



**STATE COMPENSATION INSURANCE FUND  
AD HOC SAFETY AND LOSS PREVENTION COMMITTEE CHARTER**

Adopted November 18, 2016

Approved Without Changes May 18, 2017; May 24, 2018; May 23, 2019

**Purpose**

The purpose of the Ad Hoc Safety and Loss Prevention Committee of the Board of Directors of the State Compensation Insurance Fund (the "State Fund") is to assist the Board of Directors (the "Board") in shaping the vision and strategic focus of State Fund's workplace safety and loss prevention services for California employers and to achieve a healthy, safe and productive California by working with State Fund Loss Prevention personnel and outside experts as needed to create a long term strategy, subject to overall Board approval, for State Fund Safety and Loss Prevention consistent with State Fund's legislated purpose to help make workplaces safe. The committee will evaluate all these elements and may add others at their discretion:

1. Utilization of State Fund's existing Loss Prevention personnel to maximize their positive impact on improving workplace safety in California;
2. Analyze and make recommendations about the use of incentives, subsidization, funding research, and the creation of a State Fund Safety Institute;
3. Consider State Fund's customer base and make recommendations about the most effective way to interact with the tens of thousands of very small businesses;
4. Research the ways that technology, including but not limited to social media, can be used to increase awareness of workplace safety; and
5. Consider partnerships with other entities, including NIOSH, research institutes, industry groups/associations, and others and create a framework for State Fund to work with these stakeholders.

**Organization**

The Committee is an ad hoc committee of the Board and shall be composed of three (3) members and not more than five (5) members of the Board. Member nominations shall be made by the Board Chair, reviewed and approved by the Governance Committee and ratified by the Board. The Committee shall include a Chair of the Committee who shall serve until resignation, removal or a successor has been appointed pursuant to the provisions of State Fund's By-Laws. The committee will terminate with recommendations to the full Board no later than the 2018 Strategic Planning retreat.

**Meetings**

The Committee will meet as necessary to achieve its objectives. All meetings shall be held in accordance with the Bagley-Keene Open Meeting Act ("Bagley-Keene") and State Fund By-Laws.

The Safety and Loss Prevention Committee will hold separate closed sessions when necessary to further the purpose and duties of the Committee.

- a. The Safety and Loss Prevention Committee will include State Fund's Senior Loss Prevention Officer and Chief Operating Officer as representatives from management. The Committee, at its discretion, may invite other members of management and/or other Directors to attend the Committee's meetings where necessary to further the business of the Committee. Board members who are not members of the Committee may attend the Committee's open session meetings as observers and may attend closed sessions only at the Committee's request. Notwithstanding the foregoing, the total number of members of the Board (including Committee members) attending the Committee's meeting at any one time shall not equal or exceed a majority of the number of members of the Board.
- b. Unless the Committee determines otherwise, the Committee shall hold a closed session at each regularly scheduled meeting. Closed sessions of the Committee may be held at any meeting pursuant to the provisions of Bagley-Keene and California Government Code section 11120 et seq., as may be amended. During a portion of this closed session, the President or the General Counsel, or both, will be present.
- c. A majority of the Committee shall constitute a quorum. Each member of the Committee will have one vote and actions at the meeting shall be approved by a majority of the members present.
- d. Minutes shall be prepared at each meeting and filed with the minutes of State Fund's Board.
- e. The Safety and Loss Prevention Committee Chairperson or the Chairperson's designee shall give a full report of the Committee's recommendations at the first Board meeting of 2018. Interim reports and consultation to/with the Board may be made at any meeting of the Board at the discretion of the Safety and Loss Prevention Committee and Board Chairs.

#### **Committee Duties and Responsibilities**

In discharging its duties and responsibilities to shape State Fund's safety and loss prevention strategy, the Committee shall:

***Deliver recommendations for an overarching and long term Safety and Loss Prevention Strategy to the full State Fund Board by the 2018 Strategic Planning retreat. The recommendations will include:***

- a. Together with State Fund management team the committee will clearly delineate current resource allocation and reasons for that allocation (to include compliance requirements). Make recommendations regarding future allocation of these resources.
- b. After deciding upon recommendations for a long term strategy work with management and other resources as necessary to determine the level of resources necessary to deliver upon the recommendations.
- c. Identify the benefits to State Fund and other stakeholders associated with executing the recommended strategy. Benefits to include financial outcomes, reputational impact, and benefit to California workplace safety.
- d. Identify the measurable outcomes that will be achieved with successful implementation of the recommended strategy.

### Powers

The Safety and Loss Prevention Committee shall have the following powers:

- a. To obtain advice and assistance from internal or external experts or other advisors and authorize management to hire appropriate experts or advisors for development of a long term safety and loss prevention strategy.
- b. To meet with senior management and other appropriate parties to receive information and discuss safety and loss prevention strategies.
- c. To recommend to the Board amendments to any provisions of this Charter as appropriate due to new laws, or regulations or needs of State Fund or the Board.
- d. To execute such other powers as may be necessary and appropriate to fulfill the Committee's purposes and responsibilities under this Charter.
- e. To perform such other functions as assigned by State Fund's Charter, By-Laws, or the Board.

BOARD of DIRECTORS of the STATE COMPENSATION INSURANCE FUND

### APPROVED without CHANGES

#### Certification by the Assistant Corporate Secretary

*I, Hilda B. Padua, Assistant Corporate Secretary for the State Compensation Insurance Fund Board of Directors, hereby certify that the foregoing is a true and correct copy of the Ad Hoc Safety and Loss Prevention Committee Charter of the State Compensation Insurance Fund as adopted by the Board of Directors at their meeting held November 18, 2016; and thereafter approved without changes at their meetings held May 18, 2017, May 24, 2018 and May 23, 2019.*



Hilda B. Padua, Assistant Corporate Secretary



Date