Review Process. The Ad Hoc Review Committee, composed of Angela Della Volpe, Interim Deputy Provost, Irene Lange, Chair, Department of Marketing, Armando Martinez-Cruz, Department of Mathematics, Anil Puri, Dean, Mihaylo College of Business and Economics (MCBE), and Penny Weismuller, School of Nursing, has reviewed the proposal for the School of Risk Management and Insurance. An Open Hearing was announced to the campus and held on January 27, 2014. Nine representatives from the Departments of Finance, Mathematics, ISDS, Marketing and the Center for Insurance Studies were in attendance. Sean Walker, Chair of the Academic Senate also attended. Comments from the Ad Hoc Review Committee and from attendees at the Open Hearing were uniformly positive in support of the establishment of a School of Risk Management and Insurance (SRMI).

Summary of Proposal. The Center for Insurance Studies has been operating successfully since 1998 to develop curriculum for the next generation of insurance professionals and to provide rich opportunities to interact with industry professionals and faculty in specific research projects and internship opportunities. The SRMI will further expand the influence begun by CIS by attracting additional resources from industry to fund new faculty positions, interdisciplinary research efforts in risk management and insurance topics, as well as providing further internship opportunities. These efforts will help prepare strong graduates to meet growing industry needs in the arena of risk management and insurance.

The School designation will enhance the value of degree recognition from CSUF and from the MCBE. Currently, insurance studies at CSUF are ranked third in the nation and first west of the Mississippi River. Establishment of the school will capture industry excitement and commitment, already evident in their support of the CIS, to enhance a multidisciplinary approach to this area of study. Risk management is increasingly important in the study of earthquake risks, political risks in environmental management, as well as in other natural or man-made disasters both nationally and globally. Actuary Science which supports these studies is complex. Additional funding for curricular support of these studies will prepare the strong graduates needed by industry to meet this growing need. The School will continue to expand opportunities for students through scholarships and through high impact practices to work with faculty in risk management and insurance research projects and to participate with industry leaders in internship opportunities.
Just as the Center for Insurance Studies has been self-sufficient through fundraising, entrepreneurial activities, and grants and contracts, the SRMI will build on that tradition. It is anticipated that the School designation will attract additional support to expand endowment and current use funding. The School designation is important both to attract this support, as well as enhance the visibility of Risk Management and Insurance studies at CSUF. There is no other School of Risk Management and Insurance Studies west of the Mississippi. The establishment of the School here will serve both risk management and insurance professionals in the Western United States as well as the growing global market for these services in Asia and Latin America.

The School proposal follows the business model of the Katie School of Insurance and Financial Services at Illinois State University. This model, followed by CIS currently, does not include an academic department, but focuses on program development and fundraising. The School will have a faculty director (continuation of the present CIS director), will fund his/her released time, may have additional faculty and administrative staff, with the approval of the Dean, MCBE, and will pay for their costs. Faculty members associated with the SRMI will maintain residence in their academic departments. This multidisciplinary faculty will be supported by SRMI buying released time to carry out projects associated with the School’s mission. The School will not have its own courses, but will work with affiliated departments to enrich the curriculum for risk management and insurance studies. This self-supporting School will have a board of directors and an advisory board of industry and university leaders to guide activities and to raise funds. The School’s activities will be subject to approval by the college dean and will act in accordance with University policies and procedures.

The proposal clearly delineates the need for and the support of a SRMI and how the school will advance the CSUF Mission, Goals and Strategies. The opportunities for expanded interdisciplinary work involving both faculty and students are evident. Additional costs for the School’s expanded opportunities are noted to be covered by expanded contracts and fundraising made possible with the School designation.

Recommendation. Therefore, the Ad Hoc Review Committee for the School of Risk Management and Insurance proposal recommends approval and establishment of the SRMI contingent upon the funding target established by the Dean, MCBE.