President’s Message
by Diana Rich

The RIMS Annual Conference is something I look forward to every year, and for so many reasons. It’s a chance to hang out with people who actually understand what I do for a living. I connect with new colleagues, and reconnect with vintage (we don’t say ‘old’) colleagues from my past lives. I get smarter as I learn about emerging developments, new services and hot topics. I am reenergized and rarin’ to put my new-found knowledge into practice and advance risk management at my company. Once I catch up on my sleep, that is.

RIMS continues to be relevant. This year in Boston there were over 10,000 registered attendees and 400 exhibitors. It’s exciting that over 200 students were at RIMS, including the 10 from Cal State Fullerton’s Gamma Iota Sigma that OCRIMS helped sponsor. I hear that they all had wicked fun.

We’re keeping our Chapter relevant, too. May was the joint meeting with the Orange County ASSP Chapter, and we had an eye-opening presentation about criminal prosecution arising from workplace deaths. Planned for the rest of the year is a risk manager-only roundtable (always popular!) and presentations on cyber liability, business continuity and executive liability, featuring subject matter experts from our Executive Sponsor Partners Willis, Marsh, Aon and Sedgwick. Mark your calendars now for a special joint meeting with LARIMS on October 15th for a tour of Edwards Lifesciences in Tustin.

My message isn’t complete if I don’t remind you to join us for the Annual Golf Classic on July 25. We’re celebrating “Space: The Final Fairway …” with a special morning Star Fleet Academy workshop. Beam aboard for the fun as a Trekkie sponsor, golfer, or participant.

In the meantime, I want to wish each of you a nice Memorial Day weekend.

Live long and prosper, Diana Rich

NOTE—The photo of Diana with the bear was taken at the RIMS Annual Conference in Boston. The bear is a mascot for next year’s Annual Conference, which will take place in Denver. See you there!

TUESDAY, JUNE 11TH:
OCRIMS ROUNDTABLE DISCUSSION
RISK MANAGERS’ ROUNDTABLE DISCUSSION

Link to register: http://events.constantcontact.com/register/event?llr=kbpblineab&oeidk=a07egcbbr5g14cee5a9

THURSDAY, JULY 25TH:
OCRIMS ANNUAL GOLF CLASSIC
SPACE: THE FINAL FAIRWAY, ALONG WITH STAR FLEET ACADEMY WORKSHOP

Link to register: http://events.constantcontact.com/register/event?llr–kbpblineab&oeidk=a07eg3std57d937772da

See details on the following pages
Tuesday, June 11, 2019
OCRIMS Roundtable Discussion for Risk Managers

RISK MANAGERS’ ROUNDTABLE DISCUSSION

Speaker: Group participation roundtable discussion for Risk Managers

Time: 11:30 a.m. – Social Gathering/Reception   Noon – Lunch   12:40 p.m. – Program   1:30 p.m. – Adjourn

Where: Center Club, 650 Town Center Drive, Costa Mesa

Cost: $25 for members, $50 for nonmembers with reservation by 4:00 p.m. on Thurs., June 6th

$50 for late reservations/walk-ins. (Walk-ins are not guaranteed a meal.)

Online registration is now available for Chapter events!

Click the following link to go to the registration page, where you can enter your contact information and select the payment method.

Want to go to the head of the line? Pay online, and bring your receipt.

http://events.constantcontact.com/register/event?llr=kbpblmeab&oeidk=a07egcbt5g14cee5a9

Note: OCRIMS will send a follow-up email regarding registration to addresses pulled from the RIMS Message Center database, and your contact preferences must be set to “Yes” in the database to receive the announcement via email. If you’ve received this newsletter by direct email, you probably have your contact preferences set to “Yes” in the database, but if you want to make sure, follow the simple steps outlined under “OCRIMS Database Management System,” as indicated on the next to last page of the newsletter. Contact Zareen Morrison at (714)376-3756 with any questions regarding the registration process.

OCRIMS Risk Managers’ Roundtable Discussion

Meet with other Risk Managers for a Discussion of topics of mutual interest

OCRIMS REPRESENTED AT THE RIMS ANNUAL CONFERENCE

Photo at left (l to r): Stewart Smith, Charles Vu, Diana Rich, Gordon Adams, April Adams.

Photo at right: Charles Vu and Diana Rich enjoying the Boston nightlife.

Center photo: While at first glance this may look like Diana Rich, it’s actually Sheryl Crow.
This year’s joint meeting between OCRIMS and OCASSP (Orange County American Society of Safety Professionals) featured the Deputy District Attorney, Los Angeles County District Attorney’s Office, Christopher Curtis. In his role in the DA Office’s Environmental Crimes Division, Christopher is responsible for prosecuting OSHA death cases and Labor Code violations, and has won high-profile convictions against multibillion-dollar corporations as well as individuals, including safety managers and construction forepersons. For his presentation at the joint meeting, held at the Center Club, Christopher discussed the Los Angeles County District Attorney’s prosecution of Bumble Bee Foods, for a workplace death of a worker in 2012.

The Bumble Bee Foods workplace death case involved a situation where the corporation, the company’s previous safety manager and the general manager were all charged with felonies related to the death of an employee at the workplace. This case made history as being the first conviction of a safety manager in California. Christopher presented a background on the victim, as an individual in his 60s, working at the Bumble Bee Foods manufacturing facility in Santa Fe Springs. The victim was described by his co-workers as someone who was ‘upbeat’ and ‘dependable’. He had been working for seven years at the facility. In his role as a ‘Basket Pusher,’ he was responsible for loading large pallet racks of tuna cans onto pallet jacks and loading the pallet racks into large cylinder ovens. These large ovens had an antiquated system of chains that ran the length of the ovens to pull the pallets out of the ovens after the sterilization process. The ovens were lined up in large room, where it would get hot and noisy. In order to load the pallet racks into the ovens, the chains would have to be thrown from one end of the ovens to the other end, to help move the racks into and out of the ovens. Workers at times would have to walk into the dark, lightless ovens to pull the chains along to the oven opening in order to properly have the racks loaded for the tuna can sterilization process, which took almost two hours at 270 degrees.

It was during one of these sterilization processes that the victim was inadvertently trapped when co-workers loaded 12,000 pounds of canned tuna into the oven. The co-workers did not know that anyone was inside, according to Christopher. About 45 minutes into the process, a supervisor noticed that the victim was missing. Employees searched for him in the facility but were unable to find him. There was a speculation made about the possibility of his being accidentally locked in the oven; however the oven continued through its cycle to completion. When it was opened, co-workers discovered the victim’s severely burned body. The police were contacted and arrived on scene to discover what had happened.

(article continues on next page)
Cal/OSHA conducted an investigation and referred the matter to the L.A. County District Attorney’s Office. The DA’s office and Cal/OSHA worked jointly to investigate the case. The tuna company was issued “serious” citations for failing to evaluate and identify the 10 ovens in the production area as hazardous, for failing to implement proper lock-out/tag-out procedures and a confined-spaces procedure. The company, its Plant Operations Director, and Safety Manager were each charged with violating California Occupational Safety & Health Administration rules that caused a death. The charges specify that the company and the two men willfully violated rules that require implementing a safety plan, rules for workers entering confined spaces, and a procedure to keep machinery or equipment turned off if someone’s working on it. The two employees charged agreed to perform multiple hours of community service and pay thousands of dollars in fines and penalties. Bumble Bee Foods, also criminally charged, was ordered to pay $6 million in settlement and pay $750,000 in fees, penalties and court costs. The DA’s Environmental Enforcement Fund received $750,000 for the investigation and prosecution of OSHA criminal cases and for improving enforcement-related rules. Of the $6 million settlement, $1.5 million was awarded to the victim’s family. In addition, Bumble Bee Foods was ordered to spend $3 million to update its ovens.

Christopher’s presentation also showed subpoenaed records for Bumble Bee Foods, as well as statements from both current and former employees, showing that the company lied about having any prior knowledge about the practice of employees walking into the ovens to properly load racks for the sterilization cooking process. It also showed that, though the company could show a written safety program, it had never trained its employees in these processes nor implemented these safety processes.

We’d like to thank Christopher Curtis for his powerful presentation that captured the attention of both risk management and safety professionals in attendance. Thanks also to OCASSP for joining us and sharing the experience!

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**DYNAMEX, PROVIDER NETWORK AND PRESUMPTION BILLS SET FOR HEARINGS AS DEADLINE LOOMS**

With Gov. Gavin Newsom unveiling his proposed $213.5 billion spending plan for the next fiscal year, lawmakers have scheduled hearings on a handful of workers’ compensation measures held in abeyance pending release of the revised budget. WorkCompCentral, a sponsor of the upcoming OCRIMS Golf Classic, has a good article is available (for a fee) on the proposed measures. Here is the link for anyone interested:

[https://www.workcompcentral.com/news/article/id/ef5dba2c142ad1de9f7245d2d7950026bf90289f](https://www.workcompcentral.com/news/article/id/ef5dba2c142ad1de9f7245d2d7950026bf90289f)
OCRIMS ANNUAL GOLF CLASSIC & MORNING WORKSHOP

Thursday, July 25       Coyote Hills Golf Course in Fullerton

The OCRIMS Annual Golf Classic is fast approaching. It’s always a day full of fun and helps raise money to fund student scholarships at the Cal State Fullerton Center for Insurance Studies. Spots are filling up to participate in the tournament and morning workshop, but if you are interested in being a participant or sponsor, there is still time and availability. See the following page for more details and registration information!

Here is a link for the event:  http://events.constantcontact.com/register/event?llr=kbpblmeab&oeidk=a07eg3std57d937772da
Space: The Final Fairway …
OCRIMS 23rd Annual Golf Classic

Stardate: Thursday, July 25, 2019
Quadrant: Coyote Hills Golf Course
1440 E. Bastanchury Road, Fullerton

Join us for the adventures of the golf cart Enterprise. Its 18-hole mission: To explore strange new bunkers, to seek out new water holes and new hazards, to boldly go where no risk manager has gone before.

Golf Classic Registration & Driving Range open at 10:00am
Putting and Skills Contest (open to all) 10:30am to 11:30am
Launch with Shotgun Start at 11:30am | Cocktails and Dinner at 4:30pm
Transporter to Details and Registration

Golf Classic Registration & Driving Range open at 10:00am
Putting and Skills Contest (open to all) 10:30am to 11:30am
Launch with Shotgun Start at 11:30am | Cocktails and Dinner at 4:30pm
Transporter to Details and Registration

Sponsorships Still Available …
Hole Sponsors - $600    Longest, Straightest, Hole in One $750
Beer/Wine Hole - $900    Breakfast Sponsor - $750
Golf Cart Sponsor - $750    Workshop Sponsor - $600
Rubber Ducks – Ask for price
Putting Contest - $750
Golf Pro Sponsor - $850
Dinner Sponsor - $750
Happy Hour - $750
Leaderboard - $750
Many other opportunities available: Email OCRIMS@outlook.com for info!

Thanks to our Sponsors!

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Special thanks to OCRIMS Executive Sponsors …

Willis (Gold) | Aon (Silver) | Marsh (Silver) | Sedgwick (Silver)
During the RIMS Annual Conference and Exhibition in Boston, the Society officially announced the winners of its industry awards, which included our own Gordon Adams.

RIMS’ most prestigious honor, the Harry and Dorothy Goodell Award, was presented to Debra Rodgers, retired Senior Vice President, Global Risk Management at Aramark Corporation. Named in honor of RIMS’ first president, the award pays tribute to an individual who has furthered the goals of the Society and the risk management discipline through outstanding service and achievement.

RIMS Risk Manager of the Year and Risk Management Honor Roll aim to raise the profile of the risk management profession and the outstanding programs practitioners have implemented within their organizations. This year’s winner was Luke Figora, Senior Associate Vice President and Chief Risk and Compliance Officer at Northwestern University. RIMS Risk Management Honor Roll inducted David Stills, Vice President, Global Risk Management for Walmart Inc.

The Ron Judd “Heart of RIMS” Award pays tribute to the legacy of Ron Judd, who served as the RIMS Executive Director for 22 years. Individuals are nominated by chapters for outstanding performance in furthering risk management at the chapter level. This year’s Heart of RIMS recipient is Gordon Adams, an active member and leader of the Orange County Chapter.

The RIMS Rising Star Award honors up-and-coming risk management professionals under the age of 35 or who have seven or less years of professional experience in the industry. This year, Keesa Garcia, Risk Manager at NALS Apartment Homes, was honored for demonstrating exceptional initiative, volunteerism, professional development, achievement and leadership potential.

The Risk Management Hall of Fame is a joint venture of RIMS and AIG, and was created to preserve the history and tradition of the profession. This year’s inductees into the Hall of Fame include former RIMS presidents Deborah Luthi and William Mather (1933-2017). “Risk management has evolved into an essential, strategic business discipline due to the crowning achievements of exceptional leaders like our Risk Management Hall of Fame inductees Deborah Luthi and William Mather,” said RIMS CEO Mary Roth. “Both selflessly devoted their careers to the betterment of this profession, demonstrating the value of strong risk management practices within their organizations and paving the way for others to follow in their footsteps.”
The Richard W. Bland Memorial Award was presented to Gary Raymond, Lead, Risk & Insurance at FedEx Ground. The award was created by RIMS Kansas City Chapter in 1974 to recognize a member’s dedicated commitment in the area of legislation or regulation.

The Cristy Award was presented to Jessica Robb, Senior Financial Analyst at Nissan North America. This award acknowledges the individual who earned the highest marks on the three exams required to earn the Associate of Risk Management designation.

The J.D. Power 2018 Large Commercial Insurance StudySM conducted in association with RIMS, has named XL Catlin now AXA XL as the top-performing insurer for 2018.

RIMS also recognized the exceptional work of its chapters for their outstanding chapter programming and resources, as well as member engagement initiatives. This year’s chapter recipients received ECHO (Enhancing CHapter Outcomes) Awards in the following categories:

- RIMS Chapter of the Year – RIMS Broward County Chapter
- ECHO Award At-Large Winner – RIMS Ontario Chapter
- Resource Development – RIMS Arizona Central Chapter
- Engagement – RIMS Central Texas Chapter
- Advocacy – RIMS Oregon Chapter

“RIMS chapters are critical to the development of tomorrow’s risk management leaders,” said RIMS President Gloria Brosius. “RIMS Broward County Chapter and our ECHO Award winners have gone above and beyond, demonstrating their commitment to creating a wealth of opportunities that align with RIMS’ strategy and support the advancement of the profession. Congratulations to all of the chapter volunteers for this achievement and thank you for sharing your experiences with our RIMS community.”
RIMS ANNUAL CONFERENCE – IN PICTURES
Workers’ compensation reform usually comes to mind as the key focus of the California Legislative Delegation and its annual RIMS on the Mall event. Things were rather sedate for the CLD in Sacramento this March, mainly because no one was predicting what to expect from Governor Newsom – Is he going to let the Brown-era reforms stand or choose to make his mark?

If you tend to be lackadaisical about following legislation and how it works through the system, you might want to sit up and pay attention this year. A record number of bills were introduced and the subjects of those bills might keep you or your CEO up at night.

- The 2018 *Dynamex* decision upended the traditional independent contractor test and has far-reaching implications. Bills are trying to codify or demolish the ABC test from *Dynamex*, and the struggle won’t be pretty.

- Privacy is a big issue, with bills covering consumer privacy, definitions of ‘medical information’, data breaches, telecommunications, and much more.

- Medicine, medical insurance and Medi-Cal have their fair share of bills, covering topics from marijuana and narcotics, to anticancer medical devices, to gene therapy kits to the scope of practice of dental hygienists.

- Employment-related bills addressing discrimination, harassment, and paid family leave are a few categories to watch, but the big area could be the attempts to impose restrictions on employment contracts with arbitration clauses.

- The Private Attorney General Act (PAGA) sounds like a positive way to ensure fair treatment of employees, but increasing abuses have created a nightmare for employers. Of course, some people think that is okay. If you want to see a fair and balanced process, speak up for the bills you support.

- Of course, there are always bills on workers’ compensation. In the past few years, many of the bills were employer-backed designed to improve the delivery of benefits to injured workers. However, there are still factions opposed to utilization review, apportionment and the burden of proof for illnesses. These bills can generate an emotional reaction with descriptions of how injured workers are being mistreated, but they are often based on ‘straw man’ assertions lacking foundation. The California WC system isn’t perfect yet, but it’s so much better than 10 years ago in balancing the interests of all stakeholders.

Regardless of your professional role in risk management or the impact one bill or another might have on your employer, as a resident of the State of California and a consumer of services, it behooves you to follow the actions of our State legislators and to make your voice heard.

The California Legislative Delegation is monitoring selected bills and will provide updates to the California RIMS chapters as matters develop.
EMPLOYMENT OPPORTUNITIES

OCRIMS is happy to list employment opportunities that are of interest to professionals involved in the field of risk management. To save space in the newsletter, we provide a summary description and contact information for each available position. If you want a full job description for any of the positions listed below, visit the OCRIMS website—www.ocrims.org—and click on the “Job Opportunities” page. Once you are on the “Job Opportunities” page, click the link for a full job description for the position(s) for which you are interested.

DIRECTOR OF RISK MANAGEMENT—A well-known, privately-owned and operated restaurant chain is looking to hire an experienced leader to be responsible for overseeing and promoting safety and loss-prevention programs. Specific job duties will include creating and promoting safety and loss-prevention programs, monitoring compliance with insurance and risk management, identifying exposures for loss, managing claims for workers’ compensation, ensuring proper insurance coverage, handling compliance with OSHA regulations, and representing the company in small claims court. To apply for this position, use the following link: https://www.cybercoders.com/manager-of-risk-management-job-487706

DIRECTOR, RISK SERVICES—The Coast Community College District is looking to hire a Director of Risk Services to plan, organize, manage, and coordinate an organization-wide risk management program governing legal, contract administration, health, safety, and loss prevention. The person who assumes this position will develop business plans and programs that ensure and enforce compliance with laws, codes, policies, and procedures. He/she will also serve as the District point-of-contact for all insurance and claim matters, investigates claims, and work with external adjusters, investigators, and internal safety professionals to adjudicate claims. To apply for this position, use the following link: https://www.governmentjobs.com/careers/cccd/jobs/2312151/director-risk-services

RISK MANAGEMENT SPECIALIST—The Rancho Santiago Community College District is looking to hire a Risk Management Specialist to provide support for the District’s risk management program and workers’ compensation insurance program for employees; communicate technical information and assistance to staff, claims administrators, medical and legal professionals; file claims; maintain risk management records; research and compile a variety of reports; and offer administrative assistance to the Risk Manager and Benefits Analyst. Specific job duties will include workers’ compensation claims processing and maintaining files and reports related to workers’ compensation and the OSHA 300 log to ensure compliance with OSHA requirements. To apply for this position, use the following link: https://rsccd.igreentree.com/CSS_Classified/CSSPage_JobDetail.ASP?T=20190516164442&

VP, QUALITY & RISK MANAGEMENT—MemorialCare Health Services in Fountain Valley is looking to hire a risk professional to develop and oversee a comprehensive framework for performance improvement of quality, safety and risk management. Specific job duties will include partnering with physicians, leaders and staff to execute specific strategies for improvement, providing organizational expertise and resources for clinical and administrative regulations and accreditation requirements, administering and providing oversight to insurance products, and implementing claims-management strategies for effective resolution. To apply for this position use the following link: https://memorialcare.taleo.net/careersection/ex/jobdetail.ftl?job=49962&src=JB-10061
RIMS LAUNCHES NEW RIMS.ORG WEBSITE

Website Highlights RIMS Key Tools: Resources, Content, Education, Certification, Global Opportunities and Events

After nearly 12 months in development, RIMS has unveiled a brand new website for the Society. With an emphasis on delivering relevant content and resources, the site features simplified navigation and an improved user interface and functionality meant to support risk management professionals around the world.

Navigation on the new RIMS website highlights the key tools that RIMS is committed to providing for risk professionals: resources and content, connections, certification, education and events. Website visitors can easily navigate to a variety of resources, or scroll down the new landing page to access Risk Management magazine and find new publications, events, communities and updates about the Society.

“The newly envisioned RIMS website allows the Society to better connect the world’s risk management community with curated content and resources,” said RIMS CEO Mary Roth. “Access to the knowledge, expertise and other online assets that our members expect is now front-and-center, supporting them as they navigate challenges and advance in this rewarding profession.”

Recognizing that RIMS members and other visitors to the site have different needs and interests, or are at different points in their careers, RIMS has designed new landing pages for its largest resources, including:

- **Risk Knowledge**: A centralized hub for all RIMS content, including white papers, research reports, archived webinars, podcasts, articles, videos and more.
- **Strategic and Enterprise Risk Center**: A one-stop shop for content, case studies, templates and more, all focused on strategic and enterprise risk management topics.
- **RIMS Global**: RIMS hosts members from over 60 countries, and here they can find globally-focused content and access to regional landing pages.
- **Student Resource Center**: Supporting the next generation of risk professionals, here students can find career support, scholarship information, membership access, mentoring and the latest news most relevant to them.
- **Certification**: All information related to applying for, attaining and maintaining the RIMS-CRMP certification.
- **Online Member Community**: RIMS members can access Opis, the members-only digital community where members can interact directly with one another, ask questions, share information and ideas and connect across geographical boundaries.
- **RIMS Chapters**: Members involved at the local level (or those looking to get involved) can find the chapter directory, award information, volunteering opportunities and support in this centralized location. Chapter leaders may also access this site for chapter management tools and resources.

RIMS will continue with enhancements in the coming months, such as deeper personalization, more members-only content, a new Risk Management magazine website and more.
At the suggestion of Jim Gunther, OCRIMS is running the “101 Rules of Risk Management.” We will run the entire list over the next three issues of the newsletter, beginning with the first 34 in the May issue. Not all of the rules are applicable to every risk practitioner, but there is plenty to digest, especially for young professionals or those who are somewhat new to the profession.

Note well that these are 101 Rules of Risk Management, not THE 101 Rules. They were pulled together by the late Tom Hallet (one-time Risk Manager of the Year at General Motors) when he was with the late Frank B. Hall and Company. Our thanks to Tom and the group of pioneer Risk Managers who collaborated in this effort.

General

1. An organization’s risk management program must be tailored to its overall objectives and should change when those objectives change.

2. If you are in a “safe” business (relatively immune from depression bankruptcy, or shifts in product markets), your risk management program can be more “risky” and less costly.

3. Don’t risk more than you can afford to lose.

4. Don’t risk a lot for a little.

5. Consider the odds of an occurrence.

6. Have clearly defined objectives that are consistent with corporate objectives.

7. The Risk Management Department as a user of services should award business on the basis of ability to perform.

8. For any significant loss exposure, neither loss control nor loss financing alone is enough; control and financing must be combined right proportion.

Risk Identification and Measurement

9. Review financial statements to help identify and measure risks.

10. Use flow charts to identify sole source suppliers or other contingent business interruption exposures.

11. To more fully identify and assess risks, you must visit the plants and relate to operational people.

12. A reliable database is essential to estimate probability and severity.


14. The risk manager should be involved in the purchase or design of any new operation to assure that there are no built-in risk management problems.

15. Be certain environmental risks are evaluated in mergers, acquisitions and joint ventures.
16. Select hazardous waste contractors on their risk control measures and their financial stability or insurance protection.

17. Look for incidental involvement in critical risk areas (i.e., aircraft and nuclear products, medical malpractice, engineering design, etc.).

**Risk Control**

18. Risk control works. It is cost effective and helps control local operating costs.

19. The first (and incontrovertible) reason for risk control is preservation of life.

20. A Property Conservation program should be designed to protect corporate assets - NOT the underwriter.

21. Be mindful that key plants and sole source suppliers may need protection above and beyond normal H.P.R. requirements.

22. Use the risk control services of your broker and carrier as an extension of your corporate program. Don’t let them go off on a tangent.

23. Quality control should NOT be a substitute for a full product liability control program. Quality control only assures the product is made according to specifications, whether good or bad.

24. Most of the safety-related “standards” of governmental agencies should be considered as minimum requirements.

25. Duplicate and separately store valuable papers and back-up data processing media.

26. Avoid travel by multiple executives in a single aircraft.

**Risk Financing**

27. Risk Management should focus on two separate zones of risk relative to the maximum dollar loss the company can survive from a single occurrence: a) below this level-optimize the use of insurance relative to current cost; b) above this level-transfer risk (usually insurance) to maximum extent possible-cost effectiveness is not a criterion in this zone; SURVIVAL is.

28. An entity with an unlimited budget can benefit from adopting all risk management measures that have benefits to the entity with an expected present value greater than the expected present value of cost of those measures to that entity.

29. When, for budgetary or practical reasons, an entity must chose between mutually exclusive risk management measures, the entity should chose that measure which offers it the greater excess of benefits over costs, when both benefits and costs are expressed as expected present values.

30. Competitive bidding which causes market disruption should be avoided.

31. Never depend solely on someone else’s insurance.

32. Retrospective rating plans of more than one year hamper flexibility.

33. A tax advantage should be considered a “PLUS”-not a principal reason for a risk financing decision.

34. Risk taking presents an opportunity for economic gain.

Risk managers are operating in an environment rich in data that when combined with growing alternative risk solutions can result in more robust risk finance strategies and more resilient organizations, according to a new report published by Marsh and RIMS.

However, a general lack of understanding of available alternative risk solutions and effective use of data and analytics are hindering many risk professionals from harnessing the opportunities, the 16th Annual Excellence in Risk Management report found.

According to the report, most risk professionals (47%) rank improving the use of data and analytics as their top priority for improving risk management capabilities. Such improvement has ranked as the top priority since the Excellence survey began asking the question in 2013, prompting one to wonder: “Why isn’t the needle moving?”

At the same time, despite growing interest in a number of alternative risk solutions such as structured risk programs and parametrics, many respondents remain unfamiliar with the concept and what they offer. For example, 33% of risk professional respondents and 53% of the C-suite respondents said they need to learn more about alternative solutions before making a decision whether to use one. Data-driven modeling is thus critical as companies need to compare traditional insurance against alternative solutions to clearly understand the value each provides, the report notes.

“By effectively marshalling data and risk modeling tools, organizations can better understand changes in their risk profiles and risk bearing capacity allowing them to access the opportunities presented by the growing levels of capital available for risk finance,” said Brian Elowe, North American Chief Client Officer, Marsh.

Carol Fox, Vice President of Strategic Initiatives, RIMS, added: “Expectations for risk management professionals to deliver strategic solutions has never been greater. Now is the opportune time to integrate new technologies for accessing ‘real time’ data to inform business and risk-taking decisions, as well as lead in the development of innovative finance solutions to transfer risk.”

Other highlights from the report include:

- Financing hard-to-insure exposures was the top benefit of alternative risk solutions cited by survey respondents (38%).
- Cost and explaining the benefits to others in the organization were cited as the two main obstacles to using alternative solutions by 31% and 30% of respondents, respectively.
- Risk professionals and C-suite respondents differ on how they think their organization would best benefit from improved use of data and analytics. Risk professionals cited informing decisions on specific risks, while C-suite respondents cited informing the overall business strategy.

The report, Strategic Risk Finance in the Era of Big Data, is based on more than 600 responses to an online survey and a series of focus groups with leading risk executives in January and February 2019.
**Will risk management professionals be prepared to meet business challenges by 2025?**

The RIMS Risk Talent 2025 Survey will provide insight on the risk professional of the future – the background, skills, experience and viewpoints necessary to sustain the profession, and successfully navigate the evolving business environment.

Please share your input.*


Password: rims2025

All responses will be anonymous, any data will be shared in the aggregate. Data collection for this survey closes May 31, 2019.

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**RIMS WEBINAR—TYING RISK MANAGEMENT TO COMPENSATION**

**June 3 for one hour at 10:00 a.m. Pacific Time — free for RIMS members, $50 for nonmembers**

Executives and senior leadership are often compensated based on the performance of the organizations they lead. Profitability and revenue growth are key metrics that determine compensation, but how does incentive compensation impact risk management?

In light of the tragic Ethiopian Airlines and Lion Air crashes, and recent reports of Boeing whistle-blowers complaining of safety violations made in the interest of meeting tight manufacturing deadlines, we ask the experts: Could we have avoided these fatal crashes if Boeing leadership was incentivized by safety instead of profit?

**In this webinar, our experts will discuss:**

- How to align incentives with risk management.
- How to design internal controls to mitigate self-serving, profit-seeking behavior.
- How to enable an enterprise-wide risk culture by tying risk management to incentives.
- The key metrics to consider when assessing risk-based compensation.

[https://www.pathlms.com/rims/webinars/5509](https://www.pathlms.com/rims/webinars/5509)
What does it take to be a successful risk manager?

How do you stay informed about new risks?

How do you establish yourself and achieve longevity?

Attend the RIMS NextGen Forum 2019 to learn about emerging risks and the skills you'll need to set yourself apart.

The NextGen Forum is designed to engage and educate rising risk professionals, most of whom are in their mid-twenties to mid-thirties. Thanks to the world-class risk management sessions and networking available at NextGen, attendees will be able to shift their careers into a higher gear.

Why should you attend?

- Learn about risk management best practices.
- Understand complicated insurance or risk finance theories or tools.
- Enhance your soft skills in order to successfully navigate corporate structures and politics and champion risk management.
- Make invaluable connections with your peers and experienced risk practitioners at the networking reception.

Elevate your career with world-class sessions:

- Keynote: Don’t Tell Me What I Already Know, Tell Me What I Don’t Know
- Becoming a Creative and Innovative Risk Professional Workshop
- Climbing the Corporate Ladder or Taking the Elevator
- Your Leadership Track Depends on Inclusivity
- A Legal Checklist for AI Risk
- You Are Your Brand: How to Distinguish Yourself in Your Career

Fees: RIMS Member $300 | Non-Member $450 | Student $99

https://www.rims.org/nextgen/2019/Pages/Home.aspx
NASA FACTS

Last month, we presented key details about the Apollo 11 mission, so in keeping with the space theme, we offer some facts about NASA.

- “NASA” stands for National Aeronautics and Space Administration.
- NASA launched the Landsat satellites in 1972; they were designed to photograph the entire of the Earth’s surface from space.
- NASA was founded on July 29, 1958, and started work on October 1, 1958.
- The SR-71, or Blackbird, was a secretive spy aircraft used by NASA for high-speed, high-altitude aeronautical research. It was designed in the late 1950s and first flew in 1964.
- NASA has an Office of Planetary Protection in case life is found on another planet.
- President John F. Kennedy set NASA the goal of sending a man to the moon by the end of the 1960s. On July 20th, 1969, Neil Armstrong and Buzz Aldrin walked on the moon as part of the Apollo 11 mission.
- NASA ran a competition among elementary and secondary school students to name a new shuttle. Then-president George H.W. Bush announced the winner Endeavour in May 1989.
- NASA is estimated to have sent more than 2,200 animals into space, including insects, pigs, monkeys, rats, rabbits and spiders. Most of those were sent on one mission--STS-90 in 1998.
- NASA’s slogan is “To explore the Universe and search for life; to inspire the next generation of explorers, as only NASA can.”
- A US flag that went on two separate moon missions hangs in NASA’s Mission Control room.
- On June 1st of 2016, NASA met social media, broadcasting a chat between Mark Zuckerberg and three astronauts aboard the ISS on their Facebook page.
- NASA is one of the most funded institutions in the US.

Source: https://www.thefactsite.com/nasa-facts/
CONTACT PERSON FOR EMPLOYMENT OPPORTUNITIES

Arpi Rubenyan is the contact person for employment opportunities. If you have information or questions regarding employment opportunities, contact Arpi at (714)438-3277. With sufficient notice, OCRIMS will print relevant job openings in the monthly newsletters.

ARTICLES FOR THE NEWSLETTER

Share your creative solutions, ideas, etc. with the risk management community by contributing an article to the OCRIMS newsletter. Articles need to be submitted to Vaughn Shelton by the 10th of each month to be considered for publication. To submit an article, please email Vaughn at vaughnzx6r@gmail.com. Don’t be shy; we’d love to hear from you!

GET INVOLVED WITH OCRIMS IN 2019!

OCRIMS DATABASE MANAGEMENT SYSTEM

OCRIMS maintains its contact database through the RIMS Message Center. To stay abreast of the happenings in the OC, make sure that you are registered through the RIMS Message Center, that your RIMS profile is up to date, and that you have selected your desired preferences. You do not even need to be a member of RIMS to take advantage of this great tool.

Here’s the link: http://www1.rims.org/eweb/DynamicPage.aspx?webcode=verify. The Chapter affiliation is at the very bottom, so be sure to choose OCRIMS.

HOW TO CHANGE YOUR RIMS PROFILE—Log onto www.rims.org and scroll down at the Membership tab. In the category that says “My RIMS,” click on “My Contact Information.” On the information page, click “Edit.” At this point if you have not already logged into your RIMS account, it will ask you to login. Then update your information and click “Save.” It’s that easy!

Remember that OCRIMS provides ideal opportunities for you to stay at the forefront of risk management, and networking is a key component, as is remaining informed on what’s happening in our industry—the Message Center allows you to do that. If you have any difficulty with the RIMS Message Center, please contact dianarich@earthlink.net.

UPCOMING MEETINGS & EVENTS

OCRIMS Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>June 11, 2019</td>
<td>OCRIMS ROUNDTABLE DISCUSSION</td>
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<tr>
<td></td>
<td>Risk Managers’ Roundtable Discussion</td>
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<tr>
<td></td>
<td>Speaker: Open discussion format</td>
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<td>Location: The Center Club in Costa Mesa</td>
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<td>See details in this newsletter</td>
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<td>July 25, 2019</td>
<td>OCRIMS GOLF CLASSIC</td>
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<td>Space: The Final Fairway/ Star Fleet Academy Workshop</td>
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<td></td>
<td>Coyote Hills Golf Course</td>
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<td>See flyer in this newsletter for full details</td>
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<tr>
<td>September 16-18, 2019</td>
<td>RIMS WESTERN REGIONAL CONF.</td>
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<tr>
<td></td>
<td>Location: Las Vegas, Nevada</td>
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memorial DAY
Officers

President
Diana Rich
Foundation Building Materials, LLC
(714)460-4841

Vice President
Zareen Morrison
H & S Ventures
(949)760-4315

Secretary
Cristin McAllister
Providence St. Joseph Health
(949)381-4515

Treasurer
Karen Elsbury
FSSI
(714)436-3326

Past President
Gordon Adams

RIMS Delegate
Cristin McAllister
Providence St. Joseph Health
(949)381-4515

Directors

Jennifer Mauritzen
Mazda North American Operations
(949)727-6278

Arpi Rubenyan
C.J. Segerstrom & Sons
(714)438-3277

Stewart Smith
Pacific Life Insurance Co.
(949)219-3669

Jim Thyden
California Joint Powers Ins. Authority
(714)856-4122

Steve Tomeo
CoreLogic, Inc.
(949)214-1211

Charles Vu
State Compensation Insurance Fund
(714)565-5882

Committees

Bylaws and Parliamentarian
Stewart Smith (see “Directors” above)

Professional Community Outreach
Jennifer Mauritzen (see “Directors” above)

Chapter Recognition, Education
Charles Vu (see “Directors” above)

Committees (cont.)

Employment, Communication
Arpi Rubenyan
C.J. Segerstrom & Sons
(714)438-3277

Executive Sponsorship
Gordon Adams

Finance
Karen Elsbury (see “Treasurer”)

Golf
Rosie Partida
Risk Management America
(714)519-1934

Mark Lopez
Petra Risk Solutions
(562)356-9110

Legislative, Nominating
Diana Rich (see “President”)

Membership
Jennifer Mauritzen (see “Directors” at left)

Newsletter, Webmaster
Vaughn Shelton
Happy-2-Oblige Writing/Editing
(949)293-3032

Programming
Steve Tomeo (see “Directors” at left)

DON’T FORGET!

June 11TH – OCRIMS RISK MANAGERS’ ROUNDTABLE