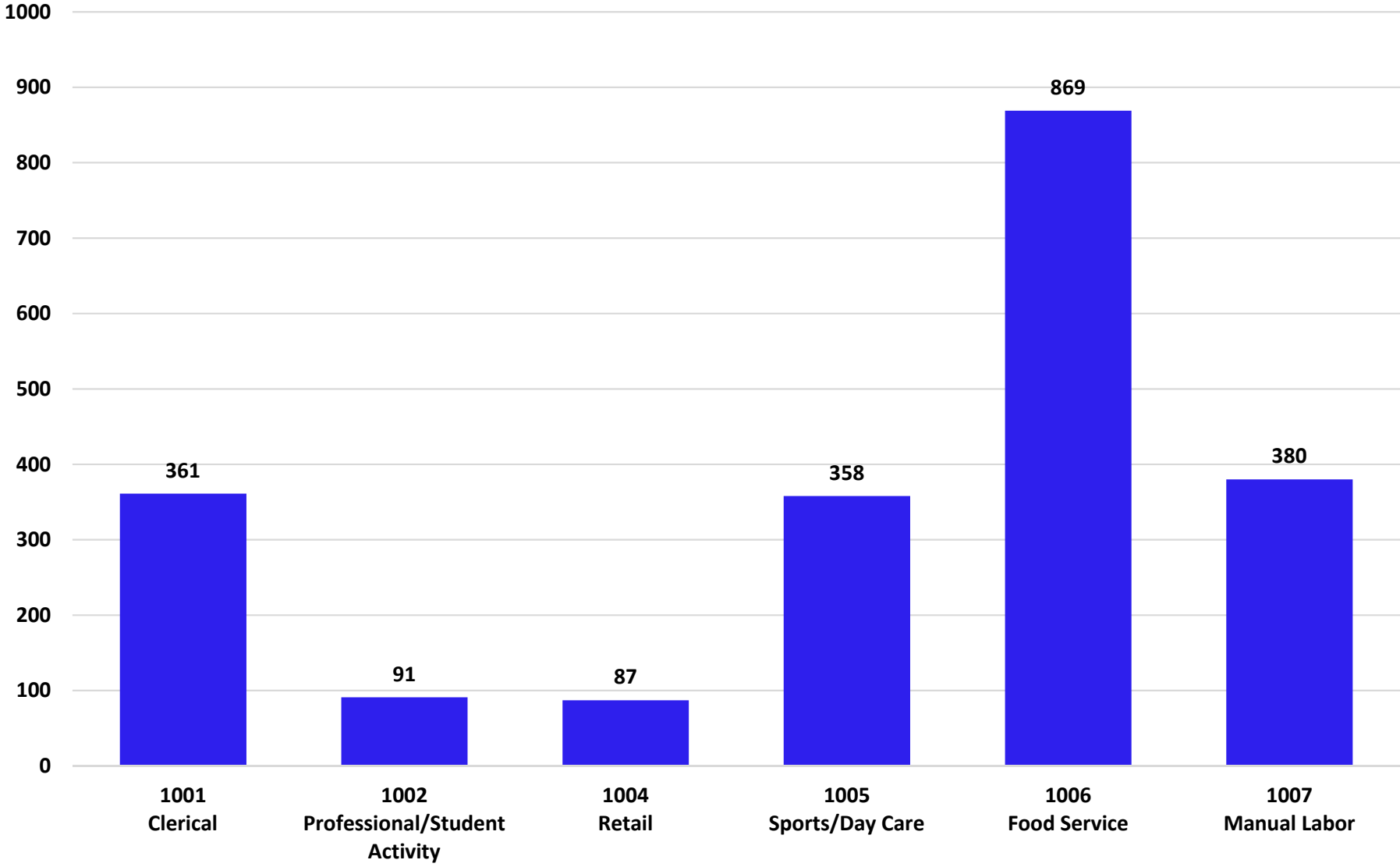
Actuarial Recommended Estimated Pooled Layer Funding (per the actuarial report dated July 31, 2014)
 Claims Administration (no increase or decrease is contemplated)
 JPA Program Administration Fee (no increase or decrease is contemplated)
 Excess Insurance (includes a 10% increase)

CSURMA AORMA
Workers' Compensation Insurance Program
Member Loss Ratios
Loss Valuation Date - June 30, 2015

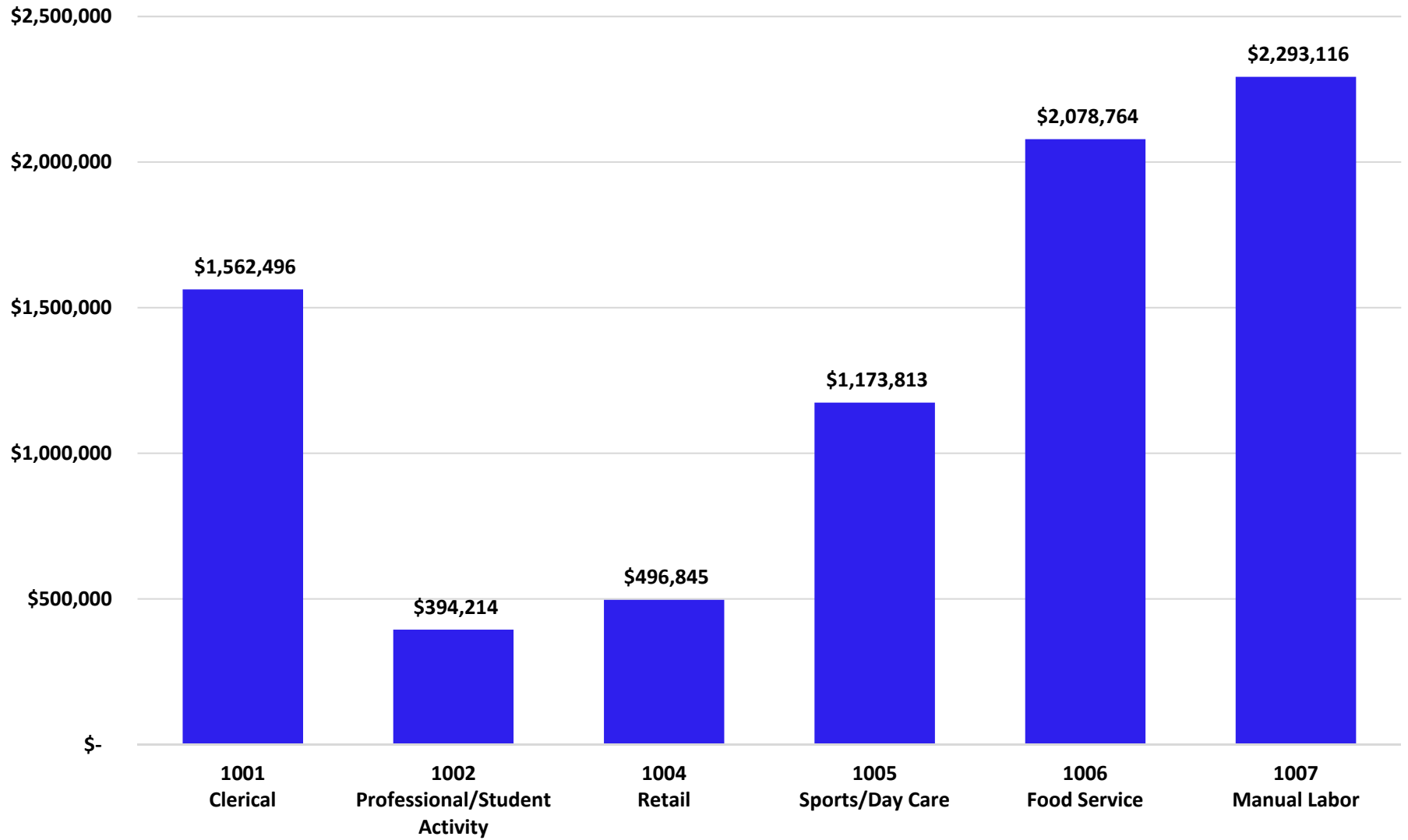
Campus	Auxiliary Organization	FY 10/11 - FY 14/15				
		Premium	Claims	# of Claims	Dividends	Loss Ratio
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration	\$ 65,859	\$ 1,656	1	\$ -	3%
Bakersfield	California State University, Bakersfield Foundation	\$ 124,226	\$ 60,114	5	\$ 41,264	48%
Channel Islands	University Glen Corporation	\$ 201,394	\$ 112,693	16	\$ 19,311	56%
Chico	Associated Students of California State University, Chico	\$ 863,818	\$ 241,950	226	\$ 226,351	28%
Chico	The CSU, Chico Research Foundation	\$ 670,426	\$ 138,182	36	\$ 143,056	21%
Dominguez Hills	Associated Students, California State University, Dominguez Hills	\$ 13,121	\$ 412	1	\$ 3,684	3%
Dominguez Hills	California State University, Dominguez Hills Foundation	\$ 375,370	\$ 264,915	22	\$ 87,826	71%
Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated	\$ 30,102	\$ 1,423	1	\$ 6,519	5%
East Bay	Associated Students, California State University, East Bay	\$ 51,032	\$ 5,283	9	\$ 36,674	10%
East Bay	California State University, East Bay Foundation, Inc.	\$ 142,673	\$ 115,523	12	\$ 29,589	81%
Fresno	California State University, Fresno Association, Inc.	\$ 570,959	\$ 116,578	77	\$ 171,023	20%
Fresno	The California State University, Fresno Athletic Corporation	\$ 401,937	\$ 19,032	11	\$ 73,108	5%
Fullerton	Associated Students, California State University, Fullerton, Inc.	\$ 362,436	\$ 77,413	36	\$ 78,297	21%
Fullerton	CSU Fullerton Auxiliary Services Corporation	\$ 897,683	\$ 449,211	69	\$ 213,508	50%
Humboldt	Associated Students, Humboldt State University	\$ 6,590	\$ -	0	\$ -	0%
Humboldt	Humboldt State University Center Board of Directors	\$ 406,308	\$ 113,946	104	\$ 93,153	28%
Humboldt	Humboldt State University Sponsored Programs Foundation	\$ 626,946	\$ 322,536	44	\$ 92,702	51%
Long Beach	Associated Students, California State University, Long Beach	\$ 472,264	\$ 92,330	54	\$ 103,719	20%
Long Beach	California State University, Long Beach Research Foundation	\$ 537,126	\$ 216,464	34	\$ 171,514	40%
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach	\$ 661,730	\$ 558,254	106	\$ 161,797	84%
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.	\$ 692,198	\$ 331,114	51	\$ 126,851	48%
Los Angeles	University-Student Union Board, California State University, Los Angeles	\$ 168,730	\$ 69,606	7	\$ 29,640	41%
Monterey Bay	The University Corporation at Monterey Bay	\$ 496,478	\$ 258,099	27	\$ 93,659	52%
Northridge	Associated Students, California State University, Northridge, Inc.	\$ 243,405	\$ 76,959	18	\$ 51,088	32%
Northridge	The University Corporation, CSU Northridge	\$ 1,496,129	\$ 1,200,077	117	\$ 289,077	80%
Northridge	University Student Union of California State University, Northridge	\$ 393,926	\$ 85,033	45	\$ 75,375	22%
Pomona	Associated Students Inc., California State Polytechnic University, Pomona	\$ 253,000	\$ 39,028	34	\$ 59,757	15%
Pomona	The Cal Poly Pomona Foundation, Inc.	\$ 1,187,656	\$ 782,029	195	\$ 288,984	66%
Sacramento	Associated Students of California State University, Sacramento	\$ 340,865	\$ 159,221	30	\$ 78,399	47%
Sacramento	University Enterprises, Inc., CSU Sacramento	\$ 1,081,428	\$ 457,585	148	\$ 87,459	42%
San Bernardino	Associated Students Inc., California State University, San Bernardino	\$ 11,502	\$ -	1	\$ 2,470	0%
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino	\$ 148,589	\$ 41,281	25	\$ 24,434	28%
San Bernardino	University Enterprises Corporation at CSUSB / (Foundation)	\$ 402,501	\$ 130,439	96	\$ 73,187	32%
San Diego	Associated Students, San Diego State University	\$ 821,845	\$ 612,455	129	\$ 165,328	75%
San Francisco	Associated Students, Inc., San Francisco State University	\$ 154,050	\$ 288,039	17	\$ 20,928	187%
San Francisco	Cesar Chavez Student Center, San Francisco State University	\$ 161,071	\$ 144,763	22	\$ 54,805	90%
San Francisco	The University Corporation, San Francisco State	\$ 138,333	\$ 33,288	10	\$ 30,478	24%
San Jose	Associated Student, San Jose State University	\$ 211,256	\$ 46,291	35	\$ 47,591	22%
San Jose	San Jose State University Research Foundation	\$ 1,287,736	\$ 215,462	52	\$ 249,046	17%
San Jose	Spartan Shops, Inc., San Jose State University	\$ 634,233	\$ 256,953	184	\$ 167,603	41%
San Jose	The Student Union of San Jose State University	\$ 151,603	\$ 16,572	4	\$ 25,349	11%
San Jose	The Tower Foundation, San Jose State University	\$ 131,366	\$ 731	2	\$ 10,202	1%
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo	\$ 380,193	\$ 332,978	44	\$ 97,887	88%
San Luis Obispo	Cal Poly Corporation	\$ 1,799,454	\$ 915,319	252	\$ 510,926	51%
San Marcos	University Auxiliary and Research Services Corporation	\$ 274,578	\$ 90,342	23	\$ 68,445	33%
Sonoma	Associated Students of Sonoma State University	\$ 37,885	\$ 30,393	1	\$ 3,246	80%
Stanislaus	Associated Students, Inc., California State University, Stanislaus	\$ 20,371	\$ -	0	\$ 2,053	0%
Stanislaus	University Student Union of California State University, Stanislaus	\$ 20,902	\$ 1,495	7	\$ 1,593	7%

120	\$ 18,684,443	9523464.57	\$ 2,440	\$ 4,055,290	51%
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**CSURMA AORMA - Workers' Compensation
Frequency of Total Incurred by Class Code
July 1, 2010 - June 30, 2015**



**CSURMA AORMA - Workers' Compensation
Severity of Total Incurred by Class Code
July 1, 2010 - June 30, 2015**



Approved on September 11, 2014

CSURMA AORMA FY 2015/2016 Property Program Total Estimated Funding \$100,000 SIR / \$250,000 Aggregate SIR					
Expense Item	Actual Program Costs FY 11/12	Actual Program Costs FY 12/13	Actual Program Costs FY 13/14	Forecasted Costs FY 14/15	Proposed FY 15/16
Estimated Pooled Layer Funding	\$240,000	\$240,000	\$250,000	\$250,000	\$350,000
Excess Insurance Premium	\$2,481,083	\$2,717,248	\$2,849,135	\$1,566,584	\$1,700,000
Program Administrative Costs	\$345,411	\$303,307	\$306,692	\$307,000	\$307,000
Total Expenses:	\$3,066,494	\$3,260,555	\$3,405,827	\$2,123,584	\$2,357,000
Difference from prior year:	12.38%	6.33%	4.46%	-37.65%	10.99%

Estimated Pooled Layer Funding - no change is contemplated

Excess Insurance Premium - AORMA received a 45% decrease in premium for FY 14/15; most of the decrease was contemplated in the estimate for FY 15/16

Administrative costs - no increase or decrease is contemplated.

Approved on September 11, 2014

CSURMA AORMA FY 2015/2016 Crime Program Total Estimated Funding \$25,000 SIR / \$100,000 Aggregate SIR					
Expense Item	Actual Program Costs FY 11/12	Actual Program Costs FY 12/13	Actual Program Costs FY 13/14	Forecasted Costs FY 14/15	Proposed FY 15/16
Estimated Pooled Layer Funding	\$75,000	\$75,000	\$75,000	\$50,000	\$50,000
Excess Insurance Premium	\$160,017	\$183,702	\$225,436	\$218,621	\$230,000
Program Administrative Costs	\$30,207	\$29,067	\$29,640	\$30,000	\$30,000
Total Expenses:	\$265,224	\$287,769	\$330,076	\$298,621	\$310,000
Difference from prior year:	6.68%	8.50%	14.70%	-9.53%	3.81%

Estimated Pooled Layer Funding - At June 30, 2014, the crime program has a fund balance of \$124,002 which is enough to fund the aggregate limit of \$100,000; \$50,000 is being proposed for the pooled layer funding in order to maintain a surplus in the program.
 Excess Insurance Premium (a 5% increase is contemplated)
 Administrative Costs (no increase or decrease is contemplated)

AORMA 2010-2015 Crime Claims
Valued Date: 06/30/2015

Claim Number	Auxiliary	Description	Claim Status	DOL	Carrier Payments	AORMA Payments	
2010-2011							
LDUSA100399900	San Diego State University Research Foundation	Fraudulent use of Federal Grants administered by SDSURF	Closed	11/18/2010	\$500,000.00	\$0.00	
2011-2012							
2011162806	CSU Fullerton Auxiliary Services Corporation	Bookstore theft of textbooks	Closed	10/26/2011	\$42,539.55	\$20,000.00	
2012-2013							
No claims							
2013-2014							
No Claims							
2014-2015							
P058133	San Diego State University, Aztec Shops	Garda picked up two deposit bags from Aztec Shops Ltd., Bookstore #1 but did not deposit	Closed	7/9/2014	\$0.00	\$0.00	
2014227707	Cal Poly Pomona Foundation	Bookstore theft of textbooks	Closed	5/15/2014	\$0.00	\$14,855.80	
P063057	San Jose State University Associated Students Inc	Misappropriation of Funds by Executive Director	Open	8/1/2014	\$0.00	\$0.00	
					Grand Totals:	\$542,539.55	\$34,855.80

AORMA Policies and Procedures

Review Schedule

Policy and Procedure		Adopted	Amended / Reviewed	Scheduled for Review
A-1	AORMA Committee Composition, Elections and Terms Limits	4/18/2003	3/20/2014	2016
A-2	AORMA Committee and Standing Committee Roles and Responsibilities	8/19/2003	5/8/2014	2016
A-3	Target Surplus Funding Policy	1/10/2007	10/23/2014	2016
A-4	Dividends and Assessments	3/8/2007	10/23/2014	2016
A-5	Annual Calendar of Reports, Audits and Filings	10/29/2009	10/23/2014	2016
A-6	Risk Reduction Matching Grant Program	5/9/2013	12/4/2014	2016
A-7	Travel Reimbursement Policy	5/21/2013	3/19/2015	2017
A-8	Closed Session	10/23/2014		2016
C-1	Crime Program Member Allocation Formula	11/6/2013	9/10/2015	2017
L-1	Claims Reporting	12/7/2006	12/4/2014	2016
L-2	Liability Claims Administration and Litigation Management	12/7/2006	5/7/2014	2016
L-3	Legal Counsel Selection	12/7/2006	10/23/2014	2016
Attachment	Approved Legal Counsel List (Review at least every three years)	N/A	9/12/2013	2016
L-4	Employee Driving Standards	7/1/2002	10/23/2014	2016
L-5	Guidelines for Extending Liability Coverage to Non-Auxiliary Organizations	8/19/2003	3/19/2015	2017
L-6	Requirement to Purchase PAI for all Activities Involving Minors	6/17/2010	10/23/2014	2016
L-7	Employment Practices Deductible Options	5/12/2011	3/19/2015	2017
P-1	Property Program Member Allocation Formula	11/6/2013	9/10/2015	2017
UI-1	Formula for Determining Unemployment Insurance Program Annual Contributions	5/12/2010	5/8/2014	2016
W-1	Workers' Compensation Deposit Development Plan	5/15/2008	9/10/2015	2017
W-2	Contribution Payments	12/9/2004	3/20/2014	2016
W-3	Requirement of Members to Maintain Experience Modification Factor of 1.25 or Less	9/9/2003	3/20/2014	2016
W-4	Claims Handling Procedures and Guidelines	12/8/2009	3/20/2014	2016
W-5	Workers' Compensation Coverage Claims Settlement Authority	9/16/2010	3/20/2014	2016
W-6	Volunteer Coverage	1/12/2005	3/20/2014	2016
W-7	Workers' Compensation Safety Program Award - Safety Superstar	10/27/2005	3/20/2014	Deleted
W-8	Workers' Compensation Program Payroll Reporting	12/8/2009	3/20/2014	2016

Must be approved by the AORMA Committee

California State University Risk Management Authority
Member Aged Accounts Receivable
As of 4/13/2015

Client Name	Current	31-60 Days	Balance
Associated Students Inc, CSU Northridge	\$17,043.00	\$0.00	\$17,043.00
Associated Students Incorporated CSU East Bay	\$9,088.00	\$0.00	\$9,088.00
b Associated Students Incorporated, Cal Poly Pomona	\$31,346.00	\$12,386.00	\$43,732.00
Associated Students Incorporated, CSU Chico	\$63,132.00	\$0.00	\$63,132.00
Associated Students Incorporated, CSU Long Beach	\$23,633.00	\$0.00	\$23,633.00
Associated Students Incorporated, CSU Sacramento	\$32,985.00	\$0.00	\$32,985.00
Associated Students of Humboldt State University	\$604.00	\$0.00	\$604.00
Associated Students of San Diego State University	\$39,116.00	\$0.00	\$39,116.00
b Associated Students, CSU Fullerton	\$29,001.00	\$7,408.00	\$36,409.00
Associated Students, Inc., CSU Dominguez Hills	\$2,346.00	\$0.00	\$2,346.00
Associated Students, Inc., San Francisco SU	\$20,004.00	\$6.00	\$20,010.00
Associated Students, Inc., San Luis Obispo	\$28,852.00	\$0.00	\$28,852.00
Associated Students, Inc.of Sonoma State University	\$4,351.00	\$0.00	\$4,351.00
Cal Poly Corporation	\$81,650.00	\$0.00	\$81,650.00
b Cal Poly Pomona Foundation, Inc.	\$0.00	\$320.00	\$320.00
Cal State Los Angeles University Auxiliary Svcs Inc	\$67,754.00	\$0.00	\$67,754.00
Capital Public Radio, Inc.	\$7,548.00	\$0.00	\$7,548.00
CSU Bakersfield Foundation	\$9,910.00	\$0.00	\$9,910.00
CSU Bakersfield, Auxiliary for Sponsored Pgrms Admin	\$3,669.00	\$0.00	\$3,669.00
CSU Channel Islands University Glen Corporation	\$10,916.00	\$0.00	\$10,916.00
b CSU Chico Research Foundation	\$69,718.00	\$35,519.00	\$105,237.00
CSU Dominguez Hills Foundation	\$33,473.00	\$0.00	\$33,473.00
CSU Fresno Association	\$57,563.44	\$0.00	\$57,563.44
CSU Fresno Athletic Corporation	\$20,220.00	\$0.00	\$20,220.00
CSU Fresno Foundation	\$48,151.00	\$0.00	\$48,151.00
CSU Fullerton University Auxiliary Services Corporation	\$63,222.00	\$0.00	\$63,222.00
a CSU, Long Beach Research Foundation	\$61,844.88	\$66.00	\$61,910.88
Forty-Niner Shops Incorporated, CSU Long Beach	\$57,993.00	\$0.00	\$57,993.00
Humboldt State Univ Sponsored Programs Foundation	\$52,491.00	\$0.00	\$52,491.00
Humboldt State University Advancement Foundation	\$8,660.00	\$0.00	\$8,660.00
b San Diego State University Research Foundation	\$25,000.00	\$220.00	\$25,220.00
San Jose State University Research Foundation	\$117,985.00	\$0.00	\$117,985.00
Santos Manuel Student Union, CSU San Bernardino	\$14,357.00	\$0.00	\$14,357.00
Spartan Shops Inc., San Jose State University	\$58,015.00	\$0.00	\$58,015.00
Student Union Inc., San Jose State University	\$9,622.00	\$0.00	\$9,622.00
b The Donald P. & Katherine B. Loker Un. Student Union, Inc.	\$958.00	\$959.00	\$1,917.00
The Tower Foundation, San Jose State University	\$10,805.00	\$0.00	\$10,805.00
The University Corporation at Monterey Bay	\$36,262.00	\$0.00	\$36,262.00
The University Corporation, CSU Northridge	\$118,330.00	\$0.00	\$118,330.00
The University Corporation, San Francisco State	\$17,757.00	\$0.00	\$17,757.00
Univ Auxiliary & Research Svcs Corp, CSU San Marcos	\$33,565.00	\$0.00	\$33,565.00
Univ Enterprises Inc. CSU Sacramento	\$255,600.00	\$0.00	\$255,600.00
University Center, Humboldt State University	\$25,639.00	\$0.00	\$25,639.00
University Enterprises Corporation at CSUSB	\$61,849.00	\$0.00	\$61,849.00
University Student Union Board, CSU Los Angeles	\$14,952.00	\$0.00	\$14,952.00
University Student Union, CSU Northridge	\$29,981.00	\$0.00	\$29,981.00
University Student Union, CSU Stanislaus	\$1,277.00	\$0.00	\$1,277.00
Totals:	\$1,788,238.32	\$56,884.00	\$1,845,122.32

a The members indicated that the payment of invoices have been made and would be received in April 2015.
b CSURMA accounting has been working with the members for the outstanding balances.

**California State University Risk Management Authority
Outstanding Member Loan Status
As of 3/31/2015**

Loan Pool: 15% of the overall average cash and investment for the preceding 12 months (Apr 2014 - Mar 2015)

\$ 27,784,749.21

Member Name	Maturity Date	Original Issue Date	Original Issue Amount	Outstanding Loan Balance 3/31/2015	Outstanding Loan Balance 6/30/2014
Humboldt State University Advancement Foundation	Oct 2017 (Extension)	Aug 2008	\$ 2,535,000.00	\$ 2,000,000.00	\$ 2,000,000.00
CSU Fresno	Sep 2018 (Extension)	Nov 2008	\$ 4,500,000.00	\$ 1,094,267.44	\$ 1,492,420.20
CSU Northridge	Jun 2015	May 2010	\$ 5,000,000.00	\$ -	\$ 1,514,161.17
CSU Sacramento	Jun 2019	May 2014	\$ 4,000,000.00	\$ 1,486,079.00	\$ -
Total Loans			\$ 16,035,000.00	\$ 4,580,346.44	\$ 5,006,581.37

Remaining Amount Available for Member Loans

(The remaining amount reflects CSU Sacramento Line of credit balance of \$2,513,921.)

\$ 20,690,481.77

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

A single Member loan and its associated Member's Auxiliary Organizations shall not exceed 5% of the overall average cash and investment for the preceding 12 months (Apr 2014 - Mar 2015)

\$ 9,261,583.07

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

Processed from July 1, 2014 to March 31, 2015

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
11/21 - 11/25/14	Steve Relyea	London	CSU Underwriting Meeting	\$ 1,309.16	\$ 256.17	\$ 1,337.95	\$ 2,903.28
1/5/2015	Zachary Gifford	Los Angeles	Sebastian vs CSU Mediation at Judicate West	\$ -	\$ -	\$ 43.83	\$ 43.83
1/12/2015	Zachary Gifford	San Francisco	CSURMA W/C Meeting	\$ -	\$ 10.56	\$ 264.81	\$ 275.37
1/21 - 1/22/15	Rebecca Skidmore	Austin, TX	ERM Training Seminar - Part I	\$ 184.13	\$ 31.77	\$ 706.25	\$ 922.15
1/21 - 1/23/15	Zachary Gifford	New York, NY	Underwriting Meetings with Ironshore, ARCH, AWAC & Crisis 360	\$ 459.10	\$ 46.55	\$ 620.36	\$ 1,126.01
2/8 - 2/9/15	Zachary Gifford	Pasadena	CSURMA EC Meeting / CABO Meeting	\$ -	\$ -	\$ 66.90	\$ 66.90
2/24 - 2/26/15	Rebecca Skidmore	Austin, TX	ERM Training Seminar - Part II	\$ 437.74	\$ 63.16	\$ 902.89	\$ 1,403.79
3/4 - 3/10/15	Zachary Gifford	Sonoma / Oakland	CSAC EIA Meeting / ORIM Visit / SRM & CSURMA Training Sessions	\$ 259.31	\$ 38.75	\$ 291.73	\$ 589.79
3/19 - 3/20/15	Zachary Gifford	Newport Beach	AORMA Committee and CSURMA EC Meeting	\$ -	\$ -	\$ 55.20	\$ 55.20
3/19 - 3/20/15	Rebecca Skidmore	Newport Beach	AORMA Committee and CSURMA EC Meeting	\$ -	\$ -	\$ 41.75	\$ 41.75
3/26/2015	Zachary Gifford	San Diego	Richardson vs CSU Mediation at JAMS	\$ -	\$ -	\$ 147.63	\$ 147.63
Total Travel Expenses processed from 1/1/15 to 3/31/15				\$ 2,649.44	\$ 446.96	\$ 4,479.30	\$ 7,575.70
Previously Reported							
10/7/2014	Zachary Gifford	San Francisco	CSAC EIA Meeting	\$ -	\$ -	\$ 259.14	\$ 259.14
10/13/2014	Zachary Gifford	Santa Ana	Gibson vs CSU Mediation at Judicate West	\$ -	\$ -	\$ 39.42	\$ 39.42
10/20 - 10/21/14	Zachary Gifford	Oakland / Sacramento	Luna et. al mediation / CABO Meeting	\$ 108.39	\$ 30.59	\$ 428.57	\$ 567.55
10/31/2014	Zachary Gifford	San Francisco	Williams vs SJSU Mediation at Judicate West	\$ -	\$ -	\$ 386.37	\$ 386.37
11/5 - 11/6/14	Zachary Gifford	Chico	Chico State University visit with RM, EH&S, Research Foundation, WCC / Meeting with SELF	\$ 99.00	\$ 52.93	\$ 322.81	\$ 474.74
11/12/2014	Zachary Gifford	San Francisco	CSURMA Team Meeting and "Agility" Conference Call	\$ -	\$ -	\$ 260.64	\$ 260.64
11/22 - 11/26/14	Robert Eaton	London	CSU Underwriting Meeting	\$ 918.93	\$ 244.25	\$ 2,240.42	\$ 3,403.60
12/4 - 12/5/14	Zachary Gifford	Newport Beach	AORMA Committee and CSURMA Executive Committee Meeting	\$ -	\$ -	\$ 64.96	\$ 64.96
12/19/2014	Zachary Gifford	San Francisco	Clark Construction et. al vs CSU (SJSU University Village Mediation)	\$ -	\$ -	\$ 431.37	\$ 431.37
Total Travel Expenses processed from 10/1/14 to 12/31/14				\$ 1,126.32	\$ 327.77	\$ 4,433.70	\$ 5,887.79

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

Processed from July 1, 2014 to March 31, 2015

Dates of Travel	Traveler	Location	Purpose	Lodging	Meals & Incidentals	Transportation & Business Expenses	Total Amount
7/14 - 7/16/14	Zachary Gifford	Folsom, Sonoma, Maritime	CSAC-EIA meeting in Folsom, AORMA Officer's Retreat in Sonoma, and Speaking w/CSU DFO meeting at CalMaritime	\$ 246.52	\$ 21.29	\$ 449.22	\$ 717.03
7/17/2014	Zachary Gifford	Santa Ana	LeClair vs CSULB and CSULB Foundation Mediation at Judicate West	\$ -	\$ -	\$ 34.38	\$ 34.38
7/23/2014	Rebecca Skidmore	Los Angeles	AON Client Meeting	\$ -	\$ -	\$ 4.00	\$ 4.00
8/6 - 8/8/14	Zachary Gifford	San Luis Obispo	AOA HR Committee Meeting, dinner w/committee officers, and two presentations at meeting. CSURMA EC agenda, scheduling needs, etc.	\$ 289.16	\$ 22.00	\$ 236.32	\$ 547.48
8/13/2014	Rebecca Skidmore	Fullerton	OES FEMA Disaster Recovery Training at CSUF	\$ -	\$ -	\$ 19.04	\$ 19.04
8/18 - 8/19/14	Zachary Gifford	San Francisco	Annual CSU/CSURMA Stewardship Meeting: Genex /Scripnet /CypressCare, Sedgwick and CSURMA Team Meeting	\$ 142.67	\$ 21.85	\$ 282.84	\$ 447.36
8/20 - 8/22/14	Rebecca Skidmore	Hayward	CA Public Higher Ed Collaborative Bus and Admin Services Conference at CSUEB	\$ 254.16	\$ 45.09	\$ 461.45	\$ 760.70
9/4/2014	Zachary Gifford	Oxnard	WC "Double Play" meeting, claim files review w/Ingber, Graf Daniels, Defense Attorneys, and WC examiner	\$ -	\$ -	\$ 88.48	\$ 88.48
9/10 - 9/12/14	Zachary Gifford	Newport Beach	AORMA Long Range Planning, AORMA Committee, and CSURMA EC meeting	\$ -	\$ -	\$ 80.64	\$ 80.64
9/11 - 9/12/14	George V. Ashkar	Newport Beach	CSURMA EC Meeting	\$ 206.32	\$ 55.00	\$ 32.71	\$ 294.03
9/12/2014	Kelly Cox	Newport Beach	CSURMA EC Meeting	\$ -	\$ -	\$ 21.52	\$ 21.52
9/12/2014	Robert Eaton	Newport Beach	CSURMA EC Meeting	\$ -	\$ -	\$ 24.64	\$ 24.64
9/17 - 9/18/14	Zachary Gifford	Reno/Tahoe	CAJPA Conference speaking w/Dr. Kriegel & Dr. Lu (CSUF)	\$ 194.47	\$ 26.03	\$ 532.98	\$ 753.48
9/21 - 9/24/14	Rebecca Skidmore	Louisville, KY	2014 URMIA Conference	\$ 523.38	\$ 89.19	\$ 1,283.00	\$ 1,895.57
9/22/2014	Zachary Gifford	San Diego	Early Neutral Evaluation in Federal Court w/Magistrate Burkhardt re: Richardson vs SDSU	\$ -	\$ -	\$ 141.84	\$ 141.84
9/25/2014	Zachary Gifford	Santa Ana	LeClair vs CSU Mediation at Judicate West	\$ -	\$ -	\$ 39.42	\$ 39.42
			Total Travel Expenses processed from 7/1/14 to 9/30/14	\$ 1,856.68	\$ 280.45	\$ 3,732.48	\$ 5,869.61
			Grand Total	\$ 5,632.44	\$ 1,055.18	\$ 12,645.48	\$ 19,333.10

California State University Risk Management Authority

Balance Sheet - Campus Programs as of 3/31/2015

(Unaudited)

		Workers'				Auto	Total Campus
	Liability	Compensation	IDL/NDI/UI	Property	AIME	Liability	Programs as of
							3/31/2015
Assets:							
Cash and Investments	5,549,309	10,645,081	1,048,752	1,584,835	567,148	0	19,395,125
Other long-term investments	32,136,295	60,927,990	5,981,632	9,062,994	3,242,226	0	111,351,137
Accounts receivable	758,599	0	0	0	0	0	758,599
Loan receivable	0	0	0	0	0	0	0
Accrued interest receivable	2,088	3,966	390	590	211	0	7,244
Prepaid insurance	968,417	30,253,579	517	227,443	3,894	172,117	31,625,967
Prepaid expense	157,827	2,560,107	5,278	172,426	212,355	0	3,107,992
Total assets:	39,572,534	104,390,722	7,036,568	11,048,287	4,025,835	172,117	166,246,063
Liabilities:							
Accounts payable	45,002	759,800	2,763,430	7,514	2,987	0	3,578,733
Unearned revenue	3,332,277	8,299,040	3,125,000	1,305,227	894,437	172,117	17,128,098
SELF assessment liability	0	10,908,929	0	0	0	0	10,908,929
Reported claims	10,611,337	40,331,339	0	0	133,384	0	51,076,060
Claims incurred but not reported	8,426,560	24,969,777	0	0	1,778,452	0	35,174,789
Total liabilities:	22,415,176	85,268,885	5,888,430	1,312,741	2,809,260	172,117	117,866,610
Fund balance	17,157,358	19,121,837	1,148,138	9,735,546	1,216,575	0	48,379,454
Total liabilities and fund balance	39,572,534	104,390,722	7,036,568	11,048,287	4,025,835	172,117	166,246,063

California State University Risk Management Authority

Balance Sheet - AORMA Programs as of 3/31/2015

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs as of 3/31/2015
Assets:						
Cash and Investments	1,227,276	1,601,737	260,125	50,302	635,862	3,775,303
Other long-term investments	7,025,653	9,169,917	1,484,576	287,551	3,637,850	21,605,547
Accounts receivable	96,915	1,696	6	0	54,576	153,193
Loan receivable	0	0	0	0	0	0
Accrued interest receivable	457	597	97	19	237	1,406
Prepaid insurance	78,683	3,170,341	18,310	49,373	124	3,316,830
Prepaid expense	326,814	394,481	47,278	3,892	1,263	773,729
Total assets:	8,755,798	14,338,769	1,810,391	391,137	4,329,912	29,626,008
Liabilities:						
Accounts payable	546,961	853,107	2,651	281	340,502	1,743,502
Unearned revenue	715,060	12,705	393,289	83,181	0	1,204,234
SELF assessment liability	0	0	0	0	0	0
Reported claims	2,064,682	4,256,597	0	0	0	6,321,279
Claims incurred but not reported	1,063,926	4,812,977	0	0	0	5,876,903
Total liabilities:	4,390,629	9,935,386	395,940	83,462	340,502	15,145,918
Fund balance	4,365,170	4,403,383	1,414,451	307,675	3,989,410	14,480,089
Total liabilities and fund balance	8,755,798	14,338,769	1,810,391	391,137	4,329,912	29,626,008

California State University Risk Management Authority

Balance Sheet - Miscellaneous Programs as of 3/31/2015

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Loans	Total Misc Programs as of 3/31/2015	Grand Total All Programs as of 3/31/2015
Assets:						
Cash and Investments	(4,463)	287,260	26,584	(706,174)	(396,793)	22,773,634
Other long-term investments	(25,483)	1,624,979	151,894	(3,874,172)	(2,122,783)	130,833,901
Accounts receivable	3,592	0	0	0	3,592	915,383
Loan receivable	0	0	0	4,580,346	4,580,346	4,580,346
Accrued interest receivable	0	0	10	0	10	8,660
Prepaid insurance	0	1,129,170	56,859	0	1,186,029	36,128,827
Prepaid expense	0	246,209	2,253	0	248,463	4,130,183
Total assets:	(26,354)	3,287,618	237,600	0	3,498,864	199,370,934
Liabilities:						
Accounts payable	0	5,106	164	0	5,270	5,327,505
Unearned revenue	0	0	88,111	0	88,111	18,420,444
SELF assessment liability	0	0	0	0	0	10,908,929
Reported claims	0	0	0	0	0	57,397,339
Claims incurred but not reported	0	0	0	0	0	41,051,692
Total liabilities:	0	5,106	88,276	0	93,381	133,105,909
Fund balance	(26,354)	3,282,512	149,324	0	3,405,482	66,265,025
Total liabilities and fund balance	(26,354)	3,287,618	237,600	0	3,498,864	199,370,934

California State University Risk Management Authority

Income Statement - Campus Programs as of 3/31/2015

(Unaudited)

	Liability	Workers' Compensation	IDL/NDI/UI	Property	AIME	Auto Liability	Total Campus Programs
OPERATING REVENUES:							
Contributions	10,369,354	24,897,119	9,375,000	7,348,047	2,683,312	516,351	55,189,183
Reinsurance premiums	(127,500)	0	0	(3,311,254)	0	0	(3,438,754)
Total operating revenues:	10,241,854	24,897,119	9,375,000	4,036,793	2,683,312	516,351	51,750,429
OPERATING EXPENSES:							
DIRECT PROGRAM EXPENSES:							
Claims payment & legal expenses	8,095,387	13,643,072	10,333,598	228,910	1,866,634	0	34,167,600
Deductible recoveries	(2,550,044)	0	0	0	0	0	(2,550,044)
Claims administrators	62,967	2,811,690	48,104	0	97,500	0	3,020,260
Claims management information system	25,072	0	0	0	0	0	25,072
Program administrator	149,394	303,960	128,136	152,324	7,407	0	741,221
Brokerage commissions	249,309	207,943	184	361,329	1,302	0	820,067
Insurance premiums	2,838,998	7,452,178	0	711,016	11,239	516,351	11,529,782
Taxes, assessments & fees	156,579	0	0	0	0	0	156,579
Actuarial services	4,750	5,250	0	0	2,750	0	12,750
Miscellaneous program services	1,668	3,137	0	0	0	0	4,805
Workshops/training	28,421	23,291	9,229	6,602	0	0	67,543
Loss control	128,721	24,895	0	0	0	0	153,616
Reinsurance/excess recovery	0	(3,863,385)	0	0	0	0	(3,863,385)
Program committee	0	0	0	0	2,445	0	2,445
Dividend distributions	8,677,518	0	0	0	0	0	8,677,518
Total direct program expenses:	17,868,740	20,612,031	10,519,251	1,460,181	1,989,277	516,351	52,965,830
GENERAL & ADMINISTRATIVE EXPENSES:							
Financial audit	6,601	15,235	5,736	4,132	1,643	0	33,347
Executive committee & board expenses	638	1,473	555	400	159	0	3,224
JPA insurance	1,832	4,229	1,592	1,147	456	0	9,256
Memberships, associations & dues	3,259	2,445	920	663	244	0	7,531
Chancellor's office accounting services	37,419	86,368	32,519	23,426	9,312	0	189,045
Risk management expenses	76,825	177,324	66,766	48,097	19,119	0	388,131
Miscellaneous indirect services	2,880	6,544	2,585	1,851	693	0	14,554
Total general & administrative expenses:	129,455	293,618	110,673	79,717	31,626	0	645,088
Total operating expenses:	17,998,194	20,905,649	10,629,924	1,539,898	2,020,902	516,351	53,610,918
NON-OPERATING REVENUES:							
Investment income	523,401	1,210,728	112,155	144,911	57,770	0	2,048,964
Total non-operating revenues:	523,401	1,210,728	112,155	144,911	57,770	0	2,048,964
BEGINNING RETAINED EARNING	24,390,297	13,919,640	2,290,907	7,093,740	496,395	0	48,190,979
NET SURPLUS/(DEFICIT)	(7,232,939)	5,202,197	(1,142,769)	2,641,806	720,179	(0)	188,475
ENDING RETAINED EARNINGS	17,157,358	19,121,837	1,148,138	9,735,546	1,216,575	(0)	48,379,454

California State University Risk Management Authority

Income Statement - AORMA Programs as of 3/31/2015

(Unaudited)

	AORMA Liability	AORMA Workers' Comp	AORMA Property	AORMA Crime	AORMA UIP	Total AORMA Programs
OPERATING REVENUES:						
Contributions	2,802,858	3,219,797	2,268,136	249,542	2,241,115	10,781,448
Reinsurance premiums	(637,500)	0	(1,159,857)	0	0	(1,797,357)
Total operating revenues:	2,165,358	3,219,797	1,108,279	249,542	2,241,115	8,984,091
OPERATING EXPENSES:						
DIRECT PROGRAM EXPENSES:						
Claims payment & legal expenses	1,383,346	1,500,983	176,586	0	871,088	3,932,003
Deductible recoveries	(271,172)	0	0	0	0	(271,172)
Claims administrators	9,975	158,423	0	0	23,273	191,671
Claims management information system	0	0	0	0	0	0
Program administrator	436,266	257,295	186,459	17,877	34,593	932,490
Brokerage commissions	47,835	35,287	137,919	11,255	44	232,341
Insurance premiums	235,573	938,600	77,712	148,078	0	1,399,963
Taxes, assessments & fees	0	47,252	0	0	0	47,252
Actuarial services	9,500	5,500	0	0	0	15,000
Miscellaneous program services	0	0	0	0	0	0
Workshops/training	7,928	9,137	6,684	704	6,101	30,554
Loss control	70,503	80,941	0	0	0	151,444
Reinsurance/excess recovery	(160,813)	(9,502)	0	0	0	(170,315)
Program committee	2,755	3,158	2,291	243	2,158	10,605
Dividend distributions	464,087	715,802	0	0	0	1,179,889
Total direct program expenses:	2,235,785	3,742,878	587,652	178,156	937,256	7,681,726
GENERAL & ADMINISTRATIVE EXPENSES:						
Financial audit	1,754	2,012	1,458	155	1,376	6,755
Executive committee & board expenses	170	195	141	15	133	653
JPA insurance	487	559	405	43	382	1,875
Memberships, associations & dues	21	24	17	2	16	79
Chancellor's office accounting services	9,946	11,408	8,264	878	7,801	38,296
Risk management expenses	20,420	23,423	16,967	1,802	16,016	78,627
Miscellaneous indirect services	779	906	662	69	573	2,989
Total general & administrative expenses:	33,576	38,526	27,913	2,963	26,296	129,275
Total operating expenses:	2,269,361	3,781,404	615,565	181,119	963,553	7,811,001
NON-OPERATING REVENUES:						
Investment income	112,827	164,727	24,762	4,584	55,566	362,466
Total non-operating revenues:	112,827	164,727	24,762	4,584	55,566	362,466
BEGINNING RETAINED EARNINGS	4,356,346	4,800,263	896,974	234,669	2,656,281	12,944,533
NET SURPLUS/(DEFICIT)	8,824	(396,880)	517,476	73,006	1,333,129	1,535,556
ENDING RETAINED EARNINGS	4,365,170	4,403,383	1,414,451	307,675	3,989,410	14,480,089

California State University Risk Management Authority
Income Statement - Miscellaneous Programs as of 3/31/2015

(Unaudited)

	Misc Purchased	OCIP	Club Sports	Total Misc Programs	Grand Total All Programs
OPERATING REVENUES:					
Contributions	304,721	5,813,332	197,863	6,315,916	72,286,547
Reinsurance premiums	0	0	0	0	(5,236,111)
Total operating revenues:	304,721	5,813,332	197,863	6,315,916	67,050,436
OPERATING EXPENSES:					
DIRECT PROGRAM EXPENSES:					
Claims payment & legal expenses	0	0	0	0	38,099,603
Deductible recoveries	0	0	0	0	(2,821,216)
Claims administrators	0	0	3,750	3,750	3,215,681
Claims management information system	0	0	0	0	25,072
Program administrator	0	227,083	0	227,083	1,900,795
Brokerage commissions	57,624	40,400	6,083	104,107	1,156,515
Insurance premiums	331,502	1,663,359	127,743	2,122,604	15,052,348
Taxes, assessments & fees	0	0	0	0	203,831
Actuarial services	0	0	0	0	27,750
Miscellaneous program services	0	0	0	0	4,805
Workshops/training	0	0	0	0	98,097
Loss control	0	0	0	0	305,060
Reinsurance/excess recovery	0	0	0	0	(4,033,699)
Program committee	0	0	0	0	13,051
Dividend distributions	0	0	0	0	9,857,407
Total direct program expenses:	389,126	1,930,842	137,576	2,457,544	63,105,100
GENERAL & ADMINISTRATIVE EXPENSES:					
Financial audit	0	2,808	90	2,898	43,000
Executive committee & board expenses	0	271	9	280	4,158
JPA insurance	0	779	25	804	11,936
Memberships, associations & dues	0	0	0	0	7,610
Chancellor's office accounting services	0	15,918	512	16,430	243,772
Risk management expenses	0	32,682	1,051	33,733	500,492
Miscellaneous indirect services	0	1,279	40	1,320	18,862
Total general & administrative expenses:	0	53,738	1,728	55,466	829,829
Total operating expenses:	389,126	1,984,581	139,303	2,513,010	63,934,929
NON-OPERATING REVENUES:					
Investment income	0	0	2,328	2,328	2,413,757
Total non-operating revenues:	0	0	2,328	2,328	2,413,757
BEGINNING RETAINED EARNINGS	58,051	(546,239)	88,437	(399,752)	60,735,760
NET SURPLUS/(DEFICIT)	(84,405)	3,828,751	60,887	3,805,234	5,529,265
ENDING RETAINED EARNINGS	(26,354)	3,282,512	149,324	3,405,482	66,265,025

California State University Risk Management Authority
Income Statement as of 3/31/2015
(Unaudited)

	Budget vs. Actual			Percent of Budget
	FY 2014/2015 Budget	Year-to-Date Ending 3/31/2015	Variance	
OPERATING REVENUES:				
Contributions	93,872,043	72,286,547	21,585,496	77.01%
Reinsurance premiums	(6,951,482)	(5,236,111)	(1,715,371)	75.32%
Total operating revenues:	86,920,561	67,050,436	19,870,125	77.14%
OPERATING EXPENSES:				
DIRECT PROGRAM EXPENSES:				
Claims payment & legal expenses	61,588,447	38,099,603	23,488,844	61.86%
Deductible recoveries	(4,050,000)	(2,821,216)	(1,228,784)	69.66%
Claims administrators	4,661,895	3,215,681	1,446,214	68.98%
Claims management information system	35,000	25,072	9,928	71.64%
Program administrator	2,449,686	1,900,795	548,891	77.59%
Brokerage commissions	1,334,227	1,156,515	177,712	86.68%
Insurance premiums	27,456,751	15,052,348	12,404,403	54.82%
Taxes, assessments & fees	263,003	203,831	59,172	77.50%
Actuarial services	26,000	27,750	(1,750)	106.73%
Claims audit	22,000	0	22,000	0.00%
Coverage counsel	16,000	0	16,000	0.00%
Program legal	2,500	0	2,500	0.00%
Miscellaneous program services	11,755	4,805	6,950	40.88%
Workshops/training	159,988	98,097	61,891	61.32%
Loss control	818,154	305,060	513,094	37.29%
Reinsurance/excess recovery	(7,401,949)	(4,033,699)	(3,368,250)	54.50%
Program committee	30,688	13,051	17,637	42.53%
Dividend distributions	10,501,251	9,857,407	643,844	93.87%
Total direct program expenses:	97,925,396	63,105,100	34,820,296	64.44%
GENERAL & ADMINISTRATIVE EXPENSES:				
Financial audit	48,000	43,000	5,000	89.58%
Executive committee & board expenses	34,000	4,158	29,842	12.23%
JPA insurance	27,500	11,936	15,564	43.40%
Memberships, associations & dues	7,450	7,610	(160)	102.15%
Chancellor's office accounting services	325,000	243,772	81,228	75.01%
Risk management expenses	935,000	500,492	434,508	53.53%
JPA legal	5,000	0	5,000	0.00%
Miscellaneous indirect services	15,000	18,862	(3,862)	125.75%
Total general & administrative expenses:	1,396,950	829,829	567,121	59.40%
Total operating expenses:	99,322,346	63,934,929	35,387,417	64.37%
NON-OPERATING REVENUES:				
Investment income	2,500,000	2,413,757	86,243	96.55%
Total non-operating revenues:	2,500,000	2,413,757	86,243	96.55%
NET SURPLUS/(DEFICIT)	(9,901,785)	5,529,265	(15,431,050)	(55.84)%



**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of
the California State University

Financial Statements

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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KPMG LLP
Suite 700
20 Pacifica
Irvine, CA 92618-3391

Independent Auditors' Report

The Board of Directors
California State University Risk Management Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the California State University Risk Management Authority (the Authority), a component unit of the California State University, which comprise the statements of net position as of June 30, 2014 and 2013, and the related statements of revenues, expenses, and changes in net position and statements of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California State University Risk Management Authority as of June 30, 2014 and 2013, and the changes in its net position and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information included in schedules 1 through 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Authority has not presented the management's discussion and analysis that U.S. generally accepted accounting principles require to supplement, although not required to be a part of, the basic financial statements.

KPMG LLP

Irvine, California
September 18, 2014

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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Statements of Net Position

June 30, 2014 and 2013

	2014	2013
Assets:		
Current assets:		
Cash and cash equivalents (note 3)	\$ —	263,000
Investments (note 3)	38,118,000	27,726,000
Accounts receivable (note 6)	294,000	290,000
Loans receivable from affiliates, current portion (note 4)	1,778,000	2,642,000
Interest receivable	8,000	3,000
Prepaid expenses	4,197,000	4,659,000
Reinsurance recoverable – workers' compensation	752,000	717,000
Total current assets	45,147,000	36,300,000
Noncurrent assets:		
Other long-term investments (note 3)	128,713,000	125,423,000
Loans receivable from affiliates, net of current portion (note 4)	3,228,000	5,500,000
Capital assets, net	—	12,000
Total assets	177,088,000	167,235,000
Liabilities:		
Current liabilities:		
Accounts payable	5,601,000	6,099,000
Unearned revenues	33,000	14,000
SELF assessment liability, current portion (note 8)	1,363,000	1,363,000
Claims liability for losses and loss adjustment expenses – current portion (note 5):		
Reported claims	19,214,000	17,033,000
Claims incurred but not reported	13,742,000	11,762,000
Total current liabilities	39,953,000	36,271,000
Noncurrent liabilities:		
SELF assessment liability, net of current portion (note 8)	10,906,000	12,269,000
Claims liability for losses and loss adjustment expenses – noncurrent portion (note 5)		
Reported claims	38,183,000	33,690,000
Claims incurred but not reported	27,310,000	23,264,000
Total liabilities	116,352,000	105,494,000
Net position:		
Unrestricted	60,736,000	61,741,000
Total net position	\$ 60,736,000	61,741,000

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY
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Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenues:		
Member contributions (note 6)	\$ 90,181,000	91,025,000
Reinsurance premiums (note 7)	<u>(11,626,000)</u>	<u>(3,005,000)</u>
Total operating revenues	<u>78,555,000</u>	<u>88,020,000</u>
Operating expenses:		
Claim losses and loss adjustment expenses (note 5)	53,198,000	43,417,000
Claims administration	8,004,000	7,286,000
Insurance premiums	10,949,000	22,959,000
Dividend distributions (note 6)	8,921,000	9,207,000
General and administrative	1,421,000	1,609,000
Miscellaneous services	<u>821,000</u>	<u>694,000</u>
Total operating expenses	<u>83,314,000</u>	<u>85,172,000</u>
Operating income (loss)	<u>(4,759,000)</u>	<u>2,848,000</u>
Nonoperating revenues:		
Investment income, net	3,663,000	464,000
Interest income from loans	<u>91,000</u>	<u>71,000</u>
Total nonoperating revenues	<u>3,754,000</u>	<u>535,000</u>
Change in net position	(1,005,000)	3,383,000
Net position, beginning of year	<u>61,741,000</u>	<u>58,358,000</u>
Net position, end of year	<u>\$ 60,736,000</u>	<u>61,741,000</u>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY
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Statements of Cash Flows

Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Receipts of member contributions	\$ 90,197,000	91,011,000
Payments to providers	(34,330,000)	(36,316,000)
Payments of claims	(40,533,000)	(33,576,000)
Dividend distribution to pool participants	(8,800,000)	(9,724,000)
	<u>6,534,000</u>	<u>11,395,000</u>
Net cash provided by operating activities		
Cash flows from noncapital and related financing activities:		
Payments received on loans to related entities	3,136,000	2,463,000
Loan interest income received	87,000	71,000
	<u>3,223,000</u>	<u>2,534,000</u>
Net cash provided by noncapital and related financing activities		
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	482,679,000	424,608,000
Purchases of investments	(495,149,000)	(441,251,000)
Investment income, net	3,663,000	464,000
Unrealized (gains) losses	(1,213,000)	2,513,000
	<u>(10,020,000)</u>	<u>(13,666,000)</u>
Net cash used in investing activities		
Net change in cash and cash equivalents	(263,000)	263,000
Cash and cash equivalents at beginning of year	263,000	—
Cash and cash equivalents at end of year	<u>\$ —</u>	<u>263,000</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ (4,759,000)	2,848,000
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	12,000	3,000
Changes in assets and liabilities:		
Decrease (increase) in prepaid expenses	462,000	(110,000)
Increase in accounts receivable	(4,000)	(28,000)
Decrease (increase) in reinsurance recoverable – workers' compensation	(35,000)	381,000
Decrease in accounts payable	(498,000)	(703,000)
Increase in unearned revenues	19,000	14,000
Decrease in SELF assessment liability	(1,363,000)	(470,000)
Increase in claims liability for losses and loss adjustment expenses	12,700,000	9,460,000
	<u>6,534,000</u>	<u>11,395,000</u>
Net cash provided by operating activities	<u>\$ 6,534,000</u>	<u>11,395,000</u>

See accompanying notes to financial statements.

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June 30, 2014 and 2013

(1) Organization

On January 1, 1997, the California State University (the CSU or University) and certain Auxiliary Organizations of the University established the California State University Risk Management Authority (the Authority) pursuant to the provisions of Section 6500 et seq. of the California Government Code (the Code). The Code authorizes the CSU and Auxiliary Organizations to establish and operate pooled coverage programs and to provide related services. The Authority provides entity risk pooling program of workers' compensation, general liability, industrial and nonindustrial disability, unemployment insurance coverage, property, construction, and other risk-related programs for its member organizations (the Members). The Members participating in the Authority's coverage programs at June 30, 2014 and 2013 are as follows:

<u>City Campus</u>	<u>Members</u>
Bakersfield	California State University, Bakersfield
Bakersfield	Associated Students, California State University, Bakersfield, Inc.
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs Administration
Bakersfield	California State University, Bakersfield Foundation
Bakersfield	California State University, Bakersfield Student Union, Inc.
Chancellor's Office	Office of the Chancellor
Chancellor's Office	California State University Foundation
Chancellor's Office	California State University Institute
Channel Islands	California State University, Channel Islands
Channel Islands	Associated Students of California State University, Channel Islands, Inc.
Channel Islands	California State University Channel Islands Foundation
Channel Islands	University Glen Corporation
Chico	California State University, Chico
Chico	Associated Students of California State University, Chico
Chico	Auxiliary Organization Associations
Chico	The CSU, Chico Research Foundation
Chico	The University Foundation, California State University, Chico
Dominguez Hills	California State University, Dominguez Hills
Dominguez Hills	Associated Students, California State University, Dominguez Hills
Dominguez Hills	California State University, Dominguez Hills Foundation
Dominguez Hills	Loker University Student Union, Incorporated
East Bay	California State University, East Bay
East Bay	Associated Students, California State University, East Bay
East Bay	Cal State East Bay Educational Foundation **
East Bay	California State University, East Bay Foundation, Inc.
Fresno	California State University, Fresno
Fresno	Associated Students, Inc. of California State University, Fresno
Fresno	California State University, Fresno Association, Inc.

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City Campus	Members
Fresno	California State University, Fresno Foundation
Fresno	CSU Fresno University Courtyard *
Fresno	Fresno State Programs for Children, Inc.
Fresno	The Agricultural Foundation of California State University, Fresno
Fresno	The California State University, Fresno Athletic Corporation
Fullerton	California State University, Fullerton
Fullerton	Associated Students, California State University, Fullerton, Inc.
Fullerton	Cal State Fullerton Philanthropic Foundation
Fullerton	CSU Fullerton Auxiliary Services Corporation
Fullerton	CSU Fullerton Housing Authority *
Humboldt	Humboldt State University
Humboldt	Associated Students, Humboldt State University
Humboldt	Humboldt State University Advancement Foundation
Humboldt	Humboldt State University Center Board of Directors
Humboldt	Humboldt State University Sponsored Programs Foundation
Long Beach	California State University, Long Beach
Long Beach	Associated Students, California State University, Long Beach
Long Beach	California State University, Long Beach Research Foundation
Long Beach	CSULB 49er Foundation
Long Beach	Forty-Niner Shops, Inc., CSU Long Beach
Los Angeles	California State University, Los Angeles
Los Angeles	Associated Students, California State University, Los Angeles, Inc.
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
Los Angeles	California State University, Los Angeles Foundation
Los Angeles	University-Student Union Board, California State University, Los Angeles
Maritime Academy	California Maritime Academy
Maritime Academy	California Maritime Academy Foundation, Inc.
Maritime Academy	The Associated Students of the California Maritime Academy
Monterey Bay	California State University, Monterey Bay
Monterey Bay	Foundation of California State University, Monterey Bay
Monterey Bay	The University Corporation at Monterey Bay
Northridge	California State University, Northridge
Northridge	Associated Students, California State University, Northridge, Inc.
Northridge	California State University, Northridge Foundation
Northridge	North Campus University Park Development Corporation
Northridge	The University Corporation, CSU Northridge
Northridge	University Student Union of California State University, Northridge
Pomona	California State Polytechnic University, Pomona
Pomona	Associated Students Inc., California State Polytechnic University, Pomona

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<u>City Campus</u>	<u>Members</u>
Pomona	The Cal Poly Pomona Foundation, Inc.
Sacramento	California State University, Sacramento
Sacramento	Associated Students of California State University, Sacramento
Sacramento	Capital Public Radio, Inc., CSU Sacramento
Sacramento	The University Foundation at Sacramento State
Sacramento	University Enterprises, Inc., CSU Sacramento
Sacramento	University Union Operation of CSUS, Inc.
San Bernardino	California State University, San Bernardino
San Bernardino	Associated Students Inc., California State University, San Bernardino
San Bernardino	CSUSB Philanthropic Foundation
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
San Bernardino	University Enterprises Corporation at CSUSB
San Diego	San Diego State University
San Diego	Associated Students, San Diego State University
San Diego	Aztec Shops, Ltd., San Diego State University
San Diego	San Diego State University Research Foundation
San Diego	The Campanile Foundation
San Francisco	San Francisco State University
San Francisco	Associated Students, Inc., San Francisco State University
San Francisco	Cesar Chavez Student Center, San Francisco State University *
San Francisco	San Francisco State University Foundation
San Francisco	The University Corporation, San Francisco State
San Jose	San Jose State University
San Jose	Associated Student, San Jose State University
San Jose	San Jose State University Research Foundation
San Jose	Spartan Shops, Inc., San Jose State University
San Jose	The Student Union of San Jose State University
San Jose	The Tower Foundation, San Jose State University
San Luis Obispo	California Polytechnic State University, San Luis Obispo
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
San Luis Obispo	Cal Poly Corporation
San Luis Obispo	California Polytechnic State University Foundation
San Marcos	California State University, San Marcos
San Marcos	California State University San Marcos Foundation
San Marcos	San Marcos University Corporation
San Marcos	The Associated Students of California State University, San Marcos
San Marcos	University Auxiliary and Research Services Corporation
Sonoma	Sonoma State University

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<u>City Campus</u>	<u>Members</u>
Sonoma	Associated Students of Sonoma State University
Sonoma	Sonoma State Enterprises, Inc.
Sonoma	Sonoma State University Academic Foundation, Inc.
Stanislaus	California State University, Stanislaus
Stanislaus	Associated Students, Inc., California State University, Stanislaus
Stanislaus	California State University, Stanislaus Auxiliary and Business Services
Stanislaus	California State University, Stanislaus Foundation
Stanislaus	University Student Union of California State University, Stanislaus

* Members in fiscal year 2013 who exited in fiscal year 2014

** Member who started in fiscal year 2014

The accompanying financial statements are also included in the California State University financial statements.

The Authority is managed by a board of directors, which is composed of 30 directors appointed by the CSU Executive Vice Chancellor, Business and Finance, and 10 directors elected by the Auxiliary Organizations, which are members of the Authority. The Executive Vice Chancellor may also appoint alternate representatives who shall serve in the absence of the primary representatives. Directors elected by the Auxiliary Organizations serve subject to terms and conditions adopted by the Auxiliary Organizations for election and replacement of the same. Each director of the Authority must be an officer, director, or employee of the University or an Auxiliary Organization.

The Authority assumed the losses of the University's risk pool on January 1, 1997 (inception date) in exchange for a commitment from the University to fund incurred losses. In addition, the University has made the commitment to provide sufficient cash flows to the Authority to meet its operating needs.

All post development costs of the Authority's programs are funded by annual premiums charged to the Members participating in the program each policy year and by interest earnings on the accumulated funds. Premiums are based on a cost allocation plan and rating formula developed by the Authority with the assistance of an actuary, risk management consultant, and other qualified persons. The premium for each Member participating in the shared risk programs includes Member's share of expected program losses, program reinsurance costs, and program administrative costs for the year. If the Authority experiences unusually large losses in one of the aforementioned programs during a policy year, those pooled funds for the program may be exhausted or depleted before the next annual premiums are due, the board of directors may, upon consultation with an actuary, impose assessments on all participating Members in the respective program, which, in total amount, will assure adequate funds to the Authority for the payment of all incurred losses.

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The Authority coordinates the claims process in conjunction with various agencies actually processing the claims. These agencies include the State of California Attorney General's Office (AG), Sedgwick Claims Management Services, Inc. (Sedgwick), Carl Warren & Company, CSU's Office of General Counsel, the State of California's Victim Compensation and Government Claims Board, Alliant Insurance Services (Alliant), the CSU Office of the Chancellor, and the 23 CSU campuses. Sedgwick is the third-party administrator (TPA) for all workers' compensation claims involving campuses and auxiliary organizations. Carl Warren & Company is the TPA for auxiliary organization liability claims. AG Administrator is the TPA for Athletic Injury Medical Expense (AIME) and Club Sports Insurance Program (CSIP) claims. Alliant administers all entity risk pooling programs provided by the Authority.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements for the Authority have been prepared under the standards promulgated by the Governmental Accounting Standards Board (GASB) using the accrual basis of accounting and economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows. The Authority is considered a special-purpose government. The Authority records revenues primarily from fees collected from the campuses and auxiliary organizations and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for the Authority to be reported in a single column in each of the financial statements.

(b) Classification of Current and Noncurrent Assets (Other than Investments) and Liabilities

The Authority considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statements of net position date. Liabilities that can be reasonably expected, as part of normal Authority's business operations, to be liquidated within 12 months of the statements of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent. For classification of current and noncurrent investments, refer to paragraph (d).

(c) Cash and Cash Equivalents and Statements of Cash Flows

The Authority considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The Authority considers amounts included in the Morgan Stanley Smith Barney fixed income securities and CSU Consolidated Investment Pool to be investments. Certain transactions recorded as revenue or expenses in the accompanying statements of revenues, expenses and changes in net position include transactions between entities that are also

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participants in the Investment Pool. The Authority considers changes in the respective participants' equity in the Investment Pool resulting from these transactions to represent cash flows of the Authority in the accompanying statements of cash flows.

(d) Investments

Investments are reflected at fair value using quoted market prices. Realized and unrealized gains and losses are included in the accompanying statement of revenues, expenses, and changes in net position as a component of investment income, net.

Investments that are used for current operations are classified as short-term investments. Investments that are restricted for withdrawal or use for other than current operations, designated or restricted for the acquisition or construction of noncurrent assets, designated or restricted for the liquidation of the noncurrent portion of long-term debt, or restricted as to the liquidity of the investments are classified as other long-term investments.

(e) Accounts Receivable

Accounts receivable represents amounts due from the Members as of June 30, 2014 and 2013.

(f) Capital Assets

Capital assets with an original value of \$5,000 or more and with a useful life of one year or more are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

(g) Reinsurance Recoverable

Reinsurance recoverable represents estimated amounts due from reinsurers, who reinsured the CSU's workers' compensation claims liability for claims incurred during the fiscal year. The reported amounts represent recoverable estimates related to paid claims and claim adjustment expenses as of June 30, 2014 and 2013. The estimated amounts recoverable from the reinsurer that are related to the liabilities for unpaid claims and claim adjustment expenses are deducted from those claims liabilities for losses and loss adjustment expenses; refer to paragraph (i).

(h) Member Contributions

The Authority reports contributions in the statements of revenues, expenses, and changes in net position for those revenues received from its Members. The contribution calculation for the campuses is based on program funding policies and procedures, and a rating plan to meet their pro rata share of the anticipated claims liabilities for losses and loss adjustment expenses. The contribution calculation for auxiliary organizations is based on various rating plans, such as the actuary's projections and loss rates. Contributions are recorded as revenues for the policy year in which coverage is provided.

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(i) *Claims Liability for Losses and Loss Adjustment Expenses*

The claims liability for losses and loss adjustment expenses included in the accompanying financial statements reflects the estimated ultimate cost of settling claims relating to events that have occurred on or before June 30, 2014 and 2013. The liability includes the estimated amount that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not been reported. The liability is also reduced by estimated amounts recoverable from the reinsurer that are related to the liabilities for unpaid claims and claim adjustment expenses. The liability is estimated through an actuarial calculation using individual case basis valuations and statistical analyses. The liability is not discounted.

Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made.

In the estimate of the unpaid losses and loss adjustment expenses, the Authority has employed methods and assumptions they considered reasonable and appropriate given the information currently available. Given the inherent uncertainty in the nature of such estimates, future losses may deviate from those estimates.

(j) *Dividend Distributions*

The Authority reports dividends in the statements of revenues, expenses, and changes in net position for the return of contributions to the Members. The dividends to CSU campuses are based on the review of the funding status report by the Executive Committee and are distributed to each Member by their pro rata contributions over the past five completed fiscal years. Dividends to any participating auxiliary organization are calculated and distributed in accordance with the Dividends and Assessment Policy. Dividend distributions are accrued, as dividend expense, once they are approved and declared by the Executive Committee and Auxiliary Organizations Risk Management Alliance (AORMA) Committee.

(k) *Net Position*

The Authority's net position is classified as unrestricted. Unrestricted net position may be designated for use by the Authority. The Authority has adopted a policy of utilizing restricted funds, when available, prior to unrestricted funds.

(l) *Classification of Revenues and Expenses*

The Authority considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or other activities that are connected directly to the Authority's primary functions. Certain other transactions are reported as nonoperating revenues and expenses in accordance with

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GASB requirements. These nonoperating activities include the Authority's net investment income and interest income from loans.

(m) *Income Taxes*

The Authority was formed pursuant to California Government Code Section 6500 et seq. and, as a governmental entity, is not subject to federal or state income taxes under §115 of the Internal Revenue Code of 1986.

(n) *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(o) *New Accounting Pronouncements*

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective for the Authority's fiscal year beginning July 1, 2014. This Statement revises existing standards for measuring and reporting pension liabilities for pension plans provided by the Authority to its employees. This statement requires recognition of a liability equal to the net pension liability, which is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. The Authority is evaluating the effect that Statement No. 68 will have on its financial statements.

(p) *Reclassification*

Certain reclassifications have been made in the financial statements to conform 2013 information to 2014 presentation.

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(3) Cash and Cash Equivalents, Investments, and Investments Income, net

The Authority's cash, cash equivalents, and investments as of June 30, 2014 and 2013 are classified in the accompanying statements of net position as follows:

	2014	2013
Cash and cash equivalents	\$ —	263,000
Total cash and cash equivalents	\$ —	263,000
Short-term investments	\$ 38,118,000	27,726,000
Other long-term investments	128,713,000	125,423,000
Total investments	\$ 166,831,000	153,149,000

(a) Cash and Cash Equivalents

The Authority maintains centralized management for substantially all of its cash and cash equivalents. Cash in demand deposit accounts is minimized by sweeping available cash balances into the CSU Consolidated Investment Pool on a daily basis.

At June 30, 2014, there is no cash or cash equivalents. The carrying amount of the Authority's cash in demand deposit accounts is \$193,000 at June 30, 2014. Outstanding checks and cash awaiting investment are the primary differences. At June 30, 2013, total cash and cash equivalents was \$263,000.

(b) Custodial Credit Risk for Deposits

Custodial credit risk is the risk that in the event of the failure of the custodian, deposits may not be returned to the Authority. The Authority's deposits are maintained at financial institutions that are FDIC insured. As a result, custodial credit risk for deposits is remote.

(c) Investments

At June 30, 2014 and 2013, the Authority's investment portfolio consists of investments held in the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities. Separate accounting is maintained as to the amounts allocable to the various funds and programs.

(d) Custodial Credit Risk for Investments

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned to the Authority. Substantially all of the Authority's securities are registered in the Authority's name by the custodial bank as an agent for the Authority. As a result, custodial credit risk for investments is remote.

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(e) Investment Policy

State law and regulations require that surplus monies of the Authority must be invested. The primary objective of the Authority's investment policy is to safeguard the principal. The secondary objective is to meet the liquidity needs of the Authority. The third objective is to return an acceptable yield.

The Authority's investment policy authorizes funds held in local trust accounts under Education Code Sections 89721 and 89724 to be invested in any of the securities authorized by Government Code Section 16430 and 53601 and Education Code Section 89724, subject to certain limitations. In general, the Authority's investment policy permits investments in obligations of the federal and California state governments, certificates of deposit, high quality domestic corporate and fixed income securities and certain other investment instruments.

(f) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Authority's investment guidelines manage interest rate risk. The guidelines include limits on the maximum effective maturity of any individual investment and the average duration of the portfolio. The effective maturity date reflects a bond with features such as a call, put, or reset date, and prepayment speed resulting in the maturity of a bond being less than the final maturity date. Duration is a measure of the sensitivity of the price of fixed income investment relative to changes in interest rates. The Authority also manages its exposure to interest rate risk by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity evenly over time as necessary to provide cash flow and liquidity needed for operations. Weighted average maturity is the average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount of the asset. The occurrence of interest rate risk is remote because of these risk mitigations.

(g) Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

By law, Authority invests in low credit risk securities such as: U.S. government securities; securities of federally-sponsored agencies; highly rated domestic corporate bonds; prime-rated commercial paper, repurchase and reverse repurchase agreements; banker's acceptances; and negotiable certificates of deposit. Therefore, occurrence of credit risk is remote.

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The following table represents the fair value, weighted average maturity, and actual rating by investment type of the Authority's allocated share of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities as of June 30, 2014:

Investment type	Fair value	Weighted average maturity (in years)	Rating as of year-end					Not rated
			AAA	AA	A	BBB	BB	
Money market	\$ 4,095,000	—	\$ —	—	—	—	—	4,095,000
Repurchase agreements	31,000	—	—	—	28,000	—	—	3,000
Certificates of deposit	2,500,000	0.65	—	251,000	2,249,000	—	—	—
Commercial paper	51,000	0.03	—	—	51,000	—	—	—
U.S. agency securities	55,441,000	1.98	—	22,598,000	32,843,000	—	—	—
Municipal securities	5,696,000	6.03	—	3,733,000	1,530,000	433,000	—	—
Corporate and fixed income securities	41,560,000	5.61	9,078,000	6,611,000	16,748,000	8,645,000	478,000	—
International government	1,271,000	9.22	—	1,271,000	—	—	—	—
Mortgage-backed securities	16,118,000	23.84	—	16,118,000	—	—	—	—
Total	126,763,000		\$ 9,078,000	50,582,000	53,449,000	9,078,000	478,000	4,098,000
Not subject to rating:								
U.S. Treasury securities	40,068,000	3.24						
Total investments	\$ 166,831,000							

The following table represents the fair value, weighted average maturity, and actual rating by investment type of the Authority's allocated share of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities as of June 30, 2013:

Investment type	Fair value	Weighted average maturity (in years)	Rating as of year-end					Not rated
			AAA	AA	A	BBB	BB	
Money market	\$ 3,359,000	—	\$ —	—	—	—	—	3,359,000
Repurchase agreements	244,000	—	—	—	242,000	—	—	2,000
Certificates of deposit	2,898,000	0.38	—	92,000	2,806,000	—	—	—
Commercial paper	272,000	0.20	—	—	272,000	—	—	—
U.S. agency securities	44,688,000	3.03	13,923,000	30,765,000	—	—	—	—
Municipal securities	4,748,000	10.44	—	2,774,000	1,974,000	—	—	—
Corporate and fixed income securities	38,401,000	5.63	3,669,000	11,615,000	15,481,000	6,953,000	683,000	—
International government	1,266,000	10.22	—	1,266,000	—	—	—	—
Mortgage-backed securities	22,155,000	21.61	—	22,060,000	95,000	—	—	—
Total	118,031,000		\$ 17,592,000	68,572,000	20,870,000	6,953,000	683,000	3,361,000
Not subject to rating:								
U.S. Treasury securities	35,118,000	1.78						
Total investments	\$ 153,149,000							

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(h) Concentration of Credit Risk

Concentration of credit risk rises as investments become concentrated relative to a portfolio characteristic such as issuance, issuer, market sector, counter-party, or sovereign nation and is best mitigated by diversification. The Authority's investment policy has concentration limits that provide sufficient diversification. Therefore, the occurrence of concentration of credit risk is remote.

As of June 30, 2014, the following investments of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities (other than U.S. Treasury securities, mutual funds, and external investment pools) represented 5% or more of the Authority's total investment portfolio: Federal National Mortgage Association (Fannie Mae), which totaled \$17,452,000 (10%), Federal Home Loan Mortgage Corporation (Freddie Mac), which totaled \$11,660,000 (7%), and Federal Home Loan Banks Office of Finance, which totaled \$32,439,000 (19%). As of June 30, 2013, the following investments of the CSU Consolidated Investment Pool and Morgan Stanley Smith Barney fixed income securities (other than U.S. Treasury securities, mutual funds, and external investment pools) represented 5% or more of the Authority's total investment portfolio: Federal National Mortgage Association (Fannie Mae), which totaled \$25,502,000 (17%), Federal Home Loan Mortgage Corporation (Freddie Mac), which totaled \$17,759,000 (12%), and Federal Home Loan Banks Office of Finance, which totaled \$15,500,000 (10%).

(i) Risks and Uncertainties

The Authority may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net position.

The Authority invests in securities with contractual cash flows, such as asset-backed securities and mortgage-backed securities. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

(j) Investment Income, net

Investment income, net, included within statements of revenues, expenses, and changes in net position is comprised of unrealized gains of \$1,213,000, realized gains of \$428,000, and interest and dividend income of \$2,022,000 as of June 30, 2014. Investment income, net included within statements of revenues, expenses, and changes in net position is comprised of unrealized losses of (\$2,513,000), realized gains of \$613,000, and interest and dividend income of \$2,364,000 as of June 30, 2013.

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(4) Loans Receivable from Affiliates

In May 2010, the Authority entered into a loan agreement with California State University, Northridge in the amount of \$5,000,000. The nonamortizing loan term is for a 5-year period with interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The maturity date of the loan is June 1, 2015.

In November 2008, the Authority entered into a loan agreement with California State University, Fresno, in the amount of \$4,500,000. The loan term is for a 5-year period that amortizes based on a 20-year amortization schedule, with principal and interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The initial maturity date of the loan was October 31, 2013. On September 12, 2013, Executive Members approved California State University, Fresno's loan extension request in the amount of \$2,542,000 for additional 5 years. The new extended maturity date of the loan is September 30, 2018.

In August 2008, the Authority entered into a loan agreement with Humboldt State University Advancement Foundation in the amount of \$2,535,000. The loan is nonamortizing, with interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The initial maturity date of the loan was October 31, 2013. On December 6, 2012, Executive Members approved Humboldt State University Advancement Foundation's loan extension request for an additional 5 years in the amount of \$2,000,000. The new extended maturity date of the loan is October 31, 2017.

In May 2014, the Authority entered into a line-of-credit agreement with California State University, Sacramento in the amount of \$4,000,000. The line of credit will be available for a 5-year period with principal and interest due and payable quarterly, payable 30 days following the end of each calendar quarter. The interest rate is equal to the stated CSU Consolidated Investment Pool rate of return earned by the Authority (0.048% at June 30, 2014). The maturity date of the line of credit is June 1, 2019. As of June 30, 2014, no funds have been borrowed from this line of credit.

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The following table summarizes the Authority's loans receivable from affiliates as of June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
California State University, Northridge	\$ 1,514,000	3,500,000
California State University, Fresno	1,492,000	2,642,000
Humboldt State University Advancement Foundation	<u>2,000,000</u>	<u>2,000,000</u>
Total loans receivable from affiliates	5,006,000	8,142,000
Less current portion	<u>(1,778,000)</u>	<u>(2,642,000)</u>
Loans receivable from affiliates, net of current portion	<u>\$ 3,228,000</u>	<u>5,500,000</u>

(5) Claims Liability for Losses and Loss Adjustment Expenses

The Authority establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related loss adjustment expenses. Although considerable variability is inherent in such estimates, management believes that the liability is reasonable at June 30, 2014 and 2013.

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Changes in the Authority's claims liability for the years ended June 30, 2014 and 2013 are as follows:

Claims liability for losses and loss adjustment expenses, June 30, 2012	\$ 76,289,000
Incurred claims for losses and loss adjustment expenses:	
Provision for insured events of the current year-end	59,095,000
Decrease in provision for insured events of prior year-end	<u>(15,678,000)</u>
Total incurred claims for losses and loss adjustment expenses	<u>43,417,000</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of the current year-end	(23,031,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of the current year-end	11,631,000
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(22,557,000)</u>
Total payments	<u>(33,957,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2013	85,749,000
Incurred claims for losses and loss adjustment expenses:	
Provision for insured events of the current year-end	59,313,000
Decrease in provision for insured events of prior year-end	<u>(6,115,000)</u>
Total incurred claims for losses and loss adjustment expenses	<u>53,198,000</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of the current year-end	(20,672,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of the current year-end	7,653,000
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(27,479,000)</u>
Total payments	<u>(40,498,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2014	98,449,000
Less current portion	<u>(32,956,000)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2014, net of current portion	<u>\$ 65,493,000</u>

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(6) Related-Party Transactions

The following represents a summary of the accounts receivable, contributions (premiums), dividends distribution, for the years ended June 30, 2014 and 2013, and general liability insurance deductibles for the policy period detailed by campus:

June 30, 2014				
Members	Accounts receivable	Contributions for the fiscal year	Dividend distribution	General liability insurance deductibles per occurrence
Bakersfield	\$ —	1,384,000	(209,000)	35,000
California Maritime Academy	—	475,000	(59,000)	35,000
Channel Islands	—	1,440,000	(108,000)	35,000
Chico	—	2,489,000	(307,000)	100,000
Chancellor's Office	—	8,078,000	(123,000)	100,000
Dominguez Hills	—	2,426,000	(320,000)	100,000
East Bay	—	2,686,000	(153,000)	500,000
Fresno	—	4,231,000	(785,000)	250,000
Fullerton	—	3,679,000	(304,000)	250,000
Humboldt	—	2,087,000	(296,000)	35,000
Long Beach	—	5,030,000	(608,000)	250,000
Los Angeles	—	3,349,000	(299,000)	250,000
Monterey Bay	—	1,322,000	(216,000)	35,000
Northridge	—	4,330,000	(320,000)	500,000
Pomona	—	3,571,000	(281,000)	250,000
Sacramento	—	3,578,000	(281,000)	250,000
San Bernardino	—	2,550,000	(342,000)	50,000
San Diego	—	4,662,000	(299,000)	900,000
San Francisco	—	4,586,000	(533,000)	500,000
San Jose	—	4,590,000	(346,000)	500,000
San Luis Obispo	—	3,698,000	(233,000)	250,000
San Marcos	—	1,411,000	(319,000)	50,000
Sonoma	—	2,021,000	(230,000)	100,000
Stanislaus	—	1,658,000	(126,000)	35,000
Auxiliary Organizations	294,000	14,850,000	(1,824,000)	—
	\$ 294,000	90,181,000	(8,921,000)	

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June 30, 2013				
Members	Accounts receivable	Contributions for the fiscal year	Dividend distribution	General liability insurance deductibles per occurrence
Bakersfield	\$ —	1,436,000	(122,000)	35,000
California Maritime Academy	—	491,000	(136,000)	35,000
Channel Islands	—	1,377,000	(122,000)	35,000
Chico	—	2,600,000	(220,000)	100,000
Chancellor's Office	—	5,251,000	(135,000)	100,000
Dominguez Hills	—	2,537,000	(262,000)	100,000
East Bay	—	2,862,000	(361,000)	500,000
Fresno	—	4,403,000	(325,000)	250,000
Fullerton	—	3,842,000	(396,000)	250,000
Humboldt	—	2,298,000	(240,000)	35,000
Long Beach	—	5,466,000	(461,000)	250,000
Los Angeles	—	3,613,000	(469,000)	250,000
Monterey Bay	—	1,357,000	(96,000)	35,000
Northridge	—	4,675,000	(481,000)	500,000
Pomona	—	3,450,000	(466,000)	250,000
Sacramento	—	3,641,000	(361,000)	250,000
San Bernardino	—	2,584,000	(274,000)	50,000
San Diego	—	4,937,000	(497,000)	900,000
San Francisco	—	5,316,000	(578,000)	500,000
San Jose	—	4,874,000	(470,000)	500,000
San Luis Obispo	—	3,852,000	(482,000)	250,000
San Marcos	—	1,528,000	(194,000)	50,000
Sonoma	—	2,303,000	(192,000)	100,000
Stanislaus	—	1,638,000	(165,000)	35,000
Auxiliary Organizations	290,000	14,694,000	(1,702,000)	—
	<u>\$ 290,000</u>	<u>91,025,000</u>	<u>(9,207,000)</u>	

(7) Excess Insurance and Reinsurance

(a) Excess Insurance

For the years ended June 30, 2014 and 2013, the Authority purchased excess insurance to protect the Members from catastrophic losses. The Authority maintained excess public entity liability insurance coverage provided by School Excess Liability Fund (SELF), a Joint Power Authority, with coverage for individual claims above \$5,000,000 and up to \$45,000,000 per occurrence until December 2009.

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The Authority maintained excess general liability insurance coverage provided by Ironshore Specialty Insurance Company and other various insurers with coverage for individual claims above \$5,000,000 up to \$200,000,000 per occurrence. The Authority purchased excess workers compensation insurance provided by the Safety National to statutory limits in excess of the \$2,500,000 self-insured retention for fiscal years 2014 and 2013. For the AORMA workers' compensation program, the Authority purchased excess workers' compensation insurance provided by Safety National for fiscal years 2014 and 2013 to statutory limit in excess of \$500,000 self-insured retention. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

(b) Reinsurance

For the years ended June 30, 2014 and 2013, the Authority did not enter into the CSU's workers' compensation reinsurance contract. The Authority paid \$2,015,000 of reinsurance premiums during fiscal year 2013. The payment made during fiscal year 2013 was related to a true-up adjustment relating to policy year ended June 30, 2012. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

While such losses are reinsured, the Authority will not be relieved of its primary obligations to the policyholder in the reinsurance transaction. The estimated amounts that are recoverable from the reinsurer and that reduce the liabilities as of June 30, 2014 and 2013 for unpaid claims and claim adjustment expenses are \$6,046,000 and \$7,840,000, respectively.

The Authority purchased reinsurance for the campus and AORMA liability programs provided by the General Reinsurance Corporation for fiscal years 2014 and 2013. This transaction reinsured the AORMA claims liability for individual claims incurred in excess of \$350,000 and up to \$5,000,000 per occurrence. The Authority paid \$990,000 of reinsurance premium for fiscal year 2014 and 2013. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

The Authority purchased reinsurance for the campus and AORMA property programs provided by the Public Entity Property Insurance Program (PEPIP) for fiscal year 2014. This transaction reinsured campus and AORMA property programs for individual claims in excess of \$100,000 for AORMA program and \$1,000,000 for campus program and up to \$1,000,000,000 per occurrence. The Authority paid \$10,636,000 of reinsurance premium for the current year. The coverage terms and conditions are the same as provided by the PEPIP in prior years.

(8) SELF Assessment Liability

Prior to July 1, 2004, the Authority maintained excess workers' compensation insurance coverage provided by SELF, a public entity risk pool. The Authority remains liable for assessments from SELF in settlement of claims incurred prior to July 1, 2004. The assessment liability as of June 30, 2014 and 2013 is \$12,269,000 and \$13,632,000, respectively.

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(9) Subsequent Event

Subsequent events have been evaluated through September 18, 2014, which corresponds to the date when the financial statements were issued. There are no subsequent events that require disclosure.

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Supplementary Information

(Unaudited)

Reconciliation of Workers' Compensation Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's Workers' Compensation contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 54,567,000	40,227,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	27,757,000	25,372,000
Decrease in provision for insured events of prior fiscal years	<u>(5,615,000)</u>	<u>(5,372,000)</u>
Total incurred claims and claim adjustment expenses	<u>22,142,000</u>	<u>20,000,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(3,187,000)	(2,976,000)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	7,653,000	11,632,000
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(15,874,000)</u>	<u>(14,316,000)</u>
Total payments	<u>(11,408,000)</u>	<u>(5,660,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>65,301,000</u>	<u>54,567,000</u>

See accompanying independent auditors' report.

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Reconciliation of General Liability Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's General Liability contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 18,044,000	23,570,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	8,197,000	8,055,000
Decrease in provision for insured events of prior fiscal years	<u>(628,000)</u>	<u>(9,339,000)</u>
Total incurred claims and claim adjustment expenses	<u>7,569,000</u>	<u>(1,284,000)</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	—	—
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(6,575,000)</u>	<u>(4,242,000)</u>
Total payments	<u>(6,575,000)</u>	<u>(4,242,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ 19,038,000</u>	<u>18,044,000</u>

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**Reconciliation of Industrial Disability, Nonindustrial Disability, and Unemployment
Insurance (IDL/NDL/UI) Claims Liabilities**

The schedule below presents the changes in claims liabilities for the Authority's IDL/NDL/UI contracts for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>12,793,000</u>	<u>13,530,000</u>
Total incurred claims and claim adjustment expenses	<u>12,793,000</u>	<u>13,530,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(12,793,000)</u>	<u>(13,530,000)</u>
Total payments	<u>(12,793,000)</u>	<u>(13,530,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

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Reconciliation of Property Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's Property contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>1,269,000</u>	<u>1,323,000</u>
Total incurred claims and claim adjustment expenses	<u>1,269,000</u>	<u>1,323,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(1,269,000)</u>	<u>(1,323,000)</u>
Total payments	<u>(1,269,000)</u>	<u>(1,323,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

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Supplementary Information

(Unaudited)

Reconciliation of Athletic Injury Medical Expense (AIME) Claims Liabilities

The schedule below presents the changes in claims liabilities for the Authority's AIME contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 2,056,000	2,042,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	2,870,000	3,237,000
Decrease in provision for insured events of prior fiscal years	<u>—</u>	<u>(192,000)</u>
Total incurred claims and claim adjustment expenses	<u>2,870,000</u>	<u>3,045,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(1,348,000)	(1,616,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(1,666,000)</u>	<u>(1,415,000)</u>
Total payments	<u>(3,014,000)</u>	<u>(3,031,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>1,912,000</u>	<u>2,056,000</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Workers' Compensation Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Workers' Compensation contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 8,219,000	7,882,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	2,831,000	2,962,000
Increase (decrease) in provision for insured events of prior fiscal years	<u>303,000</u>	<u>(823,000)</u>
Total incurred claims and claim adjustment expenses	<u>3,134,000</u>	<u>2,139,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(259,000)	(372,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(2,024,000)</u>	<u>(1,430,000)</u>
Total payments	<u>(2,283,000)</u>	<u>(1,802,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ 9,070,000</u>	<u>8,219,000</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA General Liability Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA General Liability contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ 2,863,000	2,568,000
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	1,895,000	1,468,000
Increase (decrease) in provision for insured events of prior fiscal years	<u>(175,000)</u>	<u>48,000</u>
Total incurred claims and claim adjustment expenses	<u>1,720,000</u>	<u>1,516,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(115,000)	(67,000)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(1,340,000)</u>	<u>(1,154,000)</u>
Total payments	<u>(1,455,000)</u>	<u>(1,221,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u><u>3,128,000</u></u>	<u><u>2,863,000</u></u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Property Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Property contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>210,000</u>	<u>69,000</u>
Total incurred claims and claim adjustment expenses	<u>210,000</u>	<u>69,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(210,000)</u>	<u>(69,000)</u>
Total payments	<u>(210,000)</u>	<u>(69,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Crime Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA Crime contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	—	20,000
Total incurred claims and claim adjustment expenses	<u>—</u>	<u>20,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	—	(20,000)
Total payments	<u>—</u>	<u>(20,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ —</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Supplementary Information

(Unaudited)

Reconciliation of AORMA Unemployment Insurance Program (UIP) Claims Liabilities

The schedule below presents the changes in claims liabilities for the AORMA UIP contract for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Claims liability for losses and loss adjustment expenses, beginning of year	\$ —	—
Incurred claims and claim adjustment expenses:		
Provision for insured events of current fiscal year	<u>1,491,000</u>	<u>3,059,000</u>
Total incurred claims and claim adjustment expenses	<u>1,491,000</u>	<u>3,059,000</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(1,491,000)</u>	<u>(3,059,000)</u>
Total payments	<u>(1,491,000)</u>	<u>(3,059,000)</u>
Claims liability for losses and loss adjustment expenses, end of year	\$ <u>—</u>	<u>—</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Schedule of Net Position

June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Assets:

Current assets:

Short-term investments	\$ 38,117,842
Accounts receivable, net	1,052,885
Notes receivable, current portion	1,778,365
Prepaid expenses and other assets	<u>4,197,464</u>
Total current assets	<u>45,146,556</u>

Noncurrent assets:

Notes receivable, net of current portion	3,228,215
Other long-term investments	<u>128,712,851</u>
Total noncurrent assets	<u>131,941,066</u>
Total assets	<u>177,087,622</u>

Liabilities:

Current liabilities:

Accounts payable	\$ 6,963,876
Unearned revenue	33,305
Claims liability for losses and LAE – current portion	<u>32,956,274</u>
Total current liabilities	<u>39,953,455</u>

Noncurrent liabilities:

Claims liability for losses and LAE, net of current portion	65,492,757
Other liabilities	<u>10,905,650</u>
Total noncurrent liabilities	<u>76,398,407</u>
Total liabilities	<u>116,351,862</u>

Net position:

Unrestricted	<u>60,735,760</u>
Total net position	<u>\$ 60,735,760</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Schedule of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Revenues:	
Operating revenues:	
Other operating revenues	\$ 78,555,250
Total operating revenues	<u>78,555,250</u>
Expenses:	
Operating expenses:	
Instruction	12,636,790
Research	159,530
Public service	237,056
Academic support	2,842,420
Student services	2,921,339
Institutional support	53,183,573
Operation and maintenance of plant	1,803,834
Auxiliary enterprise expenses	606,713
Depreciation and amortization	1,254
Total operating expenses	<u>74,392,509</u>
Operating income	<u>4,162,741</u>
Nonoperating revenues (expenses):	
Investment income, net	3,753,331
Other nonoperating expenses	<u>(8,921,245)</u>
Net nonoperating expenses	<u>(5,167,914)</u>
Decrease in net position	<u>(1,005,173)</u>
Net position:	
Net position, beginning of year	<u>61,740,933</u>
Net position, end of year	<u>\$ 60,735,760</u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2014

(for inclusion in the California State University)

(Unaudited)

Composition of investments

	<u>Current unrestricted</u>	<u>Total current</u>	<u>Noncurrent unrestricted</u>	<u>Total noncurrent</u>	<u>Total</u>
CSU Consolidated Investment Pool	\$ 38,117,842	38,117,842	—	—	38,117,842
Morgan Stanley Smith Barney	—	—	128,712,851	128,712,851	128,712,851
Total investments	\$ <u>38,117,842</u>	<u>38,117,842</u>	<u>128,712,851</u>	<u>128,712,851</u>	<u>166,830,693</u>

Transactions with related entities

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 1,637,861
Accounts payable to University	(100,036)

See accompanying independent auditors' report.