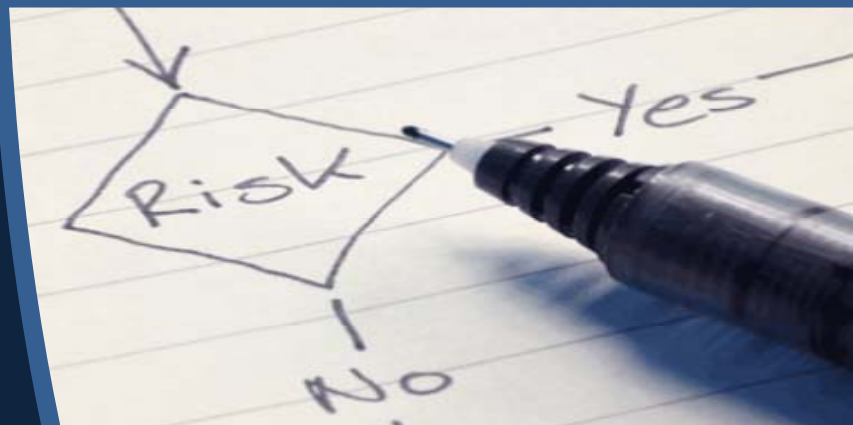




CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY

Annual Stewardship Report FYE June 30, 2014



Alliant Insurance Services, Inc.

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EXECUTIVE SUMMARY

CSURMA and ALLIANT

Alliant Insurance Services (Alliant) is proud of its history and continuing partnership with the California State University and its Auxiliary Organizations, collectively the CSU. Key principals of the Alliant team have consistently provided creative solutions for CSU since 1995. We are proud of our accomplishments for the CSU, and in particular, the opportunity to develop and manage a number of effective and very efficient insurance and coverage plans through the entity we helped form, namely the California State University Risk Management Authority (CSURMA). Launched in 1997, CSURMA is a joint powers authority created under the Government Code of the State of California, and established specifically to address and manage the operational risks of the CSU.

Alliant is a specialty insurance brokerage firm that also provides joint powers authority (JPA) program administration, risk management, and insurance brokerage services. We regard working with the CSU as an exciting professional opportunity. As Program Administrators, Alliant oversees CSURMA's risk pool programs, excess and reinsurance placements, group purchase insurance, and provides risk management consultation and joint power authority administration for all members of the authority.

Alliant is committed to working with the CSU at the system level and directly with all twenty-three campuses (23) and all eighty-five (85) auxiliary organizations. We provide direct consultative and program management services for the Office of the Chancellor, including Systemwide Risk Management, Public Safety, General Counsel, Capital Planning Design & Construction, and the Chief Administrative & Business Officials (CABO) representing the campuses. On the campuses, Alliant provides risk management consultation and advice for Campus Risk Management, Environmental Health & Safety, Human Resources, Student Health Centers, Athletics, Student Life & Leadership, Facilities, and others, and of course, CSU's Auxiliary Organizations.

Alliant has responded to CSURMA's evolving needs and adapted its services to deliver high quality and stable risk management programs that support CSU's mission and CSURMA's vision.

STEWARDSHIP REPORT

Alliant prepared this Annual Stewardship Report for CSURMA Board of Directors and Members summarizing the Program Administrators' activities and accomplishments during the past fiscal year. Also, this stewardship report offers Alliant the opportunity to reflect on areas for improvement in providing program management services for all CSURMA members. We appreciate the opportunity to work with dynamic, creative and forward thinking leaders of the CSU, and enjoy the opportunity to deliver creative and cost effective products and services addressing the complex risk management needs of the CSU's campuses and auxiliary organizations.

PROGRAM ADMINISTRATORS

Alliant is proud of its team of dedicated professionals who are assigned to serve you. The team is lead by Daniel Howell as CSURMA Program Director, Robert Leong for Campus Coverage Programs, and Mimi Long for AORMA Coverage Programs. Robert Frey provides expert consultation for Property and Liability claims. Jacki Graf consults exclusively for the campuses and auxiliary organizations in all areas of Workers’ Compensation claims, including the hosting of CSU’s monthly meetings of the Workers’ Compensation Coordinators for all CSURMA members. The team is supported by an experienced and quality administrative staff including Stacey Weeks, Van Rin, Hsan Htein, Myron Leavell, Melissa Diaz, Tevea Him and Yung Lam.

Alliant’s CSURMA Program Administration Service Team is depicted herein:

Program Administrators



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The Alliant Team Organization Chart for CSURMA is in the Appendices as Appendix A.

FINANCIAL PERFORMANCE

CSURMA adopted funding policies for each of its risk pools to ensure that each coverage program maintains adequate funds to meet its operating expenses, particularly the claims payment obligations for the current year, and for the outstanding claims liabilities as they become due, which in many cases can be years into the future. Alliant prepares the Risk Pool Funding Status reports, incorporating the findings and recommendations of CSURMA’s independent actuary and accountant, to help guide decision-making for the Executive Committee in regards to rate setting and contribution calculations, with the goals of maintaining safe risk margins, budget stability, and fairness to all members.

The Risk Pools Funding Status at June 30, 2014 are depicted below and highlighted as follows:

Campus Risk Pools:

Per the Executive Committee’s action, the Campus Liability and Campus Workers’ Compensation coverage programs are funded in excess of the actuary’s expected losses to a 70% actuarial confidence. This develops a risk margin of about 15-18%. Similarly, the AIME Committee recommended that CSURMA adopt a funding policy for the AIME Risk Pool at no less than at a 70% actuarial confidence. All programs are fully-funded (100%) to at least the 70% actuarial confidence level. Reserve funds in excess of the targeted funding to 70% actuarial confidence for the Campus Risk Pools at FYE 2013 and 2014 are as follows:

CAMPUS RISK POOLS RESERVE FUNDS

	<u>FYE 2013</u>	<u>FYE 2014</u>
Liability	\$29,195,024	\$22,355,033
Workers’ Compensation	\$7,488,169	\$10,882,377
IDL/NDI/UI	\$1,209,019	\$1,626,259
Athletics (AIME)	\$403,564	\$310,550

AORMA Risk Pools:

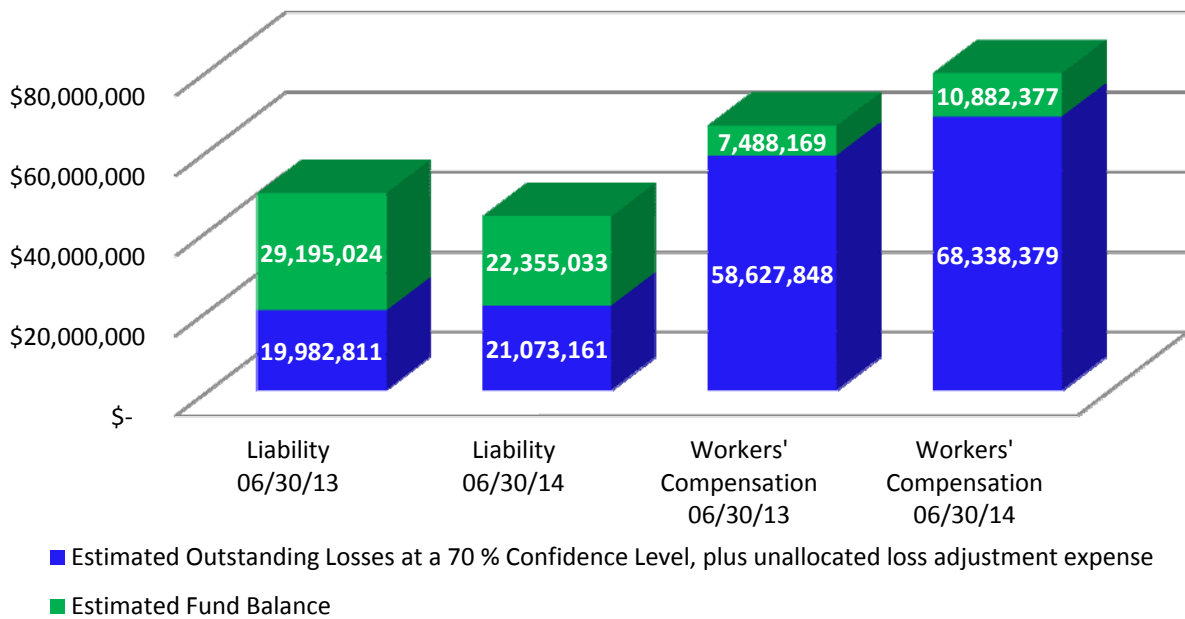
Historically, both the Workers’ Compensation and Liability programs were funded at an 80% confidence level; however, effective July 1, 2014, the committee made the decision to fund the Liability Program at a 70% confidence level. This develops a risk margin of about 15-18%. This decision was made because the Liability Program was extremely well funded and the committee determined that increasing surplus in the program was not necessary. The committee did decide to fund the Workers’ Compensation Program at an 80% confidence level. This develops a risk margin of about 25-28%. This decision was made because the surplus within the Workers’ Compensation Program was not as abundant as in the Liability Program and therefore increasing surplus was desirable. All programs are fully-funded (100%) to at least the 80% actuarial confidence level. Reserve funds in excess of the funding goal for the AORMA Risk Pools at FYE 2013 and 2014 are as follows:

AORMA RISK POOLS RESERVE FUNDS

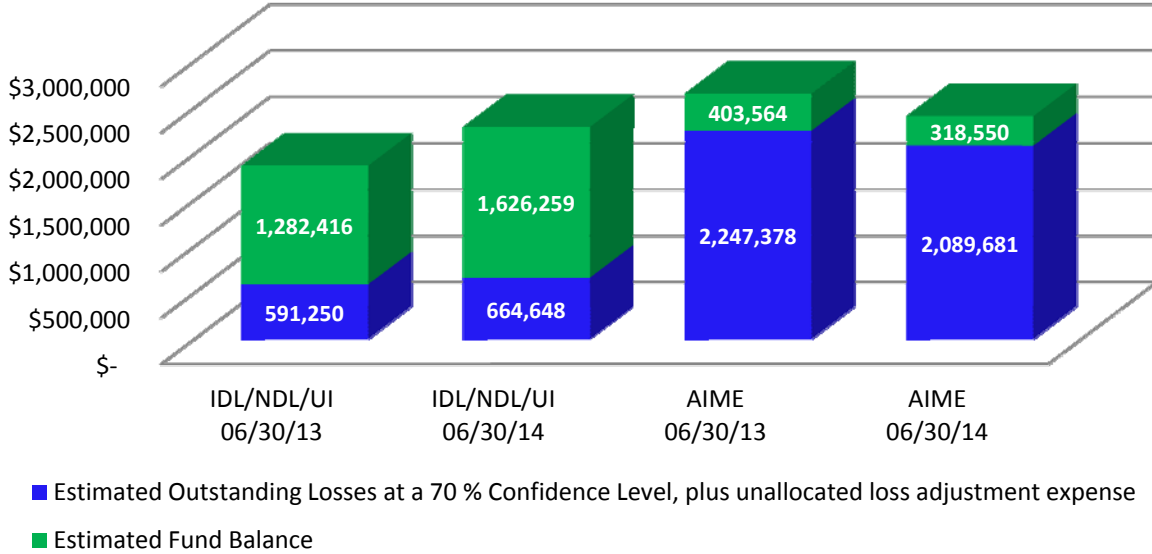
	<u>FYE 2013</u>	<u>FYE 2014</u>
Liability	\$5,680,760	\$4,379,923
Workers' Compensation	\$4,381,917	\$3,815,805

ESTIMATED FUND BALANCE

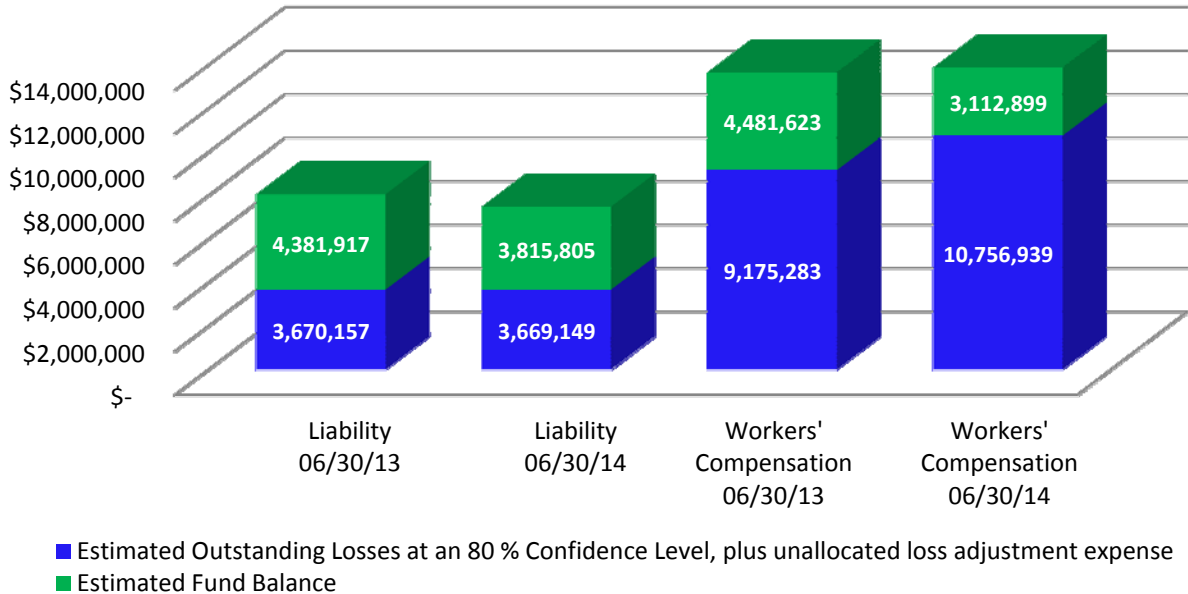
Campus Programs
Estimated Fund Balance at June 30, 2014 (undiscounted)



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



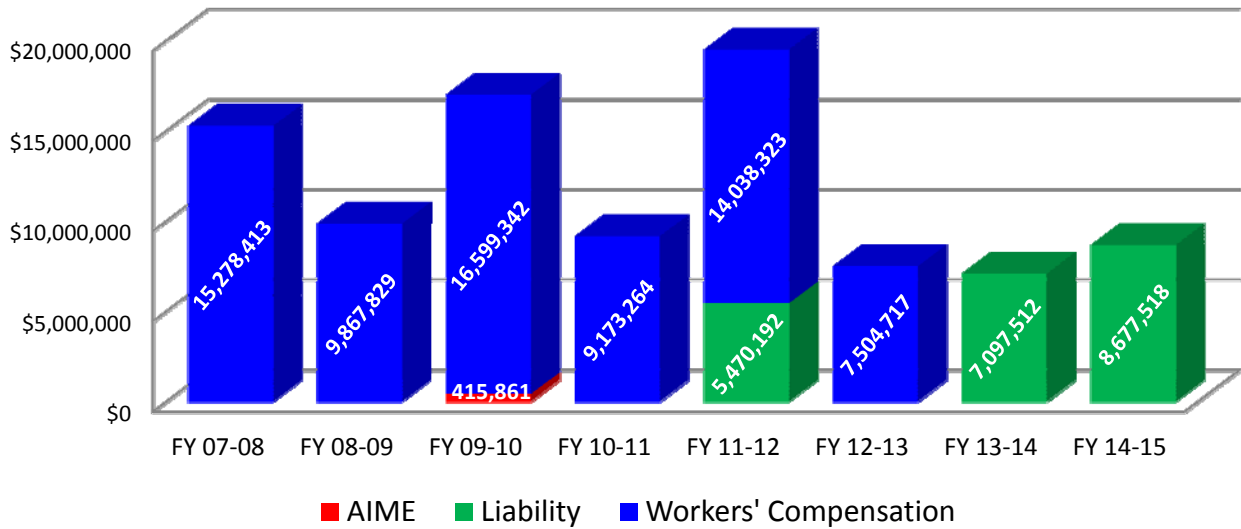
AROMA Programs
Estimated Fund Balance at June 30, 2014 (undiscounted)



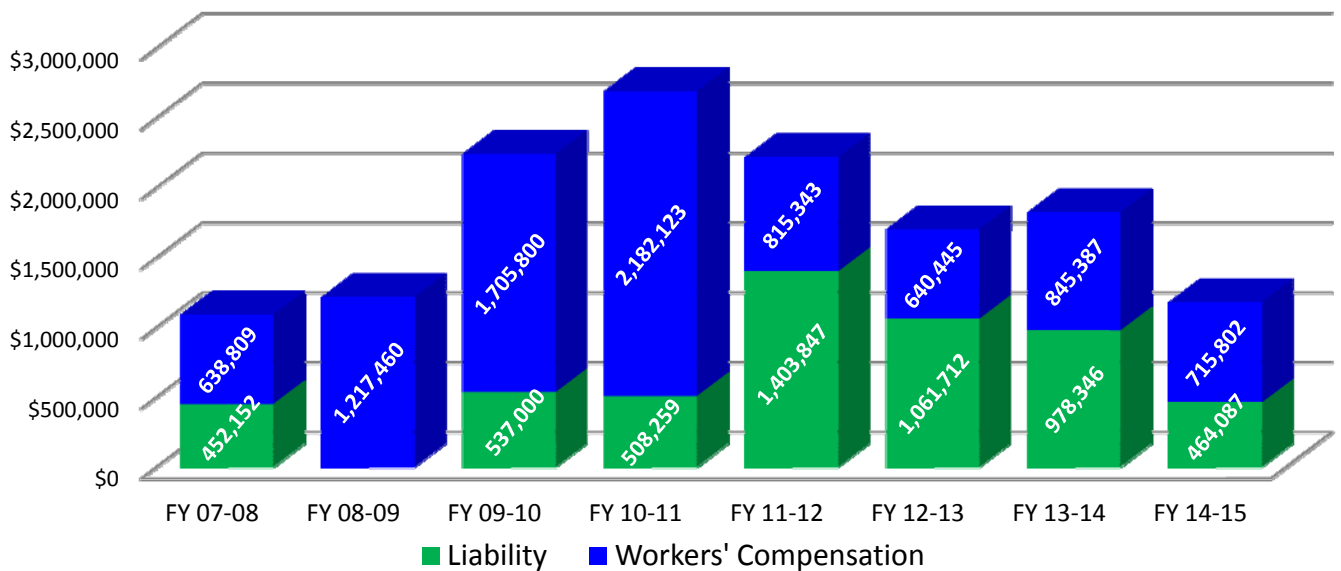
MEMBER REWARDS (Dividends)

CSURMA’s dedication to maintain the funding policies in the face of budget pressures at the State level enabled CSURMA to reward its members with distributions of excess reserve funds in the form of cash dividends. A history of the dividends paid to members is summarized in the following charts. *To date, CSURMA returned dividends totaling \$109,442,599 to members*, which if commercially insured, the carriers would have reaped as underwriting profits rather than being restored to members as dividends.

Campus Programs Dividend Payments



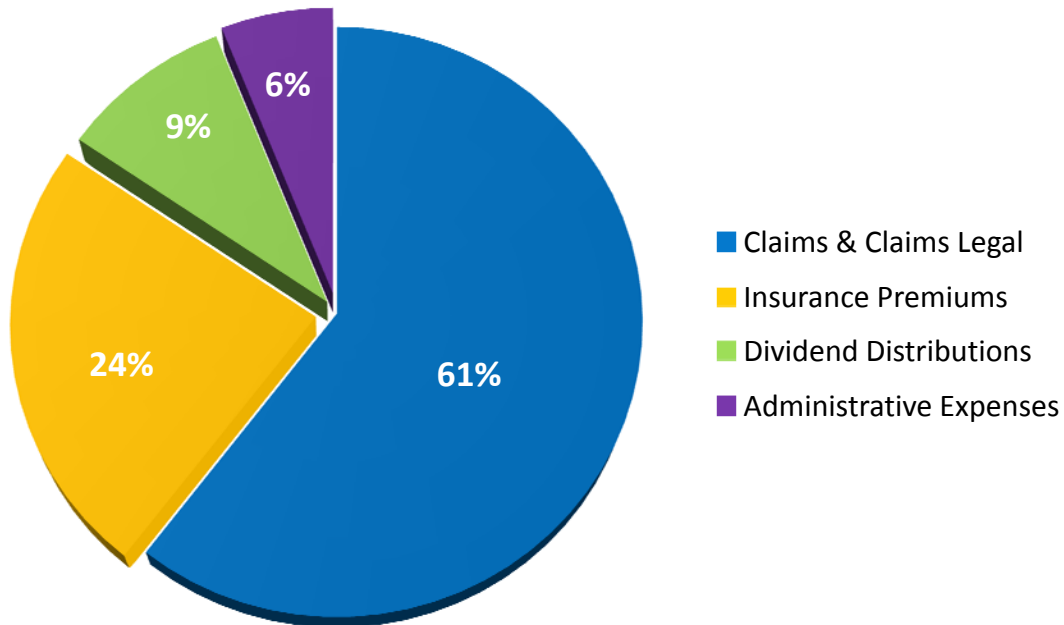
AORMA Programs Dividend Payments



PROGRAM ECONOMICS

The chart below shows a breakdown of expenses for the fiscal year ending June 30, 2014. Sixty-one percent (61%) of your premium deposits are used to pay Claims. Program Administration Expenses amounted to only 6%, while continuing at a high level of service performance. This is a remarkable achievement when compared to similar joint powers insurance authorities which typically operate at 12-17% expense ratios.

***"Your Premium Dollars at Work"
As of June 30, 2014***



COVERAGE PROGRAMS

Alliant manages a number of risk management and coverage programs for CSURMA that serve the University and its Auxiliary Organizations. In addition to program administration of CSURMA's risk pools (group self-insurance programs), Alliant places and manages a number of insurance and reinsurance policies to supplement and support CSURMA's coverage program structures. These are highlighted and described in the following:

CAMPUS PROGRAMS

Campus Liability Coverage Program

The Campus Liability Coverage Program was established to fund the exposures of General Liability, Errors & Omissions, Professional Liability, Employment Practices Liability, and other similar public liability exposures of the University system. The participants include all twenty-three (23) campuses of the CSU and the Chancellor's Office. The Campus Liability Coverage Program increased its self-insured limit from \$3,000,000 to \$5,000,000 per occurrence on July 1, 2010.

Each campus selects its own deductible, which is offered from \$35,000 to \$1,000,000 per occurrence. Every three years, campuses have the opportunity to choose another deductible. The last deductible selection became effective July 1, 2014 and applicable to July 1, 2017.

Auto Liability is provided by the State Motor Vehicle Self-insurance Plan (VELSIP) and managed by the Office of Risk & Insurance Management (ORIM). VELSIP's coverage for state-salaried employees is unlimited, but liability for non-state operators is capped at \$1,000,000 per accident. The pool purchases reinsurance to insure Auto Liability for non-state employees driving for University business from \$1,000,000 self-retention limit to \$5,000,000 each occurrence. Additionally, the pool purchases excess/reinsurance above the \$5,000,000 self-retention limit from various commercial carriers in the global market.

Campus Workers' Compensation Coverage Program

The Campus Workers' Compensation Coverage Program was established to provide statutory Workers' Compensation and Employer's Liability coverage for all CSU state employees and designated volunteers at all campuses and the Office of the Chancellor. The program includes a risk pool and specific excess insurance. The risk pool is self-insured with no deductible and retains the first \$2,500,000 each occurrence. Claims in excess of the risk pool retention are covered by commercial insurance from the \$2,500,000 self-retention to the Statutory Workers' Compensation limits proscribed by the State of California.

Campus IDL/NDI/UI Coverage Program

The Industrial Disability Leave/Non-Industrial Disability Leave/Unemployment Insurance (IDL/NDI/UI) Program Fund was established to provide a funding mechanism for these mandatory employment benefit programs. The IDL/NDI/UI Program Fund is entirely self-insured, and costs are allocated to the campuses based on each campus' actual utilization (claims) over a five year period.

Campus Athletic Injury Medical Expense Coverage Program (AIME)

The Athletic Injury Medical Expense Program (AIME) was established to provide coverage for medical expenses incurred by CSU students participating in NCAA and NAIA intercollegiate athletic activities. The AIME program replaced individual insurance programs previously purchased by the campuses.

The AIME program is self-insured for the members' deductible limit defined by the catastrophe coverage policies purchased by their respective national governing bodies, NCAA or NAIA. NCAA purchased catastrophe liability insurance on behalf of all its member schools with a \$90,000 deductible. NAIA purchased catastrophe liability insurance on behalf of its member schools with a \$25,000 deductible.

Campus Property Coverage Program

The Campus Property Coverage Program was established to provide Property and Boiler & Machinery Insurance covering physical damage to buildings and other specified structures. Building contents (furnishings, equipment, etc.) may also be covered as may be required by bond covenants. The program insures all CSU campuses and the Chancellor's Office. CSU chose to not purchase coverage for Earthquake because of the high cost for that insurance, unless Earthquake insurance is specifically required by bond covenants.

Beginning July 1, 2013, CSURMA changed its coverage structure from insurance to reinsurance to save costs, specifically in regards to premium taxes and associated fees. The Campus Property Coverage Program is now fully reinsured by a syndication of insurance companies known as the Public Entity Property Insurance Program (PEPIP), an Alliant exclusive. Until July 1, 2010, CSURMA purchased a Deductible Buydown policy to provide coverage from \$100,000 to \$1,000,000 within PEPIP's \$1,000,000 deductible limit. Beginning July 1, 2010, CSURMA self-insured the Deductible Buydown to an aggregate limit of \$2,000,000 for all losses subject to the Deductible Buydown (i.e., \$900,000 excess \$100,000 deductible). All campuses except San Diego State University participate in the Deductible Buydown plan.

Campus Crime Program

The Campus Crime Program insures the University covering all state employees for Employee Fidelity, including faithful performance of duties, theft of monies & securities, counterfeit, fraud, computer crime, and other misappropriation of the University's funds. The coverage is excess of a \$250,000 deductible.

Student Professional Liability Insurance Program (SPLIP)

On August 1, 2006 CSU purchased a systemwide professional liability insurance program to provide coverage for students enrolled in the Nursing, Allied Health or Education internship curricula. This systemwide program is designed to satisfy the requirements of host institutions that students maintain professional liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and personal liability coverage with broad protection for the students, affiliates and the University. SPLIP provides coverage limits up to \$5 million per occurrence with a \$25 million annual aggregate.



Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP)

On July 1, 2007 CSU purchased the Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP) to provide coverage for students involved in the University's service learning programs while performing service or volunteer work for academic credit. SAFECLIP similarly covers CSU students in Radio, Television or Film academic programs. This systemwide program is designed to satisfy the requirements of host institutions that students maintain liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and personal liability coverage with broad protection for the students, affiliates and the University. SAFECLIP provides coverage limits up to \$2 million per occurrence with a \$10 million annual aggregate.

AORMA PROGRAMS

The CSU Auxiliary Organizations coverage programs operate within CSURMA as the Auxiliary Organizations Risk Management Alliance (AORMA). Alliant works with a dedicated Committee composed of executive officials who are elected from among AORMA members. Participation in the program is voluntary. AORMA coverage programs include:

AORMA Liability Program

The AORMA Liability Program was established on July 1, 2002 to provide liability insurance coverage for participating Auxiliary Organizations. The Liability coverage includes General Liability, Automobile Liability, Directors' & Officers' Liability, Employment Practices Liability, Professional Liability, and Fiduciary Liability. The AORMA Liability Fund is self-insured for the first \$5,000,000 of each occurrence. AORMA purchased reinsurance in the amount of \$4,650,000 excess of \$350,000. Therefore, AORMA's self-insured layer retains only \$350,000 of each occurrence. Additional coverage excess of the \$5,000,000 limit is provided by AORMA's participation in the Campus Liability excess insurance placements.

AORMA Workers' Compensation Coverage Program

AORMA-WC is self-insured for the first \$500,000 of each occurrence. Excess insurance is purchased from a commercial insurer to provide statutory limits excess of the \$500,000 self-insured limit for Workers' Compensation, and to \$5,000,000 per occurrence for Employers' Liability.

AORMA Property Program

The AORMA Property Coverage Program has a shared risk layer of \$100,000 per occurrence with an aggregate stop loss limit of \$250,000. Members deductibles are \$5,000 for business personal property and business interruption / loss of rents. The member deductible for real property is 1% of the total insurable value, subject to a minimum of \$5,000 and a maximum of \$50,000. If the claims paid out of the "stop-loss" layer exceed the limit agreed upon by AORMA and the insurer, the insurer then pays all claims in excess of the members' selected deductibles. All members in the Liability Program automatically participate in the AORMA Property Program.

AORMA Crime Program

The AORMA Crime Program has a shared risk layer of \$25,000 per occurrence with an aggregate stop loss limit of \$100,000. All members have a deductible of \$5,000. If the claims paid out of the "stop-loss" layer exceed the limit agreed upon by AORMA and the insurer, the insurer then pays all claims in excess of the members' selected deductibles. All members in the Liability Program automatically participate in the AORMA Crime Program.

AORMA Unemployment Insurance Program (UIP)

The AORMA Unemployment Insurance Program was established July 1, 2011 and is the successor to the Auxiliary Organization Unemployment Insurance Trust (AOUIT). The AORMA UIP was established to provide a funding mechanism for the mandatory unemployment benefits program. The UIP is entirely self-insured and costs are allocated to the UIP members based on the members' actual claims over a five year period.

CAMPUS and AORMA PROGRAMS

Builder's Risk Insurance Program (BRIP)

CSURMA implemented the Builder's Risk Insurance Program (BRIP) beginning July 1, 2005. BRIP covers direct physical loss to the University's and/or the Auxiliary Organizations' construction projects in the course of construction. All Major Capital Improvement Projects are to be insured by the BRIP in place of the contractor's insurance. The program is managed by Alliant and the University's Capital Planning Design & Construction (CPDC) department at the Chancellor's Office. This program includes coverage for Earthquake damage that is self-funded by the University.

Owner-Controlled Insurance Program (OCIP)

Upon review of the cost savings and effective administration of CSURMA's Builder's Risk Insurance Program (BRIP), the Office of the Chancellor Capital Planning Design & Construction (CPDC) requested Alliant to explore an insurance program to provide General/Completed Operations Liability and Workers' Compensation coverage for all contractors doing work on CSU building projects via a CSU-controlled insurance plan. An Owner-Controlled Insurance program (OCIP) was implemented in January 2012 to cover major building projects of the University and Auxiliary Organizations with initial total construction cost of \$10,000,000 and more.

Club Sports Insurance Program

The Club Sports Insurance Program was launched on August 1, 2012. The program is designed to cover CSU students for medical expense due to accidental injuries while participating in the University's or Auxiliary Organization's club sports programs that are officially recognized by the University as a student organization. Beginning August 1, 2013, the program was expanded to include Intramural and Recreational sports. The program maintains a risk pool for primary accidental medical expense up to a \$30,000 limit per accident, subject to a \$100 deductible. The deductible operates to preclude "first aid" claims, and to promote safe play. Catastrophe accident medical expense coverage is provided by commercial insurance to \$5,000,000 lifetime benefit. Additionally, the program purchases primary General Liability insurance with a \$1,000,000 limit; no deductible.

MISCELLANEOUS PROGRAMS

Difference in Conditions Insurance Program (Earthquake)

Difference in Conditions (DIC) coverage for Earthquake losses is not provided as part of CSURMA's blanket coverage through PEP. DIC coverage can be purchased on a stand-alone basis for any member wishing to secure this coverage.

Participant Accident Insurance Program (PAI)

Participant Accident insurance provides coverage for a broad range of non-employer groups. Its primary benefit—accident medical insurance—is designed to provide insurance protection for participants of a group or organization while they are engaged in the group's sponsored activities. The plan is sold as blanket coverage, purchased by a group for all of its participants.

Student Travel Accident Insurance

Beginning in 1994, CSU purchased the Student Travel Accident policy to provide medical expense coverage for injuries to CSU students (including Extended Education Program students) during travel to or from campus to participate in a school sponsored activity. In 2013 the policy limit increased to \$25,000 with a \$0 deductible. Additionally, coverage for overnight supervised and sponsored travel was increased from up to 7 days to up to 14 days.

Foreign Travel Insurance Program (FTIP)

This program provides coverage for employees and students while traveling outside the United States. The program provides General Liability, Non-owned and Excess Hired Auto Liability, Employee Benefits Liability, Foreign Workers' Compensation (if applicable), Primary Accident and Illness, and Executive Assistance Services. Beginning July 1, 2014, FTIP can provide Liability insurance only to supplement the insurance mandated by certain third-party travel program providers under approved agreements with the University.

Inland Marine Insurance Program

This is a specialized form of insurance to cover physical damage to specific objects such as: computer and other EDP equipment including media and laptops; scientific and laboratory equipment; cameras, audio, industrial lighting; fine arts; valuable collections; specialized mobile equipment; etc. Rates are based on the type of equipment insured.

Public Entity Automobile Physical Damage Program

CSU participates with select public entities in the Public Entity Automobile Physical Damage Program. The program was designed specifically for public agencies including CSU with a limited number of higher valued vehicles. The program was expanded to include other types of vehicle and mobile equipment.

The insurance is an "All Risk" Equipment Floater including earthquake and flood for scheduled equipment on file with the insurer. Claims are adjusted on a replacement cost basis. The deductible varies for each member as selected annually. The plan covers all risks of direct physical loss or damage from any external cause, including salvage charges, except perils excluded.

Non-Owned Aircraft Liability Insurance

As CSU occasionally uses non-owned aircraft for university business, effective July 1, 2011 a special Aviation Liability policy was placed to insure against non-owned aircraft liability. Because of the increased exposure in athletics and in international travel, air travel involving faculty, staff, students, and auxiliary organizations makes this insurance essential, and it is relatively inexpensive. Beginning July 1, 2014, the insurance was expanded to offer Aircraft Liability coverage for unmanned aerial systems (UAS) aka: “drones” operated by the University.

Special Events Liability Insurance Program

The Special Events Program of Alliant offers public entities premises liability coverage for a broad range of events held by underinsured third parties in public assembly facilities. The program has the added feature of allowing the host institution to insure its own events if circumstances warrant. The three coverage components are:

- *Tenant/User Liability* – Coverage is provided for events held or sponsored by companies, organizations, or individuals that have been permitted to use a campus or auxiliary organization meeting room or other facility. Liability insurance protects the owner and the user of the facility. The campus or auxiliary organization determines the premium for the event based on published rates and provides a certificate of insurance to the user. Events are reported quarterly, and reports, copies of certificates, and a check for the premium for all events held within the quarter are remitted to Alliant.
- *Instructor/Recreation Classes* – This provides coverage for events that are instructional to participants. Also covered are instructors who are not employed by the campus or auxiliary organization but who provide instructional services for a fee. The events are reported quarterly to Alliant, premiums are determined and certificates are issued to the instructor. Participant coverage requires signed waivers and prior approval from the underwriter.
- *Nominee Events* – Coverage is offered for events held or sponsored by a campus or auxiliary organization itself or by any of its departments or divisions. Coverage can be expanded to cover co-sponsors if desired. This is not a self-rated program, and events must be approved and rated by Alliant, who issues the insurance certificates.

Vendors / Contractors Liability Insurance Program

The Vendors/Contractors Program was developed to meet the needs of public entities such as CSU for those situations when the public entity enters into a contract with a contractor/vendor, and the contractor/vendor is unable to provide the insurance required. The program allows the contractor/vendor to purchase General Liability insurance for the work to be performed for the University or Auxiliary Organization at a significantly reduced cost.

MILESTONES – A Proud History of Accomplishments

Alliant is proud of its history of developing and implementing meaningful and cost effective coverage programs for CSU since the establishment of the Campus Risks Pool in 1995 and its successor joint powers authority, CSURMA, in 1997. Many of the coverage programs for the University, and including the formation of the Auxiliary Group Purchase Insurance Program (AGPIP) for auxiliary organization members, which evolved into Auxiliary Organizations Risk Management Alliance (AORMA), remain viable today and continue to provide highly-valued, cost-effective, state-of-the-art protection for all its member participants.

These accomplishments for CSU campuses and auxiliary organizations can be considered “Milestones” for CSURMA. From the establishment of the risk pools, formation of the joint powers authority, creation of additional coverage, development of loss-sensitive yet equitable rating plans, commissioning independent professional actuarial reviews, setting budget goals to ensure adequate funding, measuring rating adequacy, and recommending dividends to members, to the more recent challenges addressing sound program management that is expected of a public joint powers insurance authority and the administrative expectations of CSU’s Internal Auditors to ensure fiscal responsibility, Alliant has welcomed and embraced these essential tasks and responsibilities for the betterment of all CSURMA members.

The Milestones are highlighted in a chart on pages 20 and 21.

2013/2014 – A Year of Challenges and Performances

There have been many challenges during the past fiscal period, which the dedicated members of Alliant have risen to meet and resolve for CSURMA. The major challenges of the year and how Alliant responded for the Campuses and Auxiliary Organizations are highlighted below.

Campus Programs:

1. Expanded the Club Sports Insurance Program to insure Intramural and Recreational Sports.
2. Conducted monthly meetings of the Campus Workers’ Compensation Coordinators.
3. Calculated premium deposits and funding recommendations for all Campus programs.
4. Coordinated and managed new construction and major renovation projects with Capital Planning Design & Construction (CPDC), and reconciling project premiums with the insurer.
5. Managed application forms for Risk Reduction Incentive Grants for Health & Wellness and Loss Control & Safety.
6. Prepared Educational Memos for Workers’ Compensation Coordinators.
7. In-person campus visits.
8. Workers’ Compensation Claims Settlement Authorization Requests (SAR) review and discussions – ongoing.
9. Investigation Vendor Panel and Oversight Program – annual review.
10. Workers’ Compensation Claims Coding Task Group.
11. Industrial Injury Prevention Program (IIPP) Task Group.

12. Drafted memo regarding First Aid claims for the Student Health Centers.
13. Launched Theater Safety Assessment & Loss Prevention Program
14. Launched Unmanned Aerial Systems (aka: Drones) Coverage Program
15. Developed and implemented Foreign Travel Supplemental Insurance Plan in response to third-party travel providers who mandate purchase of their own insurance.
16. Convened and managed Rating Plans Task Group for Campus Risk Pools
17. Convened and managed Rating Plans Task Group for Student Insurance Programs
18. Calculated and presented Deductible Options for Campus Liability Program.
19. Calculated Risk Pools Funding Status and Potential Dividends
20. Assisted Accounting staff in preparation for the annual independent financial audit.
21. Assisted Sport Clubs Committee in redraft of the Sport Club Administration Guidelines.
22. Presented with Humboldt State (Dr. Justus Ortega, Beth Larson) and Chancellor's Office (Zachary Gifford) issues involving Concussive Injuries exposures in athletics, etc.
23. Presented synopsis of the Affordable Care Act ("Obamacare") to CCAA Athletic Trainers.

AORMA Programs:

1. Set-up a procedure to review all Policies and Procedures every other year
2. Reviewed all of the Workers' Compensation Policies and Procedures
3. Provided assistance to the Programs Committee and AORMA Committee in setting new rates for the Workers' Compensation Program
4. Provided assistance to the Programs Committee and AORMA Committee in order to finalize the new Property Program Member Allocation Formula
5. Provided assistance to the Programs Committee and AORMA Committee in order to finalize the new Crime Program Member Allocation Formula
6. Assisted the Programs Committee in revising the member allocation formula for the Liability Program
7. Launched the Shoes for Crews program
8. Launched the Risk Reduction Matching Grant Program
9. Worked with Chancellor Office staff, the Executive Committee and the AORMA Committee to begin the process of launching the Praesidium contract for Managing the Risks of Minors on Campus
10. Calculated premium deposits and funding recommendations for all AORMA programs
11. Contracted Bickmore Risk Services for the AORMA Liability Program Claims Administration Audit
12. Prepared and presented the Target Surplus Funding Report and Dividend Calculation for the AORMA Committee's review and approval
13. Calculated the individual member employment practices deductibles
14. Negotiated with the excess fiduciary insurer to add coverage for the Auxiliaries Multiple Employer VEBA trust within the primary and excess fiduciary program
15. Suggested revisions to the AORMA Liability Program Memorandum of Coverage
16. Marketed the property program which ultimately resulted in a 38% rate reduction for the FY 14/15 policy term
17. Negotiated a three-year contract with the Employers Group
18. Visited the majority of the campuses to meet with the individual auxiliary organizations

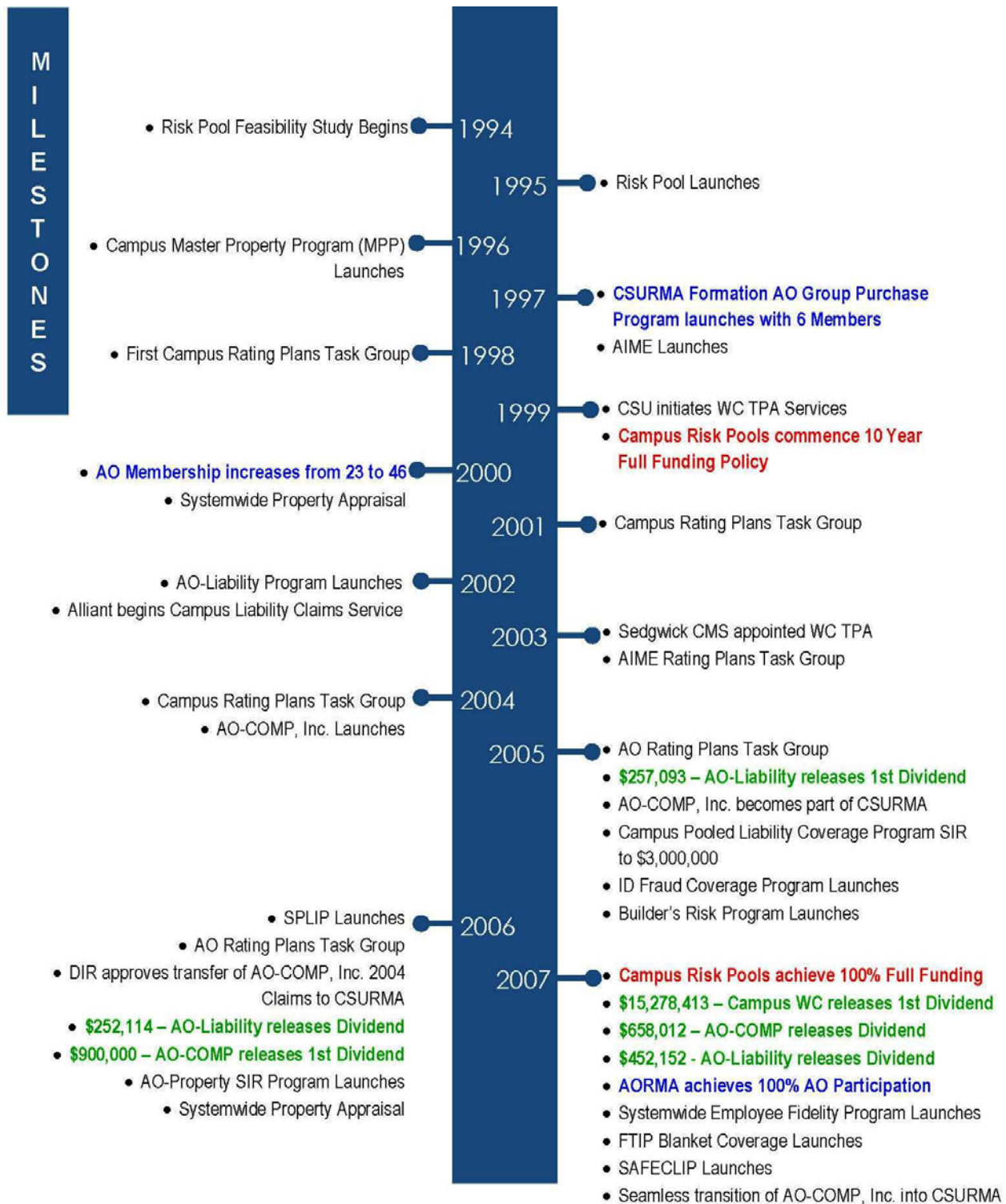
19. Negotiated with Actuary to provide additional scope of service for the Liability Program
20. Issued nine AORMA Bulletins

JPA Administration:

1. Conducted an “Orientation to CSURMA” for all members via webinar.
2. Completed Trustees’ Audit of CSURMA Operations and responded to auditor’s findings and recommendations.
3. Developed and recommended several policies & procedures to update operating practices, many of which were brought forth by the Trustees’ Auditors.
4. Coordinated and participated in the CSURMA Investment Policy Task Group, which resulted in a recommendation and subsequent drafting of formal procedures that is consistent with the State’s regulation regarding investments of public funds.
5. Drafted, managed distribution of meeting agendas, and participated in meetings for the Board of Directors, Executive Committee, AORMA Committee, AIME Committee, and several subcommittees and task groups.
6. Prepared the updated version of the Service Calendar

The accomplishments described above highlight Alliant’s role in supporting CSURMA’s achievements during the year. These would not have been possible without the commitment and professionalism of the Alliant team members working with CSU’s Systemwide Office of Risk Management and with the Campuses’ and Auxiliary Organizations’ leadership.

CSURMA Milestones



- Identity Fraud Expense Reimbursement Coverage for AORMA Member Employees added
 - **\$9,867,829 – Campus WC releases Dividend**
 - Cyber Liability Program Launches
 - **\$1,217,462 – AO-COMP releases Dividend**
 - AORMA WC Code consolidation project
- Campus WC On Time reporting: 90%
 - Replacement of SELF XS liability program
 - **CSURMA and AORMA logos developed**
 - **\$2,242,800 – dividends for AORMA members liability and workers comp program**
 - **\$16,599,342 – Campus WC releases Dividend**
 - **\$415,861 – Campus AIME releases Dividend**
- Campus WC On Time reporting: 93%
- Self-insured layer to campus property program added (savings of over \$3 million per year)
 - Change Management training for all campuses
 - **Completed digitization of CSURMA records**
 - **\$9,173,264 – Campus WC releases Dividend**
 - **\$1,199,767 – Dividends for AORMA members**
- CSU International Programs launches (CSUIP)
- Owner Controlled Insurance Program (OCIP) launches
 - Published new facilities use agreement template for auxiliary organizations
 - Completed regional trainings for IRIC manual
 - Club Sports Insurance Program (CSIP) launched
 - **AIME achieves 100% campus participation**
 - **\$7,504,717 – Campus WC releases Dividend -**
 - **\$2,219,190 – Dividends for AORMA members**
- CSU Doctor's Medical Practice Program launches
 - **csurma.org website re-launched**
 - **\$1,702,157 – Dividends for AORMA members**
 - Campus Liability Claims Audit
 - AIME Claims Audit
 - AORMA Liability Claims Audit
 - CSIP adds Intramural/Recreational Sports
 - **\$7,097,512 – Campus Risk Pool releases Dividend**
- Theater Safety Risk Management Roll out
 - **\$8,677,518 – Campus Risk Pool releases Dividend**
 - Campus Liability includes coverage for unmanned aerial system ("Drones")
 - Campus Member offered new deductibles for Liability
 - Rating Plans Task Group for Campus Risk Pools
 - Rating Plans Task Group for Student Insurance Programs
 - Campus Property Program restructured as Reinsurance
 - Coverage for Unmanned Aerial Vehicles added
 - Addition of auto physical damage coverage for rented RVs and Limousines
- **\$1,823,733 – Dividends for AORMA members**
- CSU IRIC Manual (updated)
- Shoes for Crews Program launched

LOOKING AHEAD - Opportunities for Improvement

In serving such a vibrant and growing program, Alliant recognizes there are opportunities for improvement in its performance. As a result of our internal review and planning process, we have identified the following priority opportunities for improvement which are contained in the 2014/15 CSURMA Long Range Action Plans:

Campus Programs Long Range Action Plan

- LRP-1: CSURMA 101
- LRP-2: UNEMPLOYMENT INSURANCE
- LRP-3: WORKERS' COMPENSATION CLAIMS CLOSURE INITIATIVE
- LRP-4: WORKERS' COMPENSATION REINSURANCE
- LRP-5: OCIP RENEWAL
- LRP-6: UNMANNED AERIAL VEHICLES (UAVs, Drones)
- LRP-7: STUDENT PLACEMENT AGREEMENTS

AORMA Programs Long Range Action Plan

- A-1: WORKERS' COMPENSATION POLICIES AND PROCEDURES
- A-2: CLOSED SESSION POLICY AND PROCEDURE
- A-3: MEMBER ALLOCATION FORMULA – RATING PLAN REVIEW
- P-1: LIABILITY PROGRAM MEMBER ALLOCATION FORMULA (for FY 15/16 term)
- P-2: EARTHQUAKE COVERAGE FOR CONDOMINIUM OWNERS (WHEN HOA DOES NOT PURCHASE EARTHQUAKE COVERAGE)
- M-1: RISK REDUCTION INNOVATIVE MATCHING GRANT PROGRAM
- M-2: AORMA INSURANCE HANDBOOK – IS THIS COVERED
- M-3: REAL PROPERTY ACQUISITIONS CHECKLIST
- M-4: KEEPING MINORS SAFE WHILE ON CAMPUS HANDBOOK

Alliant expects there to be other opportunities for improving our performance, and we encourage CSURMA members to assist us by bringing performance improvement items to our attention. The service team regards working with the CSURMA as an exciting opportunity with our professional promise to provide the highest level of services. We are committed to improving our effectiveness and value to all members. We appreciate your support and encouragement as we move forward.

CALENDARS

Meeting Calendar





An organization as complex as CSURMA requires regular meetings of its Board of Directors, the Executive Committee, AORMA Committee, AIME Committee, and a number of subcommittees and task groups who are focused on specific tasks and responsibilities. These meetings are important to ensure member needs are met, to communicate program development, and to provide reports to all members regarding status of the program's objectives. As a governmental entity, CSURMA's Campus programs and AORMA programs ascribe to the Bagley-Keane Open Meeting Law. A copy of the Meeting Calendars for 2014 and 2015 are included as Appendix B.

SUMMARY

We are excited to have the opportunity to work with dynamic, creative and forward thinking leaders who are willing to invest energy and resources that is essential for program success. We are extremely proud to be associated with CSU and its Auxiliary Organizations. We are committed to meet the current and future needs of CSURMA.

Appendix A – Alliant Team Organization Chart for CSURMA as of July 1, 2014



	CSURMA Core Service Team
	Claims Consulting
	Workers' Comp / Risk Analysis
	Special projects / Peer review



Appendix B – CSURMA Meeting Calendar

2014 CSURMA MEETING CALENDAR

JANUARY, 2014		FEBRUARY, 2014		MARCH, 2014	
12-15	AOA Conference: Sacramento	3	MSLCTC: Teleconference, 11:00 a.m.	3	MSLCTC: Teleconference, 11:00 a.m.
28	AIME: Long Beach, 10:30 a.m.	6	PC: Teleconference, 2:00 p.m.	6	PC: Teleconference, 1:00 p.m.
				20	AORMA: Newport Beach, 10:00 a.m.
				20	EC: Newport Beach: 2:30 p.m.
				21	EC LRP: Newport Beach, 8:00 a.m.
				21	AOA EC: Pasadena: 8:30 a.m.
APRIL, 2014		MAY, 2014		JUNE, 2014	
3	PC: Teleconference, 1:00 p.m.	1	PC: Teleconference, 1:00 p.m.	5	PC: Teleconference, 1:00 p.m.
7	MSLCTC: Teleconference, 11:00 a.m.	8	AORMA: Long Beach, 10:00 a.m.	20	AOA EC: Long Beach
		9	EC: Long Beach, 8:00 a.m.		
		9	BOD: Long Beach, 10:30 a.m.		
		19	AIME: Sacramento, 10:30 a.m.		
AORMA = Auxiliary Organizations Risk Management Alliance Committee		PC = AORMA Programs Committee		EC = CSURMA Executive Committee	
AOUIT = Auxiliary Organizations Unemployment Insurance Trust		AORMA LRP = AORMA Long Range Planning Meeting		EC LRP = EC Long Range Planning Meeting	
MSLCTC = AORMA Member Services, Loss Control & Training Committee		AOA = CSU Auxiliary Organizations Association		BOD = CSURMA Board of Directors	

Appendix B – CSURMA Meeting Calendar (cont'd)

2014 CSURMA MEETING CALENDAR

JULY, 2014		AUGUST, 2014		SEPTEMBER, 2014	
02	PC: Teleconference, 1:00 p.m.	15	AOA EC: San Diego	10	AORMA New Committee Member Orientation:
15/16	AORMA Officers Retreat, Sonoma			10	Newport Beach, 9:00 a.m.
28	MSLCTC: Teleconference, 11:00 a.m.			11	AORMA LRP: Newport Beach, 10:00 a.m.
				12	AORMA: Newport Beach, 9:00 a.m.
				25	EC: Newport Beach, 8:30 a.m.
				29	PC: Teleconference, 1:00 p.m.
					MSLCTC: Teleconference, 11:00 a.m.
OCTOBER, 2014		NOVEMBER, 2014		DECEMBER, 2014	
23	AORMA: Long Beach, 10:00 a.m.	03	AIME: San Diego, 10:30 a.m.	4	AORMA: TBD, 10:00 a.m.
24	EC: Long Beach, 9:00 a.m.	17	MSLCTC: Teleconference, 11:00 a.m.	5	EC: TBD, 8:30 a.m.
24	BOD: Long Beach, 10:30 a.m.	21	AOA EC: Pasadena	11	PC: Teleconference, 1:00 p.m.
AORMA = Auxiliary Organizations Risk Management Alliance Committee		PC = AORMA Programs Committee		EC = CSURMA Executive Committee	
AOUIT = Auxiliary Organizations Unemployment Insurance Trust		AORMA LRP = AORMA Long Range Planning Meeting		EC LRP = EC Long Range Planning Meeting	
MSLCTC = AORMA Member Services, Loss Control & Training Committee		AOA = CSU Auxiliary Organizations Association		BOD = CSURMA Board of Directors	

Appendix B – CSURMA Meeting Calendar (cont'd)

2015 CSURMA • AORMA MEETING CALENDAR

JANUARY, 2015	FEBRUARY, 2015	MARCH, 2015
	8 EC: Pasadena: 3:00 p.m. 8-11 AOA Conference: Pasadena	19 AORMA: TBD: 10:00 a.m. 19 EC: TBD: 2:30 p.m. 20 EC LRP: TBD: 8:00 a.m.
APRIL, 2015	MAY, 2015	JUNE, 2015
23 BOD Orientation: Teleconference: 2:00 p.m. 27 BOD: San Diego: 4:00 p.m. 28-29 Fitting the Pieces Conference: San Diego	7 AORMA: Long Beach; 10:00 a.m 8 EC: Long Beach: 8:00 a.m	

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

Appendix B – CSURMA Meeting Calendar (cont'd)

2015 CSURMA • AORMA MEETING CALENDAR

JULY, 2015	AUGUST, 2015	SEPTEMBER, 2015
15/16 AORMA Officers Retreat, TBD		9 AORMA New Member Orientation: 9 AORMA LRP: TBD: 10:00 a.m. 10 AORMA: TBD: 9:00 a.m. 10 EC Orientation: TBD: 4:00 pm 11 EC: TBD: 8:30 a.m.
OCTOBER, 2015	NOVEMBER, 2015	DECEMBER, 2015
22 AORMA: Long Beach: 10:00 a.m. 22 BOD Orientation: Teleconference: 2:00 p.m. 23 EC: Long Beach: 9:00 a.m. 23 BOD: Long Beach: 10:30 a.m.		3 AORMA: TBD:: 10:00 a.m. 4 EC: TBD: 8:30 a.m.
AORMA = Auxiliary Organizations Risk Management Alliance Committee	PC = AORMA Programs Committee	EC = CSURMA Executive Committee
AOUIT = Auxiliary Organizations Unemployment Insurance Trust	AORMA LRP = AORMA Long Range Planning Meeting	EC LRP = EC Long Range Planning Meeting
MSLCTC = AORMA Member Services, Loss Control & Training Committee	AOA = CSU Auxiliary Organizations Association	BOD = CSURMA Board of Directors

Appendix C – CSU and AORMA Member Listing

#	Location	Campus
1	Bakersfield	California State University, Bakersfield
2	Chancellor's Office	California State University, Chancellor's Office
3	Channel Islands	California State University, Channel Islands
4	Chico	California State University, Chico
5	Dominguez Hills	California State University, Dominguez Hills
6	East Bay	California State University, East Bay
7	Fresno	California State University, Fresno
8	Fullerton	California State University, Fullerton
9	Humboldt	Humboldt State University
10	Long Beach	California State University, Long Beach
11	Los Angeles	California State University, Los Angeles
12	Maritime Academy	California Maritime Academy
13	Monterey Bay	California State University, Monterey Bay
14	Northridge	California State University, Northridge
15	Pomona	California State Polytechnic University, Pomona
16	Sacramento	California State University, Sacramento
17	San Bernardino	California State University, San Bernardino
18	San Diego	San Diego State University
19	San Francisco	San Francisco State University
20	San Jose	San Jose State University
21	San Luis Obispo	California Polytechnic State University, San Luis Obispo
22	San Marcos	California State University, San Marcos
23	Sonoma	Sonoma State University
24	Stanislaus	California State University, Stanislaus

#	Campus	Auxiliary Organization
1	Bakersfield	Associated Students, California State University, Bakersfield, Inc.
2	Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration
3	Bakersfield	California State University, Bakersfield Foundation
4	Bakersfield	California State University, Bakersfield Student Union, Inc.
5	Chancellor's Office	California State University Foundation
6	Chancellor's Office	California State University Institute
7	Channel Islands	Associated Students of California State University, Channel Islands, Inc.
8	Channel Islands	California State University Channel Islands Foundation
9	Channel Islands	University Glen Corporation
10	Chico	Associated Students of California State University, Chico
11	Chico	The CSU, Chico Research Foundation
12	Chico	The University Foundation, California State University, Chico
13	Dominguez Hills	Associated Students, California State University, Dominguez Hills
14	Dominguez Hills	California State University, Dominguez Hills Foundation
15	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated
16	East Bay	Associated Students, California State University, East Bay
17	East Bay	Cal State East Bay Educational Foundation
18	East Bay	California State University, East Bay Foundation, Inc.
19	Fresno	Associated Students, Inc. of California State University, Fresno
20	Fresno	California State University, Fresno Association, Inc.
21	Fresno	California State University, Fresno Foundation
22	Fresno	Fresno State Programs for Children, Inc.
23	Fresno	The Agricultural Foundation of California State University, Fresno
24	Fresno	The California State University, Fresno Athletic Corporation
25	Fullerton	Associated Students, California State University, Fullerton, Inc.
26	Fullerton	Cal State Fullerton Philanthropic Foundation
27	Fullerton	CSU Fullerton Auxiliary Services Corporation
28	Humboldt	Associated Students, Humboldt State University
29	Humboldt	Humboldt State University Advancement Foundation
30	Humboldt	Humboldt State University Center Board of Directors
31	Humboldt	Humboldt State University Sponsored Programs Foundation
32	Long Beach	Associated Students, California State University, Long Beach
33	Long Beach	California State University, Long Beach Research Foundation



#	Campus	Auxiliary Organization
34	Long Beach	CSULB 49er Foundation
35	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach
36	Los Angeles	Associated Students, California State University, Los Angeles, Inc.
37	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
38	Los Angeles	California State University, Los Angeles Foundation
39	Los Angeles	University-Student Union Board, California State University, Los Angeles
40	Maritime Academy	California Maritime Academy Foundation, Inc.
41	Maritime Academy	The Associated Students of the California Maritime Academy
42	Monterey Bay	Foundation of California State University, Monterey Bay
43	Monterey Bay	The University Corporation at Monterey Bay
44	Northridge	Associated Students, California State University, Northridge, Inc.
45	Northridge	California State University, Northridge Foundation
46	Northridge	North Campus University Park Development Corporation
47	Northridge	The University Corporation, CSU Northridge
48	Northridge	University Student Union of California State University, Northridge
49	Pomona	Associated Students Inc., California State Polytechnic University, Pomona
50	Pomona	The Cal Poly Pomona Foundation, Inc.
51	Sacramento	Associated Students of California State University, Sacramento
52	Sacramento	Capital Public Radio, Inc., CSU Sacramento
53	Sacramento	The University Foundation at Sacramento State
54	Sacramento	University Enterprises, Inc., CSU Sacramento
55	Sacramento	University Union Operation of CSUS, Inc.
56	San Bernardino	Associated Students Inc., California State University, San Bernardino
57	San Bernardino	CSUSB Philanthropic Foundation
58	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
59	San Bernardino	University Enterprises Corporation at CSUSB
60	San Diego	Associated Students, San Diego State University
61	San Diego	Aztec Shops, Ltd., San Diego State University
62	San Diego	San Diego State University Research Foundation
63	San Diego	The Campanile Foundation
64	San Francisco	Associated Students, Inc., San Francisco State University
65	San Francisco	San Francisco State University Foundation
66	San Francisco	The University Corporation, San Francisco State

#	Campus	Auxiliary Organization
67	San Jose	Associated Student, San Jose State University
68	San Jose	San Jose State University Research Foundation
69	San Jose	Spartan Shops, Inc., San Jose State University
70	San Jose	The Student Union of San Jose State University
71	San Jose	The Tower Foundation, San Jose State University
72	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
73	San Luis Obispo	Cal Poly Corporation
74	San Luis Obispo	California Polytechnic State University Foundation
75	San Marcos	California State University San Marcos Foundation
76	San Marcos	San Marcos University Corporation
77	San Marcos	The Associated Students of California State University, San Marcos
78	San Marcos	University Auxiliary and Research Services Corporation
79	Sonoma	Associated Students of Sonoma State University
80	Sonoma	Sonoma State Enterprises, Inc.
81	Sonoma	Sonoma State University Academic Foundation, Inc.
82	Stanislaus	Associated Students, Inc., California State University, Stanislaus
83	Stanislaus	California State University, Stanislaus Auxiliary and Business Services
84	Stanislaus	California State University, Stanislaus Foundation
85	Stanislaus	University Student Union of California State University, Stanislaus
86	N/A	Auxiliary Organization Associations
87	N/A	Auxiliaries Multiple Employer VEBA