

**APPROVED MINUTES  
ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS  
(ASCIP)**

**EXECUTIVE COMMITTEE MEETING**

**Thursday, May 28, 2015**

A meeting of the ASCIP Executive Committee was held on Thursday, May 28, 2015, at 10:00 a.m. at the ASCIP Office, 16550 Bloomfield Avenue, Cerritos, California 90703.

**I. CALL TO ORDER –President Kelsch**

The ASCIP Executive Committee (Executive Committee) Meeting was called to order at 10:05 a.m. by President Kelsch.

**II. ROLL CALL - Clerk of the Executive Committee**

**Members/Alternates Present**

Ms. Corinne Kelsch, President  
Mr. John Vinke, Vice President  
Mr. Luis Camarena, Alternate  
Ms. Lydia Cano, Member  
Mr. John Didion, Member  
Mr. Michael Fine, Member  
Mr. Phil Hillman, Alternate  
Ms. Susan Hume, Alternate  
Mr. Michael Johnston, Member  
Ms. Angela Jones, Member  
Mr. Vahe Markarian, Member  
Dr. Nancy Nien, Alternate  
Dr. Stefanie Phillips, Alternate  
Dr. Joanne Schultz, Alternate  
Ms. Ann Sparks, Member  
Ms. Irene Sumida, Alternate  
Mr. Fred Williams, Member

**Members/Alternates Absent**

Mr. Kris Olafsson, Treasurer  
Mr. Michael Clear, Alternate  
Ms. Kathy Everhart, Alternate  
Ms. Teresa Dreyfuss, Alternate  
Ms. Karen Kimmel, Alternate  
Ms. Janece Maez, Member  
Ms. Thuy Nguyen, Alternate  
Ms. Barbara Ott, Alternate  
Ms. Cheryl Plotkin, Member  
Ms. Andrea Reynolds, Alternate  
Mr. Jeff Starr, Alternate

**Others Present**

Ms. Nancy Anderson  
Mr. John Aasted  
Mr. Stephan Birgel  
Mr. John Chino  
Mr. Reshan Cooray  
Ms. Martha Espinoza  
Mr. Robert Feldhake, Esq.  
Ms. Lucila Gonzalez  
Ms. Nidra Kumaradas  
Mr. Jonathan Lackey  
Ms. Jackie Munoz  
Mr. Russell O'Donnell  
Mr. Dan Sanger  
Ms. Lynn Truong  
Ms. Felicia Williams

Mr. Fritz J. Heirich, ex officio

**III. APPROVAL OF AGENDA – President Kelsch**

It was the consensus of the Executive Committee that Item #XIII.B.1 Diane Wilson vs. Newhall School District be removed from the Agenda. This matter was within the Claims/Coverage Committee layer for approval.

On **MOTION** of Mr. Vinke, **SECONDED** by Mr. Johnston, and **CARRIED**, the Agenda was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams  
Nay: (0)  
Abstentions: (0)

**IV. Minutes of the Regular Executive Committee Meeting of April 24, 2015**

The Minutes were corrected to reflect that the April 24, 2015 meeting was held at the Omni Hotel & Resort, 675 L. Street, San Diego, California 92101.

On **MOTION** of Mr. Johnston, **SECONDED** by Ms. Sparks and **CARRIED**, the Minutes of the Regular Executive Committee Meeting of April 24, 2015, were approved as amended.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams  
Nay: (0)  
Abstentions: (0)

**V. PUBLIC COMMENTS – President Kelsch**

There were no attendees from the public.

**VI. PRESIDENT’S REPORT –President Kelsch**

President Kelsch reported that she requested the CEO seek a proposal from a third-party to advise the Executive Committee on executive compensation matters. She also reported that the ASCIP officers would be meeting to discuss the CEO’s evaluation and would bring the results to the full board at the August meeting for discussion.

**VII. COMMITTEE REPORTS**

**A. CLAIMS/COVERAGE COMMITTEE – Chair Cano**

Chair Cano reported that the Claims/Coverage Committee met prior to this meeting, and reviewed a number of claims in Closed Session and gave direction to staff regarding approvals and recommendations. Additionally, the Committee reviewed the claims trends for the property/liability and workers’ compensation programs.

**B. HEALTH BENEFITS COMMITTEE – Co-Chair Vinke**

Co-Chair Vinke reported that the Committee met on May 21, and discussed engaging a new health benefits consultant to assist with ACA compliance and reviewed the results of the Doc-in-the-Box program.

**C. FINANCE/INVESTMENT COMMITTEE – Co-Chair Vinke**

Co-Chair Vinke reported that the Finance/Investment Committee met on May 21, and reviewed ASCIP's Investment Policy and 2015 First Quarter Investment Summary Report. He also reported that the Committee reviewed the new government code which allows investing in supranational's and the Finance/Investment Committee recommends that a maximum of 10% of the portfolio be invested in this category.

**D. RISK CONTROL COMMITTEE – Mr. Cooray**

Mr. Cooray reported that the Risk Control Committee met on May 14, and reviewed the proposed budget for 2015/16, a new master service agreement, and discussed the Risk Control Grant procedures.

**E. PERSONNEL & COMPENSATION COMMITTEE – President Kelsch**

President Kelsch reported that the Personnel & Compensation Committee met on May 8. The Committee's recommendations are on today's agenda.

**VIII. TREASURER'S REPORT –Lynn Truong**

Ms. Truong highlighted ASCIP expenditures, members' contributions, and cash balances for the month of April 30, 2015.

On **MOTION** of Mr. Didion, **SECONDED** by Ms. Jones, and **CARRIED**, Item #VIII.A was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

**IX. STAFF REPORTS**

**CHIEF EXECUTIVE OFFICER – Fritz J. Heirich**

Mr. Heirich provided a status report on the marketing prospects for 2015/16.

**CHIEF OPERATING OFFICER – Russ O'Donnell**

Mr. O'Donnell reported that the biannual audit of the third party administrators was completed and the full report would be provided at the August meeting. He also reported that staff held its first workers' compensation roundtable meeting and it was well attended.

SENIOR DIRECTOR OF MEMBER SERVICES – Nancy Anderson

Ms. Anderson announced that if you didn't receive a copy of ASCIP's 2014 Annual Report extra copies are available. She also announced that as we transition to a new fiscal year, if there are any key contact changes within your district to let me know so that our team could arrange to meet them and provide an orientation.

**X. BOARD MEMBER COMMENTS**

Committee member Fine expressed his appreciation for being able to serve on the board.

**XI. CONSENT ITEMS**

A. Appointment of New Standing ASCIP Committee Members

B. Master Service Agreement Renewals – No Significant Change in Terms, Conditions or Fees

- California Loss Control
- Company Nurse
- EHS International
- Fidelity Safety Training
- Haztrainer
- Healthcare Solutions
- IEL Consulting
- Insurer Tech
- MJD Associates
- Occupational Safety LLC
- P.L. Dalton
- Rescue Training Institute
- Sherri Mudd
- Survival Skills
- Syntrio
- The East Company

C. Approval of Investment Policy

D. ASCIP 2015 First Quarter Investment Performance Report

On **MOTION** of Mr. Williams, **SECONDED** by Ms. Cano and **CARRIED**, Item #XI.A through Item #XI.D were approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

**XII. ACTION ITEMS**

**A. Approval of 2015/16 Property & Liability Excess/Reinsurance Purchases**

The Executive Committee approved the purchase of the insurance/reinsurance for property, crime, boiler & machinery, excess workers' compensation, ASCIP-B, and underground storage tanks.

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Williams and **CARRIED**, Item #XII.A was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

**B. Approval of Increased Liability Limits for 2015/16**

The Executive Committee approved purchasing \$50 million in per occurrence liability limits from Schools Excess Liability Fund for all members of the ASCIP Property/Liability program for the 2015/16 program year and authorized the purchase be paid from ASCIP's property/liability net assets. Additionally, the Executive Committee authorize staff to execute any and all documents and perform actions needed to purchase the coverage.

The Executive Committee also approved requiring all members to maintain \$50 million in coverage from SELF in subsequent years, with the cost being included in members' annual premiums.

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Williams and **CARRIED**, Item #XII.B was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

C. Approval of Health Benefits Consulting Services

1. Barney & Barney
2. Gallagher Benefit Services

On **MOTION** of Ms. Sparks, **SECONDED** by Mr. Markarian and **CARRIED**, Item #XII.C.1 and Item #XII.C.2 were approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

D. Approval of Continuation of the Enhanced Primary Care Program

The Executive Committee approved continuing the Doc-in-a-Box program at Paramount USD until June of 2016 at a cost not to exceed \$500,000.

On **MOTION** of Mr. Fine, **SECONDED** by Mr. Markarian and **CARRIED**, Item #XII.D was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

E. Approval of 2015/16 Risk Control Grant Program Procedures

The Executive Committee approved the Risk Control Grant Program procedures for 2015/16 and the targeted risk/loss issues.

On **MOTION** of Ms. Jones, **SECONDED** by Ms. Cano and **CARRIED**, Item #XII.E was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

F. Approval of New Master Service Agreements:

1. Sierra Ergonomics

The Executive Committee approved the Master Service Agreement with Sierra Ergonomics for a 24-month period as recommended by the Risk Control Committee.

On **MOTION** of Mr. Didion, **SECONDED** by Mr. Williams and **CARRIED**, Item #XII.F.1 was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

2. RJN Investigation Services

The Executive Committee approved the Master Service Agreement with RJN Investigation Services for a 12-month period.

On **MOTION** of Ms. Jones, **SECONDED** by Mr. Vinke and **CARRIED**, Item #XII.F.2 was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

G. Approval of Employee Compensation Budget for FY 2015/16

On **MOTION** of Ms. Sparks, **SECONDED** by Mr. Markarian and **CARRIED**, Item #XII.G was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

H. Approval of Changes to ASCIP Employee Vacation Policy

On **MOTION** of Mr. Didion, **SECONDED** by Ms. Jones and **CARRIED**, Item #XII.H was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams

Nay: (0)

Abstentions: (0)

I. Approval of Total Compensation Solutions Agreement

On **MOTION** of Ms. Jones, **SECONDED** by Ms. Sparks and **CARRIED**, Item #XII.I was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams  
Nay: (0)  
Abstentions: (0)

J. Approval of Changes to Executive Committee Meeting Schedule

On **MOTION** of Mr. Johnston, **SECONDED** by Mr. Didion and **CARRIED**, Item #XII.J was approved as presented.

Aye: (13) – Cano, Didion, Fine, Hillman, Johnston, Jones, Kelsch, Markarian, Nien, Schultz, Sparks, Vinke, Williams  
Nay: (0)  
Abstentions: (0)

**XIV. ADJOURNMENT TO CLOSED SESSION – 12:15 p.m.**

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned to Closed Session for discussion of the following matters.

A. Summary of Open Claims Reported to ASCIP’s excess insurers and reinsurers: SELF, MARP, Markel, and Brit

This item was for information only. No action was taken.

C. Chief Executive Officer Performance Evaluation

This item was for discussion only. No action was taken.

**XV. RETURN TO OPEN SESSION**

By order of **GENERAL CONSENSUS**, the Executive Committee returned to Open Session at 12:17 p.m.

**XVI. FUTURE MEETINGS**

June 24, 2015 – Claims/Coverage Committee  
June 24, 2015 – Executive Committee

**XVII. ADJOURNMENT**

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned at 12:17 p.m.

**ASCIP Executive Committee Meeting**  
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The next regular meeting of the Executive Committee will be held on Wednesday, June 24, 2015, at the ASCIP Office, 16550 Bloomfield Avenue, Cerritos, CA 90703.