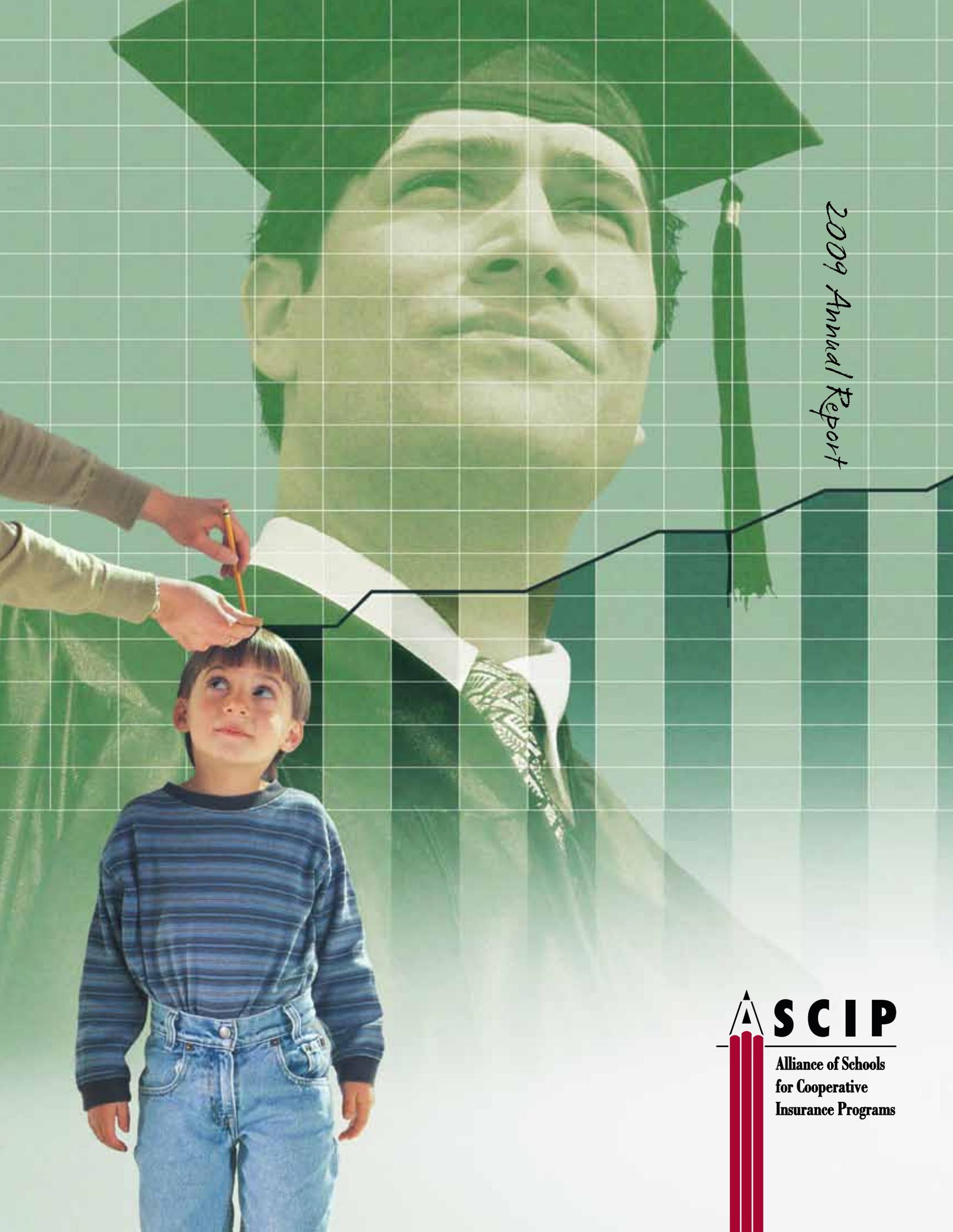


*2009 Annual Report*



 **SCIP**  
Alliance of Schools  
for Cooperative  
Insurance Programs

# Mission Statement

To build a partnership of all educational agencies  
to protect resources by providing quality risk  
management products and services at superior value.

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# President's Message



**JOHN DIDION**  
ASCIP PRESIDENT

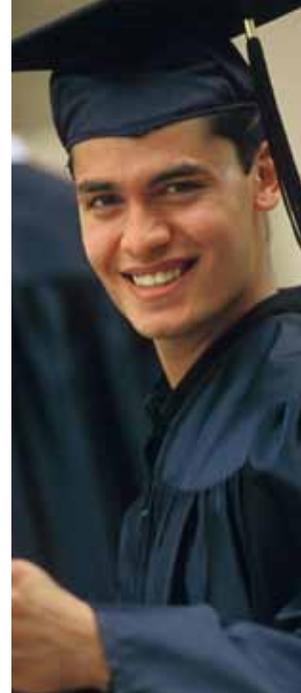
As President of ASCIP, it is my distinct pleasure to preface this Annual Report with a few comments and to highlight the accomplishments of the past year. I would like to begin by thanking the Executive Committee, our supporting Committees, ASCIP staff, and our school members for their support and dedication. It is truly the combined efforts of these forces which continue to make ASCIP the leading school JPA in the Country.

By the end of the 2008/2009 year, ASCIP has grown to 170 members, supporting the needs of over 1.5 million students in California schools and protecting property values in excess of \$24 billion. By offering a vast array of risk sharing pools, insurance products and related services, ASCIP provides a vehicle for our members to purchase broad coverage, at stable and affordable rates. With the availability of a comprehensive list of risk management and loss control services, care is taken to provide members every opportunity to proactively control or prevent risks that are inherent to our industry.

Financially, ASCIP has had yet another strong year. While revenues remained relatively flat from last year, total net assets increased from \$84,726,128 in 2007/2008 to \$91,336,693 for year end 2008/2009. Of significance was an increase of \$4,027,000 of net assets in the workers' compensation program due to favorable loss development and excellent program management. Noteworthy is the fact that during this same period, the Board declared a retrospective premium rebate of \$1,120,000 and a mid-year rebate of \$2,307,000. The medical program also experienced an increase of net assets totaling \$3,167,000 due to favorable claims experience within the dental and vision programs.

The stability of ASCIP's core property/liability, and now its workers' compensation program, has allowed for controlled expansion of its services and programs. In the recent past, this was reflected in the creation of the organization's captive insurance company (CIPA) and expansion into health benefits. The risk management and loss control staff continually upgrade and present new topical issues that impact our members. A key to ASCIP's success is this strategic commitment to ancillary services that mitigate the risks that threaten the assets of our members.

I encourage you to spend the time to review this Annual Report. In doing so, you will learn about the many programs and services offered by ASCIP to its members. Additionally, you will be provided a snapshot of the components and benchmarks that have been attained and the goals for the coming year. As the school community faces the challenging times ahead, we can be assured that every effort will be made by ASCIP to bring stability and predictability to our insurance costs. A sustained commitment to support the risk management needs of each of our members.



*"You can do  
anything you  
wish to do,  
have anything  
you wish to  
have, be  
anything you  
wish to be."*

ROBERT COLLIER



# Governance

The Alliance of Schools for Cooperative Insurance Programs' leadership is provided by its members. Goals set for the organization are a direct result of the needs and interests of the educational community that they serve. ASCIP enjoys widespread and diverse participation in its governance structure with over half of our member districts participating in one or more leadership roles on the following committees:

## Executive Committee



**JOHN DIDION**  
*President*



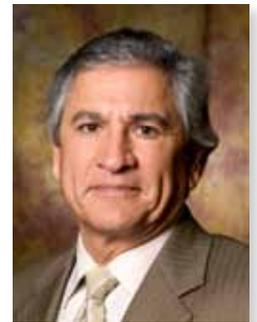
**PEARL IIZUKA**  
*Vice President*



**MICHAEL BISHOP**  
*Treasurer*

ASCIP's overall leadership is provided by the Executive Committee. The Committee's main objective is to develop long term goals and policies that guide the direction of the organization. The committee is comprised of thirteen members and thirteen alternates who represent K-12, K8, Community College Districts, Charter Schools, and subsidiary JPAs. The committee members are elected by ADA category and serve staggered terms of three year intervals. The Executive Committee is also responsible for establishing and overseeing the activities of ASCIP's standing and ad hoc committees. Collectively, these committees provide guidance for the overall operations in the area of claims, risk management interventions, financial transactions and marketing/underwriting activities.

**Members (top row):** Michael Gregoryk, Arlene Ito, Angela Jones, Paul Muschetto; **(bottom row):** Kris Olafsson, Irene Sumida, John Vinke; **not pictured:** Steve Cary, Ronald Murrey, Kim Stallings



**Alternates (not pictured):** Nancy Anderson, Thomas Cox, David El Fattal, Michael Johnston, Corinne Kelsch, Steve Lewis, Vahe Markarian, Colleen Patterson, Cheryl Plotkin, Andrea Reynolds, Steve Romines, Leigh Shampain, and William Silvia

*"The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low, and achieving our mark."*

MICHELANGELO



## Claims/Coverage Committee



**Committee Chairperson:** Arlene Ito

**Members:** Nancy Anderson, Michael Bishop, Michael Clear, John Didion, David El Fattal, Michael Johnston, Angela Jones, William Loose, Rose Multari, Thuy Nguyen, Tami Oh, Andrea Reynolds, Leigh Shampain, Kevin Smith and Fred Williams

The Claims/Coverage Committee is comprised of members who establish and review the JPA's Property/Liability and Workers' Compensation claims operations. They evaluate coverage and examine the merit of individual claims as well as provide authority for the settlement of claims up to \$150,000. Claims exceeding this sum are forwarded to the Executive Committee with the Claims/Coverage Committee's recommendations for settlement.

## Loss Control Committee



**Committee Chairperson:** Anthony Nahale

**Members:** Camille Boden, Mike Brito, Cynthia DiPaola, Sue Churchill, Shawn Gatewood, Steve Lewis, Janece Maez, Kina Mattoon, Mary Ann McCabe, Rose Multari, Barbara Ott, Tim Palmer, Leslie Piazza, Karen Saldana and John Shook

The Loss Control Committee is comprised of members who are responsible for the oversight of ASCIP's loss control programs and services which address a variety of risk exposures in the broad educational environment. This Committee makes recommendations regarding the nature and direction of loss control efforts, approves risk management programs and initiates loss control interventions intended to reduce losses, costs and impact on member educational agencies.

Committee members include individuals with diverse backgrounds, extensive school experience and an intense interest in safety and risk management. This Committee approves loss control program funding, the Loss Control Assistance Fund requests for member safety, security, environmental, property and risk reduction projects, then authorizes grant funding intended to improve the loss experience of ASCIP as a whole. The Committee also ensures that ASCIP's widely used assistance services are available on an equitable basis to all members.

## Health Benefits Committee



**Committee Chairperson:** Michael Bishop

**Members:** Dave Banis, Steve Cary, Michael Coughlin, Carrie Delgado, Rita Dixon, David El Fattal, Sal Gumina, Arlene Ito, Angela Jones, Steve Kanda, Pavel Matustik, Ronald Murrey, Kris Olafsson, Colleen Patterson, Andrea Reynolds and John Vinke

The Health Benefits Committee is comprised of members who are responsible for the oversight of ASCIP's health benefits program and activities. The Committee develops policies, examines loss experience and makes recommendations for health benefit programs designed to mitigate cost and promote healthy employees. Additionally, the Committee recommends reward programs and plans for the delivery of health benefits to all members and proactively plans for programs and services.

## Finance/Investment Committee



**Committee Chairperson:** Kris Olafsson

**Members:** Michael Bishop, John Didion, Angela Jones, Andrea Reynolds, Kim Stallings and John Vinke

The Finance/Investment Committee consists of members who are responsible for analyzing and recommending policies and procedures related to ASCIP's financial and investment activities. The Committee provides oversight for the JPAs' financial activities related to governing the collection, investment, and management and disbursement of funds. Additionally, the Committee reviews ASCIP's accounting procedures and reporting documents ensuring that appropriate accounting controls are in place.

## Community College Districts Committee



**Committee Chairperson:** Fred Williams

**Members:** Susan Courtey, John Didion, Robert Eygenhuysen, Ed Godwin, Michael Gregoryk, Peter Hardash, Lew Lewis, Steve Lewis, Thuy Nguyen, Tami Oh, Leslie Piazza, Karen Saldana, and William Silvia

The Community College Districts Committee consists of members who are responsible for reviewing claims trends, financial and bond information and developing policies and strategies to meet the expressed needs of the CCD membership. Additionally, the Committee evaluates community college membership.

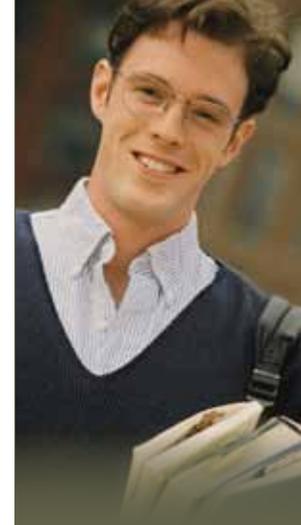
## Marketing/Underwriting Committee



**Committee Chairperson:** Angela Jones

**Members:** John Didion and John Vinke

On an annual basis the Marketing/Underwriting Committee reviews the underwriting criteria that potential members must meet in order to become an ASCIP member. The Committee has the responsibility of reviewing membership applications and recommending new members to the Executive Committee. The information reviewed by the Committee includes loss history, financial strength, philosophy, and employment practices. To maintain the same high quality and amount of no-fee services offered to all ASCIP members, the Committee also reviews the size of the district and the location of its sites.



*"All that a man achieves and all that he fails to achieve is the direct result of his own thoughts."*

JAMES ALLEN



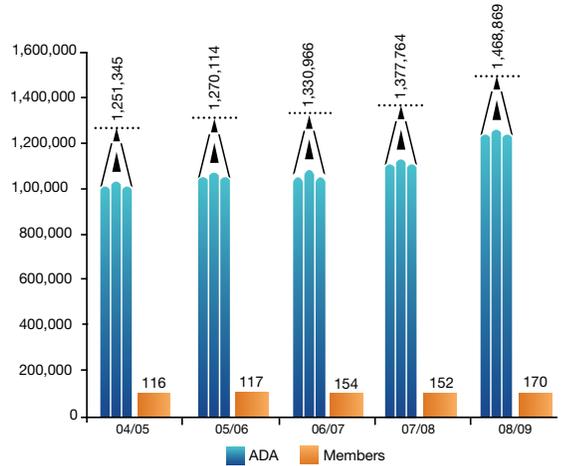


# Growth Trends

In 2008/2009, ASCIP experienced remarkable membership growth, growing from 152 members in the prior year to 170 members. Over the past five years, ASCIP's membership has increased by 47%. We have been able to achieve both growth and membership retention by maintaining a high level of services and offering fair and stable premiums in an ever-transforming marketplace. ASCIP's philosophy of providing the highest level of member service, broad coverage and a variety of auxiliary programs has led to strong membership loyalty. Our professional in-house risk management and loss control expertise, along with a myriad of ASCIP-approved independent consultants and our dedicated Rent-a-Risk Manager staff allows us to offer services, either at no cost or at a discount, in the areas of environmental compliance, health, safety, training and property conservation.

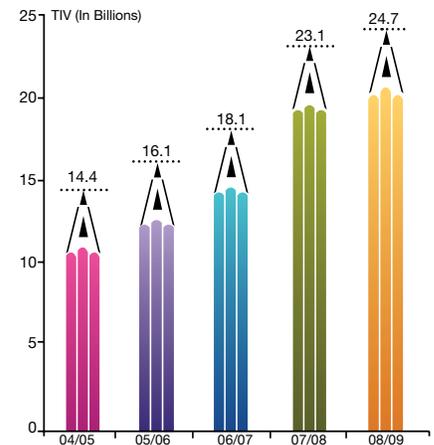
## Membership Growth

Between 2004/2005 and 2008/2009 we significantly increased our membership base in Northern California and sustained moderate growth in Southern California. Our in-house staff, in conjunction with our Rent-a-Risk-Managers and independent consultants, have allowed us to provide a wide variety of risk management and loss control services in most cases, included as part of our basic premium. These services have in turn, helped achieve good loss ratios for our members and consequently for our JPA as a whole.



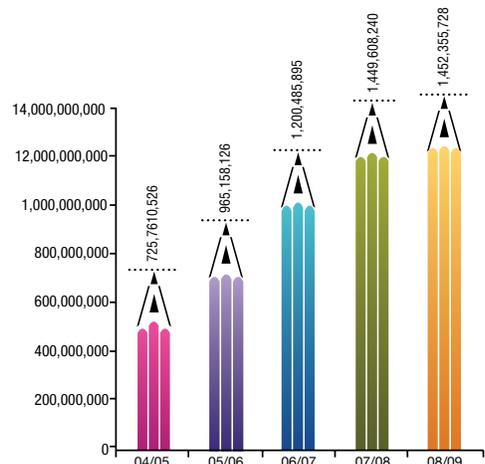
## Property Value Growth (TIV)

ASCIP's Total Insured Value (TIV) has increased 6% over last year to a total of \$24.7 billion for the 2008/2009 program year. TIV growth has been commensurate with our membership growth throughout the State. The growth of TIV has provided us with the means to negotiate with carriers and reinsurers from a position of strength and enables us to retain enviable reinsurance rates for the benefit of our membership.



## Workers' Compensation Payroll Growth

From the inception of the workers' compensation program in 1998, we have experienced an increase in payroll and membership. Payroll has more than doubled to over \$1 billion and membership has grown from 13 to 36 members. The program's growth is in part due to its unique program design as well as the funding options available. ASCIP's workers' compensation program strives to offer the best customer service and aggressive claims handling to meet the needs of our members.



MARQUIS DE VAUVENARGUES

# Core Program

ASCIP's 119 member districts participate in ASCIP's core program which is comprised of general and automobile liability, property, crime and automobile physical damage. Core program participants are eligible to participate in ASCIP's ancillary programs such as workers' compensation, health benefits, Auxiliary Support Clubs Insurance Program Boosters (ASCIP-B), Tenant User Liability Insurance Program (TULIP), Service Providers and Artisan Tradesman Activities (SPARTA), and Owner Controlled Insurance Program (OCIP).

## Incurring Losses

Commensurate with our continued measured growth in ADA and membership we saw an increase in new claims incurred, but the overall total incurred losses remained flat.

## Litigation Expense

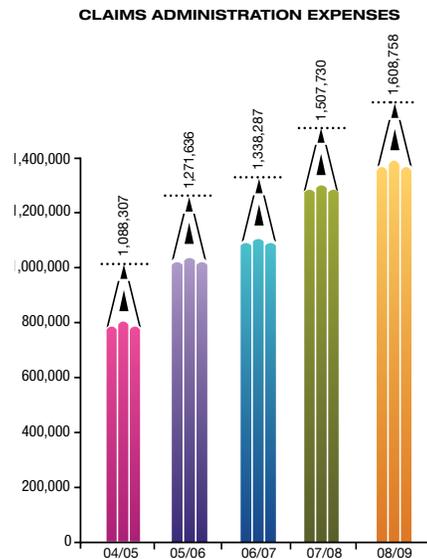
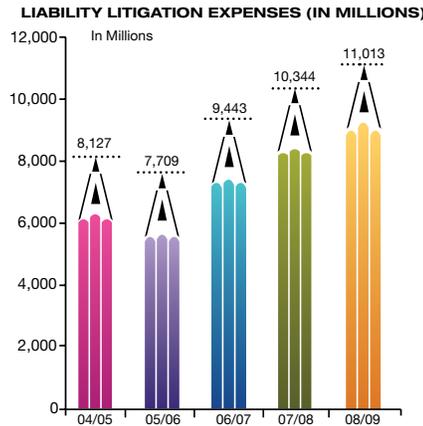
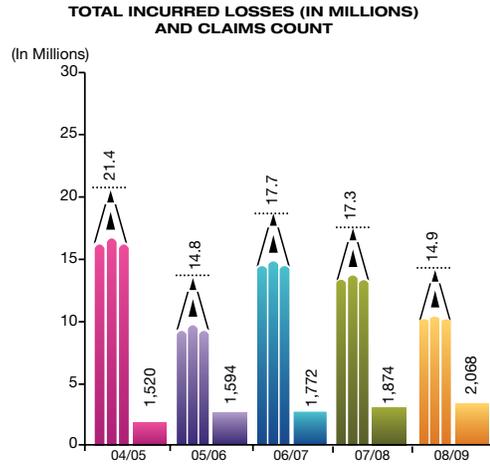
Litigation costs rose again as the troubled economy is now driving employment related matters higher in both frequency and severity.

## Claims Administration Expenses

The liability claims administration by CorVel continues to be a source of strength for ASCIP and its membership. There was a slight increase in the overall expenses incurred.

## Claims and Litigation Management Highlights

- Received 2,068 property/liability claims for damages;
- Managed 442 claims in litigation;
- Negotiated at 109 voluntary and mandatory settlement conferences;
- Tried 7 cases and received 6 defense verdicts;
- Closed 2,044 property/liability claims.



*"That some achieve great success, is proof to all that others can achieve it as well."*

ABRAHAM LINCOLN

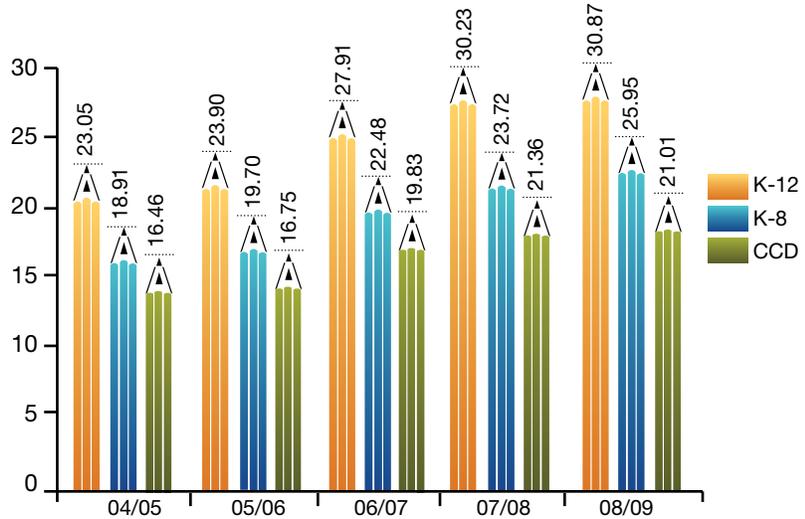




## General Liability Program Rates

As compared to 2007/2008, on a composite basis, general liability rates only increased by 1.9%. This small increase in rates was attributable to an unfavorable claims experience and the increase in retained losses in the general liability program structure and increasing ASCIP's self-insured retention from \$1 million to \$5 million.

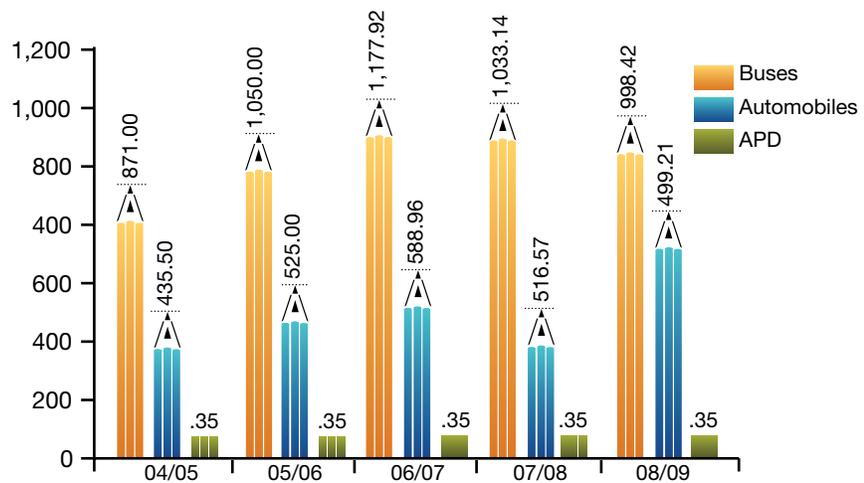
**GENERAL LIABILITY COVERATE RATES  
(DOLLAR ONE COVERAGE)**



## Auto Liability Program Rates

The 2008/2009 program year, auto liability rates for buses and other vehicles (non-bus) experienced a decrease of 3.4%. Overall, a favorable loss experience contributed to the decrease in rates. Auto physical damage rates have remained flat.

**AUTO LIABILITY (DOLLAR ONE COVERAGE) AND  
AUTOMOBILE PHYSICAL DAMAGE (APD) COVERAGE RATES  
FOR ALL MEMBERS**



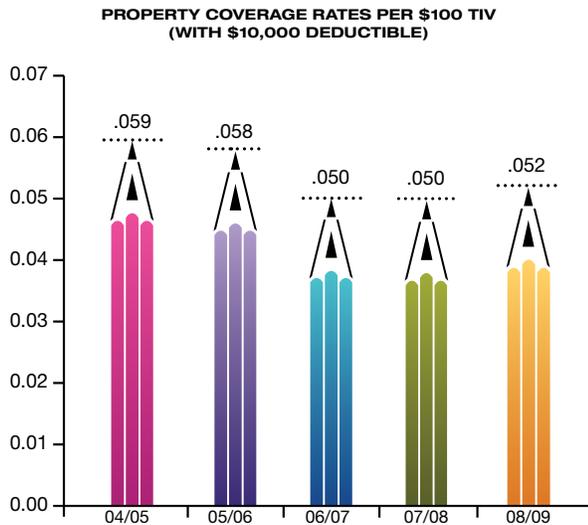
*"You have to  
learn the rules  
of the game.  
And then you  
have to play  
better than  
anyone else."*

ALBERT EINSTEIN



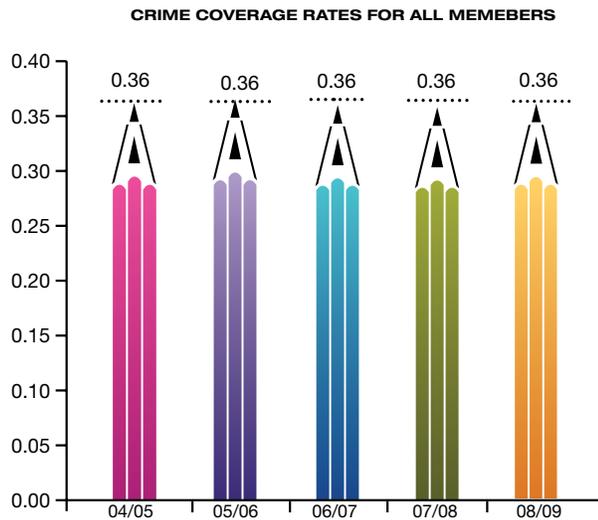
## Property Program Rates

Over the past decade, ASCIP's members have continued to experience a high degree of property rate stability along with a low property insurance premium as compared to other JPAs and commercial insurance programs nationally. While total insured values (TIV) increased from \$14.4 billion in 2004/05 to \$24.1 billion in 2008/2009, on an average, our property rates have actually decreased during this same period. Our members paid a lower rate in 2008/2009 (\$.052/\$100 of property value) as compared to what they paid five years ago (2004/2005 rates were \$.059/\$100 of property value).



## Crime Program Rates

Crime rates have remained flat for the past five years at .36 per ADA. We have been successful in renegotiating a multi-year agreement for this coverage.



*"A dream becomes a goal when action is taken toward its achievement."*

BO BENNETT





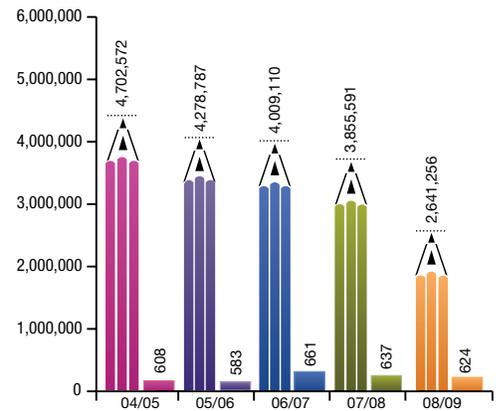
# Workers' Compensation Program

Our workers' compensation program was established in 1998 and has now successfully completed its seventh year in a self-funded plan with over \$50 million in fund equity. Due to the success of our program, we were able to provide rebates in excess of \$5 million back to our members. This year we expanded our membership by adding two new members. We also added a senior claims examiner and claims supervisor to the dedicated claims team. Due to the economy and budget constraints our members are experiencing, we anticipate increased claim filings and have implemented a new "Day of Injury" triage service to combat these claims. This service has resulted in an overall 35% reduction in claims frequency. In an effort to offer more valuable information to our members, we enhanced our file review, modified duty programs, and continue to provide program summaries outlining claim trends and recommendations for training and safety awareness.

## Loss Expense

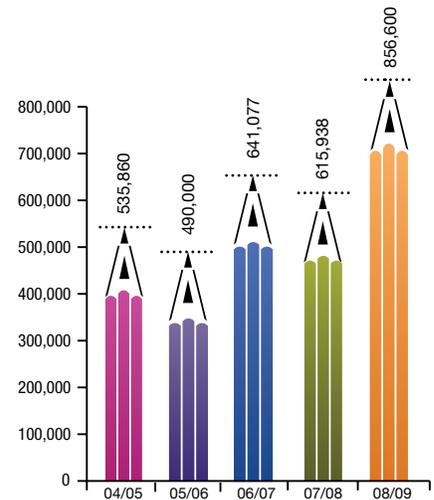
The expenditures of the workers' compensation program continue to increase as we add new members each year. This year the claims frequency was slightly lower than the prior year and 67% of the reported claims resulted in medical treatment only (no lost time). These results demonstrate that our members have successfully implemented the use of transitional or modified/alternative duty programs in an effort to get their employees back to work sooner. The new "Day of Injury" triage services, has also successfully reduced the overall claims frequency. Conversely, reserves are increasing as the costs of medical treatment continue to rise and claims mature. In the upcoming program year, we will analyze and modify our current cost containment programs in an effort to mitigate the increasing costs in the workers' compensation arena.

**WORKERS' COMPENSATION  
TOTAL INCURRED LOSSES  
(IN MILLIONS) AND CLAIMS COUNT**



## Workers' Compensation Claims Administration Expenses

One of the prominent features of the ASCIP workers' compensation program is the dedicated claims team that is provided to our members. Its unique features of reduced caseloads and additional supervisory oversight differentiate our program from other pools. We firmly believe that reduced caseloads allow our claims team the extra time to provide outstanding customer service to our membership, the injured workers, and the service providers. With the expansion of two new members to the program, an additional senior claims examiner and claims supervisor were added. This augmentation of claims staff caused an increase in claims administration costs this past year.



*"What you get by achieving your goals is not as important as what you become by achieving your goals."*

ZIG ZIGLAR



## Workers' Compensation Program Rates

ASCIP continually strives to provide the highest level of service along with the best rates. With coverage provided to 36 members and over 32,000 full and part time employees, our rates continue to be competitive. While most other pools increased their rates, ASCIP was not only able to give an 8% reduction to our members in their program rates but also added more services at no additional cost.

## Workers' Compensation Claims and Litigation Management Highlights

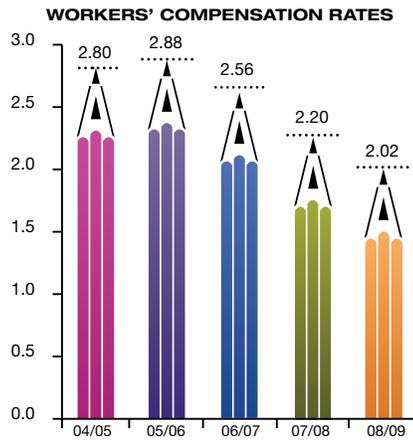
- Received 624 workers' compensation claims in the 2008/2009 primary coverage program year;
- Achieved 36 settlements via Stipulated Award or Compromise and Release;
- Participated in 23 file reviews with a total of 465 files presented;
- Closed 689 workers' compensation claims for all claims years in the primary coverage program.

## Health Benefits Program

ASCIP launched its health benefits program on July 1, 2006. In addition to medical, dental and vision benefits, the program includes other ancillary benefits such as; life insurance, income protection, long term care, and social security alternative plans. With a commitment to providing its members with high quality benefits and services, ASCIP has developed partnerships with prominent providers and networks throughout California. As a result, a selection of fully insured and risk sharing options are available so that members can chose program designs that meet coverage and budgetary needs while maintaining quality health care coverage.

During fiscal year 2008/2009, there were 70 member districts participating in one or more benefit programs. For the year, ASCIP collected \$91.8 million in premiums for all programs including \$47.7 million from the medical and miscellaneous plans, \$39.9 million from the dental plans, and \$4.2 million from the vision plan.

Notable program design changes continued throughout the year. Members continued to migrate to the enhanced self-funded, risk sharing dental/vision programs. Additionally, effective October 1, 2008, ASCIP made available self-funded PPO medical plans, with multiple options, available through either Anthem Blue Cross or Blue Shield. Finally, plans were finalized



to offer a flex-funded HMO product, through these same providers, for an October 1, 2009 effective date.

The Health Benefits program offers a wide variety of health and welfare benefits with the following strategic partners:

### Medical Coverage

Anthem Blue Cross  
Blue Shield  
Kaiser Permanente  
United Healthcare/  
PacifiCare

### Life Insurance

The Hartford

### Disability Insurance and Long Term Care Insurance

Unum

### Dental Care Coverage

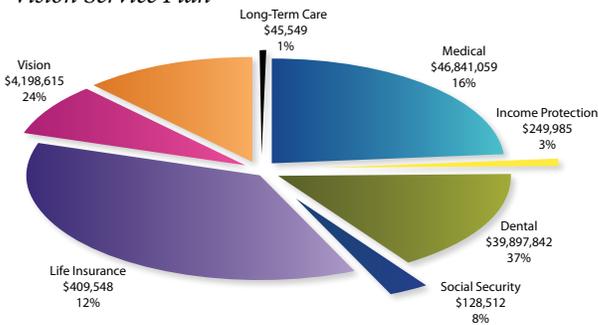
Delta Dental of California  
DeltaCare

### Social Security Alternative Plans

MetLife

### Vision Care Coverage

Vision Service Plan



Health Benefits Program Participation & Revenue



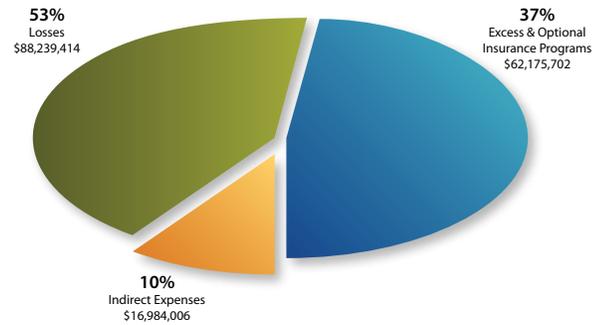
"Definiteness of purpose is the starting point of all achievement."

W. CLEMENT STONE



# Rate Components

ASCIP's premium rates are developed based on three contributing components: the cost of incurred losses, the cost to purchase excess insurance or reinsurance; and the cost of indirect expenses consisting of personnel expense, contract services and loss control programs and services. As would be expected, incurred losses have increased over the past decade as we have doubled our responsibility for claims and litigations expenses, growing from 72 districts in 1998/1999 to 170 districts in 2008/2009. Expertise, particularly in the difficult and expensive area of employment claims, has served to manage the cost of our claims.



## Rebates

ASCIP is a non-profit JPA which refunds excess premiums to its members for use in their educational programs. Since 1989, ASCIP has returned nearly \$20 million in property/liability premiums to its members. In 2008/2009, as a result of our success in managing the workers' compensation program, our Executive Committee again declared a rebate of \$3,426,608, resulting in the total rebate of \$5.7 million in the last three years.

### Property/Liability

1989-2001	\$12,294,123
2001-2002	\$ 1,385,367
2002-2003	\$ 1,118,202
2003-2004	\$ 1,264,409
2004-2005	\$ 1,045,208
2005-2006	\$ 1,060,639
2006-2007	\$ 615,320
2007-2008	\$ 1,063,964

**Total \$19,847,214**

### Workers' Compensation

2006-2007	\$1,063,771
2007-2008	\$1,270,477
2008-2009	\$3,426,608

**Total \$5,760,856**

In the final component of our rates, indirect expenses such as general administration, personnel expenses, contract services and loss control. ASCIP has continued to hold costs to the 10-13% range, as compared to the average overhead for JPAs nationally, a figure exceeding 20%. All of these factors have enabled ASCIP to provide exceptional programs and services at very competitive rates.

*"My mother drew a distinction between achievement and success. She said that achievement is the knowledge that you have studied and worked hard and done the best that is in you. Success is being praised by others. That is nice but not as important or satisfying. Always aim for achievement and forget about success."*

HELEN HAYES

*"To achieve great things, two things are needed; a plan, and not quite enough time."*

LEONARD BERNSTEIN

# Commitment to Service

ASCIP's Executive Committee demonstrated once again its commitment to education by adopting a Loss Control budget in excess of \$4.4 million in the 2008/2009 fiscal year. Loss Control services continue to remain a core focus of ASCIP and are essential components of the basic service package all members receive without additional charge. The core of ASCIP's non-profit philosophy is expressed in the Executive and Loss Control Committees' resolve to return program savings to members for the purpose of reducing risks and the practice of sound risk management principles. The ASCIP staff, augmented by a carefully selected and pre-screened panel of professional service providers, offer a full range of risk management and loss control services annually.

## Loss Control Services

- Tracked more than 539 changes in State and Federal education, safety, health, and environmental regulations;
- Provided over 2,000 telephone inquiries and consultations which immediately resolved those issues of concern or initiated further actions necessary to bring about a satisfactory resolution;
- Provided 130 hazardous waste, toxic chemical, and/or environmental consultations or service responses;
- Assisted 46 members with regulatory compliance or mandated disclosure forms, reports, documents, or interactions involving local, State or Federal regulatory agencies;
- Provided over 5,026 California and out-of-state DMV driver's record checks for member agency employees, volunteers, and temporary drivers operating motor vehicles on member agency business;
- Worked continuously with the WeTip crime prevention organization as program sponsor to redesign current posters to more accurately target intended populations;
- Increased the number of participating ASCIP member agencies, disseminating WeTip materials to their locations and facilitated a variety of programs to bring forth confidential information regarding crimes against ASCIP member employees and pupils;
- Monitored over 113 crimeline tips from ASCIP members which were reported directly to the WeTip national schools anonymous hotline;
- Coordinated over 353 in-house and at-District loss control, safety, security, and environmental training opportunities presented by ASCIP staff and by selected consultants;
- Coordinated the traditional Loss Control and Safety Audit program in order to provide initial site safety inspections for all new ASCIP members and re-inspections of existing member locations on a three to four year revolving cycle;
- Coordinated timely playground safety inspections upon request through a panel of Certified Playground Safety Inspectors (CPSI) for those members lacking a certified inspector on staff;
- Provided 52 Loss Control Assistance Grants to 39 ASCIP member agencies totaling an amount of \$445,204.41;
- ASCIP staff members or our various consultants visited 725 Member District sites during the 2008/09 coverage year to address issues of concern which have included:
  - Asbestos and/or Lead hazard intervention
  - Athletic field, gymnasium, and sports facilities safety
  - Playground safety and design issues
  - Campus security and CCTV camera system design and installation (popular)
  - Indoor air quality and mold issues (a leading concern)
  - Traffic control and associated risk factors
  - Ergonomic interventions and training
  - Regulatory compliance assistance
  - Investigation of property damage or loss event



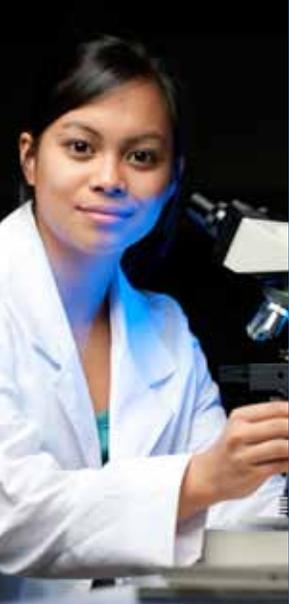
*"Achievement seems to be connected with action. Successful men and women keep moving. They make mistakes, but they don't quit."*

CONRAD HILTON



### LOSS CONTROL DISTRIBUTION\*





## WeTip Prevention Programs

Since 1995, ASCIP has been a major sponsor of the non-profit WeTip crime prevention organization which provides our members with a valuable deterrent against all types of criminal activity. ASCIP members are automatically enrolled to receive WeTip services and materials and to participate in all WeTip programs without cost or obligation. Crime tips from ASCIP members represent more than 19% of all the school crime tips received nationwide by WeTip each year.

The WeTip organization operates a 24 hour-7day a week anonymous multilingual crime reporting telephone hotline and website. Both methods of crime reporting are completely anonymous and, therefore, the source of the crime tip cannot be traced. WeTip's reporting hotline is specifically configured to remove all electronic tagging information to ensure that callers remain anonymous. Since the content of all crime tips are confidential and anonymous, only law enforcement and a designated individual at each ASCIP member district are provided with actual crime tip information. This past year, WeTip received and passed to ASCIP members crime tips on bomb threats, burglary, drug sales, graffiti and vandalism, burglaries, student molestation, workplace violence, gang activity, bullying as well as other various nuisance crimes.

A WeTip reward program is offered for information leading to the arrest and conviction of the individual who committed the crime which was reported to WeTip. All rewards are provided to tipsters using an anonymous system in conjunction with local post-offices and banks. ASCIP may offer custom reward amounts for crimes of a serious nature.

WeTip staff members provide on-site seminars at member location to assist in the implementation of all WeTip programs and services. ASCIP funds and supplies a wide variety of WeTip stock posters and materials which help address specific member related concerns. Additionally, the innovative ASCIP developed WeTell, DoTell, and TRACS programs have their own unique posters and signage. WeTip can also create custom-designed posters that target specific acts such as vandalism, arson, burglary and other crimes. WeTip posters signify that the District does not tolerate crime and helps publicize that the site has a crime prevention program in place.

ASCIP works closely with WeTip staff to ensure that when each member reports a crime, a WeTip response follows and a program or solution is initiated.

## VIPS-New Employee Training Program

ASCIP's online training program for new employees, Very Important Points for Very Important People (VIPs), is a 20-minute interactive training module designed to provide a basic orientation to employees of educational institutions. This program highlights seven important training areas with which all employees should be familiar before they start their job duties. These include emergency evacuations and response, mandatory child abuse reporting requirements, instructions for summoning emergency services, and ways for employees to avoid liability for themselves as well as for their districts. This training is provided at no cost to ASCIP members. Valuable incentives are available to those members who participate and include a free computer system or funds for training programs. In addition to the VIPs course, there are 32 other free online training courses available covering Employee Development, Employment Law, and Health and Safety related topics. Some examples include Sexual Harassment Training for Managers and Supervisors, Preventing Workplace Violence, Defensive Driving Training, Lead and Asbestos Awareness, Utility Cart Safety and many other topics.

ASCIP believes that this training, particularly when provided to mid-year hires, walk-on coaches and volunteers, who might otherwise receive no formal training whatsoever, may help prevent accidents and harmful incidents, thus minimizing the severity and saving money for use in our districts' educational programs. Such training may also mitigate liability in the event of litigation.

## Rent-a-Risk Manager Program

This popular and ever growing program provides onsite loss control and risk management service personnel to member districts on a weekly basis at a reasonable cost. In partnership with ASCIP's professional safety consultants, Poms & Associates, this program has contracts with 18 school districts and 6 community college districts. All services and personnel provided are supervised and supported by ASCIP and Poms.

Over the past year, the number of Rent-a-Risk Manager (RARM) personnel has increased to 11 serving both Northern and Southern California members. Our members use this program to augment their existing staff and risk management resources therefore, the service provided varies according to the self-directed needs of the district. Services include: disas-

*"The roots of true achievement lie in the will to become the best that you can become."*

HAROLD TAYLOR



ter preparedness training and development, safety inspections, Cal-OSHA compliance, contract review, grant writing, a wide variety of training programs, accident investigations, claim support and other duties specific to the district's needs.

We expect this program to continue its growth since it provides an affordable alternative to our members experiencing service needs and budgetary restraints.

## Owner-Controlled Construction Insurance Program (OCIP)

The Owner-Controlled Construction Insurance Program (OCIP) has continued to be a valuable resource to ASCIP member district's with new or on-going construction projects. Since its inception in 2000, the program has provided cost effective general liability and workers' compensation insurance for school district construction projects. The program is now recognized as the largest rolling scholastic OCIP in California and has insured over \$1.8 Billion in hard construction costs.

In the 2008/2009 fiscal year, OCIP enrolled three (3) new projects with construction values totaling \$21,816,000. This represented a decrease from the prior year and was largely impacted by the economic environment which stalled many projects at the planning or funding levels. Of note is the fact that notwithstanding a hardening of the workers' compensation market, the program renewed on July 1, 2009 without a rate increase. The strategic partners have remained the same with Liberty Mutual providing the coverage, Arthur J. Gallagher serving as broker and providing safety and loss control services, and ASCIP's own Captive Insurance for Public Agencies (CIPA) providing the funding mechanism for the loss fund. These relationships have resulted in a high value program that allows member districts the opportunity to control costs, increase insurance limits and promote a safe environment for its contractors, students and campus facilities.

Of additional note is the fact that CIPA, after three years in existence, showed a positive year end with cumulative fund equity of \$1,462,000.

## Risk Transfer and Analysis

- Reviewed over 468 contracts to establish insurance requirements and appropriate indemnification agreements for school projects and services;
- Customized over 100 facility-use agreements, student activities forms, and field trip waivers to transfer or mitigate districts' risk;
- Generated 1,249 additional insured and loss payee endorsement forms for activities or contract requirements;
- Assisted over 65% of our members with coverage inquiries regarding new school activities and exploration of alternative risk and coverage options;
- Provided risk analysis and mitigation services through attendance of subsidiary JPA meetings and the Rent-a-Risk Manager program.

## Specialty Insurance Procurement

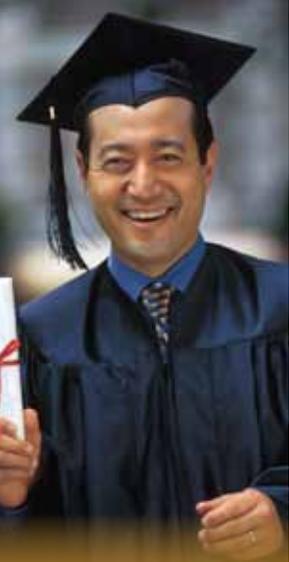
- Issued 227 policies under the Tenant User Liability Insurance Program (TULIP).
- Provided coverage through the ASCIP-B program for 1,136 booster and auxiliary clubs that support 84 member districts.
- Provided a group purchase policy to 14 members for Underground storage tank liability coverage.
- On behalf of the membership, researched specialty insurance markets for all perils coverage, earthquake, travel and transportation coverage, student accident, foundation and special use of facilities coverages.
- Continued the Service Providers and Artisan Tradesmen Activities (SPARTA) insurance program for contractors, service providers and consultants of ASCIP members.



*"Achievement  
is largely the  
product of  
steadily raising  
one's levels  
of aspiration...  
and expectation."*

JACK NIKLAUS





# 2008/2009 Program Year Highlights

## Achievements & Milestones

- Operated as the second largest risk pool (JPA) in the country offering a full array of programs and services.
- Partnered with the SISC Joint Power Authority to offer self-funded Blue Cross and Blue Shield PPO Medical Plans, and designed self-funded Blue Cross and Blue Shield HMO options in conjunction with SISC.
- Offered 25 internet-based training modules including new special education training produced by ASCIP and MSDS on-line materials management program.
- Contained composite premium inflation to under 3.5% in the P&L program and a decrease of 6% in the workers' compensation program, offering a special mid-year program rebate to workers' compensation program members.
- ASCIP's Captive Insurance company, CIPA, was granted tax exempt status and booked a positive equity balance.
- Maintained highly visible leadership role in the professional community both in California and nationally by serving in leadership roles in SELF, CAJPA and AGRIP.

## Coverage and Service Enhancements

- Expanded the JPA Governance Category to include additional representation for JPA members;
- Modified language regarding the dissolution of the pool and member obligations.

## Financial Highlights

- Over the past five years, total premiums for the entire JPA increased from \$60 million in 2004/2005 to \$174 million in 2008/2009 making ASCIP the 2nd largest JPA in the country.
- Authorized worker's compensation premium rebates of \$3,426,608, resulting in the total rebate of \$5.7 million in the last three years;
- Retained a total equity of \$91.3 million.
- Continued to receive unqualified opinion on the financial audit.

## IT Operations Highlights

Keeping pace with our member agencies, ASCIP has initiated a number of visible and behind-the-scenes changes so we can better interact with our many educational entities.

- Starting with the integration of added links and interactive forms available through our updated website, we have launched a continuous effort to make communications more timely and effective.
- ASCIP's training center has been equipped with a new audio-visual system designed to accommodate the most popular presentation formats and which will serve as a stepping stone to future live videoconferencing in the upcoming year.
- Our current e-training program continues to be available 24/7 to serve participating member agencies and their staff.
- Looking further into the future, ASCIP will seek technology to help ASCIP and its members integrate access to on-line enrollment and management of our Property/Liability, Workers' Compensation, and Health Benefits programs.
- ASCIP continues to streamline data gathering and reduce member workflow requirements during annual renewal periods.

## Training Highlights

- ASCIP trainers and consultants were very busy this year. ASCIP hosted 341 trainings in California over the last year.
- Topics covered over the last year included emergency preparedness, forklift and utility cart safety, pesticides handler, blood borne pathogens, as well as sexual harassment prevention.
- Over 2,300 member district representatives attended the Risk Management seminars, up by 25% from the previous year.
- Over 6,400 member district representatives attended Safety and Environmental Compliance seminars, up by 40% from the previous year.
- Conducted several Asbestos and Lead Trainings both live and on line.
- Conducted a variety of Emergency Preparedness seminars.
- Conducted Several Video Conferences:  
*Bullying Prevention*  
*Cal/OSHA 101*  
*Human Resources - Legal Update*  
*Molestation Prevention*

*"Nothing can stop the man with the right mental attitude from achieving his goal; nothing on earth can help the man with the wrong mental attitude."*

THOMAS JEFFERSON



# Goals and Objectives for Fiscal Year 2009/2010

## General Operations

- Assess effectiveness of information systems operations, including evaluation and determination of adequateness of staffing and creation of centralized integrated database accessible by all operating units.
- Analyze vendor performance and enhance panel, insuring service provider redundancy in key areas. Refine service delivery configuration.
- Market and enroll members in self-funded medical PPO and flex-funded HMO programs, and continue to streamline enrollment and coverage configurations in other health benefits lines of coverage.
- Complete publication of new marketing brochures and materials for all lines of coverage, implementing a common theme and branding throughout.

## Marketing

- Evaluate options for continuing to strengthen ASCIP's marketing and bargaining position by expanding our network of strategic alliances with other educational entities, JPAs and vendor communities.
- Showcase ASCIP's programs and services at appropriate local, State and national forums.
- Continue expanding contacts and services with the CCD community including providing assistance to the California Community College State Chancellor's office, particularly in the area of emergency preparedness.
- Leverage footholds in new areas which we serve in order to capitalize on marketing opportunities in several counties not currently served by ASCIP and in venues not currently penetrated by ASCIP such as the health benefits trusts market.

## Fiscal Services

- Recruit one new staff member to support the fiscal division and to ensure quality service is provided to member districts.
- Develop alternative database program to enhance financial reporting and maintenance.
- Continue to visit districts to provide training and assist districts' staff on reconciliation of benefits premiums.

## Claims & Litigation Administration

- Conduct on-site audit of each law firm on the approved panel to ensure continued quality handling and cost control.

- Maintain cost containment programs of legal and claims administration expenses despite projected increase in membership, claims volume and complexity of litigation.
- Create a workers' compensation procedure manual for all members.
- Work closely with worker's compensation claims team to improve efficiency and communication with members.
- Enhance the analysis of claims trends to include specialized training as appropriate.

## Risk Management & Loss Control

- Continue to assess member needs and offer risk management and loss control seminars which meet the requests of our members, including expanding seminars to other regions in the State and enhancing webcasting capabilities.
- Implement incentive reward program for participants in our various programs including assessment of premium discounts for low-risk members.
- Enhance and implement the comprehensive defensive driver fleet safety program.
- Complete first draft of Loss Control Standard Operating Procedure manual.
- Complete hiring of full complement of staffing for the Risk Management and Health Benefits divisions and complete training of new staff

## Special Programs

- Assess value-added incentive programs to attract new members in all programs with a special emphasis on community college districts' unique needs.
- Acquire software to assist health benefits members in the management of enrollment audits, retiree administration and COBRA automation.
- Evaluate competing programs to ensure that ASCIP's coverage is superior to other products available in the marketplace.
- Enhance keynote speaker program to provide increased visibility for ASCIP's special risk management programs such as WETELL and special risk training materials.
- Maintain a leadership position in the risk management, insurance and pooling communities to augment marketing efforts and enhance strategic alliance opportunities.
- Evaluate the addition of a prescription drug program to the workers' compensation program.
- Streamline fleet vehicle valuation and tracking system. Include software solution for valuing.



*"The world of achievement has always belonged to the optimist."*

HAROLD WILKINS



# Financials

ASCIP has designed a financial accounting process in order to provide appropriate internal controls. These control mechanisms are implemented to provide reasonable assurance that assets are adequately safeguarded from waste, fraud or inefficient use. The system generates financial records which facilitate the preparation of financial statements which conform to the dictates of generally accepted accounting principles. ASCIP is in compliance with all statutory provisions of California State Codes which regulate

the financial affairs of local government agencies; and all mandated filings, as recognized by the California Association of Joint Power Authorities (CAJPA), are filed pursuant to governing statutes.

ASCIP's independent audit report has been prepared by Vavrinek, Trine, Day & Company, and their certification letter dated November 25, 2009, along with ASCIP's general purpose final statements, are reproduced below and on following pages of this report:

*"The most important thing about goals is having one."*

GEOFFREY F. ABERT



Vavrinek, Trine, Day & Co., LLP  
Certified Public Accountants

VALUE THE DIFFERENCE

## INDEPENDENT AUDITORS' REPORT

Governing Board  
Alliance of Schools for Cooperative Insurance Program (ASCIP)  
Cerritos, California

We have audited the accompanying statement of net assets of the Alliance of Schools for Cooperative Insurance Program (ASCIP) (the Agency) as of and June 30, 2009, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the State Controller's Minimum Audit Requirements for California Special Districts, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Agency, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2009, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The required supplementary information, such as management's discussion and analysis on pages 4 through 18 and other postemployment information on page 41, and is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary information listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Vavrinek, Trine, Day & Co., LLP*

Rancho Cucamonga, California  
November 25, 2009

8270 Aspen Street Rancho Cucamonga, CA 91730 Tel: 909.466.4410 Fax: 909.466.4431 www.vtdcpa.com

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**ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS**

(A Joint Powers Entity)

**COMBINING STATEMENT OF NET ASSETS**

**JUNE 30, 2009**

	Property/ Liability Fund	Workers' Compensation Fund	Medical Fund	Dental Fund	Vision Fund	Captive Insurance for Public Agencies	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 13,665,096	\$ 36,794,490	\$ 4,606,661	\$ 14,204,611	\$ 1,191,562	\$ 1,279,679	\$ 71,742,099
Receivables	3,601,549	1,548,066	68,167	301,745	44,296	881,778	6,445,601
Internal balances	2,000,000	-	-	-	-	(2,000,000)	-
Investments maturing within one year, net of restricted assets	7,988,210	6,411,981	-	-	-	4,334,686	18,734,877
Restricted assets - investments	4,060,914	-	-	-	-	-	4,060,914
Prepaid expenses and deposits	122,899	-	1,350,000	-	-	387,390	1,860,289
Total Current Assets	31,438,668	44,754,537	6,024,828	14,506,356	1,235,858	4,883,533	102,843,780
Investments, net of amount maturing within one year	73,964,334	39,373,597	-	-	-	-	113,337,931
Capital assets	7,116,763	-	-	-	-	-	7,116,763
Less: Accumulated depreciation	800,295	-	-	-	-	-	800,295
Net capital assets	6,316,468	-	-	-	-	-	6,316,468
Total Non-Current Assets	80,280,802	39,373,597	-	-	-	-	119,654,399
Total Assets	111,719,470	84,128,134	6,024,828	14,506,356	1,235,858	4,883,533	222,498,179
<b>LIABILITIES</b>							
Accounts payable	4,199,711	1,481,576	1,771,102	68,859	267,338	136,693	7,925,279
Advance premium deposit	102,240	-	215,620	27,291	6,820	-	351,971
Deferred premium income	-	-	-	-	-	1,631,843	1,631,843
Current portion of unpaid claims	32,000,000	3,900,000	885,668	2,113,733	151,670	304,000	39,355,071
Unallocated claims adjustment expenses	2,300,000	1,083,590	126,650	141,620	17,442	116,781	3,786,083
Retrospective premium payable	-	1,149,199	-	-	-	-	1,149,199
OPEB Liability	43,812	18,973	17,321	12,729	4,353	-	97,188
Risk management deposit fund	15,184,091	8,031,295	-	934,011	-	-	24,149,397
SELF rate stabilization fund	237,438	-	-	-	-	-	237,438
Total Current Liabilities	54,067,292	15,664,633	3,016,361	3,298,243	447,623	2,189,317	78,683,469
Unpaid claims and claims adjustment expenses, net of current portion	33,474,262	17,771,798	-	-	-	1,231,727	52,477,787
Total Liabilities	87,541,554	33,436,431	3,016,361	3,298,243	447,623	3,421,044	131,161,256
<b>NET ASSETS</b>							
Net assets invested in capital assets	6,316,468	-	-	-	-	-	6,316,468
Net assets, restricted	4,060,914	-	-	-	-	-	4,060,914
Net assets, unrestricted	13,800,534	50,691,703	3,008,467	11,208,113	788,235	1,462,489	80,959,541
Total Net Assets	\$ 24,177,916	\$ 50,691,703	\$ 3,008,467	\$ 11,208,113	\$ 788,235	\$ 1,462,489	\$ 91,336,923

**ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS**

(A Joint Powers Entity)

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2009**

	Property/ Liability Fund	Workers' Compensation Fund	Medical Fund	Dental Fund	Vision Fund	Captive Insurance for Public Agencies	Total
<b>REVENUES</b>							
Premium deposits from members	\$ 52,582,708	\$ 19,609,038	\$ 47,674,653	\$ 39,897,842	\$ 4,198,615	\$ 2,931,415	\$166,894,271
Less: Retrospective premium deposit ratings adjustment	-	(3,426,608)	-	-	-	-	(3,426,608)
	52,582,708	16,182,430	47,674,653	39,897,842	4,198,615	2,931,415	163,467,663
Other income	955,684	31,277	8,652	-	-	-	995,613
Total Operating Revenues	53,538,392	16,213,707	47,683,305	39,897,842	4,198,615	2,931,415	164,463,276
<b>EXPENSES</b>							
Claims expense, net of reimbursements of \$13,898,775 property/liability	40,415,793	3,479,202	8,001,481	32,528,610	3,310,354	503,974	88,239,414
Excess insurance premium	12,150,673	9,145,955	654,975	-	-	598,152	22,549,755
Insurance premiums	-	-	37,226,050	2,364,826	35,071	-	39,625,947
Contract services							
Claims administration	1,618,823	833,697	462,065	2,169,365	380,691	56,000	5,520,641
Broker's fees	275,500	112,000	-	-	-	460,215	847,715
General counsel services	117,843	-	-	-	-	3,215	121,058
Captive management	-	-	-	-	-	52,356	52,356
Rating and actuarial services	187,367	36,977	-	-	-	11,250	235,594
Accounting and audit services	60,492	-	-	-	-	26,722	87,214
Investment advisory service	155,405	-	-	-	-	7,095	162,500
Salaries and benefits	1,371,105	528,733	479,464	353,277	121,692	-	2,854,271
Property appraisal	422,651	-	-	-	-	-	422,651
Other contract services	201,001	42,716	141,698	98,244	39,801	41,181	564,641
Loss control and risk management	3,284,245	816,189	-	-	-	-	4,100,434
Other operating	(68,515)	378,430	293,344	215,760	73,693	56,266	948,978
Interest	498,654	269,852	6,985	35,639	221	-	811,351
Depreciation	280,429	-	-	-	-	-	280,429
Total Operating Expenses	60,971,466	15,643,751	47,266,062	37,765,721	3,961,523	1,816,426	167,424,949
Operating Income (Loss)	(7,433,074)	569,956	417,243	2,132,121	237,092	1,114,989	(2,961,673)
<b>NON-OPERATING REVENUES</b>							
Interest and dividend income	3,769,749	2,473,081	72,986	287,091	20,148	84,305	6,707,360
Net increase in fair value of investments	1,847,740	983,611	-	-	-	33,757	2,865,108
Total Non-Operating Income	5,617,489	3,456,692	72,986	287,091	20,148	118,062	9,572,468
							6,610,795
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(1,815,585)	4,026,648	490,229	2,419,212	257,240	1,233,051	84,726,128
<b>NET ASSETS (DEFICIT), BEGINNING OF YEAR</b>	25,993,501	46,665,055	2,518,238	8,788,901	530,995	229,438	\$ 91,336,923
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	\$ 24,177,916	\$ 50,691,703	\$ 3,008,467	\$ 11,208,113	\$ 788,235	\$ 1,462,489	

**ALLIANCE OF SCHOOLS FOR COOPERATIVE INSURANCE PROGRAMS**

(A Joint Powers Entity)

**COMBINING STATEMENT OF CASH FLOWS**

**JUNE 30, 2009**

	Property/ Liability Fund	Workers' Compensation Fund	Medical Fund	Dental Fund	Vision Fund	Captive Insurance for Public Agencies	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash received for premium contributions and other income	\$ 55,926,103	\$ 16,486,364	\$ 46,338,763	\$ 39,946,404	\$ 4,205,509	\$ 1,455,176	\$ 164,358,319
Claims paid	(37,798,109)	(3,935,237)	(8,887,149)	(33,504,804)	-	(2,362,627)	(86,487,926)
Cash paid to employees	(811,367)	(368,435)	(337,905)	(246,611)	(246,611)	-	(2,010,929)
Cash paid for benefits, insurance and other expenses	(20,547,685)	(11,433,226)	(35,318,235)	(5,698,054)	(3,989,230)	(661,543)	(77,647,973)
Net Cash Provided (Used) by Operating Activities	(3,231,058)	749,466	1,795,474	496,935	(30,332)	(1,568,994)	(1,788,509)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Acquisition of capital assets	(2,441,318)	-	-	-	-	-	(2,441,318)
Net Cash Used by Capital and Related Financing Activities	(2,441,318)	-	-	-	-	-	(2,441,318)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Investment income received	3,769,749	2,473,081	72,986	287,091	20,148	84,305	6,707,360
Purchase of investments	(123,000,406)	(65,476,651)	-	-	-	(4,300,929)	(192,777,986)
Proceeds from sales and maturities of investments	119,536,364	63,633,056	-	-	-	-	183,169,420
Net Cash Provided (Used) by Investing Activities	305,707	629,486	72,986	287,091	20,148	(4,216,624)	(2,901,206)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>							
	(5,366,669)	1,378,952	1,868,460	784,026	(10,184)	(5,785,618)	(7,131,033)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>							
	19,031,765	35,415,538	2,738,201	13,420,585	1,201,746	7,065,297	78,873,132
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>							
	\$ 13,665,096	\$ 36,794,490	\$ 4,606,661	\$ 14,204,611	\$ 1,191,562	\$ 1,279,679	71,742,099
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Operating income (loss)	\$ (7,433,074)	\$ 569,956	\$ 417,243	\$ 2,132,121	\$ 237,092	\$ 1,114,989	\$ (2,961,673)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	280,429	-	-	-	-	-	280,429
Loss on disposal of capital assets	2,081	-	-	-	-	-	2,081
(Increase) in accounts receivable	1,324,673	272,657	5,458	48,562	6,894	32,381	1,690,625
(Increase) Decrease in internal balances	1,000,000	-	-	-	-	(1,000,000)	-
(Increase) Decrease in prepaids and deposits	63,038	-	(1,350,000)	-	-	312,164	(974,798)
Increase (Decrease) in accounts payable and other liabilities	(2,111,294)	(218,169)	1,693,134	(550,633)	(156,244)	(396,552)	(1,739,758)
Increase in unpaid claims and adjustments	2,617,684	(478,837)	1,012,318	(1,041,599)	(122,427)	(1,858,653)	128,486
Increase in risk management deposit fund & OPEB	1,025,405	603,859	17,321	(91,516)	4,353	226,677	1,786,099
Net Cash Provided (Used) by Operating Activities	\$ (3,231,058)	\$ 749,466	\$ 1,795,474	\$ 496,935	\$ (30,332)	\$ (1,568,994)	\$ (1,788,509)
<b>NONCASH INVESTING ACTIVITIES</b>							
Net increase in fair value of investments	\$ 1,847,740	\$ 983,611	\$ -	\$ -	\$ -	\$ 33,757	\$ 2,865,108



# Membership

## K-12 & High School Districts

Alhambra USD ▲  
Alpine County Office of Education  
Alpine County USD  
Amador County Office of Education  
Amador County USD  
Berkeley USD  
Beverly Hills USD ▲  
Big Oak Flat-Groveland USD  
Bonita USD ▲  
Brea Olinda USD  
Bret Harte Union High SD  
Calaveras County Office of Education  
Calaveras USD  
Cambrian SD  
Capistrano USD  
Center for Advanced Research & Technology (CART)  
Centinela Valley UHSD\*  
Chaffey Joint UHSD  
Charter Oak USD  
Claremont USD ▲  
Clovis USD  
Colton Joint USD  
Compton USD▲  
Covina-Valley USD\*▲  
Culver City USD ▲  
Discovery Charter Preparatory School\*  
Downey USD+  
East Valley Transportation  
El Monte UHSD

El Segundo USD\*  
Environmental Charter High School\*▲  
Franklin-McKinley SD  
Fullerton Joint UHSD  
Gateway High School\*  
Gilroy USD  
Hemet Unified School District  
Huntington Beach UHSD  
Inglewood USD  
La Canada USD ▲  
La Puente Valley ROP\*▲  
Laguna Beach SD  
Las Virgenes USD ▲  
Leadership High School\*  
Loma Prieta Joint Union SD  
Long Beach USD  
Los Gatos/Saratoga Community Ed & Recreation  
Los Gatos Union SD  
Lynwood USD ▲  
Manhattan Beach USD\*▲  
Montebello USD ▲  
Moreland SD  
Moreno Valley USD  
Morgan Hill USD  
Mt. Pleasant SD  
Newport-Mesa USD  
Norwalk-La Mirada USD ▲  
Oak Grove SD  
Orange County Dept. of Education

Palos Verdes Peninsula USD\*+▲  
Paramount USD\*+▲  
Pasadena USD  
Placentia-Yorba Linda USD  
Pomona USD ▲  
Redondo Beach USD\*  
Riverside USD\* ▲  
Saddleback Valley USD\*  
San Antonio ROP  
Santa Ana USD  
Santa Clara County Schools' Insurance Group  
Santa Clarita Valley School FSA\*▲  
Santa Monica-Malibu USD ▲  
Saratoga Union SD  
Silicon Valley JPT  
Sonora UHSD  
South East Consortium  
South Pasadena USD\*  
Southeast ROP ▲  
Southern California ROC\*▲  
Summerville UHSD  
Tuolumne County Sup. of Schools  
Tustin USD  
Upland USD\*  
Vallejo City USD  
Walnut Valley USD  
West Valley Transportation JPA  
Whittier UHSD

## K-8 School Districts

Accelerated Charter School ▲  
Bellevue SD  
Chinese Camp SD  
Columbia Union SD  
Constellation Community MS  
Curtis Creek Elementary SD  
El Monte City SD+▲  
Fenton Avenue Charter School\*▲  
Fenton Primary Center\*  
Fullerton SD  
Garfield Charter School  
Garvey SD ▲  
Hawthorne SD\*▲  
Hermosa Beach City SD\*▲  
Huntington Beach City SD

Jamestown SD  
Lawndale SD\*▲  
Leadership Public Schools\*  
Lennox SD\*▲  
Little Lake City SD ▲  
Lowell Joint SD ▲  
Luther Burbank SD  
Mark Twain Union Elementary SD  
Montague Charter Academy\*  
Mountain View SD ▲  
Newhall SD\*  
Ocean View SD ▲  
Orchard SD  
Pacoima Charter School\*  
Pasadena Rosebud Academy Charter

Rosemead SD ▲  
San Jacinto Valley Academy\*  
Santa Monica Blvd. Comm. Charter\*  
Santiago Middle School\*  
Sonora SD  
Soulsbyville SD  
Summerville Elementary SD  
Sunnyvale SD  
Twain Harte-Long Barn Union SD  
Union Elementary SD  
Vallecito Union SD  
Vaughn Next Century Learning Ctr.  
Watts Learning Center\*  
Whittier City SD ▲  
Wiseburn SD

## Community College Districts

Glendale CCD  
Grossmont-Cuyamaca CCD\*  
Los Rios CCD  
Mt. San Antonio CCD ▲

North Orange County CCD  
Peralta CCD\*  
Rancho Santiago CCD\*+  
Rio Hondo CCD+

Riverside CCD  
Santa Barbara CCD  
Sierra Joint CCD\*

## Associate Members

Anaheim UHSD+  
Antelope Valley Joint UHSD ▲  
Arcadia USD ▲  
Azusa USD ▲  
Baldwin Park USD ▲  
Bassett USD ▲  
Burbank USD ▲  
Castaic Union SD ▲  
Cerritos CCD ▲  
Chaffey CCD+

Compton CCD ▲  
CODESP ▲  
Cypress SD ▲  
Duarte USD ▲  
East San Gabriel ROP/TC ▲  
East Whittier City SD ▲  
Glendale USD ▲  
Glendora USD ▲  
Guidance Charter School ▲  
Los Angeles County Office of Education

Los Nietos SD ▲  
Pupil Transportation Cooperative ▲  
Rowland USD ▲  
Santa Monica CCD ▲  
Schools Excess Liability Fund (SELF) ▲  
South Whittier SD  
State Center CCD+  
Tri-Cities ROP ▲  
West Covina USD ▲

▲ Health Benefits Members

\* Workers' Compensation Members + OCIP Members



*"Goals are your personal statements of what you are truly willing to do to achieve what you really want to achieve."*

DENIS WAITLEY



We realize that there are many noteworthy things occurring throughout our membership and are proud of the numerous accomplishments during the 2008 and 2009 program years.

ASCIP would like to congratulate and recognize the following members for their National Blue Ribbon and California Distinguished Schools achievements:

<i>Alhambra Unified School District</i>	<i>Little Lake City School District</i>
<i>Alpine County Unified School District</i>	<i>Long Beach Unified School District</i>
<i>Amador County Unified School District</i>	<i>Los Angeles County of Education</i>
<i>Bassett Unified School District</i>	<i>Los Gatos-Saratoga School District</i>
<i>Beverly Hills Unified School District</i>	<i>Manhattan Beach Unified School District</i>
<i>Bonita Unified School District</i>	<i>Mountain View School District</i>
<i>Burbank Unified School District</i>	<i>Newhall School District</i>
<i>Cambrian School District</i>	<i>Newport-Mesa Unified School District</i>
<i>Capistrano Unified School District</i>	<i>Norwalk-La Mirada Unified School District</i>
<i>Castaic Union School District</i>	<i>Ocean View School District</i>
<i>Centinela Valley Union High School District</i>	<i>Pasadena Unified School District</i>
<i>Clovis Unified School District</i>	<i>Placentia-Yorba Linda Unified School District</i>
<i>Compton Unified School District</i>	<i>Pomona Unified School District</i>
<i>Covina-Valley Unified School District</i>	<i>Redondo Beach Unified School District</i>
<i>Culver City Unified School District</i>	<i>Riverside Unified School District</i>
<i>Curtis Creek School District</i>	<i>Saddleback Valley Unified School District</i>
<i>East Whittier City School District</i>	<i>Santa Ana Unified School District</i>
<i>El Segundo Unified School District</i>	<i>Santa Monica-Malibu Unified School District</i>
<i>Fullerton Joint Union School District</i>	<i>Saratoga Union School District</i>
<i>Fullerton School District</i>	<i>South Pasadena Unified School District</i>
<i>Gilroy Unified School District</i>	<i>Tustin Unified School District</i>
<i>Glendale Unified School District</i>	<i>Twain Harte-Long Barn Union School District</i>
<i>Glendora Unified School District</i>	<i>Union Elementary School District</i>
<i>Huntington Beach Union High District</i>	<i>Upland Unified School District</i>
<i>La Canada Unified School District</i>	<i>Walnut Valley Unified School District</i>
<i>Laguna Beach Unified School District</i>	<i>West Covina Unified School District</i>
<i>Las Virgenes Unified School District</i>	<i>Whittier Union High School District</i>
<i>Lawndale School District</i>	<i>Wiseburn School District</i>



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