



Center for Insurance Studies Review

(2014-2017)

March 15, 2017

Dr. Weili Lu, Director

Full Professor in the Department of Finance

Mihaylo College of Business and Economics

Contact Information:

Location: SGMH 4280

Phone: 657-278-3679

Email: wlu@fullerton.edu

Established in 1998

Last Review Date: Not Applicable

Center for Insurance Studies Mission & Goal

Mission

The Center for Insurance Studies (CIS) aspires to be the locus of the intellectual and physical resources that create a broad-based educational environment blending technology, communications, interpersonal skills and sound business practices within the fabric of insurance studies. Specifically, the role of the CIS is to provide both traditional and non-traditional students from a variety of backgrounds with a high-quality business education emphasizing verbal, written, technological and interpersonal skills that allow them to succeed in a rapidly growing and changing insurance industry.

Goal

The goal of CIS is to create an organization that attracts and educates talented individuals who are committed to professional careers in the insurance and financial services industries, including the property, life, benefits, risk management and health care components. The emphasis will be on careers in actuarial analysis, claims, financial planning, marketing, risk management, portfolio management, sales, technology and underwriting.

Objectives

Objective A

Enhance and reenergize the current curriculum so that it blends traditional coursework in insurance and risk management with cutting-edge courses integrating the combined industry needs in technology, communication, professional ethics, global awareness and sound business practices.

Objective B

Provide enrichment education to industry employees and non-traditional students by providing them with degree and non-degree educational opportunities.

Objective C

Develop a comprehensive program aimed at attracting the highest-caliber individuals to careers in insurance and financial services through innovative contests, financial awards, mentoring programs and other professional development opportunities.

Objective D

Provide interface opportunities with the industry, placing CSUF students and non-traditional students on career paths that can be both financially and personally rewarding

Objective E

Strengthen insurance research to improve the risk management and insurance program's academic ranking through the development of a strong, multi-disciplinary research team that focuses on publication in nationally-recognized actuary, insurance and finance journals.

Center's Activities by Objectives

Objective A: Enhance the Current Curriculum

Curriculum development in the past three years has been conducted in the following four areas:

1. In the development of online courses, we transferred four courses (FIN 360, 361, 461 and 463) into online instruction by designating the project to our highly-rated instructor. Some of the courses are now course matching and have been taken by students from other campuses within the CSU system. We are currently working on an RMI STAR program, which will benefit the entire CSU system in the near future.
2. We are encouraging faculty to propose new courses and workshops with teaching innovation grants.
3. We are developing a new graduate program, the Master of Science in financial engineering and risk management, which took us three years to finish and received approval by the Chancellor's office.
4. We are combining theory with practice by applying professional designation material into our courses so students can earn the waiver of professional exams while they receive the academic score. For example, students passing FIN 361 and 461 with a grade of B or above can be waived for two Chartered Property Casualty Underwriter (CPCU) exams.

Objective B: Assisting Industry Employees

The center extended close collaboration with professional associations in the Los Angeles area by coordinating FIRMA conference and offering CAIFPA workshops to assist industry employees. In addition, our G-Cat Forum and Actuary Leadership Forum provided employee updated-industry trend and CE credit. Moreover, the center provided the ESPD (Empowered Student Professional Development) award to encourage students to take professional exams and licenses to become high-quality employees for the industry.

Objective C: Develop a Comprehensive Program

A successful academic program requires three important factors: scholarships to help students finance their degree program; internships to make sure students have practical experience in the industry; and good jobs after they graduate. The center accomplished all three goals. From 2014 to 2017, we provided an average of \$60,000 in scholarships per student. The interns and jobs we placed on average are over 110. Since the center was founded, we have placed close to 1,500 students in industry positions. Our total annual course enrollment increased concretively, which made us the largest and most active risk management and insurance program west of Mississippi. Please see the graphs in the appendix for more on this.

Objective D: Provide Interface Opportunities

The center provided many interface opportunities for students to interact with industry leaders. Our monthly Jim Gutmann Speaker Series invited more than 50 executives to speak to our students on their career paths and leadership development. More than 3,000 students attended these lecturers. Our iDay attracted more than 80 insurance companies, 200 executives, over 300 student volunteers and more than 5,000 students in the last three years. In addition, we raised over \$100,000. Our new event, E&S Day, has invited about 20 executives and wholesalers to campus in the last two years. Each year we have about 100 students involved. Our signature event, the 2016 Insurance Forum, featuring former California Governor Arnold Schwarzenegger, attracted 400 friends from the industry and campus. We raised \$100,000 for our endowment fund.

Objective E: Strengthen Insurance Research

In order to strengthen insurance research, we provide research grants and awards to faculty in insurance, finance, mathematics and civil engineering. Multiple faculty members have published in first-class insurance journals, such as the *Journal of Risk Management and Insurance*; *Insurance, Mathematics and Economics*; and the *Journal of Banking & Finance*. Some of the papers are award-winning worldwide, which significantly increased our academic visibility.

International Programs

The center has two brand name publications: the *Asia Insurance Competency Report (AIC)* and *Asian Insurance Development Report (ADIR)*. AIC is a research project granted by the largest Chinese business newspaper, the *21st Century Business Herald*. We hand collected more than 610 Asian insurance carriers' financial data and tested them in six modules. The ranking result is the most reputable ranking in the Chinese insurance industry. The newspaper has published an annual book in both English and Chinese for eight years. The AIDR is an ebook introducing 10 Asian insurance markets and their regulations to a global audience.

Center's Organizational Structure and Governance

The center has two boards: the board of directors (BOD) and advisory board (AD). BOD members include our president, provost and dean. For a complete list of members, please see the Appendix. This board meets annually to receive the director's report, approve the center's budget for the following year and discuss the fundraising campaign and strategic development. BOD leads in center governance. AD meets three to four times each year to receive the updating report, discuss the events conducted, review the continued development of the new program, and recommend new ideas and board members.

The CIS team includes a director, associate directors, office manager, career advisor and the research assistant team. The director is appointed by the MCBE dean. Her responsibility includes developing programs, supervising the center's operation, raising operation and endowment funds, and assisting student learning and placement.

Center's Resources and Sustainability

The center is operated on a self-supporting base. The revenue is mainly donated from member companies, nonmember companies, individuals and professional organizations. Part of it is from a writing grant, hosting events and interest from an endowment fund. The other additional support we received came in the form of two courses release time from the college. Please see the Appendix for a full list.

The physical space for the center was assigned by the MCBE with the reserve fund donated by George Joseph (founder of Mercury Insurance Group), the Auto Club of Southern California, Pacific Life and Frank Robitaille.

The center will continuously work with insurance carriers, brokers and professional associations to raise fund operations and enhance the endowment.

Center's Highlights and Accomplishments

The center was founded with a single principles course in 1998 and now has 15 program courses and three concentrations: actuarial science (math); risk management and insurance (RMI) (finance); and MBA in RMI. There are also two track programs: insurance marketing entrepreneurship (marketing) and insurance and financial services (finance). We also have one degree program, the M.S. in financial engineering and risk management. Last year, our total annual course enrollment for all program courses reached 1,292 students and 144 students were placed in career positions through the center. We are now the largest and most active RMI program west of the Mississippi River.

The center has two name-brand research publications: *Asian Insurance Competency Report* (a book published by Chinese Leading Newspaper for eight years) and *Asian Insurance Development Report* (ebook). They are well-known in China and nine other East Asian countries. The center also provides a research grant to a multi-disciplinary research team on campus for any research related to catastrophic risk management related topics.

The center has held a number of events that have been very influential in Southern California and the nation. The 2016 Insurance Forum featured former California Governor Arnold Schwarzenegger and attracted more than 400 industry professionals and students and generated a \$100,000 endowment fund. Other well-known events have included Insurance Day (iDay), with close to 2,000 students involved; Excess and Surplus Line Day (E&S Day), with 500 students involved; Jim Gutmann Speaker Series; and the G-Cat Forum, jointly hosted with Florida State University (FSU).

Center's Planning and Strategic Outlook

The center plans to continuously add and improve the curriculum strength by adding new courses and developing more online programs; provide more professional designation program for industry employees; develop comprehensive programs of e-linked student communication systems and a research incubator; promote current and new events for students to meet industry leaders; host additional research seminars; and provide more research grants.

The center's leadership will be continuously developed through recruiting new member companies. Support from the industry will become stronger due to the urgent need for new talent in the insurance industry, which has a more serious aging issue than any other field. The center's long-term goal is to become the premier school of global risk management and insurance on the West Coast.

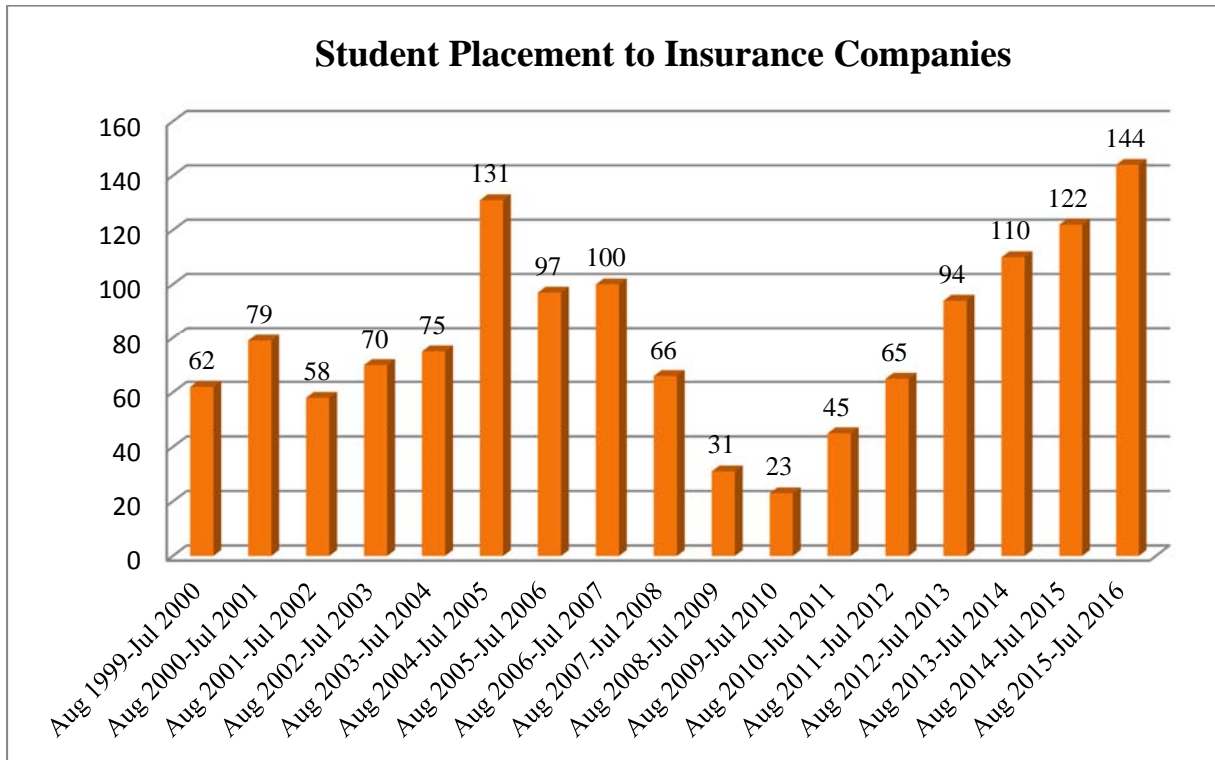
The primary challenge we are facing is faculty recruitment, which needs a significant amount of funding. Recently, our endowed chair retired and a young faculty member took an attractive offer at another university. Therefore, our fundraising cabinet headed by Paul Folino is working hard to raise \$5 million to establish the school.

If you have any questions, please contact us to receive a copy of our annual report.

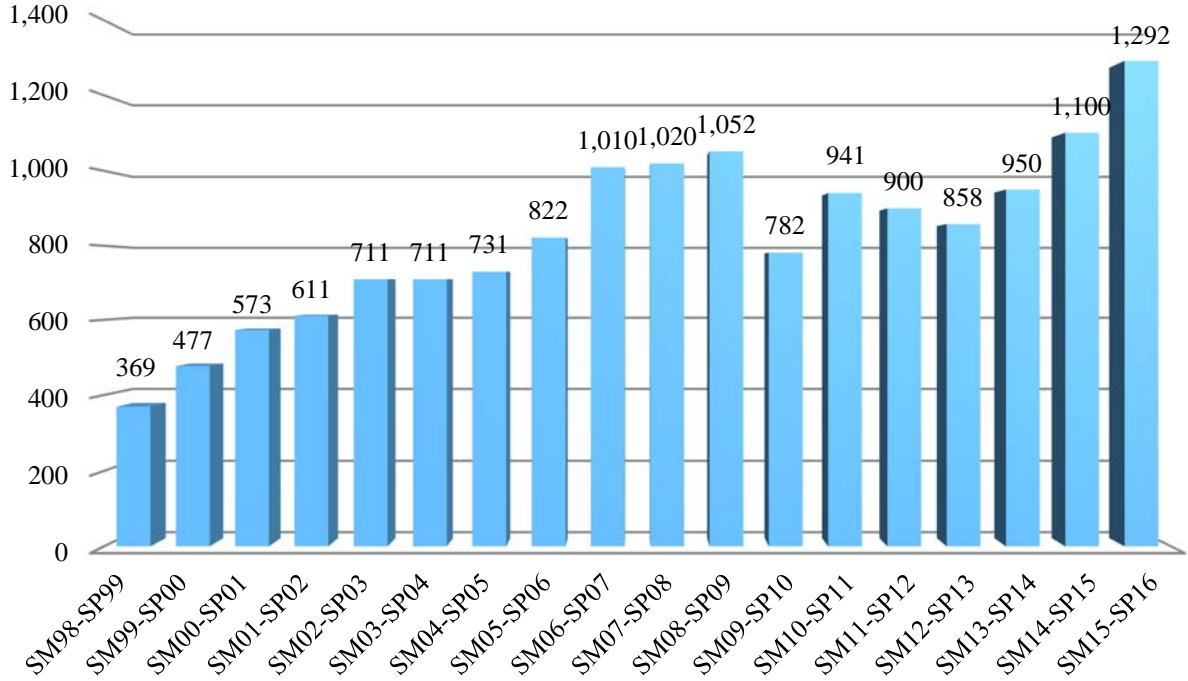
Appendix

1. Center's Highlight
2. Board Member Lists
3. Detailed Activity List
4. Planning and Strategic Outlook
5. Three Year Revenue and Other Financials
6. RMI STAR and ESPD

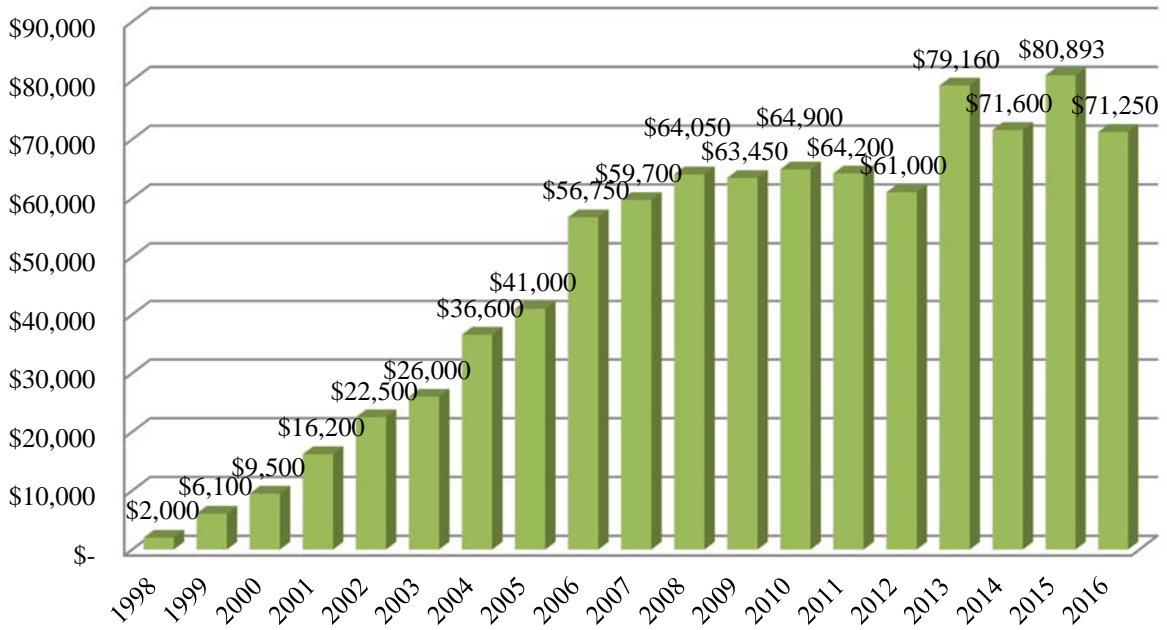
1. Center's Highlight

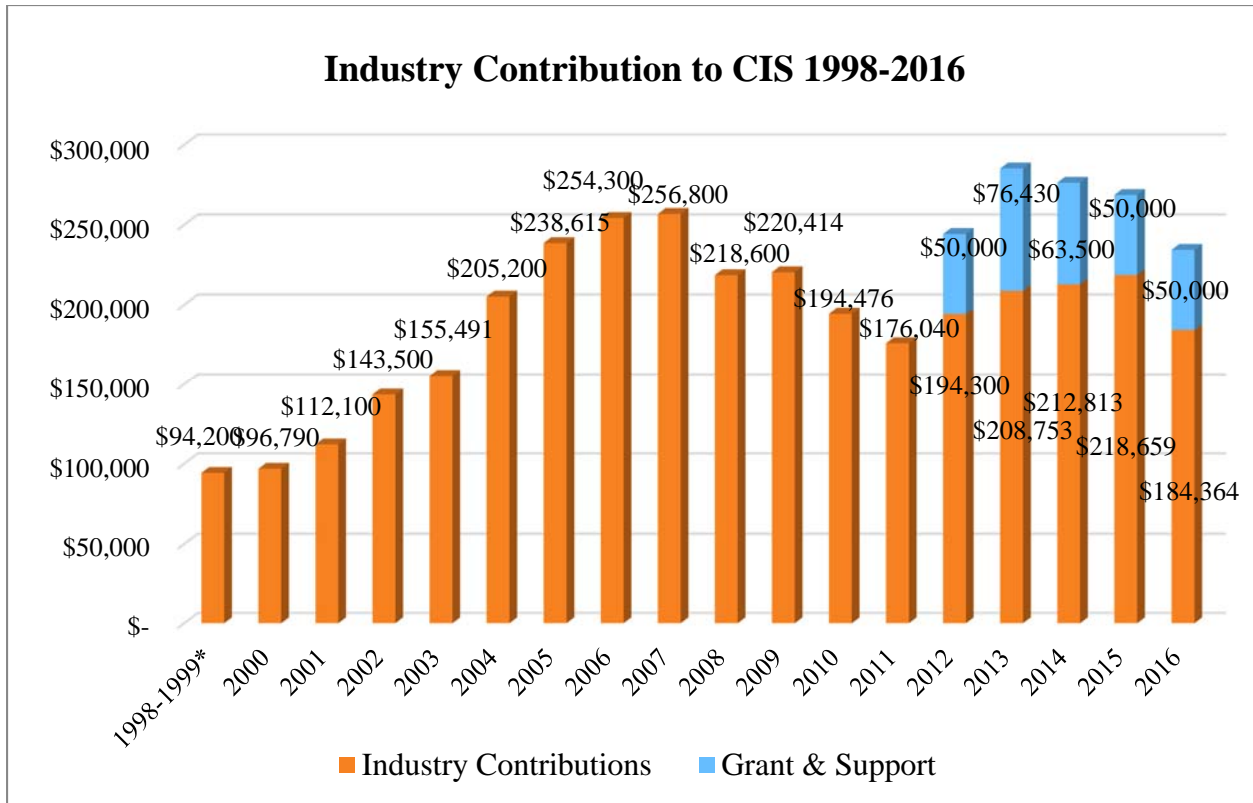


Student Enrollment in Insurance and Finance Services



CIS Scholarships 1998-2016





2. Board Member Lists

CIS Board of Directors 2016-2017

Gabriel Tirador, President & CEO, Mercury Insurance Group

Chairman, CIS Board of Directors

Al Gorski, CRO, Orange County Transportation Authority;

Member, RIMS Board of Directors

Anil Puri, Interim Provost, CSU Fullerton

Bill Ross, CEO, Insurance Industry Charitable Foundation, Inc.

Bill Tutton, President, Tutton Insurance Services, Inc.

Bob Bouttier, CEO, Auto Club of Southern California

Davis Moore, President & CEO, Worldwide Facilities, Inc.

Dennis Alumbaugh, President, West Zone AIG

Frank Robitaille, President, Armstrong/Robitaille/Riegle

Hank Watkins, President, Lloyd's America, Inc.

James T. Morris, President & CEO, Pacific Life Insurance Company

Jim Gutmann, Partner, Wood, Gutmann, & Bogart Insurance Brokers
John Chu, CEO, Pacific Specialty Insurance Company
Kari Van Gundy, President & CEO, Zenith Insurance Company
Kevin Bogart, CEO, Wood, Gutmann, & Bogart Insurance Brokers
Kristen Mauger Allison, President, Burnham Benefits Insurance
Mark Wells, Chairman, Wells Media Group
Mildred Garcia, President, CSU Fullerton
Morteza Rahmatian, Dean, CSU Fullerton
Roger Rolapp, CEO, Insurance Associates, Inc.
Sam Cargill, President of Global Accounts, Aon Risk Solutions
Tom Nerney, Chairman, CEO, & President, United States Liability Insurance Group
Troy Mette, VP National Accounts, AIG

CIS Advisory Board 2016-2017

Adrian Griggs , CFO & EVP Pacific Life Insurance Company	Joyce Pead , AVP Human Resources Pacific Life Insurance Company
Anil Puri , Interim Provost California State University, Fullerton	Kari Van Gundy , EVP & CFO Zenith National Insurance Corp.
Bill Ross , CEO Insurance Industry Charitable Foundation ,Inc.	Kristen Mauger Allison , President Burnham Benefits Insurance
Bill Tutton , President Tutton Insurance Services, Inc.	Lynn Johnson , COO CalsuranceAssociates
Brandt Minnich , VP Marketing Mercury Insurance Group	Manus Friel , SVP Commercial Lines United States Liability Insurance Group
Brian Cohen , Operating Partner Altamont Capital Partners	Mark Ribisi , President & CEO Auto Insurance Specialists LLC.
Brian Woolfolk , SVP Product Design & Pricing Pacific Life Insurance Company	Morteza Rahmatian , Dean California State University, Fullerton

Chris Baggaley, SVP Operations
Auto Club of Southern California

David Ruiz, VP Valuation Actuary, Retirement
Solutions Division
Pacific Life Insurance

David Thoman, VP Operations
FM Global

Frank Robitaille, President
Armstrong/Robitaille/Riegle

Jim Gutmann, Partner
Wood, Gutmann, & Bogart Insurance Brokers

Joanna Moore, SVP Chief Claims Officer
Mercury Insurance Group

Richard Glassman, Executive Consultant

Richard Magrath, Regional Director
Lloyd's America, Inc.

Ronald Austin, President & COO Worldwide
Facilities, Inc.

Scott Rhodes, Executive Consultant

Stephanie Babkow, AVP Operations
Pacific Life Insurance Company

Stephen M. Moriyama, President Hayward
Tilton & Rolapp Insurance Associates, Inc.

Susan Valencia, SVP Underwriting &
Operations
Pacific Specialty Insurance Company

Administrative Staff

Dr. Weili Lu, Center Director

Dr. Xiaoying Xie, Assistant Center Director

Kathi Wilson, Management Consultant

Leah Young, Career and Professional Development Advisor

Corinne Knight, Editorial Consultant

Shanshan Zhang, Program Coordinator

3. Detailed Activity List

Objective A: Enhance the Current Program

2014-5

- This year, Finance 360 became our first online course. Faculty members were working on adding additional online courses.
- We were working on meeting CDI licensing exam requirements through merging Finance 360 and 463. FIN 461 became a CPCU exam waiver course.
- A new graduate program, M.S. in Financial and Risk Engineering, is currently in development. This program would be the first of its kind in the nation.

2015-6

- The actuarial science program was approved as a concentration within the Mathematics department.
- Thanks to an MCBE-provided grant, CIS faculty members have been working to reformat multiple courses to be offered online. FIN 361 was proposed online and became a CPCU waiver class.
- The M.S. in financial risk engineering was awaiting the approval of the University Senate and the CSU Chancellor's Office.

2016-7

- The M.S. in financial engineering and risk management (MS FERM) was approved by the CSU Chancellor's Office.
- Four RMI STAR program courses are now ready to be offered online throughout the CSU system.

Objective B: Assisting Industry Employees

2014-5

- CIS continued to expand interactions with associations and organizations in the Los Angeles market.
- Collaborations included hosting conferences with FIRMA and CAIFPA.
- The 2014 Actuary Leadership Forum covered casualty catastrophes and had more than 45 attendees.
- Students taking and passing professional exams were eligible for ESPD mini-grants.
- Our Actuary Workshops now prepares students and industry professionals for the FM and P exams.

2015-6

- The joint efforts of RIMS, the Orange County Brokers Association and CIS Career Advisor Leah Young have been invaluable in coordinating internships for our students in risk analysis, actuarial science and insurance marketing.

- We continued to develop the RMI STAR program, which will start at CSUF and expand to the entire CSU system.

2016-7

- The online version of the ARM 54 course for California risk managers is now ready for enrollment.
- Many students have passed the actuary, CPCU and CRM exams and received an ESPD award.
- The G-Cat Forum, hosted by Florida State University (FSU) in 2016, will become a national event in 2017.

Objective C: Develop a Comprehensive Program

2014-5

- Our 2014 CIS Scholarship Awards ceremony provided nearly \$72,000 to students.
- Fundraising for the recently-approved School of Global Risk Management and Insurance was underway.
- CIS Career Advisor Leah Young oversaw the launch of a new, rotating internship program.
- CIS and ICW were working to develop a hands-on, project-based internship.

2015-6

- 180 people attended the center's 2015 Scholarship Awards Ceremony, where nearly \$76,000 was awarded to students.
- The joint efforts of RIMS, the Orange County Brokers Association and CIS Career Advisor Leah Young have been invaluable in coordinating internships for our students in risk analysis, actuarial science and insurance marketing.
- We continued to develop the RMI STAR program, which will start at CSUF and expand to the entire CSU system.

2016-7

- 190 participants attended the 2016 Scholarship Ceremony, which awarded \$71,250 to 60 deserving students.
- The combined outreach efforts of iDay, eDay and our career advisor, Leah Young, resulted in an increased number of students placed in the industry.
- The RMI STAR program is continually being refined; it will begin at CSUF, then expand to the full CSU system.

Objective D: Provide Interface Opportunities

2014-5

- The Jim Gutmann Speaker Series continued to be very popular with students and industry leaders alike.
- Insurance Day 2013 had more than 1,000 student attendees and 24 company participants.
- CIS hosted mini-events to help recruit interns for companies and associations.

2015-6

- iDay 2014 drew 29 companies and their representatives to campus; more than 2,000 students attended.
- The Jim Gutmann Speaker Series continued to be one of our best-known events, with nine speakers in the 2014-2015 school year.
- Faculty members independently brought guest speakers into their classes to augment instruction, with Finance 360 and 560 using them to great effect.

2016-7

- 34 companies and about 2,000 students attended iDay 2015.
- The Jim Gutmann Speaker Series had more than 10 speakers from Pacific Life, USLI, Lloyd's of London and other companies.
- New events, such as E&S Day and the Global Classroom, were well received.
- 400 people attended the 2016 Spring Insurance Forum, which featured former California Governor Arnold Schwarzenegger. The event raised more than \$100,000.

Objective E: Strengthen Insurance Research

2014-5

- Our faculty members continued to do groundbreaking and critical research in the field. These faculty members have published extensively in textbooks and top research journals.
- The G-CAT forum and associated grants continued to encourage collaborative research on global catastrophic risk.

2015-6

- Dr. Xiaoying Xie recently received APRIA's highest honor for a paper she presented at their 2015 meeting, the Worldwide Risk and Insurance Economic Council (WRIEC) conference.
- Dr. Xie continued to demonstrate her strength as a researcher, with two papers published in the past year, in addition to the paper mentioned above.
- Dr. Jianren Xu, a new faculty member, already had three papers under review for publication by the *Journal of Risk and Insurance*, the top journal in the field.
- Three of our faculty members were invited to attend the WRIEC conference, held in Germany in August 2016, as presenters, moderators, and discussants.

2016-7

- Dr. Jianren Xu has had two papers published in the *Journal of Risk Management and Insurance* and received the center's George Joseph Research Award.
- Dr. Xu also received awards from the Mihaylo College of Business and Economics, the Southwestern Finance Association and the Asia Pacific Risk and Insurance Association.
- Dr. Xiaoying Xie has published three papers in top insurance journals.

- Dr. Chandrasekhar Putcha, a civil engineering professor, received two CIS grants for research applicable to the risk management and insurance fields.

International Programs

2014-5

- The *Asian Insurance Competency Report* was in its sixth year. This report is published in China by the *21st Century Business Herald*.
- The *Asian Insurance Development Report*, the next step in our industry research, was underway.

2015-6

- An MCBE grant allowed us to add the *Asian Insurance Development Report* to our research projects.
- The *AIC Report* has continued to be a flagship research project for the center and has received substantial attention through social media.
- These projects, along with faculty research, continue to build our reputation and visibility worldwide.

2016-7

- Thanks to an MCBE grant, the *Asian Insurance Development Report* is close to publication.
- This year marks the eighth year of the *Asian Insurance Competency Report*.
- Both projects, as well as research projects conducted by our faculty, continue to build our global reputation and visibility.

4. Center's Planning and Strategic Outlook

1. Objective A

- a. Design Finance 561: Financial Risk Management course
- b. Establish an online course-matching program for the CSU system

2. Objective B

- a. Provide extra academic and industry-specific career advising
- b. Finalize and publicize the program for special designation in ARM (Associate of Risk Management)

3. Objective C

- a. Develop a modernized, student-linked communication system
- b. Provide iPads to students working in the insurance research incubator
- c. Further expand the ESPD (Empowered Student Professional Development) program

4. Objective D

- a. Continue iDay and E&S Day to draw professionals and students to the center
- b. Expand the center's reach through social media
- c. Promote and expand student leadership programs

5. Objective E

- a. Expand existing research grants for faculty members
- b. Host regional research forums
- c. Develop a short-term faculty internship program
- d. Solicit research topics from industry partners

5. Three Year Revenue

Fundraising Summary		
July 1, 2013 June 30, 2014		
Donor	2012	2013
	7/1/12-6/30/13	7/1/13-6/30/14
Member Donations		
American International Group (AIG)	11,500.00	10,000.00
Auto Club Enterprises	-	1,000.00
Auto Club of Southern California	15,000.00	17,500.00
Brown & Brown	10,500.00	10,500.00
Hayward Tilton & Rolapp Insurance Associates, Inc	5,000.00	5,000.00
Mercury General Corporation	28,500.00	47,000.00
Mercury Insurance Services	10,000.00	-
New York Life	-	
Pacific Life	30,500.00	32,500.00
Pacific Specialty Insurance Co	5,000.00	15,000.00
State Farm Mutual Automobile	1,500.00	-
The Zenith Insurance Company	27,000.00	15,000.00
Tutton Insurance Services	5,000.00	5,000.00
Total Member Donations	149,500.00	158,500.00
Non-Member Donations		
Society		
American Endowment Foundation	-	712.50
California Asian Insurance & Financial Professional Association	3,000.00	-
CPCU - O. C. Chapter	3,500.00	-
Foodservice Industry Risk Management Association	-	1,000.00
Foundations for Agency Management Excellence (FAME)	10,000.00	10,000.00
Ins Professional of O.C.	1,000.00	1,000.00
O.C. Chapter of RIMS	7,433.22	
O.C. Risk Management	-	300.00
Orange Empire Chapter CPCU SOC	-	2,000.00
Pacific Claim Executives Association	-	2,000.00
Surety Underwriters Association of So. Cal.	1,000.00	1,000.00
Company		
Anthem	-	2,000.00
Bayard Advertising Agency, Inc.	1,000.00	-
Burnham Benefits Insurance Services	2,500.00	-
CHM	-	500.00
General Reinsurance Corporation	-	300.00
HULL	-	2,000.00

Insurance Company of the West	-	2,000.00
Keenan & Associates	300.00	300.00
Liberty Mutual	300.00	500.00
Marsh & McLennan Companies	-	2,000.00
Partee Insurance Assoc. Inc.rs	1,000.00	1,000.00
Philadelphia Insurance	300.00	300.00
Sedgwick Claims Management	-	300.00
Spencer Education Foundation Inc	3,500.00	3,500.00
State Compensation Fund	1,000.00	1,000.00
Sullivan Curtis Monroe Insurance		
Services	500.00	-
Travelers	6,000.00	6,000.00
United States Liability Insurance	-	6,500.00
Member Company Employee		
Frank Robitaille	10,000.00	10,000.00
Individual with Matching Fund		
Greg & Alice Terlecky Scholarship	4,000.00	-
Steve Wang	500.00	500.00
Individual		
Edward R. Byrd (United Way of OC)	1,000.00	-
Li-Jung Lee Kuo/Mei Jiao Li	100.00	-
Lynn Johnson	100.00	100.00
Stephen Moriyama	500.00	500.00
Todd Marumoto	500.00	500.00
Any individual	220.00	-
Total Non-Member		
Donations	59,253.22	57,812.50
TOTAL DONATIONS	208,753.22	216,312.50
Endowment Funds		
AIS	-	5,000.00
Auto Club Enterprises	-	7,500.00
Jim Gutmann	30,000.00	40,000.00
Mercury General Corporation	-	5,000.00
Pacific Specialty Insurance Co		10,000.00
O.C. Chapter of RIMS		30,000.00
New York Life		10,000.00
Total Endowment Funds	30,000.00	107,500.00
Other Program/Income		
College and University Grant	76,429.57	72,817.57
TOTAL FUNDS RAISED	315,182.79	396,630.07

Fundraising Summary
July 1, 2014 June 30, 2015

Donor	2013 7/1/13-6/30/14	2014 7/1/14-6/30/15
Member Donations		
American International Group (AIG)	10,000.00	10,000.00
Auto Club Enterprises	1,000.00	1,000.00
Auto Club of Southern California	17,500.00	-
Brown & Brown	10,500.00	10,500.00
Gutmann		6,400.00
Hayward Tilton & Rolapp Insurance Associates, Inc	5,000.00	-
Insurance Industry Charitable Foundation		20,000.00
Mercury General Corporation	47,000.00	47,000.00
Mercury Insurance Services	-	-
Pacific Life	32,500.00	32,600.00
Pacific Specialty Insurance Co	15,000.00	2,000.00
The Zenith Insurance Company	15,000.00	15,000.00
Tutton Insurance Services	5,000.00	5,000.00
Lloyds America, INC.		10,000.00
Worldwide Facilities, Inc.		5,000.00
United States Liability Insurance		6,500.00

Total Member Donations	158,500.00	171,000.00
-------------------------------	-------------------	-------------------

Non-Member Donations

Society

American Endowment Foundation	712.50	-
Foodservice Industry Risk Management Association	1,000.00	2,166.00
Foundations for Agency Management Excellence (FAME)	10,000.00	10,000.00
Ins Professional of O.C.	1,000.00	1,000.00
O.C. Risk Management	300.00	-
Orange Empire Chapter CPCU SOC	2,000.00	2,000.00
Pacific Claim Executives Association	2,000.00	2,000.00
Surety Underwriters Association of So. Cal.	1,000.00	1,000.00
CALIFORNIA PRIMA		1,000.00

Company

Anthem	2,000.00	-
CHM	500.00	-
General Reinsurance Corporation	300.00	-
HULL	2,000.00	-
Insurance Company of the West	2,000.00	-
Keenan & Associates	300.00	300.00
Liberty Mutual	500.00	-
Marsh & McLennan Companies	2,000.00	-

Partee Insurance Assoc. Inc.rs	1,000.00	1,000.00
Philadelphia Insurance	300.00	300.00
Sedgwick Claims Management	300.00	-
Spencer Education Foundation Inc	3,500.00	3,500.00
State Compensation Fund	1,000.00	-
Travelers	6,000.00	6,000.00
United States Liability Insurance	6,500.00	
Markel Corporation		500.00
Weaver&Associates,INC.		300.00
PHD insurance brokers,INC.		300.00
ISCS,Inc.		3,000.00
Allstate		2,000.00
R.E.CHAIX&Associates		300.00
Feather Insurance&Financial Serv Inc		1,000.00

Member Company Employee

Frank Robitaille	10,000.00	8,292.66
------------------	-----------	----------

Individual with Matching Fund

Steve Wang	500.00	500.00
------------	--------	--------

Individual

Edward R. Byrd (United Way of OC)	-	500.00
Eva Ngan Fun Ng	-	100.00
Lynn Johnson	100.00	100.00
Stephen Moriyama	500.00	500.00
Todd Marumoto	500.00	500.00

Total Non-Member		
Donations	57,812.50	48,158.66

TOTAL DONATIONS	216,312.50	219,158.66
------------------------	-------------------	-------------------

Endowment Funds

AIS	5,000.00	5,000.00
Auto Club Enterprises	7,500.00	-
Jim Gutmann	40,000.00	-
Mercury General Corporation	5,000.00	5,000.00
Pacific Specialty Insurance Co	10,000.00	-
O.C. Chapter of RIMS	30,000.00	-
New York Life	10,000.00	10,000.00
The Fletcher Jones Foundation		5,000.00
Samuel W Cargill		5,000.00
Mary and Michael Curtis Endowed		
Scholarship		51,327.00
JOANNA Y MOORE WALTER H MOORE		
JR(KINECA)		10,000.00
Donald E.Martin Memorial Endowed		
Scholarship		1,200.00

Total Endowment Funds	107,500.00	92,527.00
------------------------------	-------------------	------------------

Other Program/Income

College and University Grant

72,817.57

79,993.19

TOTAL FUNDS RAISED

396,630.07

391,678.85

Fundraising Summary

July 1, 2015 June 30, 2016

Donor	7/1/14-6/30/15	7/1/15-6/30/16
Member Donations		
Alliant Insurance Services	-	2,000.00
American International Group (AIG)	10,000.00	5,000.00
Auto Club Enterprises	1,000.00	2,000.00
Auto Club of Southern California	-	-
Brown & Brown	10,500.00	10,500.00
Insurance Industry Charitable Foundation	20,000.00	
James E Gutmann	6,400.00	
Lloyds America, Inc	10,000.00	
Mcgraw Insurance Services	2,000.00	1,000.00
Mercury General Corporation	47,000.00	
Mercury Insurance Services	-	42,000.00
Pacific Life	32,600.00	33,950.00
Pacific Specialty Insurance Co	-	
The Zenith Insurance Company	15,000.00	
Tutton Insurance Services	5,000.00	
U.S. Investment Corporation	6,500.00	8,500.00
Worldwide Facilities Inc	5,000.00	
Total Member Donations	171,000.00	104,950.00

Non-Member Donations

Society

California Public Risk Management Association	1,000.00	
Council Foundation	-	2,500.00
Foodservice Industry Risk Management Association	2,166.00	
Foundations for Agency Management Excellence (FAME)	10,000.00	2,500.00
Ins Professional of O.C.	1,000.00	1,000.00
O.C. Risk Management	-	500.00
Orange Empire Chapter CPCU SOC	2,000.00	1,500.00
Pacific Claim Executives Association	2,000.00	
Risk & Insurance Management Society LA		3,000.00
Society of Financial Services Professionals		
Surety Underwriters Association of So. Cal.	1,000.00	

Company

St. Paul Traverlers		
Allstate Insurance Co	2,000.00	
Arden Insurance Services, LLC		2,000.00
Arthur Gallagher		
Aon Risk Services		300.00
Bolton&Company		500.00
C N A		1,000.00
Excelsure Insurance Services		300.00
Farmers Insurance Group		300.00
Feather Insurance & Financial	1,000.00	
General Reinsurance Corporation	-	
Government Employees Insurance Co		3,000.00
ISCS Inc	3,000.00	
ICW Group Holdings, Inc		300.00
Leavitt Group		
Keenan & Associates	300.00	500.00
Liberty Mutual	-	-
Linchpin It		1,000.00
Markel Corporation	500.00	500.00
Marsh & McLennan Companies	-	2,000.00
Mr. Nazih A Yehya		
National Corp		
NAPSL Education		5,000.00
New Century Insurance Services, Inc		100.00
New York Life		
Northwestern Mutual		500.00
Partee Insurance Assoc. Inc.rs	1,000.00	1,000.00
PHD Insurance Brokers Inc	300.00	
Philadelphia Insurance	300.00	300.00
Prudential		
R.E. Chaix & Associates	300.00	525.00
Risk Placement Services, Inc.		2,000.00
Sedgwick Claims Management	-	300.00
Spencer Education Foundation Inc	3,500.00	4,000.00
State Compensation Fund	-	
State Farm Mutual Automobile	-	1,000.00
State Farm Brokers		
State Fund		2,000.00
Sullivan Curtis Monroe Insurance Services	-	-
The Horace Mann Companies		
The Surplus Line Association of California		2,000.00
Travelers	6,000.00	6,000.00
United States Liability Insurance	-	

Vet Pet Insurance		
Waddell & Reed		500.00
Waltos		
Weaver & Associates	300.00	
Wigmore Insurance Agency, Inc.		500.00
Woodruff Sawyer & Company		500.00

Member Company Employee

Frank Robitaille	8,292.66	2,500.00
------------------	----------	----------

Individual with Matching Fund

AIG Matching Grant Prog		
George Magula		
Greg & Alice Terlecky Scholarship	-	1,000.00
Steve Wang	500.00	

Individual

Claudia Margolis		25.00
Dean M Samsvick (KPMG LLP)		
Edward R. Byrd (United Way of OC)	500.00	750.00
Eva Ngan Fun Ng	100.00	200.00
Grace O		20.00
Lynn Johnson	100.00	
Stephen Moriyama	500.00	500.00
Todd Marumoto	500.00	500.00
Tom Weiz		
Trung H Doan		100.00

Total Non-Member	48,158.66	54,520.00
Donations		

TOTAL DONATIONS	219,158.66	159,470.00
------------------------	-------------------	-------------------

Endowment Funds

AIS	5,000.00	
Automobile Club of Southern Cali		55,000.00
C N A		5,000.00
Donald E.Martin	1,200.00	10,000.00
Elizabeth Del Ferro		5,000.00
Foodservice Industry Risk Management Ass		2,500.00
Frank Robitaille	57,768.99	24,893.81
Gerald J. Sullivan		550.00
Ins Industry Charitable Foundation (IICF)		30,000.00

James E Gutmann		10,550.00
Jim Gutmann	-	10,000.00
Joanna Y Moore Walter H Moore Jr	10,000.00	550.00
Kaiser Permanente		5,000.00
LinchPin It		550.00
Lloyds America		550.00
Marsh, Berry & Company		5,000.00
Mary and Michael Curtis Endowed Scholarship	51,327.00	
Matthew Noel		550.00
Mercury Insurance Group	5,000.00	10,000.00
Metropolitan Life Insurance		2,000.00
Orion Risk Management		550.00
PHD Insurance Brokers, Inc		550.00
Philadelphia Insurance Companies		550.00
Samuel W Cargill	5,000.00	5,000.00
The Zenith Insurance Company		5,000.00
The Fletcher Jones Foundation	5,000.00	
The Surplus Line Association		5,000.00
Tutton Insurance Services		5,000.00
U.S. Investment Corp		5,000.00
O.C. Chapter of RIMS	-	2,500.00
New York Life	10,000.00	
Wells Media Group		550.00
Total Endowment Funds	150,295.99	207,393.81
TOTAL FUNDS RAISED	369,454.65	366,863.81

**Financial Summary
July 2013 - June 2014**

	Budget	Actual	Variance
Revenues			
Contributions			
Member Donations	150,000.00	158,500.00	8,500.00
Non-Member Donations	50,000.00	46,212.50	(3,787.50)
Individual Donations	50,000.00	11,600.00	(38,400.00)
Interest Income	50,000.00	61,648.04	11,648.04
College and University Support	50,000.00	72,817.57	22,817.57
 Total Revenue - Operating	 350,000.00	 350,778.11	 778.11
Total Endowment Funds	-	107,500.00	107,500.00
Total Revenue	350,000.00	458,278.11	108,278.11
Expenses			
Operating Expense	120,000.00	123,806.91	3,806.91
Objective A (1)	17,300.00	21,367.41	4,067.41
Objective B (2)	20,000.00	18,065.25	(1,934.75)
Objective C (3)	107,500.00	105,573.95	(1,926.05)
Objective D (4)	21,000.00	21,179.08	179.08
Objective E (5)	64,200.00	97,257.35	33,057.35
Total Expenses	350,000.00	387,249.95	37,249.95
Operating revenue in excess (shortfall) of expenses:		(36,471.84)	

Our revenues in 2013-2014 surpassed budgeted targets due to the AIDR Grant received from the college. The operating expense was maintained in an acceptable range except objective E, which was increased about 50%. This was mainly due to the increase of faculty grant and research assistant's compensation. We improved the budget in 2014-2015 to satisfy the adjustment.

Financial Summary
July 2014 - June 2015

	Budget	Actual	Variance
Revenues			
Contributions			
Member Donations	157,500.00	171,000.00	13,500.00
Non-Member Donations	52,500.00	37,666.00	(14,834.00)
Individual Donations	52,500.00	10,492.66	(42,007.34)
Other Program/Income	-	10.00	10.00
Interest Income	52,500.00	76,967.38	24,467.38
College and University Support	52,500.00	-	(52,500.00)
 Total Revenue - Operating	 367,500.00	 296,136.04	 (71,363.96)
 Total Endowment Funds	 -	 150,295.99	 150,295.99
 Total Revenue	 367,500.00	 446,432.03	 78,932.03
 Expenses			
Operating Expense	143,400.00	77,433.81	(65,966.19)
Objective A (1)	17,000.00	19,741.31	2,741.31
Objective B (2)	14,500.00	12,296.04	(2,203.96)
Objective C (3)	105,000.00	104,228.82	(771.18)
Objective D (4)	21,850.00	19,572.97	(2,277.03)
Objective E (5)	65,750.00	51,059.86	(14,690.14)
 Total Expenses	 367,500.00	 284,332.81	 (83,167.19)
 Operating revenue in excess (shortfall) of expenses:		 11,803.23	

The total Revenue in 2014-2015 surpassed budgeted targets due to the endowment funds raised. Total actual expenses were under the budgeted expenses and operating revenue due to the college grant received and the departure of an administrative assistant early in the year. All other expenses were held within an acceptable range.

Financial Summary
July 1, 2015 - June 30, 2016

	Budget	Actual	Variance
Revenues			
Contributions			
Member Donations	160,650.00	104,950.00	(55,700.00)
Non-Member Donations	53,550.00	48,925.00	(4,625.00)
Individual Donations	53,550.00	5,595.00	(47,955.00)
Interest Income	53,550.00	52,827.33	(722.67)
College and University Support	53,550.00	50,000.00	(3,550.00)
 Total Revenue - Operating	 374,850	 262,297.33	 (112,552.67)
Total Endowment Funds	-	207,393.81	207,393.81
 Total Revenue	 374,850.00	 469,691.14	 94,841.14
 Expenses			
Operating Expense	146,268.00	78,213.78	(68,054.22)
Objective A (1)	17,340.00	21,954.23	4,614.23
Objective B (2)	14,790.00	14,350.52	(439.48)
Objective C (3)	107,100.00	88,762.57	(18,337.43)
Objective D (4)	22,287.00	20,208.12	(2,078.88)
Objective E (5)	67,065.00	27,690.70	(39,374.30)
 Total Expenses	 374,850.00	 251,179.92	 (123,670.08)
 Operating revenue in excess (shortfall) of expenses:		 11,117.41	

Due to the decline of industry contributions, which mainly went to the endowment fund, our operating revenue declined by 11.5% compared with last year. It is significantly lower than the budget. However, the endowment fund grew by 38% due to the fund raising campaign for SGRM, which leads the total revenue 25% higher than budget.

The actual expense was controlled under actual revenue because of the grant from MCBE and the departure of the endowed chair. In addition, all other expenses were held well under budget and revenue. Therefore, we will cut the budget next year by 20 percent.

6.RMI STAR Program and ESPD

CSU Risk Management & Insurance Student Talent, Achievement, and Recruitment (RMI STAR) Program

The goal of this program is to establish a fully online program that includes undergraduate students, graduate students, and risk management & insurance professionals. This program, designed to educate the next generation of insurance professionals, will eventually be made available to all CSU students and will be made possible with the support of all California chapters of the Risk Management & Insurance Society (RIMS).

Step #1: Undergraduate Program

The first step is to develop an online, three-course curriculum program that offers, in essence, a minor in Risk Management & Insurance. This program, which will include Finance 360: Principles of Risk Management & Insurance, Finance 361: Insurance Company Operations and E&S Market, and Finance 461: Business Property & Liability Risk Management, will eventually be offered to students at all 23 CSU campuses. If students take Finance 360 (or its equivalent) on their home campuses, they can have this course requirement waived.

After finishing this program, students will receive a joint certificate from RIMS and CPCU, as well as the ability to waive two CPCU exams. The Center for Insurance Studies (CIS) will also help place them in risk analyst internships and assist them in finding full-time jobs in the industry. We would also look to local RIMS chapters to provide students with scholarships during their time in the program.

Step #2: Professional Program

In order to best serve our industry professionals as they seek to improve their skills in the field, CIS will work with CPCU's The Institutes to create an online Associate in Risk Management (ARM) program that includes ARM 54: Risk Management Principles and Practices, ARM 55: Risk Assessment and Treatment, ARM 56: Risk Financing, RMPE 352: Risk Management for Public Entities, and ERM 57: Enterprise Risk Management. This one-year program would serve the needs of both RMI professionals and students who have completed the undergraduate program.

This program will require California risk managers to take their sectional exams on the Fullerton campus. This would put industry professionals in close contact with students who are also sitting the ARM exams and provide networking opportunities that could help students find new opportunities for internships and careers and help industry professionals find prospective new hires.

Step #3: Graduate Program

For our advanced students and professionals, a graduate certificate program to assist local RIMS members in particular in further developing their risk management leadership potential will be developed through the help of CSUF's University Extended Education (UEE). Three core courses for the MS in Financial Risk Engineering (MSFRE) will be offered online, specifically Finance 560: Corporate Risk Management & Insurance Seminar, Finance 561: Financial Risk Management, and Finance 562: Enterprise Risk Management. After finishing this certificate program, participants will receive a certificate from CSUF UEE, as well as the waiver of nine units of graduate work if they elect to enroll in the MSFRE program later.

Conclusion

Offering these three programs (undergraduate, professional, and graduate) will equip participants with the current, cutting-edge knowledge of risk management needed to become successful as the next generation of risk management and insurance professionals.

**Empowered Student Professional Development Program (ESPD)
Proposed to Dr. Anil Puri, Dean of
Mihaylo College of Business and Economics (MCBE)
California State University, Fullerton
By Dr. Weili Lu, Director
Center for Insurance Studies (CIS)**

The Empowered Student Professional Development Program will aim to provide an innovative professional education for students in MCBE who would like to enter risk management and insurance careers through professional training, internships, or jobs. The program will provide students training on various areas related to risk management, insurance brokerage, workers compensation, and commercial underwriting fields. We will also assist and encourage students to pass the professional designation exams such as CPCU, Actuary, CIC, CRM and sales license exam.

The program will last for four weeks in each field. It will include 20 hours lecture, discussion, and a field trip to companies in southern California on Friday or weekend. The certificate of completion, offered by CIS through approval by the California Department of Insurance, will be given at the end of the program in relevant companies depending on the matching fund.

After the complement of the training program certified students will enter the preselected internship program offered by the sponsoring companies. We expect majority of the students will then get job opportunity with the companies. One year after the program will be videotaped and offered on-line so that students can tap into the ESPD courses by their ipad and iphone. The ESPD program later can even to be extended to other CSU campus therefore it can assist the sponsoring companies recruiting on whole California.

We are applying a \$50,000 grant from the college as seeds money and we expect to raise more funds from insurance carriers, brokers, and risk management & insurance foundations. Our estimation is that with the aging issue become more and more challenge the industry is eager to recruit young, qualified and committed employees. The companies will be willing to invest on their future employees by sponsoring our ESPS program.