

DEPARTMENT OF INSURANCE

300 CAPITOL MALL
SACRAMENTO, CA 95814
(916) 492-3623
(916) 445-5280 (FAX)
www.insurance.ca.gov

**CDI INSURANCE DIVERSITY TASK FORCE (IDTF)
3rd QUARTERLY MEETING MINUTES**

**Tuesday, September 18, 2018
10:00 a.m. – 12:00 p.m. PST
California Department of Insurance
300 Capitol Mall, Sacramento, CA 95814**

I. Welcome – Task Force Chair Sal Peinado, Jr

- A. Task Force Roll Call – CDI staff, Rebecca Ball.**
- i. Quorum Met. Task Force Present:**
- (Located in Sacramento) Salvador Peinado, Jr., Imelda Alejandrino, and Cecil Plummer;
 - (Located in Los Angeles) Dawn Marchand, Mark Morales, and Randolph Sinnott;
 - (Located in San Francisco) Jay Greene;
 - (Via Phone) Beverly Cole, Scott Diener, Melinda Guzman, and Melanie Shelby.
- B. 2nd Quarterly Minutes – Dawn Marchand moved to approve the minutes. Mark Morales seconded the motion. With 11 Ayes, 0 Nays, 0 Abstentions, the Minutes were approved.**
- C. Guest Introductions – Anthony Belcher, CEO Wes-Tech Environmental (Sac); Alexander Salazar, AP42 (Sac); Doris Pires, CDI Staff (Sac); John Shirikian, ACLHIC (Phone); Betty Lau, Blue Shield of California (Phone); Joy Wong, New York Life Insurance (Phone); Edna Zapata-Fuller, State Compensation (Phone)**

II. Annual Insurance Diversity Summit**A. Announcement – New IDTF Chair & Vice Chair**

- i. Sal Peinado, Jr, IDTF Chair – Welcomed gathered attendees.**
- ii. Chandara Phanachone, CDI – Covered the date, site location, registration open until September 21st as seats remain available.**
- iii. Benjamin Phillips-Leseñana, CDI – Shared information regarding Business Matchmaking and Resource Expo.**
- iv. Rebecca Ball, CDI – Reviewed the details for the Annual Diversity Awards and Afternoon Workshops.**
- v. Chandara Phanachone, CDI – Welcomed the Insurance Diversity Initiative Team – Introduced Nathan Fesler, Diversity Research data analyst, to the Insurance Diversity Task Force, and expanded on the details of each afternoon workshop.**
- vi. Amorette Yang, CDI – Detailed the Insurance Diversity Roundtable co-hosted by Orson Aguilar of Greenlining.**
- vii. Benjamin Phillips-Leseñana – Provided sign up numbers for each workshop and the roundtable.**
- viii. Sal Peinado, Jr. IDTF Chair – Inquired if the ID Roundtable Questions would be made available to the Task Force prior to the event.**
- ix. Amorette Yang, CDI – Replied, “Yes,” after Orson and Amorette completes their compilation of the ID Roundtable details.**
- x. Chandara Phanachone, CDI – Continued with sharing information about the Afternoon Networking Reception and the Summit sponsors both Gold Level and Silver Level.**
- xi. Rebecca Ball, CDI – Mentioned the Resource Documents are in the Task Force packets, the email, and on the Summit website.**

III. Task Force Advisory Groups

A. **Supplier Diversity and Governing Board Diversity**

- i. Sal Peinado, Jr., IDTF Chair – Shared that this morning Insurance Commissioner Dave Jones met with the Task Force Advisory Groups that presented him with their key recommendations, including;
 - In regards to advancing supplier diversity, the Supplier Diversity Advisory Group recommended that CDI provide greater resources to insurance company regarding supplier diversity best practices, including the creation of an online resource portal that includes supplier diversity contacts – details to be determined at a later date.
- ii. Dawn Marchand, IDTF – Other key recommendations include expanding insurer procurement opportunity outreach efforts such as a “Meet the Primes” supplier diversity industry event; and also co-hosting a supplier showcase for diverse suppliers.
- iii. Imelda Alejandrino, IDTF – For the governing board diversity (GBD) Advisory Group, the recommendation was to generate awareness of GBD via education & advocacy. A short term goal was to create a digital communications campaign for CDI’s anticipated GBD case studies using;
 - Email campaign
 - Webinar
 - Events
- iv. Scott Diener, IDTF – Another recommendation is to leverage the role of institutional shareholder services. For instance, leading money managers (i.e. Blackrock and Vanguard) have issued proxy statements that extol diversity as a criteria for effective corporate governance. Also, CDI should continue to support legislation that expand GBD and goals of the Insurance Diversity Initiative, such as Senate Bill (SB) 826: Women on Corporate Boards that will require that publicly traded companies with headquarters in California add a certain number of women to its governing board, depending on the size of the board (ie: one female board member by 2019, two female board members by 2020, and three female board members by 2021).
- v. Imelda Alejandrino, IDTF – Another goal was to incentivize change through increased media exposure and publicity opportunities, including San Francisco Business Time. In the long-term, the group recommended an insurer rating system that may comprise independent consumer reports, MIDS website post analytics, and other metrics.

IV. Insurance Diversity Initiative Updates

A. **ISR Supplier Diversity Report and Governing Board Diversity Project**

- i. Chandara Phanachone, CDI – Provided overview of the current reports and projects:
- ii. The California State University – Sacramento (CSUS) team at the Institute for Social Research (ISR) provided their final analysis. And, CDI staff will make this accessible to the Insurance Diversity Task Force.
- iii. UC Davis Graduate School of Management is working on the Governing Board Diversity (GBD) Project based on data collected from CDI GBD surveys. The project is part of UC Davis’ IMPACT program and is the MBA capstone project.
 - The kickoff meeting with IMPACT team occurs next week and the students will participate during the Summit to conduct further research regarding the project. The expected completion date is by end of 2018.
- iv. Sal Peinado, Jr., IDTF Chair – Asked if the project will breakout the detail for California versus National data.
- v. Chandara Phanachone, CDI – Replied with that they are to analyze the data from prior GBD surveys and will be based on those companies that reported during those survey years. Details are to be determined in the final analysis.
- vi. Imelda Alejandrino, IDTF – Asked if there are any trending details available.
- vii. Chandara Phanachone, CDI – Explained that it is a challenge with the formatting changes to the surveys to include trending details at this time, but that the final analysis will determine what trends, if any, can be drawn.
- viii. Nathan Fesler, CDI – It may be difficult to draw trends given the survey changes, which is like trying to draw comparison of apples to oranges.
- ix. Imelda Alejandrino, IDTF – As the Task Force, we want to see trends when possible.
- x. Rebecca Ball, CDI – A total of 613 insurers meeting the prerequisite threshold to report for MIDS 2018 were asked to submit reports for this round and a total of 792 insurers reported during this round since some of those companies were a part of a group submission.

- xi. Jay Greene, IDTF –How will this information will be made available?
- xii. Amorette Yang, CDI – It will be available for public consumption via our Diversity website.
- xiii. Chandara Phanachone, CDI – Thanked the Task Force members for directly participating in and for helping facilitate the connections to those who were interviewed for the CSUS ISR interviews for the report.

V. Task Force Member Updates

A. Announcements & Past or Upcoming Events

- i. Chandara Phanachone, CDI – Danielle Beavers has submitted her resignation to focus on her graduate school studies. We wish her the best of luck in her educational endeavors.
- ii. Cecil Plummer, IDTF – Western Regional Minority Supplier Development Council (WRMSDC) is expanding efforts into Northern Nevada starting with an event at Harrah's in Reno, NV for the Northern Nevada Small & Minority Business Opportunity Day on Tuesday, October 30th. And as of September 15th, Cecil will be a member of the board for Pacific Community Ventures.
- iii. Imelda Alejandrino, IDTF – Women's Business Enterprise National Council (WBENC) Chapter will host an event: Bold Success – Laser Focused at the Facebook campus in Menlo Park, CA on November 1st and 2nd.
- iv. Jay Greene, IDTF – Golden Gate Business Association (GGBA) will host the Power Lunch on February 1, 2019 at Bridges, expecting 500-800 in attendance. Insurance Commissioner Dave Jones spoke at this event in 2018. Additionally, GGBA will host an industry focused event for construction on November 7th and an industry focused event for insurance on December 11th.
- v. Cecil Plummer, IDTF – Please link shared documents and images to the actual organizations' social media for greater and more efficient distribution versus email distributions.
- vi. Benjamin Phillips-Leseñana, CDI – Attended and reported out on the four day Women's Business Enterprise National Council's National Conference & Business Fair in Detroit, MI back on June 18-21, 2018.
- vii. Cecil Plummer, IDTF – Asked the gathered to consider moving forward thoughtful examples of co-branded events and collaboration.
- viii. Chandara Phanachone, CDI – Attended an event on July 12th at City National Bank in Los Angeles, CA for 20/20 Women on Boards: Why Gender Diversity Matters on Boards with Linda Akutagawa and author Betsy Berkhemer-Credaire of the book *Board Game*.
- ix. Chandara Phanachone, CDI – Along with Rebecca Ball and Benjamin Phillips-Leseñana, we attended an event on July 31st at Kaiser Permanente in downtown Sacramento, CA for the Inner City Capital Connections Kick Off.
- x. Sal Peinado, Jr., IDTF Chair – CSAA Insurance Group hosted a biennial diversity summit where employee resource groups and executives gather to discuss/learn how to create a more inclusive organization. Harvard professor Dr. Banaji presented on unconscious bias. This was attended by Amorette Yang and Chandara Phanachone.
- xi. Imelda Alejandrino, IDTF – WRMSDC 2018 Business Expo on August 31st in San Ramon, CA shared it was well organized, more relevant, and fun.
- xii. Sal Peinado, Jr., IDTF Chair – Overall this was a great event from a corporate perspective.
- xiii. Cecil Plummer, IDTF – Goal was on education for suppliers to problem solve for the intended buyer versus pitching them a product/service. By focusing on how do you get the contract by using an opportunity statement.
- xiv. Melanie Shelby, IDTF – Having worked with various decision makers on supplier procurement, as a diverse supplier with 10+ years, companies do have experience in how to approach and speak with procurement contractors. Perhaps the challenges as describe are more targeted to new diverse suppliers.
- xv. Sal Peinado, Jr., IDTF Chair – Will have to revisit the recommendation as to who. However, as a buyer with a list of 900 certified diverse suppliers, working 200 days a year on procurement for CSAA, meeting with an average of 5 diverse suppliers a day, it is a challenge to meet with either new diverse suppliers or those diverse suppliers who do not have their focus on a problem that I have today.
- xvi. Cecil Plummer, IDTF – Diverse suppliers should focus on their unique selling proposition (USP).
- xvii. Sal Peinado, Jr. IDTF Chair – Not concerned with quantity as much as my focus is on quality of the diverse supplier.

- xviii. Imelda Alejandrino, IDTF – Statistics show 10% of diverse suppliers will work with corporations. What do we do with the other 90%? These 90% should shift their brand to a focus on quality, and learn the business etiquette of working with corporations.
- xix. Sal Peinado, Jr., IDTF Chair – There’s been a good enough job with participating major players in the insurance industry.
- xx. Melanie Shelby, IDTF – I support the Chair and this Task Force in this.
- xxi. Cecil Plummer, IDTF – This is what we’re about with a diversity in perspectives to challenge each other in thought of what may help more or more beneficial for the greater group.
- xxii. Chandara Phanachone, CDI – Thank you for this conversation.

VII. Next Steps and Adjourn

A. Contact us: diversity@insurance.ca.gov

B. Next Meeting: 4th Quarterly Meeting, Wednesday, December 12, 2018

- i. Sal Peinado, Jr, IDTF Chair – Moved to adjourn.
- ii. Melanie Shelby, IDTF – 1st the motion.
- iii. Cecil Plummer, IDTF – 2nd the motion.