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SANTA BARBARA • SANTA CRUZ

OFFICE OF THE EXECUTIVE VICE PRESIDENT—
CHIEF FINANCIAL OFFICER

OFFICE OF THE PRESIDENT
1111 Franklin Street, 10th Floor
Oakland, California 94607-5200

April 28, 2017

To: Vice Chancellors for Administration
Campus Risk Managers

Subject: 2017-18 Cyber Liability Premium Schedule

Dear Colleagues,

Cyber liability has been an emerging risk and the costs to manage this risk needs to be separated from the Property Program and the premium will now be collected separately. The excess insurance premiums were previously included in the Property Program insurance costs.

We have had actuarial analysis done to provide a premium funding schedule that covers the self-insurance layer, excess insurance layer and risk mitigation costs for this coverage. The risk mitigation costs include the cyber training for all employees and will be expanded to include students as well. As this is a newer program, the allocation methodology is based on risk exposures of employee full time equivalent (FTE), number of students, and for the medical centers, the number of patient days. As the program matures, we will be including loss experience.

If you have any questions, please do not hesitate to call me or Gary Leonard (510.987.9824).

Sincerely,

A handwritten signature in cursive script that reads "Cheryl A. Lloyd".

Cheryl A. Lloyd
Associate Vice-President & Chief Risk Officer
Risk Services website: <http://www.ucop.edu/risk-services/index.html>

cc: Executive Vice President Brostrom
Executive Vice President Nava
Interim Associate Vice President Alcocer
Budget Directors
Planning & Budget Officers
Environment Health & Safety Directors
Accounting Managers
Payroll Managers
OP Budget Executive Director Baltaxe
OP Budget Director Goode
Director Satorre
Accounting Supervisor Wildeman
Manager Barrett
Deputy Chief Risk Officer Confetti
Executive Director Leonard
Program Manager Burley
Program Manager Gustavson
Director Vecchi

**UNIVERSITY OF CALIFORNIA
CYBER LIABILITY PREMIUM SCHEDULE
Fiscal Year 2017/18**

4/28/17

<u>Location</u>	Cyber Liability	Cyber Mitigation	Cyber Premium ⁽¹⁾
Berkeley	\$ 581,640	\$ 239,663	\$ 821,303
Davis	578,246	238,265	816,511
Davis Medical Center	565,272	232,919	798,191
Irvine	451,177	185,906	637,083
Irvine Medical Center	314,871	129,742	444,613
Los Angeles	816,158	336,296	1,152,454
Los Angeles Med Center	615,180	253,484	868,664
Merced	92,192	37,987	130,179
Riverside	279,822	115,300	395,122
San Diego	583,442	240,406	823,848
San Diego Medical Center	489,342	201,632	690,974
San Francisco	275,366	113,464	388,830
San Francisco Med Center	800,704	329,928	1,130,632
Santa Barbara	307,390	126,659	434,049
Santa Cruz	231,535	95,404	326,939
Office of the President	30,292	12,482	42,774
Ag & Natural Resources	25,393	10,463	35,856
Total	\$ 7,038,022	\$ 2,900,000	\$ 9,938,022

(1) Allocation is based upon actuarial methodology.

Note: Unfunded costs for fiscal year 2016/17 of \$7 million will need to be recovered from future years.