

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

**SEPTEMBER 29, 2016**

**TELECONFERENCE MEETING**

**1:00 PM**

**MEMBERS PRESENT**

Gigi Kiama, University Corporation, CSU Monterey Bay  
 Bill Olmsted, University Union Operation of CSUS, Inc.  
 Jason Porth, The University Corporation, San Francisco State University  
 Jun Reina, Capital Public Radio, Inc., CSU Sacramento  
 Raven Tyson, Associated Students of San Diego State University (*Arrived at 1:08 PM*)

**ABSENT MEMBERS**

Guy Dalpe, Associated Students, Inc., San Francisco State University

**STAFF, GUESTS AND CONSULTANTS**

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

**A. CALL TO ORDER**

The meeting was called to order by Gigi Kiama at 1:03 PM.

**A1. Approval of the Agenda Order**

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

**First:** Jason Porth  
**Second:** Jun Reina

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

**Motion carried.**

**B. PUBLIC COMMENTS**

There were no public comments.

**C. GENERAL ADMINISTRATION**

**C1. Approval of Minutes – June 23, 2016**

A motion was made to approve the minutes of the June 23, 2016 meeting.

**First:** Jason Porth  
**Second:** Bill Olmsted

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

**Motion carried.**

**C2. Employment Practices Liability Member Deductibles for FY 17/18**

Staff completed the minimum (Employment Practices Liability) EPL deductible calculation for FY 17/18. Seven auxiliary organizations are subject to an EPL deductible higher than the minimum of \$25,000. According to Policy & Procedure L-7, the Programs Committee is responsible for approving the EPL deductible calculation.

Auxiliary Organization	FY 16/17
CSU, Fresno Foundation	\$75,000
CSU, Long Beach Research Foundation	\$75,000
The Cal Poly Pomona Foundation, Inc.	\$100,000
University Enterprises, Inc., CSU Sacramento	\$75,000
Associated Students, SDSU	\$50,000
SDSU Research Foundation	\$100,000
San Jose State University Research Foundation	\$100,000

The Committee reviewed the EPL deductible schedule, calculation and Policy & Procedure L-7.

A motion was made to approve the seven auxiliaries' EPL deductibles in excess of \$25,000.

**First:** Jun Reina

**Second:** Bill Olmsted

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

**Motion carried.**

**C3. Liability and Workers’ Compensation Dividends**

At its September 8, 2016 meetings, the AORMA Committee approved the following dividends to be distributed in July of 2017:

- a. Liability – \$824,133
- b. Workers’ Compensation – \$888,622

The Committee reviewed the liability and workers’ compensation dividend allocation calculation.

A motion was made to approve the liability and workers’ compensation dividend allocations as presented by Staff.

**First:** Bill Olmsted

**Second:** Jun Reina

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

**Motion carried.**

**C4. 2016 Workers’ Compensation Payroll Desk Audits**

Annually, Staff performs “desk” payroll audits of ten (10) Workers’ Compensation Program members. As directed by the Program Committee, Staff will audit any member who has an experience modification factor in excess of 1.00 (unless they were audited the previous year), any members with an experience modification factor in excess of 1.25 (even if they were audited the previous year) and a random selection of members.

Staff found that some of the claims were classified to the wrong class code. Staff was unable to identify the source of the classification errors. So in order insure proper classification, the Programs Committee directed Staff to instruct Sedgwick to refrain from selecting class codes without the member’s advice and require that the member provide the correct class code on the Form 5020. If the Form 5020 does not contain the class code, Sedgwick will contact the member directly. Staff discussed how it is nearly impossible to accurately classify an employee based on the description of the injury alone.

A motion was made to accept the desk audit as presented.

**First:** Raven Tyson  
**Second:** Bill Olmsted

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

**Motion carried.**

**C5. Workers’ Compensation Program Volunteer Claims**

Policy and Procedure W-6, confirms that a workers’ compensation program member may elect to extend its workers’ compensation coverage to its volunteers. It also outlines the procedures to be followed in order to extend coverage, and it notes that the volunteer losses may be reviewed annually to ensure the rating integrity of the workers’ compensation program.

Currently, the workers’ compensation member allocation formula does not include a premium charge for volunteers. Since inception of the AORMA workers’ compensation program in 2005, the total incurred for volunteer losses is \$207,963, approximately \$18,906 per year. Staff does not believe the member allocation formula needs to be changed at this time to charge a premium based on number of volunteers.

A motion was made to accept continuation of no charges for volunteers.

**First:** Jun Reina  
**Second:** Jason Porth

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

**Motion carried.**

**C6a. Loss Control / Risk Management / Claims Administration Contract Review**

The Committee discussed the services provided by Alliant Risk Control Consulting and reviewed the comments included in the vendor survey completed by Systemwide Risk Management. The Committee Members were very happy with the services being provided.

No action was taken.

**C6b. Loss Control / Risk Management / Claims Administration Contract Review – Employers Group**

The Committee discussed the services provided by Employers Group and reviewed the comments included in the vendor survey completed by Systemwide Risk Management. Mimi Long noted that she had asked for feedback during the AOA HR Conference in July, 2016, and received only positive comments. The Committee concluded that the contract services are well received.

No action was taken.

**C6c. Loss Control / Risk Management / Claims Administration Contract Review – Employers Edge**

The contract with Employers Edge for Unemployment Insurance claims administration will expire on June 30, 2018. The Committee discussed the services provided by Employers Group and reviewed the comments included in the vendor survey completed by Systemwide Risk Management. Mimi Long noted that she had asked for feedback during the AOA HR Conference in July, 2016, and received negative feedback from all but one member. The Committee agreed to send out an RFP for unemployment insurance claims administration. Gigi Kiama was directed to form an ad hoc committee to oversee the RFP process.

A motion was made to form an ad hoc committee and to send out a request for proposal for unemployment insurance claims administration effective July 1, 2018.

**First:** Bill Olmstead

**Second:** Jason Porth

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

**Motion carried.**

**C7. 2017 Meeting Dates for the CSURMA AORMA Programs Committee**

Noted below are the proposed 2017 AORMA Programs Committee meeting dates:

Description	Date	Day	Time	Location
Programs Committee	February 23	Thursday	1:00 pm	Teleconference
Programs Committee	June 22	Thursday	8:00 am	San Francisco
Programs Committee	September 28	Thursday	1:00 pm	Teleconference
Programs Committee	December 7	Thursday	8:00 am	San Francisco

Staff recommends approving the proposed 2017 meeting dates for the CSURMA AORMA Programs Committee, with changes as appropriate.

A motion was made to approve the 2017 Programs Committee meetings with two in person meetings in San Francisco to start at 8:00 AM.

**First:** Bill Olmstead

**Second:** Raven Tyson

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

**Motion carried.**

**D. INFORMATION ITEMS**



**APPROVED**

The Committee Members reviewed the information items.

- D1. 2016 CSURMA AORMA Meeting Calendar**
- D2. FY 15/16 Long Range Action Plan**
- D3. CSURMA AORMA Committee and Standing Committee Roster**

**E. ADJOURNMENT**

A motion was made to adjourn the meeting at 2:02 PM