



# 2022 CALIFORNIA INSURANCE DIVERSITY SURVEY FREQUENTLY ASKED QUESTIONS

California Department of Insurance | Insurance Diversity Initiative



[www.insurance.ca.gov/diversity](http://www.insurance.ca.gov/diversity)



[CA.IDS@insurance.ca.gov](mailto:CA.IDS@insurance.ca.gov)

*We've created this FAQ document based on past common questions. The document is divided into three parts: technical questions, governing board survey-related questions, and supplier diversity survey-related questions. The complete set of instructions for the entire survey process for the California Insurance Diversity Survey (CAIDS) are available within the CAIDS Insurer Portal and on the [CAIDS Resources webpage](#).*

*For additional questions, you can connect with us at: [CA.IDS@insurance.ca.gov](mailto:CA.IDS@insurance.ca.gov)*

## TECHNICAL FAQ

**Q: Our company did not receive an email with a unique link to set up our account. How can I get one?**

A: Please contact [CA.IDS@insurance.ca.gov](mailto:CA.IDS@insurance.ca.gov). All companies that reported in the previous two (2) years should have an account. Please log-in using the same log-in credentials that were previously created.

**Q: How can I change the contact information for my company and/or group?**

A: Once a primary account is created, you may log into the CAIDS Insurer Portal to update your user profile (“*Update Profile*” button in the portal) and add secondary users (“*Manage Users*” tab in the portal).

**NOTE:** You can also change the assigned primary user for your company and/or group by adding in the contact information of the person that you wish to designate as the new primary user in the “*Update Profile*” section.

**Q: Can I download the survey to send it to individual subject matter experts?**

A: You may obtain a copy of the 2022 CAIDS survey as a fillable PDF document and a fillable [Procurement Charts Excel file document](#) for the Narratives and Charts sections (respectively) from the [CAIDS Resources webpage](#)

**Q: Do I have to complete the sections of the survey in order (i.e.: narrative section first and then charts)?**

A: No. You may complete the survey sections in any order; however, you will not be able to submit your survey until all sections are completed.

**Q: What is the survey submission deadline?**

A: Pursuant to California Insurance Code section 927 et seq., the deadline for insurers is **11:59 PM PDT on July 1, 2022.**

**Q: What if my company is still unable to meet the deadline?**

A: We understand that unforeseen events can cause unintended delays. In such cases, an insurer may request a timely 30-day extension by the Department to report the information. To ensure that we can properly assist you, please send an email to [CA.IDS@insurance.ca.gov](mailto:CA.IDS@insurance.ca.gov) with specific information regarding your company’s circumstances. You **MUST** include a complete list of companies and their corresponding NAIC numbers as part of your communication.



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**Q: Can previously reported information auto-populate into the current year survey via the CAIDS Insurer Portal?**

A: The CAIDS Insurer Portal offers you the option to choose a previous survey from your account via a drop-down menu for the Supplier Diversity Narrative and the Governing Board Diversity Narrative sections **only**; the information in the respective narrative sections of the survey will populate in the current year's survey. This may streamline the completion process, but the information should reflect the most current information for the company prior to submission.

**NOTE:** The Procurement Charts section **does not** have an auto-populate feature.

## GOVERNING BOARD DIVERSITY NARRATIVE FAQ

**Q: If reporting as a group, do we only need to reference the parent company's board demographics in Part 1?**

A: Yes.

**Q: If splitting a group into multiple groups and/or reporting individually can I report on the same board for each in Part 1?**

A: No. Each individual survey (group or individual) should report out on different governing boards as appropriate to the group of companies.

**Q: What disclosures are insurers required to provide to board members to survey them on their board demographics?**

A: Insurers **MUST** provide board members an opportunity to participate in the survey. Additionally, insurers will need to provide to each board member mandatory disclosures that notifies the board member of all of the following:

- That the board member's decision to disclose their demographic information is voluntary,
- That no adverse action may be taken against the board member or the insurer if the board member declines to participate in the survey, and
- That the aggregate data collected for each demographic category will be reported.

**Note:** Insurers may provide the disclosures to the board members prior to or concurrently with the survey.

**Q: If a board member declines to provide their demographics, how do I report this information on the survey?**

A: A board member's decision to disclose their demographics is voluntary. Each demographic question includes an option for board members who decline to provide their demographics. (See Question 2, Parts B, C, or D).

**Q: For Question #4, does "the average number of years served by the current board..." refer to the mean or the median?**

A: The mean (add all values and divide by total number of values). The CAIDS Insurer Portal is unable to accept decimal points; in this case, please round down and in Question 8, note the appropriate number for Question 4.



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***Q: In reference to the GBD Narrative section of the survey, what if the Governing Board of our ultimate controlling parent or senior-most governing entity is not based in the United States?***

A. Section 927.3(a)(2)(A) of the California Insurance Code requires "each admitted insurer with California premiums written of seventy-five million dollars (\$75,000,000) or more, shall report to the commissioner on its governing board and board diversity efforts during the previous two years. The insurer shall provide all of the following information: the demographic makeup of the insurer's governing board."

**Note:** There is no caveat in relation to the location of the insurer's board of directors, nor is there an automatic exemption to report because an insurer's governing board is not based in the United States.

***Q: What if our Governing Board is comprised of both employees and non-employees?***

1. If the majority of the board are public (non-employees, please count them all as part of your total number of governing board members. For example, if 9 members are public and 1 member is an employee, please report on the total number of board members (10).
2. If the majority of the board members are employees, please report on the next board within your organization that meets the criteria.
3. In the event that no board within your company meets the criteria, please contact us at [CA.IDS@insurance.ca.gov](mailto:CA.IDS@insurance.ca.gov)

***Q: If we are reporting on non-employee member boards; how can CEO/CFO/COO/CHRO/CDO be included in Question #3?***

A: Some board members serve in these executive positions as well, thus these are simply options from which a company can choose. The goal of seeking a company's non-employee member boards is to avoid collecting data on boards that are served 100% by internal employees.

***Q: What effective date should we use for the Governing Board?***

A:

- For the report based on the 2020 financial year, companies should report on the board in place from January 1, 2020 thru December 31, 2020.
- For the report based on the 2021 financial year, companies should report on the board in place from January 1, 2021 thru December 31, 2021.

***Q: Because Board demographics requests information on how members "publicly identify", is it acceptable to include answers based on what I know of board members?***

A: We strongly encourage the most qualified person respond to the questions. To assist with collecting demographic data from board members, you may refer to the Sample Template Letter and Form to Board Members that has been provided at the request of prior survey respondents.



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## SUPPLIER DIVERSITY NARRATIVE & CHARTS FAQ

### **Q: What is included in “Total Procurement Spend”?**

A: The total dollar amount (\$) of all invoices paid out to all suppliers (diverse and non-diverse) reported by industry category. All procurement spend reported should only include procurement paid directly to the vendor.

- This **includes** payments paid, including but not limited, to: body shops or other vendors whether or not in the company’s preferred network, ACH payments as long as the payment is transferred directly to the vendor, and credit card and/or p-card purchases as long as the payment is made directly to the vendor.
- This **excludes** payments including but not limited to: producers and/or agents and payments to policyholders/claimants.

**NOTE:** Any paid invoices by suppliers that do not fall into the outlined categories should be reported as “other”. All reported procurement should include any kind of discount(s) being applied to the purchase; please report the **actual amount paid**.

### **Q: Are public companies considered to be non-diverse spend? E.g.: Purchases with companies such as FedEx, UPS, US Mail, Verizon, Microsoft, Amazon, Delta Airlines, etc.**

A: Both public and private companies have the opportunity to be certified as a diverse supplier, if they meet the criteria. The diverse spend reported should be with diverse suppliers, regardless if the company is public or private.

### **Q: What if we pay a company that contracts with a supplier that is diverse? Can we count that supplier as a second tier supplier?**

A: The procurement charts currently only request data on spend with a company’s primary supplier (or “tier 1” supplier). However, in the Insurer Supplier Diversity Narrative section, Question 4 of the survey, there is a question about whether a company requires or encourages its primary suppliers to *subcontract* with diverse suppliers. It is recommended that companies take this opportunity to discuss their efforts with “tier 2” diverse suppliers in response to this question.

### **Q: Are “classified” and “certified” businesses counted? Or only certified? Is self-certification counted?**

A: Insurers have the discretion to determine which of its suppliers they consider diverse. Many insurers rely on the national certifying agencies (e.g. National Minority Supplier Diversity Council, Women’s Business Enterprise National Council, etc.) to determine which suppliers are diverse.

### **Q: For national expenditures - should we report the expenditures made in all states in which we are licensed to write business?**

A: The National Charts are aimed to include spend within all 50 states, including U.S. territories, and regardless of where an insurer writes business.



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***Q: If a company is not headquartered in California or the majority of its workforce is not based in California, would I still be required to report their procurement spend?***

Procurement spend is reported with suppliers headquartered in California and/or if a majority of its workforce is based in California.

- For example, if Company X procures goods/services from businesses headquartered in Oregon, it will report spend with those businesses on the National Chart.

The CAIDS Instructions Guide provides an in-depth explanation of the charts and the tables within each chart; we recommend reviewing the instructions carefully as you complete the survey.

***Q: Does Table B only request information for contracts signed in 2020 & 2021? Or, for example, if we have a two-year contract with a vendor signed in 2020, and we paid out in 2020 and 2021, would we report the total contract dollars in Table B?***

A: Table B requests information on contracts signed in 2020 & 2021. However, if a company has entered into a multi-year contract, the amount reported should only be the amount paid out in the chart year of report.

***Q: For the national charts, should we include spend with vendors who have a corporate address in a U.S. territory, such as Puerto Rico, Guam, or the U.S. Virgin Islands?***

A: Yes.

***Q: What if some services paid in 2020 and/or 2021 do not meet the criteria outlined in the description of the different industry categories?***

A: The categories and their descriptions are provided as a guidance tool and as such are broad in their depictions. Please use “other” for those that are unable to fit into the outlined categories.

### Examples of services and their industry category:

- Underwriting expenses – claims services
- Employee benefits – report only if your company is doing business with a firm that provides services related to employee benefits - professional services
- Personal protective equipment (PPE) – wholesale trade
- Sponsorships or contributions – report only if your company is doing business with a firm that provides services related to sponsorships/contributions - professional services
- Rating and Credit Reporting agencies (ex. Standard & Poor’s, Experian) – professional services
- Third party administrator handling new business and claims processing – claim services
- Attorney fees directly to the law firm – legal services
- Staffing/Temp Help – report only if your company is doing business with a firm that provides services – human resources



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- Placement/Recruiter fees (to place permanent employees) report only if your company is doing business with a firm that provides services – human resources

***Q: Can you provide the name or names of publicly-available databases that contain supplier diversity information? I understand there are private databases, but I am interested in information about publicly-available databases.***

A: Please note that CDI does not currently maintain a database of diverse suppliers. The online databases below are maintained by other **California state agencies** which are accessible to the public and include some of the state's diverse suppliers.

- California Public Utilities Commission (CPUC) Supplier Diversity Program:  
<http://www.cpuc.ca.gov/PUC/supplierdiversity/>
  - CPUC search database for certified businesses (Disabled Veteran Business Enterprise (DVBE), LGBT Business Enterprise (LGBT), Minority Business Enterprise (MBE), Small Business Administration (8a), Women Business Enterprise (WBE), Women/Minority Business Enterprise (WMBE)):  
<https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory.asp>
- Department of General Services (DGS) Business Outreach Program for Small Businesses (SB) and Disabled Veteran Business Enterprises (DVBE): <https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Outreach-Program#@ViewBag.JumpTo>
  - Search for a DVBE: <https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>
- Caltrans Disadvantaged Business Enterprise (DBE) Certification: <https://dot.ca.gov/programs/civil-rights/dbe-certification-information>
  - Search for a certified DBE: <https://dot.ca.gov/programs/civil-rights/dbe-search>

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