



APPROVED 03/11/21

**CDI INSURANCE DIVERSITY TASK FORCE (IDTF)
4th QUARTERLY MEETING MINUTES**

**Wednesday, December 2, 2020
10:00 a.m. – 12:00 p.m. PST**

Task Force Meeting held virtually

I. Task Force Meeting Call to Order

A. Task Force Roll Call – California Department of Insurance (CDI) staff, Amy Ives

i. Task Force Members Present:

- (All attendees participated via Zoom and/or phone.) Sal Peinado, Jr., Linda Akutagawa, Imelda Alejandrino, Annalisa Barrett, Rebecca Aguilera-Gardiner, Jay Greene, Mark Morales, Cecil Plummer, Vikita Poindexter, Milton Dellossier, Maria Salinas
- Absent: Blong Xiong

B. Establishment of quorum – Quorum met

II. Review and Approval of 2020 3rd Quarterly Task Force Meeting Minutes

Rebecca Aguilera-Gardiner moved to approve; Mark Morales - seconded motion

III. Attendee Introductions –

- a) CDI Executives/Staff –** Senior Deputy Commissioner and Legislative Director Michael Martinez, Deputy Commissioner Julia Juarez, Insurance Diversity Initiative Director Chandara Phanachone, CDI Attorney Monica Macaluso, CDI Attorney Karisa Yocham, Insurance Diversity Initiative Manager Uzma Rahman, CDI Boards Amanda Bastidas, Insurance Diversity Initiative Analyst Amy Ives
- b) Public Attendees –** James Cardenas, Ken Macias (Macias Consulting, Inc.) Anthony Belcher (WestTech Environmental), Deanna LaTour-Jarquín (Personal Insurance Federation of California), Erika Gibson (Director, Supplier Diversity – Liberty Mutual Insurance), Don Stonehouse, Edna Zapata-Fuller (State Compensation Insurance Fund), Ruben Smith (Alvarado Smith)

IV. Recognition of Service

Salvador Peinado, Jr., IDTF – Announced his newly accepted role in establishing a global supplier diversity program at Autodesk, therefore he has chosen to resign from his service on Task Force. Effective immediately, he will be stepping down. It has been an honor and privilege to work with the Task Force. Acknowledges that changes have been incremental – but it is night and day from 2014 when he started. Thanked everyone for the hard work, the accomplishments of the Task Force, and for their friendship. With his departure, Mark Morales will take over as Chair.

- a. Recognition of Phyllis Marshall – Michael Martinez, CDI** – On behalf of the Commissioner and Department, we want to recognize her commitment to the Task Force. Phyllis previously served on the Task Force, so this is her second term. Michael also worked with her in the past at Manatt Phillips Law Firm. She is now currently Chief Legislative Counsel in the Office of County Counsel, for the Los Angeles County Board of Supervisors. Thanked her for her time and wished her well.

Mark Morales, IDTF – Thanked Phyllis for her contributions and wished her well in future endeavors.

- b. Recognition of Salvador Peinado, Jr. – Michael Martinez, CDI** – Unfortunately, the Commissioner was not able to make it today to express his gratitude, but wanted to be sure that Sal received acknowledgment prior to his

departure. On behalf of the Department and Commissioner, Michael thanked Sal for his leadership and service on the Task Force for the last five years. The Commissioner is so grateful for the inroads that have been made in the insurance industry due to Sal's knowledge and expertise. Sal's leadership has been on behalf of supplier diversity (with the insight he provided to the Department on the supplier diversity surveys and for the business matchmaking at the annual Summit), and also as an advocate for enhanced governing board diversity. In particular, Sal was instrumental in working with the Department to convene the first Governing Board Diversity Summit.

Mark Morales, IDTF – Since he joined the Task Force in 2015, Mark has always thought of Sal as a mentor. He said that the insurer's point of view has always been appreciated. Thanked Sal for leading them through the administration change, the sunset of a previous law (AB 53), and the introduction and passage of the new law (SB 534). Confident that Sal will do many wonderful things in his new venture and he is grateful for Sal's friendship.

V. 2020 California Insurance Diversity Summit – Post Summit Debrief

Chandara Phanachone, CDI - 2020 Virtual Insurance Diversity Summit was unprecedented. When she took this job, she said that she would never thought she would be planning anything remotely for a virtual audience. Prior to joining the Department, she worked for six years remotely and never envisioned doing all of that again. However, the team planned and delivered the entire Summit virtually, and it was a great success. The Summit had about 425 registrants, nearly 20 sessions ranging in different topics, and two important keynotes. On the first day, the keynote was moderated by Commissioner Lara with Dr. Fabiola Cobarubbias from NORCAL Group Insurance and Glenn Shapiro, President of Personal Property and Liability from Allstate. The second day saw a powerhouse lineup focused on governing board diversity. That keynote was moderated by our Task Force member Annalisa Barrett and panelists included: Senator Hannah-Beth Jackson, Assemblymember Chris Holden, Latino Corporate Directors Association CEO Esther Aguilera, Ascend Pinnacle's Janet Wong, and Out Leadership's Matthew Fust. We thank the Task Force members for their leadership and work in the event. We also thank Deputy Commissioner Julia Juarez and Senior Deputy Commissioner & Legislative Director Michael Martinez for their support and leadership on the back end. And a thank you to our Diversity team, Uzma and Amy, for their work.

Julia Juarez, CDI – Outreach team was excited to be involved. Contacted all Chamber partners, veterans' organizations, and elected officials. In total, reached out to about 4,500 contacts. Outreach's plan is going to do a greater push for next year to get even more attendees. Thanked Diversity team for opportunity to work with them on this. This week, Outreach is working on the CPUC Diverse Business Expo so they can learn more.

Michael Martinez, CDI - Congratulated and thanked everyone who was involved. Commissioner Lara was very happy to be involved. Said that there was so much he learned from the event and gleaned for the future. As a member of the NAIC (National Association of Insurance Commissioners) California is looked upon as a national model – and all of the elements that we have created and built-upon allow Commissioner Lara to be a champion on the national stage. Also thanked the entire Insurance Diversity Initiative team for their tremendous efforts and dedication in pulling off the first virtual Summit.

Uzma Rahman, CDI – Administered Summit satisfaction survey to all registrants.

Questions asked: s

- *What registration category best describes you?* 40% of attendees classified themselves as nonprofit/government, then 26.6% diverse suppliers, then 20% corporate insurance.
- *How did they learn about event?* 66.6% learned of the event by email and from colleagues.
- *What is your thought on the platform (WHOVA?)* 66% found the platform easy to navigate.
- *Content: Which workshop would you recommend to a friend/colleague?* Matchmaking Essentials – 63.1%
- *What did you think of quality of speakers?* People really enjoyed the and thought they were knowledgeable on the subject matter.
- *Which agenda item were you most looking forward to?* Matchmaking Roundtable and Day 1 Keynote.
- *As an insurer, how satisfied were you with the selection of diverse suppliers?* to Diverse suppliers were asked about the quality of the matchmaking roundtables, as a whole. Uzma stated that the matchmaking roundtables were not without hiccups. The plan was to have small breakout rooms with 2 insurance companies and 3-4 diverse suppliers. We had many no shows from insurance companies, which caused last minute reshuffling. For example, for one session, we expected eight insurers and only one showed up. Unfortunately, due to the no-shows, it was hard to have the small

groups we envisioned.

- *How would you describe value of Resource Expo?* 66.6% of attendees said the information at the Resource Expo was very helpful to helpful. Amy advised that we had about 24 Exhibitors that comprised mainly of diverse certification agencies and local chambers, and other government bodies.
- *How likely are you to attend the event again?* 80% likely
- *How likely are you to recommend to a colleague?* 86% likely.
- *What can we do in the future to improve the event?* Some comments included: Zoom/WHOVA was tricky. Mic or audio checks were recommended. Feedback was that some speakers were hard to hear. Expand outreach to get more attendees. Have more matchmaking.

Uzma Rahman, CDI - Solicited feedback from Task Force and public attendees.

Mark Morales, IDTF - This was the fifth Summit he attended, and of course, the first virtual. Thought that it turned out very well. In his positions, he attends events like this often. Would think we might want to do another survey on the matchmaking piece. We don't know if we are going to be virtual or live next year – so we need to be prepared. We need to follow up with insurance companies, if they didn't attend, we need to know why. What is the reason that they didn't show up? We need to hold them accountable and have better engagement in next year's Summit.

Michael Martinez, CDI – It would be nice to know who didn't show up, look for the names and the contact information of the individuals who didn't meet their commitment. One of the main draws for diverse suppliers is to have that face time with insurers.

Chandara Phanachone, CDI – In the past, when insurance companies don't show up – it has directly impacted the success and happiness of the diverse suppliers.

Rebecca Aguilera-Gardiner, IDTF – Said that the team did a great job organizing and planning the Summit. She knows personally that part of the reason it was so successful was because of all of the preparations ahead of time. She knows that there were many long days preparing documents and hosting the rehearsals that allowed for everyone to be ready on the day of the Summit. Commended Diversity team for doing a great job.

Chandara Phanachone, CDI - We could not have done this without the San Francisco COVID Command Center Virtual Outreach Team. They stepped in and provided their production support and technical expertise. We were incredibly fortunate to have them. Thanked Julia for foresight and knowing we could use that support.

Mark Morales, IDTF – The virtual rehearsals (for speakers organized by the Diversity and production teams) were instrumental. He does a lot of these events and often without preparation, there are a lot of issues that come up. By having the rehearsal, felt like everyone was ready and able to share their information.

Sal Peinado, Jr., IDTF – For those insurers that failed to show, could we set up a secondary meeting for the diverse suppliers? Let's say that an insurance company didn't show up – can you send an email or letter out to them? Possibly get a letter from Commissioner Lara that asks them to uphold the commitment. No shows are really unacceptable. Next year, if an insurer who signs up, we send them a letter that says “these are the appointments you have scheduled, last year you didn't show up...” This way, the insurer knows that people are relying on meeting with them and gives them the idea that they need to honor the commitment. Also, if they are unable to meet during the Matchmaking session, they could set up a time separately with the supplier.

Uzma Rahman, CDI – I think it's a great idea to contact the no-shows. We originally asked at least 100 insurers, with a primary and secondary contact that came from the CAIDS responses. We sent an email and asked them to complete an interest form on matchmaking, asking times that would work for and what areas they were procuring in in the next twelve months. They were assigned breakout rooms based on their interest form. Then, we sent multiple reminder emails, the latest being the day before the Summit confirming their time-slot.

Mark Morales, IDTF – Maybe as part of the Diversity Designation, points could be granted to insurers that participate in matchmaking, or perhaps we take points away from companies that don't participate.

Cecil Plummer, IDTF – Another option would be to incentivize companies for participation with recognition. Maybe a letter thanking them from the Commissioner. Something similar to a “Dollars for Doers” program.

Julia Juarez, CDI - Julia said that she would love to work on that idea. Thinks that we can thank them for participating. For the companies that didn't show up, thank them for agreeing to participate, explain what we accomplished at the Summit, and explain that if they didn't get a chance to meet with the supplier that they were

scheduled to meet with, we can help them make contact.

Mark Morales, IDTF – He really likes this idea. Within his organization, there was a situation where a bank employee could not meet with a diverse supplier. Even though they were not planning to sign a contract with the supplier, because they were not able to keep the meeting, the bank arranged a meeting with the diverse supplier at a different time, resulting in a signed contract.

Sal Peinado, Jr., IDTF - We need to set an expectation that if you sign up for matchmaking, you are going to show up. If you can't make it – you should have a back up plan. The letter from the Commissioner demonstrates the importance and has some teeth. Everyone likes to get a letter of doing something good from the Department. We are in a very opportune time to strike while the iron is hot-- while there is such a strong focus on diversity.

VI. 2020 California Insurance Diversity Survey – Updates & Discussion

Uzma Rahman, CDI – [Shared press release outlining the CAIDS results](#). Based upon CAIDS survey results, diverse California businesses supplied \$2.1 billion in goods and services to insurance companies last year – a 16.7% increase since 2018. Of the \$2.1 billion spent with diverse businesses in 2019, women-owned businesses received approximately half of the total diverse spend.

In addition to supplier diversity, the CAIDS looks at the diversity within the boardrooms of California insurance companies. Among the 250 insurance companies that responded in 2018 and the 260 companies that responded in 2019, 21.8% and 20.3%, respectively, reported zero women while 48.1% and 35.8% reported zero members from racial and ethnic communities on their company boards – a stark contrast to California being the most diverse state in the nation.

We provided a more in-depth analysis of the CAIDS results at both days of the Summit. The sessions were recorded and will be available on the WHOVA platform for the next 5.5 months.

Cecil Plummer, IDTF – Wanted to know if there will be a press release with more graphics and less wordy. Would like to be able to share within networks.

Uzma Rahman, CDI – We will be working on the infographics in the coming months and will be sharing with the Task Force to distribute.

Chandara Phanachone, CDI – Provided [links to press release](#) and the [CAIDS portal](#) – where all data can be found into the Zoom chat window.

Uzma Rahman, CDI – Just to highlight, California Insurance Code 927.3 (e) requires that all information is published on the website for the public by November 1. To ensure compliance, we published everything published on October 30, 2020. The only thing that we are not able to provide is the specific governing board composition of insurance companies, as it is a stipulation of the law that this information may only be shared in the aggregate. We have also linked the supplier diversity presentation from the Summit on the [Diversity site](#).

Mark Morales, IDTF – Will there be infographics created for each diverse business entity type? Think that could be very helpful to show all of their networks.

Chandara Phanachone, CDI – Yes, we know that these documents have been useful in the past and will be working on creating new ones that reflect the 2020 CAIDS data and other relevant industry data.

VII. Statewide Coalition on Diversity Initiatives – Updates & Discussion

Chandara Phanachone, CDI – The Diversity Initiative team met with the Coalition in October, and decided that we would work to devise a strategic plan at our upcoming December meeting. Last year, Chandara and Stephanie Green from CPUC (California Public Utilities Commission) met and discussed convening this Coalition with state member agencies that shared in our mission to advance diversity. At this time, the focus has been on supplier diversity. Now the Coalition includes other critical member agencies, including: Governor's Office of Business and Economic Development, Department of General Service, CalTrans and Office of Statewide Health Planning & Development. In our first meetings, we realized we were doing similar things, but working in silos. I thought that we could leverage our collective resources/networks and this would help our diverse communities even more. Just recently, Task Force member Cecil Plummer wanted to know how a diverse business could make a massive donation of personal protective equipment to the state, and we were able to connect him to the appropriate office to

make this happen. If we did not have the collaboration with the Coalition, that would have been more difficult to accomplish.

Maria Salinas, IDTF – Knows that there are initiatives around supplier diversity within the Governors Task Force. Towards the end, the main focus was around the fact that supplier diversity was good for small businesses. Maria was not on that specific committee on the Governor's commission, however she received information about it. She would be happy to share with the group.

Chandara Phanachone, CDI - We have learned a great deal from [General Order \(GO\) 156](#) from the CPUC. We modeled a lot of the Initiative from GO 156, and now are happy to assist OSHPD with the development of their budding supplier diversity program for hospitals.

Maria Salinas, IDTF – One of the things the Commission did was to try to get companies to commit to breaking up some of the larger contracts so the smaller businesses could have an opportunity.

Mark Morales, IDTF - Would love to see a calendar of all the state agency events. This would give us the opportunity to plug into as many events as possible and give the other agencies the ability to join in as well. Thinks there is an opportunity for us to have synergy.

Cecil Plummer, IDTF – Would be very nice to have one calendar with all the major state agency events. Would also suggest to consolidate events. Especially now since they are virtual.

Uzma Rahman, CDI – To some extent, this is happening. And will likely continue to do more. We joined the CPUC as virtual exhibitors for its Diverse Business Expo that is happening (December 1 and 2). We also invited the members of the Statewide Coalition to participate as exhibitors in our Resource Expo at our recent Diversity Summit.

VIII. Strategic Plan – Progress Updates & Discussion

a. GBD Advisory Group updates

Chandara Phanachone, CDI – Our goal will be to create a one-page document with all of the strategic goals outlined. This year there has been an opportunity to shed light on governing board diversity.

1. In terms of publishing case studies, we plan to do that this year. We may combine the case studies to make them more robust. The Diversity Summit this year was an opportunity to highlight the good work that NORCAL Group was doing. NORCAL's story with advancing board diversity initially began when its leaders observed the medical school matriculation rates among women. Based upon that data, they anticipated that in the future, the medical profession would soon yield more women doctors, and this intentional foresight helped foster their company's culture and commitment to bring more women onto their board of directors.
2. We previously sent out resource toolkit and will continue to work on compiling more policy guidelines.
3. Insurance diversity champion event. Originally, we planned to hold a separate event, but when the pandemic hit, we determined that we should pivot and create the second day governing board diversity keynote focused on the future of board diversity. This tied in with the "Are You Ready for the Boardroom?" session and made the focus of the second day of the Summit hinged on governing board diversity.

Mark Morales, IDTF – Have we considered making a database for candidates for diverse potential board members?

Annalisa Barrett, IDTF – There are already board candidate databases in effect, including Equilar and other diverse search firms. So it may make more sense to provide links to these databases.

Mark Morales, IDTF - Number one complaint for diverse suppliers/insurance companies is that they can't find someone to fill the board seats.

Uzma Rahman, CDI – Instead of creating our own, perhaps we can link these databases on our GBD Resource Directory.

Maria Salinas, IDTF – First Partner Jennifer Siebel Newsom is also working on an initiative with board diversity.

Vikita Poindexter, IDTF – State Treasurer Fiona Ma also was compiling a list, but she is not sure if it has been published yet.

b. SD Advisory Group updates

Uzma Rahman, CDI

1. With regard to diversity designation – We first wanted to see if it would be valued by insurance companies. There were two surveys that were administered to insurers. The first group were surveyed at the Day 1 CAIDS presentation and polled during the presentation. Based on the participants at the Summit, 90 attended the presentation, about 27 completed the survey. Questions asked included: How valuable would a designation be? Majority found it to be extremely/very valuable – almost 80%. The group stated an acknowledgment letter from Commissioner Lara or an emblem for their website were regarded highly as modes of recognition. Imelda, our marketing expert, suggested that we resubmit the survey to all the CAIDS supplier diversity contacts. And so, a survey was administered to all insurance company supplier diversity contacts that responded to CAIDS. This was a more targeted pool—as all who completed the survey were members of the insurance company, and directly involved in their supplier diversity programming. At the CAIDS presentation – 56% of respondents classified as other and we needed to get more information about this group. Both iterations of the survey show that there is strong interest in a diversity designation.

Following the survey and determining that there was interest in the designation, then next step would be to develop a scoring rubric. Based on Task Force feedback from the Supplier Diversity Advisory Group, suggested that instead of penalizing a company for not having something, it may be more effective to reward them for what they have accomplished. Ranking would be platinum, gold, silver, bronze.

Mark Morales, IDTF – Our ultimate goal is to have insurance companies aspire to the designation instead of feeling penalized for not having it. He is delighted to see the progress and likely that the people who are not interested in the designation are those that don't have a program. Thinks that the ones that are doing the work want to be recognized.

Chandara Phanachone, CDI – Commissioner Lara recently issued a congratulatory letter to all CEOs who participated in our Governing Board Diversity Engagement campaign. Following the 2018 MIDS, we engaged with the CEOs whose boards had zero board diversity. Since then, prior Commissioner Jones (pre-2019) and now Commissioner Lara have been in regular communication with these companies and have seen some progress in either adding a diverse board member or updating their policy statements. We know that bringing it to their attention is making progress. There is discussion about what the next phase will look like and we will work with the Task Force to determine the next steps.

IX. Past/Upcoming Events & Announcements – Updates & Discussion

Rebecca Aguilera-Gardiner, IDTF - Veterans in Business (VIB) National Conference. 587 registered attendees, and 400 participated in the business matchmaking. On their side, they used a matchmaking service – [My Business Matches](#) - lots of great feedback from buyers and suppliers. The company they used is a veteran owned business. They opened up matchmaking for all to connect, not just potential business matches as they have learned that veteran to veteran sharing is very valuable. The conference had two main speakers, a happy hour with a bourbon twist, a live concert with an artist painting. Knew that this year would be year that they could try many new things and see what worked and be forgiven if things did not. Had 20 people on the morning of the Conference who registered and wanted to participate in matchmaking. Will be deciding in the coming months if they will go full virtual or hybrid in 2021. At this time, it is scheduled for 11/8 and 11/9. VIB won a bronze international [Stevie award](#). Lost to DHL Germany but feels very proud of this accomplishment.

Mark Morales, IDTF – Congratulated her on her first virtual event and then to win the award for her first event. Very impressive.

Uzma Rahman, CDI – Wanted to point out how we also referred to the VIB Conference when we were thinking about matchmaking. Yes, diverse suppliers are looking to meet with insurance companies, but also they want to network with each other. Based upon the experience from the VIB conference, Uzma created a contact roster for everyone that was present in each matchmaking session, because they also enjoy networking with each other.

Rebecca Aguilera-Gardiner, IDTF – Final event of the year for VIB Network is an online meeting “Finishing Together to Start Strong.” The goal of this event will be to talk about taxes, how to report and close out the books for 2020 as it was such an odd year. Will have a representative from Union Bank to provide insights. This event is scheduled for December 8, 2020 and you may register on the [VIB Network site](#).

Jay Greene, IDTF, IDTF - Golden Gate Business Association will be holding their Holiday Event on December 8, 2020. The event will be honoring Joan Kerr from PG&E. She is retiring and had a big part in the supplier diversity space. GGBA is also looking for proposals for the Power Lunch which is held in March. Visit the www.ggba.com site

for more information.

X. Public Comment

Mark Morales, IDTF – Advised that there is a one-minute time limit for each public comment.

Anthony Belcher, Public – Wanted to thank everyone for the Summit. Outside of the government agencies, thinks that Wes-Tech did very well. Have had an overwhelming response from insurance companies. Wanted to talk about some of the requests that were sent to Chandara regarding public information.

Chandara Phanachone, CDI – Advised that Mr. Belcher's aforementioned request was determined to be a request for information related to the Public Records Act, and therefore, we forwarded his request to the Department's Custodian of Records. He can expect to receive a response within 10 days of his request – which would be December 4.

Anthony Belcher, Public – Said his main goal is to work together and get things done. He does not have an axe to grind, and will work with anyone on anything. Wants everyone to know that he is very appreciative of the Summit and looks forward to working together in the next year.

Mark Morales, IDTF – Thanked Mr. Belcher for his comments and involvement.

XI. Closing Remarks & Meeting Adjournment

Chandara Phanachone, CDI - Wanted to thank people for their attendance and commitment to the Initiative. Looking forward to the year ahead. Typically, the 1st Quarterly Meeting is in March. We'll be scheduling that in the next couple of weeks and getting a calendar invitation sent out. Additionally, we have our last two Advisory Group meetings scheduled for December 17, 2020. We'll look forward to your attendance at these meetings.

Motion to Adjourn Meeting: Rebecca Aguilera- Gardiner

Motion Seconded: Salvador Peinado, Jr.