



California State University Risk Management Authority

Welcome!

New Member Orientation

May 2, 2019

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 Orientation

1. What is CSURMA?
2. Structure & Organization
3. Program Administration
4. Campus Coverage Programs
5. Claims Reporting
6. What's New?
7. Financial Performance
8. Campus History
9. How to Stay Informed
10. Who to Call?

1. What is CSURMA

Established: *January 1, 1997*

This Agreement is entered into pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (§ 6500 et seq.) which authorizes the University and Auxiliary Organizations, such as the Members who are parties to this Agreement, to establish and operate pooled coverage programs and to provide related services.

CSU The California State University



1. What is CSURMA

Mission Statement:

The California State University Risk Management Authority (CSURMA) is a *joint powers authority* composed of the 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.



1. What is CSURMA

California State University Risk Management Authority – CSURMA

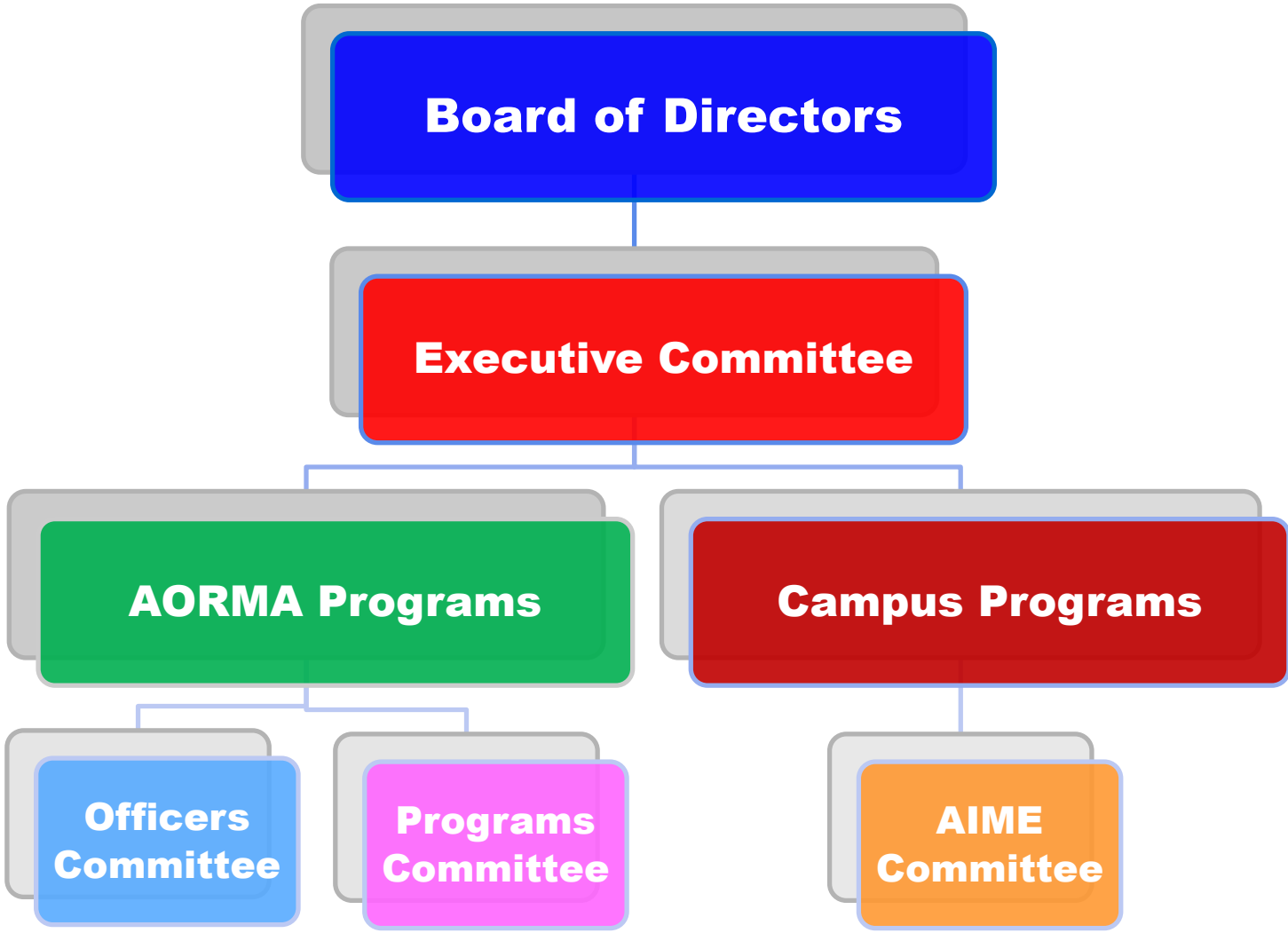
- Created for CSU Campuses and its Auxiliary Organizations
- Providing risk management and insurance services
- Including insurance, reinsurance and self-insurance

Auxiliary Organizations Risk Management Alliance - AORMA

- Operates within CSURMA
- Offering tailored coverage for CSU Auxiliary Organizations
- Including lower deductibles, and
- Other special coverage needs

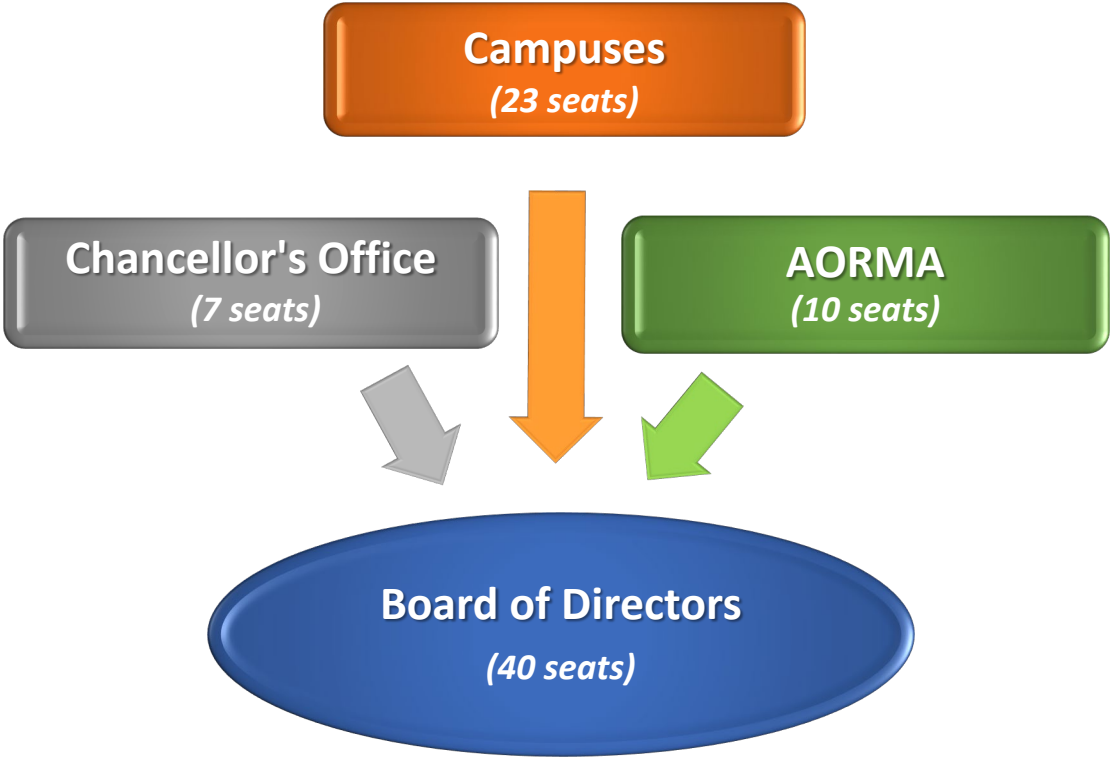


2. Structure & Organization



2. Structure & Organization

Board of Directors



Each Campus appoints a Director and an Alternate.

Auxiliary Organizations elect 10 Directors from among AORMA members.

Chancellor's Office retains 7 seats.

2. Structure & Organization

Chancellor's Office Representatives:

Board Delegate:

Robert Eaton

Assistant Vice Chancellor
Financing, Treasury & Risk Management

Zachary Gifford

Director, Systemwide Risk Management
& Public Safety



2. Structure & Organization

Executive Committee

General Duties & Responsibilities: *conducts, directs and supervises the business of CSURMA.*

- Consists of **9 members** of the Board of Directors:
 - **3 Officers:** Chair, Vice Chair, Treasurer.
 - **4 Campus-elected members.**
 - **2 AORMA members, its Chair & Vice Chair.**
- Normally meets 5 - 6 times each year.
- Special meetings may be called as needed.

Officers:

- **Chair:** elected by the Executive Committee.
- **Vice Chair:** elected by the Executive Committee.
- **Treasurer:** appointed by the EVC/CFO.
- **Secretary-Auditor:** appointed by the EVC/CFO; non-voting.

2. Structure & Organization

Executive Committee

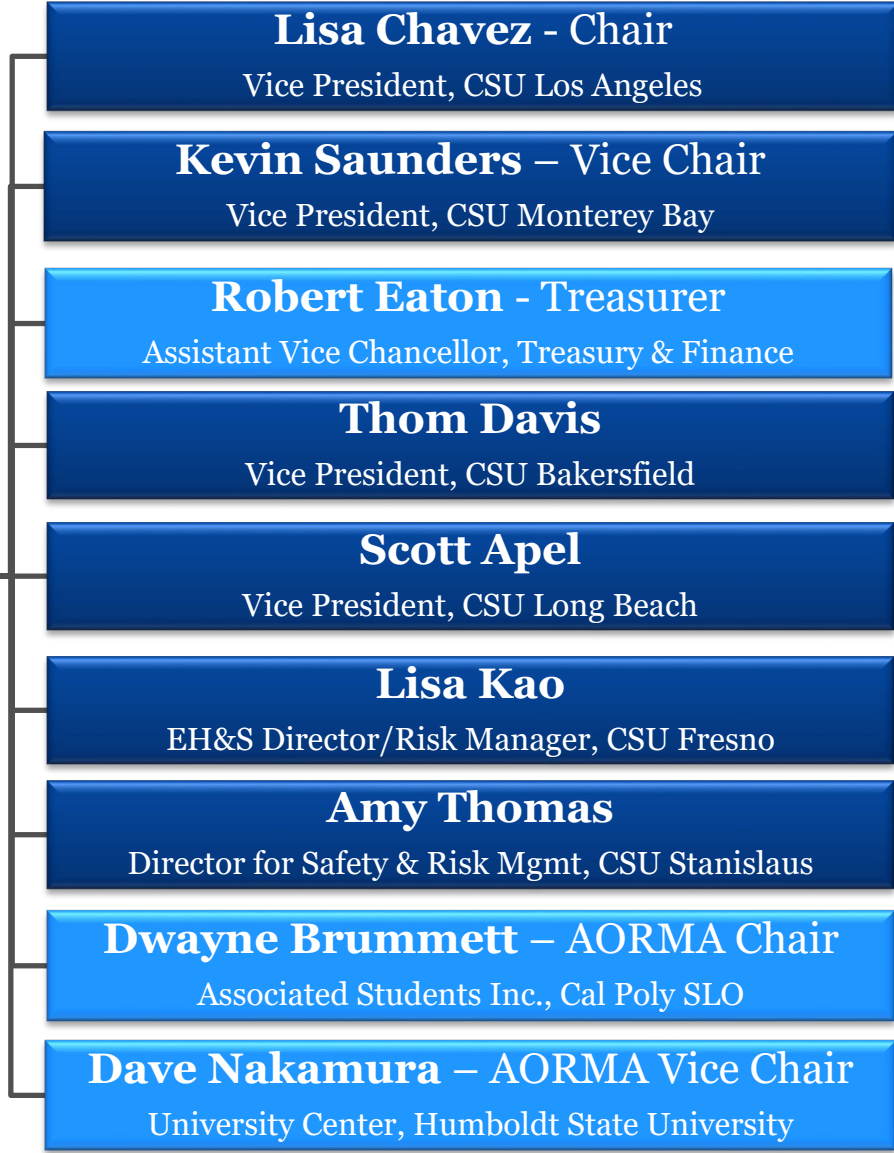


Term of Office:

- **Chair:** *two years; maximum 3 consecutive terms.*
- **Vice Chair:** *two years; maximum 3 consecutive terms.*
- **Treasurer:** *appointed by EVC/CFO.*
- **Secretary-Auditor:** *appointed by Executive Committee.*
- **Other Members:** *two years – elections are staggered.*

2. Structure & Organization

2018-19 Executive Committee

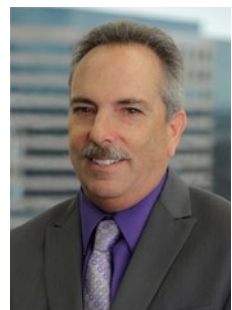


- CSURMA Officers**
- Chair
 - Vice Chair
 - Treasurer
 - Secretary-Auditor*

** Secretary-Auditor is a non-voting position.*

All Executive Committee members are elected by the Board of Directors except the Treasurer and the Secretary-Auditor, who are appointed by the EVC/CFO.

3. Program Administration



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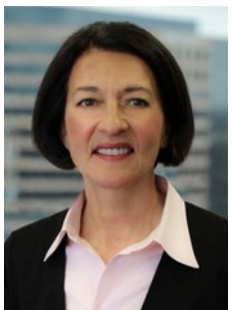
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3. Program Administration

- **Key Functions:**

CHANCELLOR'S OFFICE

- Systemwide Risk Management
- Office of General Counsel
- Enterprise Accounting
- Finance & Investment

JPA ADMINISTRATION
(Alliant)

- Work directly with Systemwide RM
- Meeting Agendas
- Meeting Minutes
- Program Manuals
- Website
- Annual Budget
- Dividend Calculations
- Cost Allocations
- Policies & Procedures
- Resolutions
- Contracts
- Actuarial Reviews
- Claims Reviews
- Other

INSURANCE BROKERAGE
(Alliant)

- Risk Financing Modelling
- Program Design & Implementation
- Underwriting Information Management
- Draft & Review Coverage Documents
- Research Financial Security of all insurers
- Purchases Excess/ Reinsurance for major risk pools

CLAIMS SERVICE

- Liability (*SRM/OGC, Carl Warren Co.*)
- Workers' Compensation (*Sedgwick*)
- AIME (*HSR*)
- Property (*Alliant, MYI*)
- Cyber (*Alliant, Beazley*)
- Pollution (*Alliant, ACE*)
- PAI (*HSR*)
- Unemployment Insurance (*Equifax, Employers Edge*)
- Builder's Risk (*ACE*)
- Claims Advocacy

4. Campus Coverage Programs

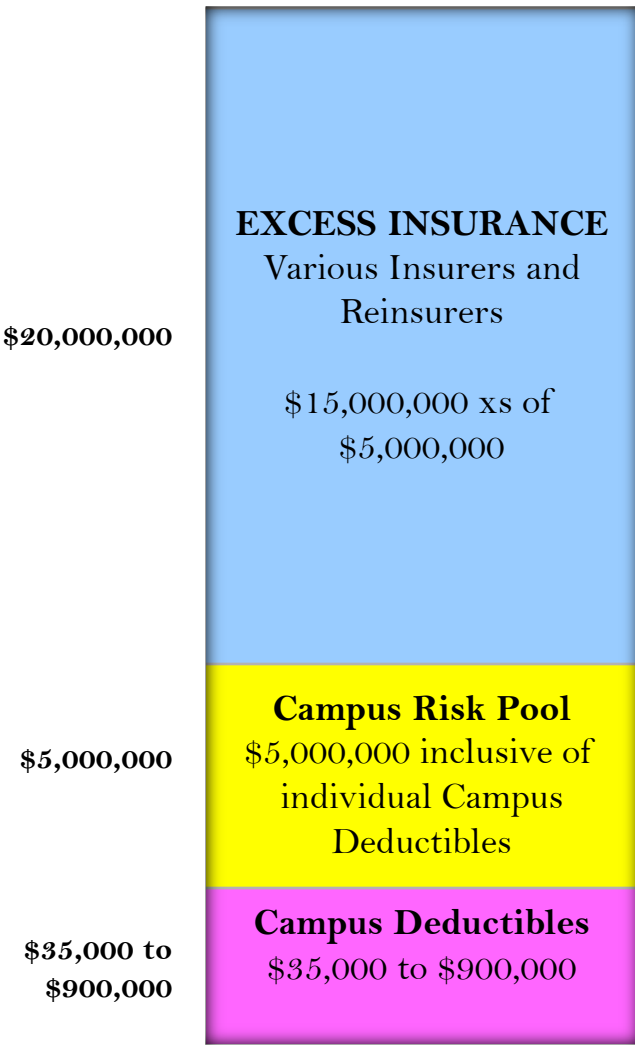
Major Coverages:

1. General & Professional Liability
2. Workers' Compensation
3. Industrial Disability Leave, Nonindustrial Disability Leave, Unemployment Insurance (IDL/NDI/UI)
4. Property, Boiler & Machinery
5. Athletic Injury Medical Expense
6. Automobile Liability



4. Liability

Program Structure



Coverage: General Liability, Errors & Omissions Liability, (including directors and officers), Liquor Liability, Watercraft Liability (up to 50 feet), Employment Practices Liability, Medical Malpractice, Unmanned Aerial Systems, Construction Projects managed by Chancellor's Office or Campus.

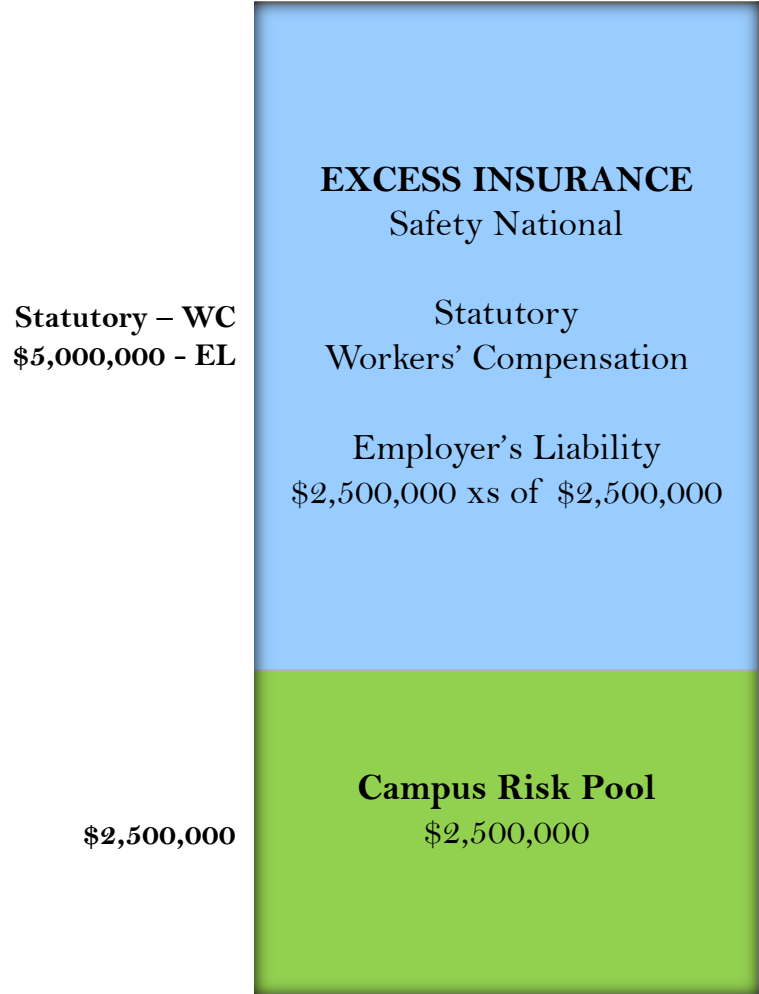
Covered Entities: University, Campuses, elected and appointed officials, employees, appointed volunteers, students in nursing training.

Campus Deductibles (FY 2017-20)

\$35,000:	Bakersfield, Channel Islands, Monterey Bay, Stanislaus
\$50,000:	Maritime Academy, San Bernardino, San Marcos, Sonoma
\$100,000:	Chancellor's Office, Dominguez Hills, Fresno
\$250,000:	Chico, Fullerton, Humboldt, Long Beach, Los Angeles, Pomona, San Francisco, San Luis Obispo
\$500,000:	Sacramento
\$750,000:	East Bay, Northridge, San Jose
\$900,000:	San Diego

4. Workers' Compensation

Program Structure



Coverage: Workers' Compensation & Employer's Liability, incidental USL&H and maritime exposures, and includes registered volunteers as covered employees.

Deductible: There is no individual campus deductible.

CSAC-EIA: Reinsures the Campus WC risk pool and provides Excess WC insurance.

Industrial Disability Leave

- Wage continuation program, in lieu of Workers' Compensation Temporary Disability (TD) benefits for CSU employees who have suffered a work-related injury or illness.
- Eligible employees must be members of CalPERS or STRS.
- IDL benefit is equivalent to the full amount of the injured employee's salary for the first 22 days of the work-related injury or illness (*a three day waiting period may apply*). Thereafter, IDL benefits will be equivalent to two-thirds of the employee's salary.
- IDL payments are based on the actual number of workdays the disabled employee is absent.
- IDL payments not to exceed 52 weeks within two (2) years from the first day of disability.
- Safety Officers have Enhanced IDL benefits,

For additional information, please refer to the IDL Administrative Guide.

Non-Industrial Disability Leave

- Wage continuation program administered by the Employment Development Department (EDD) for eligible employees that have suffered loss of wages due to a disability or injury that is non-work related.
- NDI defines "disability" as: "mental or physical illness and mental or physical injury, including any illness or injury resulting from pregnancy, childbirth or related medical condition".
- An employee is deemed disabled on any day in which, because of a physical, mental or medical condition, he/she is unable to perform his/her regular or customary work. An attending physician must verify the disability.
- Eligible employees may receive benefit payments up to 26 weeks for any one disability period, in an amount equal to one-half full pay, not to exceed the specified weekly amount based on the employee category.
- NDI benefits may not exceed six (6) months for any one incident.
- NDI applications are processed through EDD.

For additional information, please refer to the appropriate CSU Technical Letter(s).

Unemployment Insurance

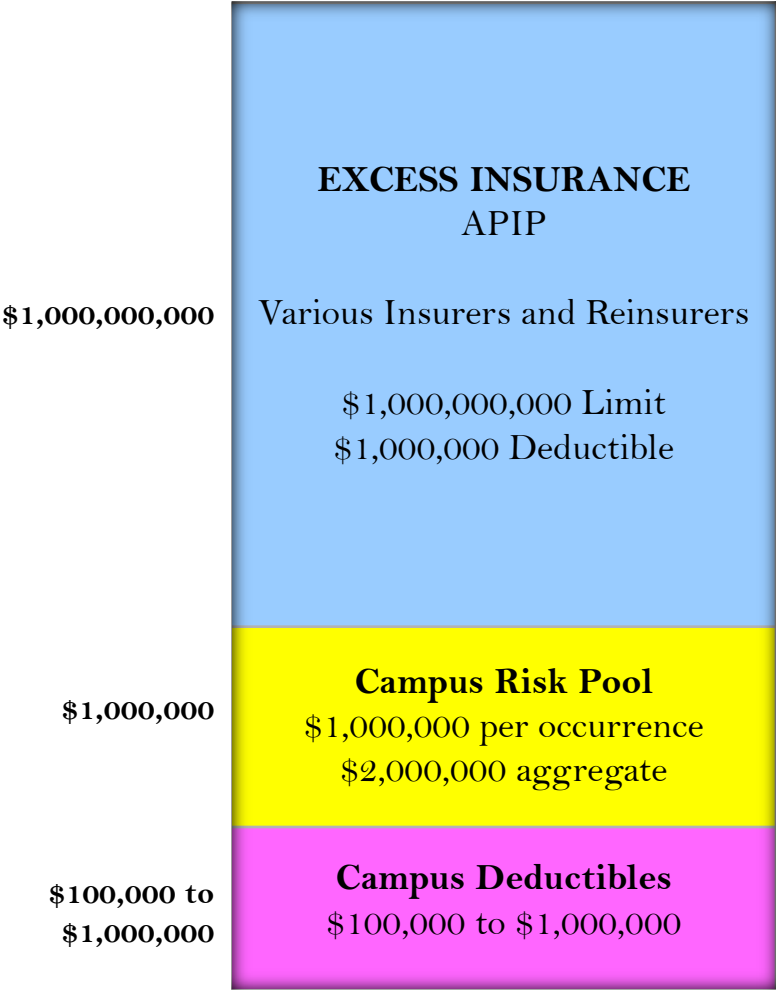
- Insurance against loss of income due to unemployment.
- Funded by payroll taxes.
- Subject to control by both federal and state governments.
- Individuals who are willing and able to work qualify for Unemployment Insurance by:
 - working at a job in an eligible classification,
 - earning a minimum amount of money, and
 - being subject to involuntary unemployment.



For additional information, please refer to Human Resources.

4. Property

Program Structure



Coverage: “All Risk” Property, Boiler & Machinery covering all buildings, but not building contents, including cyber risk liability, flood, and limited pollution coverage.

Deductible: \$100,000 per occurrence for all campuses except \$1,000,000 for SDSU, and from \$5,000 to \$100,000 for **Campus 86** and **Campus 99**.

Flood Deductibles: \$250,000 in Zones A & V; \$100,000 for all other zones; \$50,000 for Fine Arts; \$10,000 per Vehicle or Mobile Equipment, \$50,000 maximum.

Sub-limits: Review the policy summary for the various sub-limits.

4. Property

“86” and
“99”?



Property Coverage Deductible Options:

Campus 86 - to cover loss to the university's business personal property at lower deductibles.

Campus 99 - to cover loss to state-owned buildings occupied by auxiliary organizations at lower deductibles.

4. Athletic Injury Medical Expense

AIME covers the applicable deductible within the NCAA/NAIA Catastrophe Injury Insurance Program.

- **NCAA Catastrophe Injury Insurance Program** provides medical expense coverage, subject to a \$90,000 deductible.
- Covers medical expenses incurred by athletic participants in intercollegiate sports.
- Medical expenses must be incurred within twenty-four months from date of injury.



4. Automobile Liability

State Motor Vehicle Insurance Account

A self-insured fund managed by the State of California's Office of Insurance and Risk Management (*ORIM*).



Coverage: Automobile Liability only.

- No coverage for Auto Physical Damage; *i.e., comprehensive & collision* *

Limits of Liability:

Operator of motor vehicle is a:

- **State Employee:** unlimited liability.
- **Non-State Employee** (*e.g., student volunteers*): \$1,000,000.

Excess Liability is provided by CSURMA's reinsurers.

* *Physical Damage coverage can be obtained separately from CSURMA.*

4. Other Coverages

1. Student Professional Liability Insurance Program (*SPLIP*)
2. Student Academic Field Experience for Credit Liability Insurance Program (*SAFECLIP*)
3. Fidelity Insurance (*Crime*)
4. Student Travel Accident Insurance
5. Foreign Travel Insurance Program (*FTIP*)
6. Rocketry Liability
7. Fine Arts, Artifacts, Archives Program (*FAAAP*)
8. Drone Insurance Program (*DRIP*)
9. Club Liability Insurance Program (*CLIP*)



4. Other Coverages

The following coverages are managed through the Chancellor's Office
Capital Planning Design & Construction (CPDC):

- **Builder's Risk Insurance Program (BRIP)**
 - All major capital construction projects.
- **Owner-Controlled Insurance Program (OCIP)**
 - All construction projects over \$10,000,000 in total construction value.



4. Other Coverages

The following coverages are available for a separate premium:

1. Automobile Physical Damage (*APD*)
2. Sport Clubs, Intramurals, Recreational Sports (*Club Sports*)
3. Participant Accident Insurance (*PAI*)
4. Special Events Liability
5. Special Liability Insurance Program (*SLIP*)
6. Vendors/Contractors Liability Insurance Program (*VCP*)
7. Inland Marine Insurance (*specialized equipment*)



5. Claims Reporting

When the Bad Thing Happens ...

1. Contact **Campus Risk Management**
2. Log on to www.CSURMA.org
 - Enter **Username, Password**
 - Click **“Login Now”**
 - Click **“How to Report a Claim”**



5. Claims Reporting

Claims Administrators

- **Campus Liability:** *Systemwide Risk Management*
- **Workers' Compensation:** *Sedgwick*
- **Property:** *Alliant, McLarens*
- **Athletics, Club Sports:** *Health Special Risk (HSR)*
- **Unemployment Insurance:** *Equifax (CSU), Employers Edge (AOs)*



6. What's New?

New, Newish *and* Expanded Coverage Programs

6. What's New?

Student Professional Liability Insurance Program (SPLIP)

Purpose

- Liability coverage for CSU Students enrolled in Nursing, Allied Health, Social Work, or Education academic programs; i.e., student internships required for graduation.

Coverage

- General Liability
- Professional Liability
- Educator's E&O Liability

Covered Parties

- CSU, all campuses.
- CSU Employees, Faculty, Staff.
- CSU Students enrolled in professional programs.
- Host Institutions with Affiliation Agreements with CSU.



6. What's New?

SPLIP

Limits

- \$5,000,000 each Loss
- \$15,000,000 Aggregate - all Covered Parties, not per Student
- \$25,000 Deductible each Loss
- \$100,000 Deductible Aggregate
- Retroactive Date of Coverage: 1 August 2003

Cost

- \$20.00 per student

 teaching

6. What's New?

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

Purpose

- Liability coverage for CSU students performing community service or volunteer work for academic credit, including students enrolled in Service Learning, and/or students enrolled in Radio/TV/Film studies.

Coverage

- General Liability
- Professional Liability

Covered Parties

- CSU, all campuses
- CSU Employees, Faculty, Staff
- CSU Students enrolled in field experience programs
- Host Institutions with Affiliation Agreements with CSU



6. What's New?

SAFECLIP

Limits

- \$5,000,000 each Loss
- \$10,000,000 Aggregate - all Covered Parties, not per Student
- \$10,000 Deductible each Loss
- \$40,000 Deductible Aggregate
- Retroactive Date of Coverage - 30 June 2007

Cost

- \$5.00 per Student



6. What's New?

Sports Clubs Insurance Program (SCIP)

Coverage: medical expense for injuries to participants in club sports activities.

Club Sports:

1. Intermural Sports
2. Intramural Sports
3. Recreational Sports



No Automatic Coverage - must be declared and approved in advance.

Coverage Limits & Deductible

- Basic Coverage: \$30,000; Catastrophe Coverage: \$5,000,000.
- Deductible: \$100.
- General Liability: \$1,000,000.

Automobile Liability: no coverage provided.

6. What's New?

Club Liability Insurance Program (CLIP)

NEW Program
– *Effective July 1, 2018*

General Liability Insurance

For CSU-recognized student organizations covering general liability occurring both on-campus or off-campus.

Coverage Limit: \$1,000,000 **Deductible:** \$0

1. **Clubs** must be “**officially recognized**” by CSU per Chancellor’s Executive Order 1068.
2. **Automatic Coverage** for all student clubs duly recognized and registered by the university.
3. **Automatic Additional Insured** where required by written agreement.



Club Liability Insurance Program (CLIP)

Coverage Extensions:

- **Damage to Property of Others:** for damage caused accidentally by a Covered Party to the property of others at your location; \$1,000 per incident; \$100,000 aggregate.
- **Assault Coverage:** covers your medical expenses or reimburses you for damage to your property if you are assaulted at your location; \$5,000 per incident; \$100,000 aggregate.
- **Medical Payments:** reimbursement of medical expenses to others injured on your location; \$5,000 per incident; \$100,000 aggregate.
- **First Aid Expenses:** for expenses you incur in rendering first aid to others: \$1,000 per defendant; \$100,000 aggregate.
- **Defendant Expense Benefit:** reimburses you for lost wages and other expenses incurred when you attend a required trial, hearing or proceeding as a defendant in a covered claim: \$1,000 per defendant; \$100,000 aggregate.

6. What's New?

Club Liability Insurance Program (CLIP)

Major Exclusions:

- Automobile Liability
- Alcohol furnished at club activities/events, *unless served by a licensed third party provider.*
- Fraternal Organizations (*men and women*)
- Hazing
- Injuries to Participants *while participating in athletic activities*
- Intentional Discrimination

No Exclusion for:

- Sexual Harassment
- Abuse or Molestation
- Corporal Punishment

6. What's New?

Cyber Liability Insurance *(included in Property Program)*

1st Party Coverage

Privacy Notification Costs

Data Protection and Business Interruption
Cyber Extortion
Theft and Fraud

3rd Party Coverage

Media Liability

PCI Fines and Penalties
Regulatory Defense and Penalties
Privacy Liability

2,000,000
Notified Individuals

\$10,000,000
Sublimit

\$17,000,000
Limit

Privacy Notification Costs include

- Credit/Identity Monitoring
- Call Center Services
- Public Relations and Crisis Management Expenses
- Legal Services
- Computer Expert Services

6. What's New?

Drone Insurance Program (DRIP)

UAVs, UASs, Drones

1. **Automatic Coverage** for small unmanned aircraft (*drones*) described under FAA Part 107 Regulations.
2. **Used for non-commercial purposes.**
3. **55 lbs or less.**
4. **Owned or non-owned** (*leased, hired or on loan to Member or operated by a contractor*).
5. **Hull and attached equipment coverage is not automatic**, but can be purchased if requested and values and serial numbers reported.
6. **Larger than 55 lbs** must be reported and pre-approved for coverage.



6. What's New?

Fine Arts, Artifacts & Archives Program (FAAAP)



1. **“All Risk”** including earthquake and flood coverage.
2. **No Deductible**, except 10% for earthquake per item damaged.
3. **Worldwide Coverage.**
4. **Appraisals** are not required.
5. **“Wall to Wall”, “Nail to Nail” coverage** – while on your property, in transit, out on loan, and during return transit.
6. **\$25,000,000 limit / \$2,500,000 sub-limit** for each unscheduled item;
\$5,000,000 sub-limit for transit (*per conveyance*)

Watercraft Insurance Program

1. Hull and Machinery Insurance

- Coverage for Physical Damage to insured vessels.

2. Collision and Towers Liability

- Coverage for Property Damage caused by an insured vessel (including her tow) that collides with any other vessel, dock, breakwater, cable or any other structure floating.
- Coverage is also provided if insured vessel strands her tow and/or causes it to collide with any other vessel, structure floating, or if it causes other loss or damage to her tow or to the freight or property on board.

3. Protection & Indemnity Liability

- \$1,000,000 limit
- Coverage for Bodily Injury and Property Damage Liability
 - excluding damage while towing another vessel.

6. What's New?

Watercraft Insurance Program

Supplementary Coverages:

- **Hull & Machinery Temporary Shore-side Coverage:** \$1,000 deductible.
- **Collision & Tower's Liability Safeguard of Property:** \$2,500 limit.
- **Protection & Indemnity Liability Medical Payments:** \$10,000 per person, per accident or occurrence subject to policy limit of liability per occurrence, excluding crew liabilities.



Watercraft Insurance Program

Exclusions:

- All in-water activities, including but not limited to: swimming, snorkeling, diving, scuba, water or jet skiing, para or kite sailing, etc.
- High speed boats (*over 35 mph*). Vessels that exceed 35 mph require pre-approval.
- All racing or competitive athletic activities.
- Acts of Terrorism (buy back endorsement available).
- Institute Extended Radioactive Contamination.
- Radioactive Contamination.
- Chemical, Biological, Bio-Chemical, Electromagnetic Weapons.
- Punitive Damages.
- Institute Cyber Attack.
- Health Hazard (Specific).
- Employment-Related Practices.
- Nuclear Energy Liability.

6. What's New?

Risk Management Grant Program

Effective July 1, 2017, CSURMA's Risk Management Grants are refocused from Campus projects to Systemwide endeavors, and to be proposed by the WERCS Affinity Groups.



\$150,000 budgeted for:

- Specialized training
- Safety equipment
- Physical improvements
- Other safety related items

9. How to Stay Informed

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



8. CSURMA Website

- 1. Log into the CSURMA website – www.CSURMA.org
- 2. Enter **Username, Password.**
- 3. Click sign in.



8. Who to Call

Questions?

Please contact your Program Administrators:

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Or, your friendly Systemwide Risk Management professionals:

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