

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

**EXECUTIVE COMMITTEE MEETING**

**Thursday, September 25, 2014**

A meeting of the ASCIP Executive Committee was held on Thursday, September 25, 2014, at 10:00 a.m. at 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 10:03 a.m. by President Kelsch.

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

**Members Present**

Ms. Corinne Kelsch, President  
Mr. John Vinke, Vice President  
Mr. Kris Olafsson, Treasurer  
Ms. Lydia Cano, Member  
Mr. John Didion, Member  
Ms. Susan Hume, Alternate  
Ms. Angela Jones, Member  
Ms. Janece Maez, Member  
Mr. Vahe Markarian, Member  
Ms. Barbara Ott, Alternate  
Ms. Andrea Reynolds, Alternate  
Mr. Fred Williams, Member

**Members Absent**

Mr. Michael Fine, Member  
Ms. Teresa Dreyfuss, Alternate  
Mr. Phil Hillman, Alternate  
Mr. Michael Johnston, Member  
Ms. Karen Kimmel, Alternate  
Ms. Thuy Nguyen, Alternate  
Dr. Nancy Nien, Alternate  
Ms. Cheryl Plotkin, Member  
Ms. Ann Sparks, Member  
Dr. Joanne Schultz, Alternate

**Others Present**

Ms. Nancy Anderson  
Ms. Veronica Campos  
Mr. Reshan Cooray  
Mr. Robert Feldhake  
Mr. Sylvan Dion  
Mr. Kevin Hobby  
Mr. Jonathan Lackey  
Mr. Russell O'Donnell  
Mr. Brian Pelham  
Ms. Kim Tran  
Ms. Lynn Truong  
Ms. Felicia Williams  
Mr. Josh Zirin

Mr. Fritz J. Heirich, ex officio

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

On **MOTION** of Ms. Jones, **SECONDED** by Mr. Didion, and **CARRIED**, the Agenda was approved as presented.

Aye: (9) – Cano, Didion, Jones, Kelsch, Maez, Markarian, Olafsson, Williams Vinke  
Nay: (0)  
Abstentions: (0)

**IV. Minutes of the Regular Executive Committee Meeting of August 29, 2014**

On **MOTION** of Ms. Cano, **SECONDED** by Mr. Williams and **CARRIED**, the Minutes of the Regular Executive Committee Meeting of August 29, 2014, were approved as presented.

Aye: (9) – Cano, Didion, Jones, Kelsch, Maez, Markarian, Olafsson, Williams Vinke

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 the sessions at CAJPA were very good. She also thank the Executive Committee for the opportunity to chair the Committee.

**VII. COMMITTEE REPORTS**

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

Chair Cano reported that the Claims/Coverage Committee met this morning and reviewed a number of claims in Closed Session and gave direction to staff regarding approvals and recommendations. Chair Cano also reported that the Committee reviewed the property/liability and workers’ compensation program trends as of June 30, 2014.

**VIII. TREASURER’S REPORT –Mr. Olafsson**

Mr. Olafsson submitted the Treasurer’s report for the period ending July 31, 2014 and August 31, 2014, requesting the Executive Committee receive and file. In addition, Mr. Olafsson highlighted ASCIP expenditures, members’ contributions, and cash balances.

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

Aye: (9) – Cano, Didion, Jones, Kelsch, Maez, Markarian, Olafsson, Williams Vinke

Nay: (0)

Abstentions: (0)

**IX. STAFF REPORTS**

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

Mr. Heirich reported on the operational activities since the last Committee meeting. His report included comments regarding staff recruitment, leadership training with Jeff Bills, and conference activities.

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

Mr. O'Donnell reported that a consultant is filling in temporarily until a replacement is hired for the Director of Workers' Compensation position. He also reported that the Origami claims system would be going live on November 1, 2014.

**SR. DIRECTOR, MEMBER SERVICES – Nancy Anderson**

Ms. Anderson reported that SELF has hired a new Chief Financial Officer and Director of Claims. She also commented on the upcoming workshops and webinars being hosted by ASCIP and SELF and encourage everyone to check the ASCIP website for new events and activities.

**X. BOARD MEMBER COMMENTS**

**XI. CONSENT ITEMS**

- A. ASCIP End of the Year Celebration
- B. Certification of Signatures for 2014/15
- C. ASCIP 2014 Second Quarter Investment Summary Report

On **MOTION** of Mr. Didion, **SECONDED** by Ms. Jones and **CARRIED**, Item #XI.B through Item #XI.C were approved as presented.

Aye: (9) – Cano, Didion, Jones, Kelsch, Maez, Markarian, Olafsson, Williams Vinke  
Nay: (0)  
Abstentions: (0)

**XII. INFORMATION AND DISCUSSION ITEMS**

- A. OCIP Program Unaudited Financial Statements as of June 30, 2014

Ms. Truong provided an overview of the OCIP Unaudited Financial Statements as of June 30, 2014, and reported that the financial statements would be presented to the CIPA Board for approval.

**B. 2014 CIPA Annual Board Meeting**

Mr. Heirich provided an overview of the CIPA Board of Directors Agenda for the annual CIPA Meeting.

**C. Status Report on ASCIP's Rating Process Review**

Sylvan Dion and Josh Zirin from Dion Strategic Consultants & Actuaries provided a status report on their work to date. They also reported that they would be completing the underwriting process review by mid-October and bringing some recommendations to the next Executive Committee meeting for consideration.

**XIII. ADJOURNMENT TO CLOSED SESSION – 11:33 a.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.

**B. Chief Executive Officer Performance Evaluation**

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

**XIV. RETURN TO OPEN SESSION**

By order of **GENERAL CONSENSUS**, the Executive Committee returned to Open Session at 12:30 p.m.

**XV. ACTION ITEMS**

**A. Chief Executive Officer Compensation**

The Executive Committee discussed the existing contract and bonus provisions, addressed the efforts and performance by the Chief Executive Officer, and proposed a discretionary bonus of 5% of the base salary as of June 30, 2014 and a 5% salary increase effective July 1, 2014. In addition, the Executive Committee recommended that the existing Agreement with the Chief Executive Officer be amended to include an automatic one-year extension of the term of the CEO employment agreement effective every July 1. The Executive Committee gave direction to General Counsel to prepare a formal Amendment to the existing Agreement and authorized

the President and CEO to execute the Amendment and bring to the October meeting for formal ratification in Open Session.

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

Aye: (9) – Cano, Didion, Jones, Kelsch, Maez, Markarian, Olafsson, Williams Vinke

Nay: (0)

Abstentions: (0)

## **XVI. FUTURE MEETINGS**

October 15, 2014 – Risk Control Committee

October 30, 2014 – Claims/Coverage Committee

## **XVII. ADJOURNMENT**

By order of **GENERAL CONSENSUS**, the Executive Committee adjourned at 12:30 p.m.

The next regular meeting of the Executive Committee will be held on Thursday, October 30, 2014, at the ASCIP Office, 16550 Bloomfield Avenue, Cerritos, CA 90703.