



CSURMA Board of Directors Meeting Agenda “This is an Open Public Meeting”

In accordance with the requirements of the Bagley-Keene Open Meeting Act, notice of this meeting must be posted in publicly accessible places, including the Internet, at least ten (10) days in advance of the meeting.

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant at (415) 403-1400 twenty-four hours in advance of the meeting. Entrance to the meeting location requires routine provision of identification to building security. However, CSURMA does not require any member of the public to register his or her name or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

Date & Time: October 24, 2025 – 10:00 AM to 11:30 AM

Primary Location: CSU Long Beach
Anna W. Ngai Alumni Center
D’Reams Family Boardroom
1250 Bellflower Blvd
Long Beach, CA 90840

Zoom Chat: <https://alliantinsurance.zoom.us/j/96907756036>
Teleconference: 1 (669) 900-6833
Meeting Number: 969 0775 6036
Passcode: 005104

A = Action Item / I = Informational Item

A. Call to Order

- 1. Approval of the Agenda** A p. 6
The Committee will be asked to approve the meeting agenda.

B. Public Comments

C. Consent Calendar

The Committee is asked to take action on the consent calendar items as a group, except that a member may request that an item be withdrawn from the Consent Calendar for discussion and action.

- 1. Approval of Minutes – May 2, 2025** A p. 7
The Board will be asked to approve the minutes from its last meeting.

A Public Entity Joint Powers Authority

CSURMA Board of Directors Meeting Agenda

“This is an Open Public Meeting”

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|---|----------|--------------|
| <p>2. Adoption of CSURMA Board of Directors and Executive Committee 2026/27 Meeting Calendar
The Board will be asked to adopt the CSURMA Meeting Calendar.</p> | A | <i>p. 15</i> |
| <p>3. CSURMA Treasurer’s Reports
The Board will be asked to accept the Treasurer Reports for the periods ending June 30, 2025 and September 30, 2025.</p> | A | <i>p. 17</i> |

D. General Administration

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- | | | |
|--|----------|---------------|
| <p>1. Independent Auditor’s Financial Audit Report as of June 30, 2025 ** 10:05 AM Time Certain **
CSURMA’s Financial Auditor will provide an overview presentation on the Independent Auditor’s financial audit report at June 30, 2025.</p> | A | <i>p. 25</i> |
| <p>2. Excess Insurance Renewal Report
The Committee will receive a report on the renewals of the excess insurance policies.</p> | I | <i>p. 111</i> |
| <p>3. CSURMA Risk Pools Rating Plan Task Group
The Board will be asked to review and approve the RPTG’s recommended revisions to the Campus Risk Pool’s rating plans.</p> | A | <i>p. 114</i> |
| <p>4. Campus Risk Pools</p> | | |
| <p>a. Campus Risk Pool Actuarial Reports valued at June 30, 2025
The Board will be asked to review the Campus’ actuarial reports.</p> | I | <i>p. 147</i> |
| <p>b. Campus Risk Pools Funding Status at June 30, 2025
The Board will receive a report on the funding status of the Campus pooled programs.</p> | I | <i>p. 171</i> |
| <p>c. 2025 Campus Dividends / Assessments
The Board will be asked to review the assessments approved by the Executive Committee.</p> | I | <i>p. 178</i> |
| <p>d. FY 2026/27 Rates and Gross Funding Campus Coverage Programs
The Board will be asked to review and adopt the Campus coverage program rates and funding for the upcoming program year.</p> | A | <i>p. 189</i> |

A Public Entity Joint Powers Authority

CSURMA Board of Directors Meeting Agenda

“This is an Open Public Meeting”

E. Standing Committee Reports

- | | | | |
|----|---|---|--------|
| 1. | AIME Programs Update
The Board will receive a verbal report of the AIME programs. | I | p. 202 |
| 2. | AORMA Programs Update
The Board will receive a verbal report on the AORMA programs. | I | p. 203 |

F. Closed Session

Pursuant to Cal. Gov. Code Sec. 11126(e)(1) & 11126(f)(1) – Action may be taken per Government Code Section 11126(e)(1) & 11126(f)(1). The matters below may be discussed. The Committee may take action or provide direction to Staff regarding the matters.

No items are scheduled for closed session at today’s meeting.

G. Information Item

- | | | | |
|----|---|---|--------|
| 1. | CSURMA Long Range Planning Goals
The Board will hear an update on the Long-Range Planning Goals. | I | p. 204 |
| 2. | CSURMA Annual Report
The Board will be asked to review the CSURMA Annual Report. | I | p. 207 |
| 3. | Financial Ratings of the CSURMA Insurers and Reinsurers
The Board will be asked to review the financial status of CSURMA’s current insurers and reinsurers. | I | p. 248 |
| 4. | CSURMA Tri-Fold Brochure
The Board will review the updated CSURMA Tri-Fold. | I | p. 252 |
| 5. | Unemployment Insurance Claims Cost Summary Charts
The Board will be asked to review the Unemployment Insurance Summary Report | I | p. 255 |

CSURMA Board of Directors Meeting Agenda “This is an Open Public Meeting”

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|---|----------|---------------|
| 6. Workers’ Compensation Stewardship Report | I | <i>p. 258</i> |
| The Board will be asked to review the CSU Workers’ Compensation Program Stewardship Report. | | |
| 7. CSURMA Administrative Service Calendar | I | <i>p. 292</i> |
| The Board will be asked to review the CSURMA Administrative Service Calendar and provide direction to staff as appropriate. | | |
| 8. CSURMA Board of Directors and Staff Contact List | I | <i>p. 299</i> |
| The Board will be asked to review the CSURMA Board of Directors contact information and provide Staff with revisions. | | |

H. Adjournment

The next CSURMA Board of Directors meeting is scheduled for May 8, 2026. If you have questions regarding the agenda, please contact:

Mimi Long at mlong@alliant.com / (415) 403-1423 or
Tevea Him at thim@alliant.com / (415) 403-1416

CSURMA Board of Directors Meeting Agenda

"This is an Open Public Meeting"

Teleconference Locations:

- CSU Chancellor's Office - 401 Golden Shore, Long Beach, CA
- CSU Bakersfield - 9001 Stockdale Highway, Bakersfield, CA
- CSU Channel Islands - One University Drive, Camarillo, CA
- CSU Chico - 400 West First Street, Chico, CA
- CSU Dominguez Hills - 1000 East Victoria Street, Carson, CA
- CSU East Bay - 25800 Carlos Bee Blvd., Hayward, CA
- CSU Fresno - 5241 North Maple Avenue, Fresno, CA
- CSU Fullerton - 800 North State College Blvd., Fullerton, CA
- Cal Poly Humboldt - 1 Harpst Street, Arcata, CA
- CSU Long Beach - 1250 Bellflower Blvd., Long Beach, CA
- CSU Los Angeles - 5151 State University Drive, Los Angeles, CA
- California Maritime Academy - 200 Maritime Academy Dr., Vallejo, CA
- CSU Monterey Bay - 5108 Fourth Avenue, Marina, CA 93933
- CSU Northridge - 18111 Nordhoff Street, Northridge, CA
- Cal State Polytechnic University, Pomona - 3801 West Temple Ave., Pomona, CA
- CSU Sacramento - 6000 J Street, Sacramento, CA
- CSU San Bernardino - 5500 University Parkway, San Bernardino, CA
- San Diego State - 5500 Campanile Drive, San Diego, CA
- San Francisco State - 1600 Holloway Ave., San Francisco, CA
- San Jose State - One Washington Square, San Jose, CA
- Cal Polytechnic State University, SLO - 1 Grand Avenue, San Luis Obispo, CA
- CSU San Marcos - 333 South Twin Oaks Valley Rd., San Marcos, CA
- Sonoma State - 1801 East Cotati Avenue, Rohnert Park, CA
- CSU Stanislaus - One University Circle, Turlock, CA
- Associated Students of CSU, Chico
- Associated Students, Inc., CSU Los Angeles
- Associated Students, San Diego State University
- CSU Fullerton Auxiliary Services Corporation
- Forty-Niner Shops, Inc. & Associated Students, Inc.
- San Diego State University Research Foundation
- Toro Auxiliary Partners, CSU Dominguez Hills
- University Student Union, Inc. at CSUN
- University Union Operation of CSUS, Inc.

A Public Entity Joint Powers Authority

APPROVAL OF THE AGENDA

ISSUE: The Board of Directors will be asked to approve the agenda for today's meeting.

RECOMMENDATION: The Board of Directors is asked to review and approve the proposed agenda before discussion of any business.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S): None.

APPROVAL OF MINUTES – MAY 2, 2025

ISSUE: The Board of Directors will be asked to review and approve the draft minutes from its May 2, 2025 meeting.

RECOMMENDATION: It is recommended that the Board of Directors approve the minutes from its May 2, 2025 meeting, including corrections as necessary.

FISCAL IMPACT: None.

BACKGROUND: The minutes reflect the actions taken by the Board of Directors at its last meeting.

PUBLICATION: The approved minutes will be uploaded to the CSURMA website.

ATTACHMENT(S):

- a. CSURMA Board of Directors Meeting Minutes – May 2, 2025

**MINUTES OF THE
CSURMA BOARD OF DIRECTORS MEETING**

MAY 02, 2025 @ 10:30 AM

**CSU CHANCELLOR'S OFFICE, DUMKE ROOM
401 GOLDEN SHORE • LONG BEACH, CA**

A. CALL TO ORDER

The meeting was called to order at 10:31 AM by Scott Apel

A1. Approval of the Agenda

A motion was made to approve the agenda for today's meeting.

MOTION: Michael Beatty **SECOND:** Robert Eaton

AYES:	S. Apel, M. Beatty, K. Crawford, C. Donahue, R. Eaton, J. Horio, C. Kissel, J. Lane, R. McAuliffe, B. Olmsted, M. Thorpe, and L. Warren
NOES:	None
ABSTAIN:	J. Ceja, M. Coughlin, R. Hernandez, T. Hill, C. Koczera, N. Lane, S. Milton, M. Morgan, A. Nickerson, T. Poon, G. Rosenblum, A. Thomas, R. Tyson, K. Vogler and M. Yu
ABSENT:	B. Brown, Q. King, A. Kraetsch, L. Levinson, J. Melikian, B. Olin, C. Ortiz

MOTION CARRIED

B. PUBLIC COMMENTS

There were no public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – October 25, 2024

C2. CSURMA Treasurer's Reports

C3. CSURMA's Conflict of Interest Code

A motion was made to approve and/or accept each item on the Consent Calendar as presented.

MOTION: Robert Eaton **SECOND:** Michael Beatty

AYES:	S. Apel, M. Beatty, K. Crawford, C. Donahue, R. Eaton, J. Horio, C. Kissel, J. Lane, R. McAuliffe, B. Olmsted, M. Thorpe, and L. Warren
NOES:	None
ABSTAIN:	J. Ceja, M. Coughlin, R. Hernandez, T. Hill, C. Koczera, N. Lane, S. Milton, M. Morgan, A. Nickerson, T. Poon, G. Rosenblum, A. Thomas, R. Tyson, K. Vogler and M. Yu
ABSENT:	B. Brown, Q. King, A. Kraetsch, L. Levinson, J. Melikian, B. Olin, C. Ortiz

MOTION CARRIED

D. GENERAL ADMINISTRATION

D1. Excess Insurance Renewals and Underwriter Meetings Report

The Board received a verbal report on the progress of the excess insurance marketing for FY 25/26.

D2. CSURMA FY 2025/26 Operating Budget

At its meeting earlier in the day, the Executive Committee removed the FY 25/26 CSURMA Operating Budget from its consent calendar and scheduled a separate meeting on May 16, 2025 to review and, if appropriate, approve the budget.

A motion was made to delegate authority to the Executive Committee to finalize and approve the FY 25/26 CSURMA Operating Budget.

MOTION: Robert Eaton **SECOND:** Michael Thorpe

AYES:	S. Apel, M. Beatty, K. Crawford, C. Donahue, R. Eaton, J. Horio, C. Kissel, J. Lane, R. McAuliffe, B. Olmsted, M. Thorpe, and L. Warren
NOES:	None
ABSTAIN:	J. Ceja, M. Coughlin, R. Hernandez, T. Hill, C. Koczera, N. Lane, S. Milton, M. Morgan, A. Nickerson, T. Poon, G. Rosenblum, A. Thomas, R. Tyson, K. Vogler and M. Yu
ABSENT:	B. Brown, Q. King, A. Kraetsch, L. Levinson, J. Melikian, B. Olin, C. Ortiz

MOTION CARRIED

D3. CSURMA Risk Pool Funding Status

The Board reviewed the Risk Pool Funding Status exhibit.

D4. FY 2025/26 CSURMA Long Range Action Plan

The Board heard an overview of the long-range planning goals adopted by the Executive Committee.

- LRP-1: Energized Equipment
- LRP-2: Create Acceptance of Risk / Informed Consent Document to be Used When Students are Engaged in Experiential Learning
- LRP-3: Evident ID
- LRP-4: Combat Sports
- LRP-5: AI Campus Security Survey
- LRP-6: Documentation of Complex Claims Process
- PL-1: Systemwide Roof Assessment and Fall Protection / Prevention - Development of Resource Guide

D5. Evident ID

At its meeting earlier in the day, the Executive Committee approved certificate of insurance (COI) tracking services through Evident ID. The Board heard a summary of services to be provided by Evident ID as well as the COI tracking platform capabilities.

D6. CSURMA Bylaws

The Board reviewed the proposed amendments to the CSURMA Bylaws.

- Article IV, Section 4.3(b) – Item ix was added which allows the Treasurer to approve inter-fund borrowing between CSURMA’s coverage programs, and to allow the Treasurer to approve member loans.
- Article VI, Section 6.2 (a) – Changed to conform to Policies and Procedures adopted by the AORMA Committee as detailed below.
 - o Effective December 10, 2015, the composition of the AORMA Committee was changed to remove the Past Chair and Ex Officio alternate seats. The Vice Chair seat name was changed to First Vice Chair and a Second Vice Chair officer seat was added. The term limit for the three officer seats (Chair, First Vice Chair and Second Vice Chair) was changed from one-year to two, two-year terms per officer seat.
 - o Effective May 4, 2023, the term limit for the at-large AORMA Committee members was removed.

A motion was made to approve the revisions to the CSURMA Bylaws as presented.

MOTION: Michael Beatty

SECOND: Chuck Kissel

AYES:	S. Apel, M. Beatty, K. Crawford, C. Donahue, R. Eaton, J. Horio, C. Kissel, J. Lane, R. McAuliffe, B. Olmsted, M. Thorpe, and L. Warren
NOES:	None
ABSTAIN:	J. Ceja, M. Coughlin, R. Hernandez, T. Hill, C. Koczera, N. Lane, S. Milton, M. Morgan, A. Nickerson, T. Poon, G. Rosenblum, A. Thomas, R. Tyson, K. Vogler and M. Yu
ABSENT:	B. Brown, Q. King, A. Kraetsch, L. Levinson, J. Melikian, B. Olin, C. Ortiz

MOTION CARRIED

D7. Campus Liability Memorandum of Coverage (MOC)

At its meeting earlier in the day, the Executive Committee approved changes to the Campus, AORMA and \$5M xs \$10M Liability Memorandum of Coverage documents.

A recent court case found the term “occurrence” was ambiguous and determined that each injury-causing bullet fired by the shooter constituted a separate occurrence, potentially leading to multiple risk pool limits paid by CSURMA and reinsurance / policy limits paid by excess insurers. In response to this court finding, the three MOCs were revised. The revision to the MOCs group all damage and injuries from a single mass shooting incident into one occurrence, which means the total payout for the incident should be limited to the risk pool’s per occurrence limit of liability.

D8. Nominating Committee Report and Executive Committee Elections

The Nominating Committee made the following nominations for the three seats that will become open on July 1, 2025.

- **Vice Chair – Rose McAuliffe**
- **Seat #1 – Michael Beatty**
- **Seat #2 – Jeff Wilson**

A motion was made to close nominations and to elect the slate of candidates as proposed.

MOTION: Robert Eaton

SECOND: Bill Olmsted

AYES:	S. Apel, K. Crawford, C. Donahue, R. Eaton, J. Horio, C. Kissel, J. Lane, R. McAuliffe, B. Olmsted, M. Thorpe, and L. Warren
NOES:	None
ABSTAIN:	J. Ceja, M. Coughlin, R. Hernandez, T. Hill, C. Koczera, N. Lane, S. Milton, M. Morgan, A. Nickerson, T. Poon, G. Rosenblum, A. Thomas, R. Tyson, K. Vogler, M. Yu, M. Beatty
ABSENT:	B. Brown, Q. King, A. Kraetsch, L. Levinson, J. Melikian, B. Olin, C. Ortiz

MOTION CARRIED

D9. State of the Public Entity Insurance Market & Emerging Risks ** Presentation **

The Board heard a presentation regarding the current state of the public entity insurance market as well as emerging risks.

E. STANDING COMMITTEE REPORTS

E1. AIME Program Update

Michael Beatty provided a brief report of the activities of the AIME Committee.

E2. AORMA Programs Update

Chuck Kissel provided a brief report of the activities of the AORMA Committee.

F. CLOSED SESSION

There were no items scheduled for closed session.

G. INFORMATION ITEMS

The Board reviewed the information items without discussion.

- G1. Safe Connections: Discover the Hidden Forces Driving Up Insurance Costs**
- G2. Service Provider Performance Survey Reports**
- G3. CSURMA Administrative Service Calendar**
- G4. CSURMA Board of Directors and Staff Contact List**

H. ADJOURNMENT

The meeting was adjourned at 11:12 AM.

**CSURMA BOARD OF DIRECTORS MEETING
ATTENDANCE RECORD
May 02, 2025 @ 10:30 AM**

V = Voting Board Member / V-N = Non-Voting Board Member

Campus Name	Representative	Present	Alternate	Present
CSU Bakersfield	Lori Blodorn		Jevan Lane	V
CSU Office of the Chancellor	Steve Relyea		Robert Eaton	V
CSU Channel Islands	Bradley Olin		MariaElena Plaza	
CSU Chico	Michael Thorpe	V	Jamie Clyde	
CSU Dominguez Hills	Deborah Wallace		Shauneice Milton	V
CSU East Bay	Tom Poon	V	Myeshia Armstrong	
CSU Fresno	Jaime Horio	V	Bob Brown	
CSU Fullerton	Michael Coughlin	V	Anne Grogan	V-N
Humboldt State University	Christina Koczera	V	Sherie Gordon	
CSU Long Beach	Scott Apel	V	Jeff Wood	
CSU Los Angeles	Queen E. King		Nidavone Niravanh	
California Maritime Academy	Angela Kraetsch		Vacant	
CSU Monterey Bay	Alan Fisher		Amy Thomas	V
CSU Northridge	Colin Donahue	V	Lisa Telles	
			Edith Winterhalter	V-N
Cal Poly Pomona	Mike Yu	V	Joseph Encarnacion	V-N
CSU Sacramento	Christopher McAlary		Gary Rosenblum	V
CSU San Bernardino	Lynniece Warren	V	Dr. Samuel Sudhakar	
San Diego State University	Agnes Wong Nickerson	V	Jessica Rentto	V-N
San Francisco State University	Jeff Wilson		Michael Beatty	V
San Jose State University	Karen Vogler	V	Stan Nosek	V-N
Cal Poly (San Luis Obispo)	Mike Morgan	V	Allison Baird-James	
CSU San Marcos	Brittani Brown		Leon Wyden	
Sonoma State University	Tyson Hill	V	Monir Ahmed	
CSU Stanislaus	Rose McAuliffe	V	Vicki Jones	V-N
Campus Name	Representative	Present		
The Cal Poly Pomona Foundation, Inc.	Jared Ceja			V
CSU Fullerton Auxiliary Services Corporation	Chuck Kissel			V
University Union Operation of CSUS, Inc.	Bill Olmsted			V
Fresno State Auxiliary Services	Nicole Lane			V
Forty-Niner Shops, Inc. & Associated Students, Inc.	Rosa Hernandez			V
University Student Union, Inc. at CSUN	Cecilia Ortiz			
Associated Students, San Diego State University	Raven Tyson			V
University Enterprises, Inc., CSU Sacramento	John Melikian			
San Diego State University Research Foundation	Leslie Levinson			
Associated Students of CSU, Chico	Keith Crawford			V

Staff, Guests and/or Consultants Present:

Smey Chum, CSU Office of the Chancellor, Financial Services
 Zachary Gifford, CSU Office of the Chancellor – Systemwide Risk Management
 Bob Gomez, CSU Los Angeles
 Tevea Him, Alliant Insurance Services, Inc.
 Audrey Hotaling, CSU San Marcos

Daniel Howell, Alliant Insurance Services, Inc.
William Hsu, CSU Office of the Chancellor, Office of General Counsel
Deanna Jacona, Hudson Claims Consulting
Alice Kim, CSU Office of the Chancellor, Financial Services
Larry Kimaara, CSU Dominguez Hills
Amy Lightner, Alliant Insurance Services, Inc.
Mimi Long, Alliant Insurance Services, Inc.
Mike Massari, Alliant Insurance Services, Inc.
Jullia Perancullo, CSU Office of the Chancellor, Financial Services
Andrea Perreault, CSU San Marcos
Sherry Pickering, CSU Office of the Chancellor, Financial Services
Joyce Spencer, CSU Channel Islands
Jody Van Leuven, CSU Office of the Chancellor
Robin Webb, CSU Office of the Chancellor, Office of General Counsel

**ADOPTION OF CSURMA BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE 2026-27
MEETING CALENDAR**

ISSUE: Below are the proposed 2026-27 CSURMA Executive Committee (EC) and Board of Directors (BOD) meeting dates.

September 11, 2026 at 8:30 AM	EC (Irvine)
October 23, 2026 8:30 AM	EC (Long Beach)
October 23, 2026 10:30 AM	BOD (Long Beach)
December 4, 2026 at 8:30 AM *	EC (TBD)
January 10, 2027 at 3:30 PM (During the AOA Conference)	EC (TBD)
March 4, 2027 at 2:30 PM	EC (Irvine)
March 5, 2027 at 8:30 AM	EC LRP (Irvine)
May 7, 2027 at 8:30 AM	EC (Long Beach)
May 7, 2027 at 10:30 AM	BOD (Long Beach)

** The December 4, 2026 meeting may be cancelled if the 2027 AOA Conference is held in-person and the EC meets at the conference instead.*

RECOMMENDATION: Staff recommends approving the proposed CSURMA meeting dates, with changes as appropriate.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: The approved calendar will be posted on the CSURMA website and will be included in all of the agenda packets.

ATTACHMENT(S):

- a. Draft 2026-27 CSURMA Meeting Calendar

FY 2026/27 CSURMA MEETING CALENDAR

JULY 2026				AUGUST 2026				SEPTEMBER 2026			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
TBD	11:00 AM	AORMA Officers Retreat				AOA EC	TBD	8	10:00 AM	NEW AORMA Member Orientation	Zoom
								8	11:00 AM	NEW EC Member Orientation	Zoom
								9	2:00 PM	AORMA	Irvine
								10	9:00 AM	AORMA LRP	Irvine
								11	8:30 AM	EC	Irvine
OCTOBER 2026				NOVEMBER 2026				DECEMBER 2026			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
15	10:00 AM	New BOD Member Orientation	Zoom			AOA EC	TBD	3	10:00 AM	AORMA	San Francisco
23	8:30 AM	EC	Long Beach					4	8:30 AM	EC	TBD
23	10:30 AM	BOD	Long Beach								
	8:30 AM	AIME	Zoom								
JANUARY 2027				FEBRUARY 2027				MARCH 2027			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
	8:30 AM	AIME	Zoom					4	2:30 PM	EC	Irvine
10	3:30 PM	EC (AOA Conference)						5	8:30 AM	EC LRP	Irvine
10-12		AOA Annual Conference									
APRIL 2027				MAY 2027				JUNE 2027			
Date	Time	Committee	Location	Date	Time	Committee	Location	Date	Time	Committee	Location
				6	1:30 PM	AORMA	Long Beach	TBD		AOA EC	TBD
				7	8:30 AM	EC	Long Beach				
				7	10:30 AM	BOD	Long Beach				
					8:30 AM	AIME	Zoom				

AORMA = Auxiliary Organizations Risk Management Alliance Committee

AIME = Athletic Injury Medical Expense Committee

AORMA LRP = AORMA Long Range Planning Meeting

AOA = CSU Auxiliary Organizations Association

BOD = CSURMA Board of Directors

EC = CSURMA Executive Committee

EC LRP = EC Long Range Planning Meeting

CSURMA TREASURER'S REPORTS

ISSUE: California Government Code Section 53646(b)(1) requires that the CSURMA Treasurer submit a Quarterly Investment Report stating that all investments comply with CSURMA's current investment policy and that CSURMA has sufficient funds to meet its expenditure requirements for the next six months. The Board is asked to review the Quarterly Investment Report ending June 30, 2025 and certification of funds letter dated October 13, 2025. The CSURMA Treasurer will be on hand to answer questions.

RECOMMENDATION: Staff recommends that the Board accept the Treasurer's Reports, as presented at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: The objective of reviewing the investment of funds is to ensure that policies and procedures are in effect to protect and preserve the JPA's financial assets.

PUBLICATION: None.

ATTACHMENT(S):

- a. Treasurer's Certification Letter dated October 13, 2025
- b. CSURMA Investment Report - April 1, 2025 - June 30, 2025



Officers

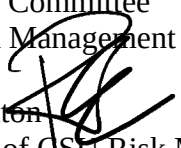
Scott Apel
Chair – 562-985-1658

Thom Davis
Vice Chair – 661-654-2287

Robert Eaton
Treasurer - 562-951-4572

Zachary Gifford
Secretary-Auditor - 562-951-4568

To: Executive Committee
CSU Risk Management Authority

From: Robert Eaton 
Treasurer of CSU Risk Management Authority

Re: Treasurer's Certification

Date: October 13, 2025

As of September 30, 2025, the Authority funds held in investments are sufficient to meet the Authority's cash flow needs for the following six (6) months, and the investments are in accordance with the investment policy of the Authority, as duly authorized by the Executive Committee.

Robert Eaton
Treasurer
CSU Risk Management Authority



Officers

Scott Apel
Chair - 562-985-1658

Thom Davis
Vice Chair - 661-654-2287

Robert Eaton
Treasurer - 562-951-4572

Zachary Gifford
Secretary-Auditor - 562-951-4568

To: Executive Committee
CSU Risk Management Authority

From: Robert Eaton
Treasurer
CSU Risk Management Authority

Re: Quarterly Investment Report
Ending June 30, 2025

Date: August 25, 2025

Government Code Section 53646(b)(1) requires the Authority's Treasurer to submit to the legislative body (Executive Committee), a quarterly investment report. Attached is the quarterly investment report ending June 30, 2025. The report contains a portfolio summary which includes market value, return, yield, weighted average maturity (WAM), and duration for each of CSURMA Investment Portfolios: the CSU's SWIFT Portfolio and the Fixed Income Portfolio with TCW (Met West).

The funds held in investments are sufficient to meet the Authority's cash-flow needs for the following six (6) months.

As of June 30, 2025, the investments are in compliance with the Master Investment Policy of the Authority dated September 6, 2019 (the "MIP"), as duly authorized by the Executive Committee.

A handwritten signature in blue ink, appearing to read "Robert Eaton", is written over a light blue horizontal line.

Robert Eaton
Treasurer
CSU Risk Management Authority

CSURMA

Quarterly Investment Report

April 1, 2025 - June 30, 2025

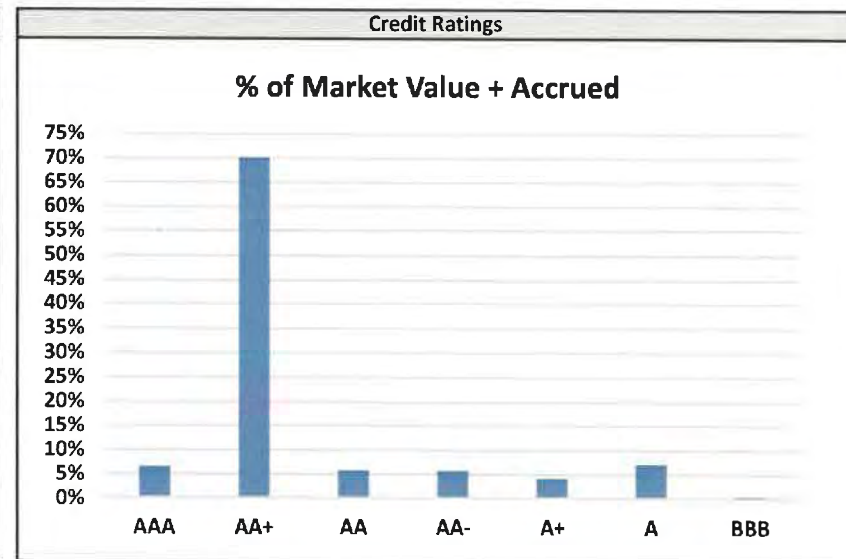
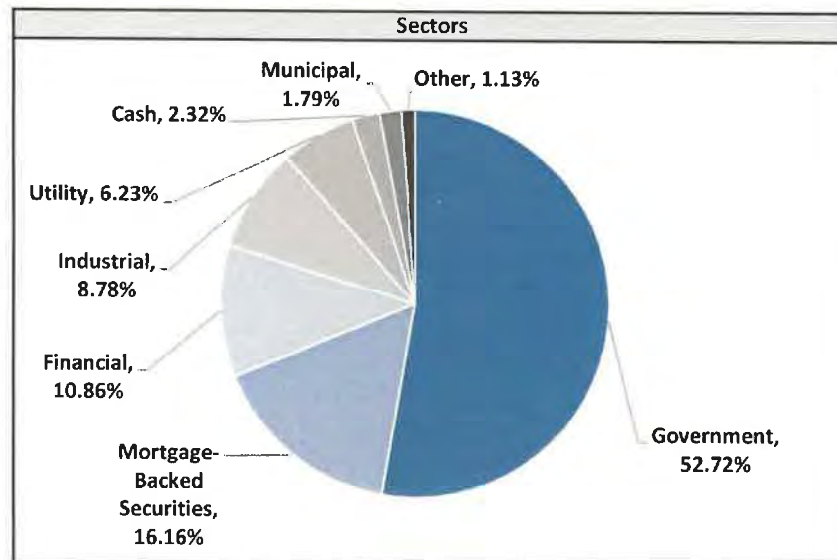
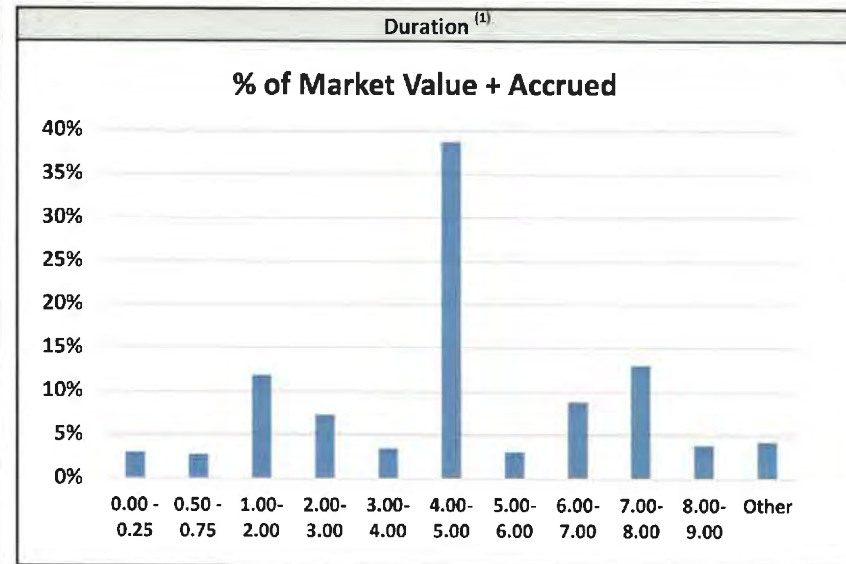
Prepared by Treasury

California State University Risk Management Authority

Fixed Income Portfolio (Auxiliary Investment Platform)

As of 6/30/2025

Portfolio Summary Total	
Total Assets	79,566,088
Duration	4.330
Yield	4.198
Avg Credit Rating	AA/Aa2/AA
QE Performance	1.338%



⁽¹⁾ The Other category combines duration ranges and in aggregate equals 4.22% of the portfolio.

California State University Risk Management Authority

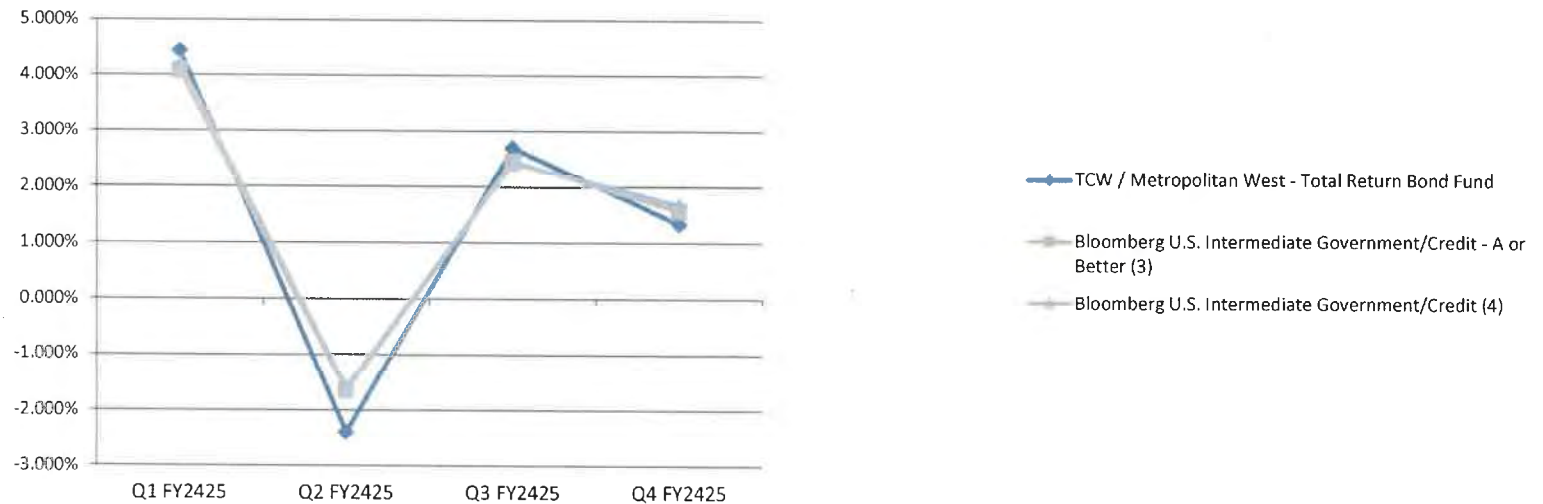
Fixed Income Portfolio (Auxiliary Investment Platform)

Performance Summary

Period Ending 6/30/2025

Account / Index	Market Value	3 Month ⁽¹⁾	Trailing 12 Month ⁽¹⁾	Trailing 3 Year ⁽¹⁾	Trailing 5 Year ⁽²⁾	Since Inception ⁽¹⁾	Yield	WAM ⁽²⁾	Duration
	06/30/25	04/01/25 - 06/30/25	07/01/24 - 06/30/25	07/01/22 - 06/30/25	07/01/20 - 06/30/25	04/01/08 - 06/30/25			
TCW / Metropolitan West - Total Return Bond Fund	79,566,088	1.338%	6.066%	2.730%	0.173%	2.668%	4.198	5.090	4.330
Bloomberg U.S. Intermediate Government/Credit - A or Better ⁽³⁾		1.571%	6.507%	3.204%	0.378%	2.391%	3.964	4.148	3.690
Bloomberg U.S. Intermediate Government/Credit ⁽⁴⁾		1.671%	6.739%	3.570%	0.635%	2.701%	4.092	4.273	3.758

Account / Index	Q1 FY2425	Q2 FY2425	Q3 FY2425	Q4 FY2425	Trailing 12 Month ⁽¹⁾
	07/01/24 - 09/30/24	10/01/24 - 12/31/24	01/01/25 - 03/31/25	04/01/25 - 06/30/25	07/01/24 - 06/30/25
TCW / Metropolitan West - Total Return Bond Fund	4.428%	-2.398%	2.690%	1.338%	6.066%
Bloomberg U.S. Intermediate Government/Credit - A or Better ⁽³⁾	4.067%	-1.649%	2.450%	1.571%	6.507%
Bloomberg U.S. Intermediate Government/Credit ⁽⁴⁾	4.170%	-1.601%	2.422%	1.671%	6.739%



(1) Represents Total Return on the portfolio (Income Return plus Price Return)

(2) Weighted Average Maturity

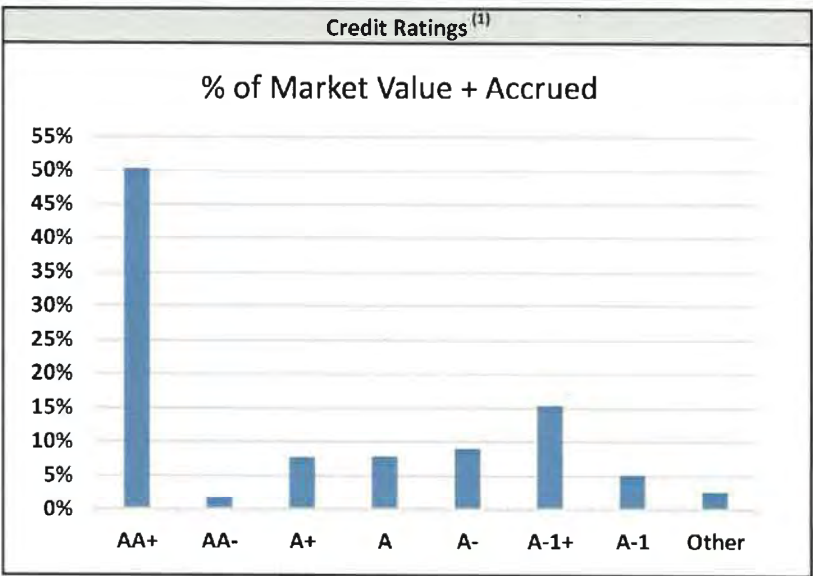
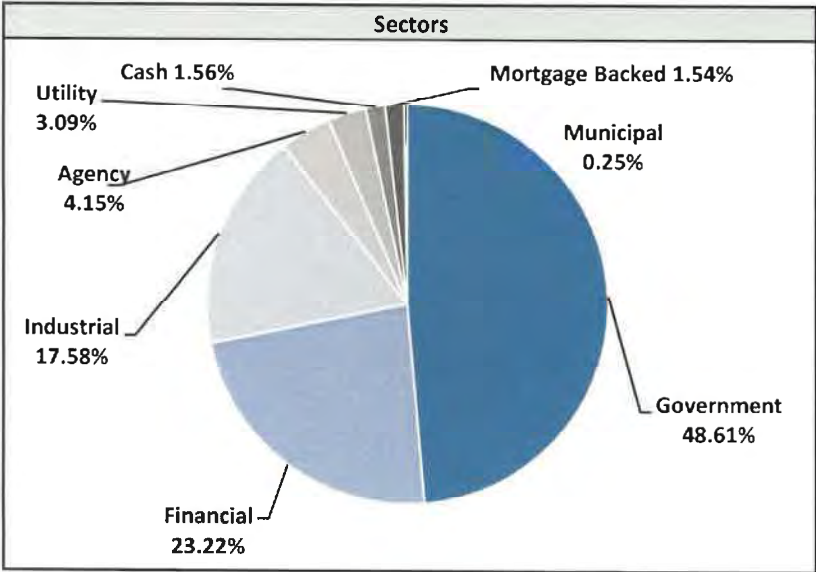
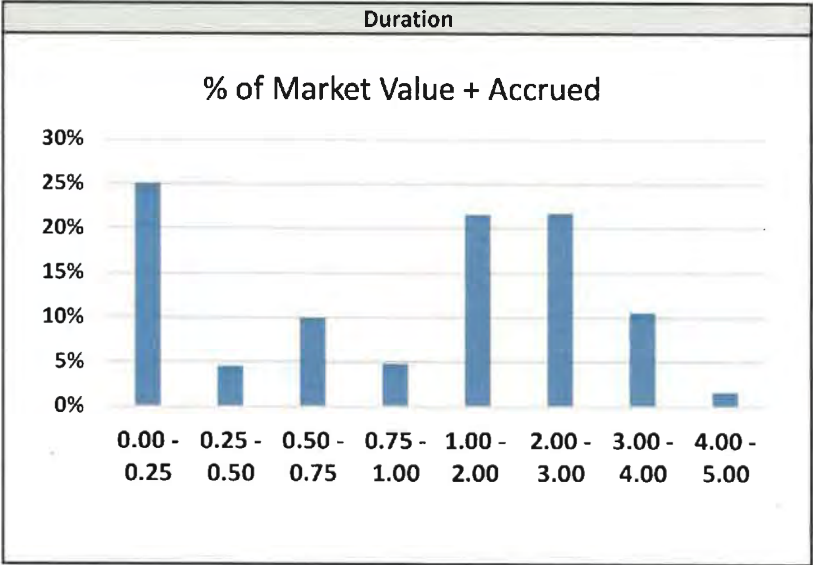
(3) Portfolio Benchmark as of 05/2014.

(4) Portfolio Benchmark prior to 05/2014.

California State University SWIFT Portfolio

As of 6/30/2025

Portfolio Summary Total	
Total Assets	23,944,802
Duration	1.446
Yield	4.068
Avg Credit Rating	AA-/Aa3/AA-
QE Performance	1.285%



⁽¹⁾ The Other category contains assets that do not fall within the top eight credit ratings and in aggregate equals 2.73% of the portfolio:

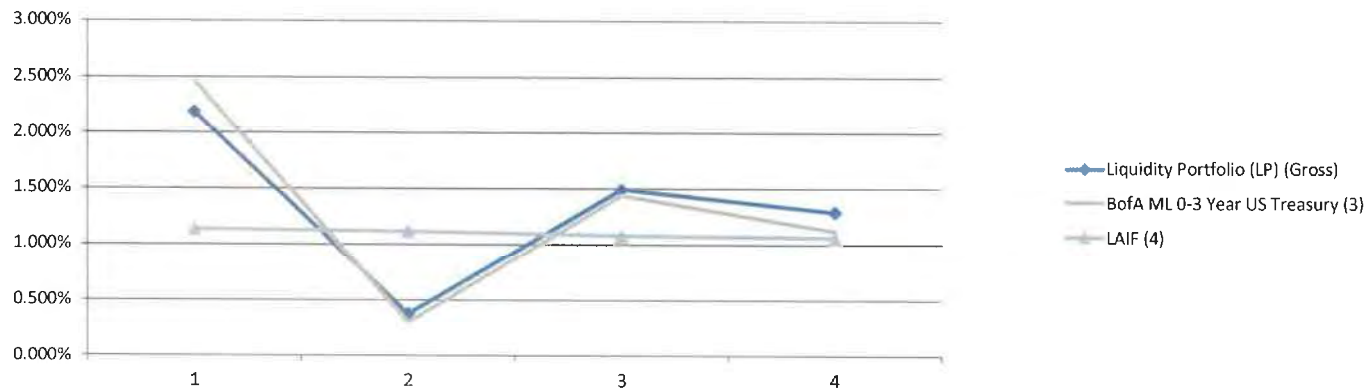
AAA 0.007%, AA 0.541%, BBB 0.494%, A-2 1.688%

California State University Risk Management Authority
SWIFT Portfolio
Performance Summary

Period Ending 6/30/2025

Account / Index	Market Value	3 Month ⁽¹⁾	Trailing 12 Month ⁽¹⁾	Trailing 3 Year ⁽¹⁾	Trailing 5 Year ⁽¹⁾	Trailing 10 Year ⁽¹⁾	Since Inception ⁽¹⁾	Yield	WAM ⁽²⁾	Duration
Liquidity Portfolio (LP) (Gross)	6/30/2025 23,944,802	04/01/25 - 06/30/25 1.285%	07/01/24 - 06/30/25 5.430%	07/01/22 - 06/30/25 4.328%	07/01/20 - 06/30/25 2.176%	07/01/15 - 06/30/25 1.981%	07/01/07 - 06/30/25 1.712%	4.068	1.565	1.446
BofA ML 0-3 Year US Treasury ⁽³⁾		1.118%	5.407%	3.769%	1.774%	1.740%	1.788%	3.929	1.495	1.426
LAIF - Local Agency Investment Fund ⁽⁴⁾		1.060%	4.450%	3.561%	2.312%	1.832%	1.514%	4.306%		

Account / Index	Q1 FY2425	Q2 FY2425	Q3 FY2425	Q4 FY2425	Trailing 12 Month ⁽¹⁾
	07/01/24 - 09/30/24	10/01/24 - 12/31/24	01/01/25 - 03/31/25	04/01/25 - 06/30/25	07/01/24 - 06/30/25
Liquidity Portfolio (LP) (Gross)	2.184%	0.376%	1.486%	1.285%	5.430%
BofA ML 0-3 Year US Treasury ⁽³⁾	2.462%	0.302%	1.431%	1.118%	5.407%
LAIF ⁽⁴⁾	1.131%	1.111%	1.076%	1.060%	4.450%



(1) Represents Total Return on the portfolio (Income Return plus Price Return)

(2) Weighted Average Maturity

(3) Liquidity Portfolio Benchmark

(4) LAIF returns calculated by CSUCO Treasury

**INDEPENDENT AUDITOR’S FINANCIAL AUDIT REPORT
AS OF JUNE 30, 2025**

ISSUE: Pursuant to Section 16(d) of the CSURMA Joint Exercise of Powers Agreement, CSURMA contracted with the independent audit firm KPMG to conduct an annual fiscal year audit (as of June 30, 2025) of the financial position of CSURMA. KPMG will present an overview of the report at today’s meeting.

RECOMMENDATION: It is recommended that the Board review and accept the audited financial report.

FISCAL IMPACT: None.

BACKGROUND: Section 16(d) of the California State University Risk Management Authority Joint Exercise of Power Agreement requires that an annual audit be completed for all accounts and financial statements of CSURMA.

PUBLICATION: The Financial Audit will be uploaded to the CSURMA website.

ATTACHMENT(S):

- a. KPMG Presentation
- b. KPMG Letter & Report
- c. The Independent Auditor’s Financial Audit Report as of June 30, 2025



California State University Risk Management Authority Discussion with those charged with Governance

Audit results and strategy for the year ending June 30, 2025

A better audit experience:

With KPMG, you can expect an experience that's better for your team, your organization, and the capital markets. An experience that's built for a world that demands agility and integrity.

We aim to deliver an exceptional client experience by focusing on:



Quality



Experience



Productivity

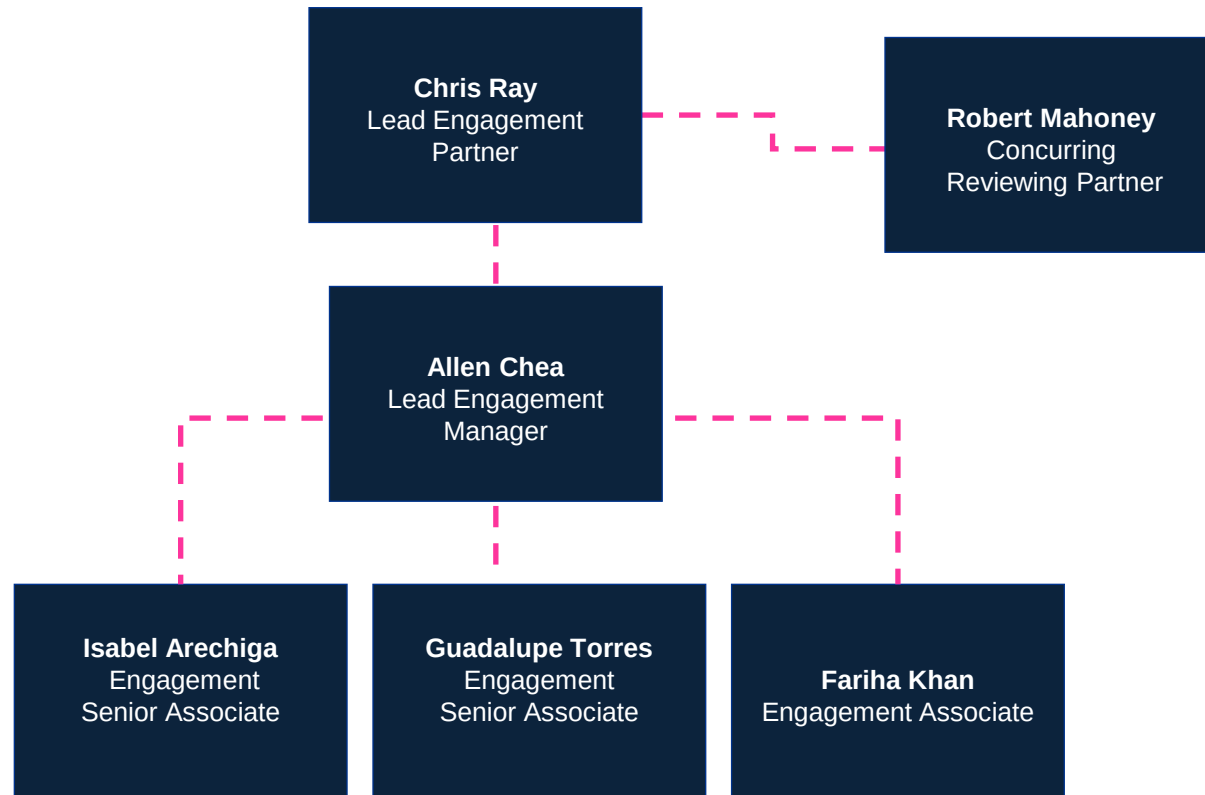


Insights

See how.



Client service team





Required communications to those charged with governance

[Prepared on: 09/08/2025]

[Presented on: 10/24/2025]



Audit results required communications and other matters

Matters to communicate	Response
Significant unusual transactions	X
Uncorrected audit misstatements	X
Corrected audit misstatements	X
Financial statement presentation and disclosure omissions	X
Non-GAAP policies and practices	X
Auditors' report	✓
Changes to our risk assessment and planned audit strategy	X
Significant accounting policies and practices	✓ See Note 2 of the Financial Statements
Significant accounting estimates	X
Significant financial statement disclosures	✓ See page 7
Significant risk related to management override	✓ See page 8

Matters to communicate	Response
Related parties	X
Going concern	X
Other information	X
Subsequent events	X
Noncompliance with laws and regulations	X
Significant difficulties encountered during the audit	X
Significant findings or issues discussed, or the subject of correspondence with management	X
Management's consultation with other accountants	X
Disagreements with management	X
Other significant matters	X

Audit results required communications and other matters

Matters to communicate

Illegal acts or fraud	No actual or suspected fraud involving management, employees with significant roles in internal control, or instances where fraud results in a material misstatement in the financial statements were identified during the audit.
Written communications	Engagement letter, management representation letter, and internal legal counsel letter.
Independence	In our professional judgement, we are independent with respect to CSURMA, as that term is defined by the professional standards.
Inquiries	See page 10

Significant financial statement disclosures

Description of significant financial statement disclosures	Audit findings
Significant financial statement disclosures relate to: • Investments (GASB 40 and GASB 72) • Claim Liability for Losses and Loss Adjustment Expenses • Excess Insurance and Reinsurance	• We deemed the CSURMA's financial statement disclosures appropriate in all material respects.

Significant risk related to management override of controls

No actual or suspected fraud involving management, employees, with significant roles in internal control or instances of fraud were identified during the audit.

Response

- No matters to report.

Involvement of others

Audit of financial statements	Extent of planned involvement
KPMG Actuary	KPMG Actuary to assist in the review of the actuarial reserves.
KPMG Tax	KPMG Tax to assist with the review of CSURMA as a tax-exempt authority.

Required inquiries

Are those charged with governance aware of:

- Matters relevant to the audit, including, but not limited to, violations or possible violations of laws or regulations?
- Any significant communications with regulators?
- Any developments in financial reporting, laws, accounting standards, corporate governance, and other related matters, and the effect of such developments on, for example, the overall presentation, structure, and content of the financial statements, including the following:
 - The relevance, reliability, comparability, and understandability of the information presented in the financial statements
 - Whether all required information has been included in the financial statements, and whether such information has been appropriately classified, aggregated or disaggregated, and presented?

Do those charged with governance have knowledge of:

- Fraud, alleged fraud, or suspected fraud affecting the Entity?
 - If so, have the instances been appropriately addressed and how have they been addressed?

Additional inquiries:

- What are those charged with governance's views about fraud risks in the Entity?
- Who is the appropriate person in the governance structure for communication of audit matters during the audit?
- How are responsibilities allocated between management and those charged with governance?
- What are the Entity's objectives and strategies and related business risks that may result in material misstatements?
- Are there any areas that warrant particular attention during the audit and additional procedures to be undertaken?
- What are those charged with governance's attitudes, awareness, and actions concerning (a) the Company's internal controls and their importance in the entity, including oversight of effectiveness of internal controls, and (b) detection of or possibility of fraud?
- Have there been any actions taken based on previous communications with the auditor?
- Has the Entity entered into any significant unusual transactions?
- Whether the entity is in compliance with other laws and regulations that have a material effect on the financial statements?
- What are the other document(s) that comprise the annual report, and what is the planned manner and timing of issuance of such documents?
- Have any subsequent events occurred that might affect the financial statements?

On the 2025 board agenda

Issues for boards to keep in mind as they carry out their 2025 agendas



Maintain focus on how management is preparing to address risks and opportunities related to geopolitical and economic shifts and global disruption.



Model and assess what the new administration's policy initiatives might mean for the company's strategy in 2025 and beyond.



Understand the company's generative AI (GenAI) strategy and related risks, and closely monitor the governance structure around the company's deployment and use of technology.



Probe whether the company's data governance and cybersecurity governance frameworks and processes are keeping pace with the growth and sophistication of data-related risks.



Keep environmental and social issues, including climate risk, embedded in risk and strategy discussions, and monitor management's preparations for new US, state, and global sustainability reporting requirements.



Maintain focus on CEO succession and talent development.



Help set the tone, monitor the culture, and keep abreast of management's efforts to build stakeholder trust and protect the company's reputation.



Revisit board and committee risk oversight responsibilities and the allocation of issues among committees, including whether the existing committee structure is still fit for purpose.



Think strategically about the company's future needs and reconsider whether and how the board's composition and succession planning process address them.

KPMG Board Leadership Center: On the 2025 board agenda

US Audit Quality, Transparency and Impact reports



- Interactive dashboard highlights key quality metrics
- Details KPMG's investment in our audit approach, people, technology, quality management system and the future of audit

Audit Quality Report



- Provides more granular detail on our commitment to continually enhance audit quality
- Outlines KPMG LLP's System of Quality Control
- Discusses how the firm aligns with the requirements and intent of applicable professional standards including our System of Quality Control Statement of Effectiveness

Transparency Report



- Provides annual update on our progress on meeting goals aligned to People, Planet, Prosperity, and Governance
- Our goals reflect a materiality assessment and our aspiration to be an employer of choice

KPMG Impact Plan

Reports and supplements available at: <https://kpmg.com/us/en/articles/audit-quality-report.html>

Beginning with the fiscal year 2024, a separate NYSE supplement is not provided as the relevant information has been incorporated into the transparency report.



Questions?

For additional information and audit committee resources, including National Audit Committee Peer Exchange series, a Quarterly webcast, and suggested publications, visit the KPMG Audit Committee Institute (ACI) at <https://boardleadership.kpmg.us/audit-committee.html>

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kpmg.com

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KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

September 22, 2025

The Board of Directors
California State University Risk Management Authority
401 Golden Shore
Los Angeles, California 90802

Ladies and Gentlemen:

We have audited the financial statements of California State University Risk Management Authority (the Authority), a component unit of the California State University, as of June 30, 2025 and for the year then ended, and expect to issue our report thereon under date of September 22, 2025. Under our professional standards, we are providing you with the accompanying information related to the conduct of our audit.

Our Responsibility Under Professional Standards

We are responsible for forming and expressing an opinion about whether the financial statements, that have been prepared by management with the oversight of the Board of Directors, are presented fairly, in all material respects, in conformity with US generally accepted accounting principles. We have a responsibility to perform our audit of the financial statements in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*, issued by the Comptroller General of the United States. In carrying out this responsibility, we planned and performed the audit to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether caused by error or fraud. Because of the nature of audit evidence and the characteristics of fraud, we are to obtain reasonable, not absolute, assurance that material misstatements are detected. We have no responsibility to plan and perform the audit to obtain reasonable assurance that misstatements, whether caused by error or fraud, that are not material to the financial statements are detected. Our audit does not relieve management or the Board of Directors of their responsibilities.

In addition, in planning and performing our audit of the financial statements, we considered internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

We also have a responsibility to communicate significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities the Board of Directors in overseeing the financial reporting process. We are not required to design procedures for the purpose of identifying other matters to communicate to you.

Uncorrected and Corrected Misstatements

Uncorrected Misstatements and Financial Statement Presentation and Disclosure Omissions

In connection with our audit of the Authority's financial statements, no uncorrected financial statement misstatements in the Authority's books and records or financial statement presentation and disclosure omissions were identified as of and for the year ended June 30, 2025.



The Board of Directors
California State University Risk Management Authority
September 22, 2025
Page 2 of 3

Corrected Misstatements

In connection with our audit of the Authority's financial statements, no corrected financial statement misstatements in the Authority's books and records were identified as of and for the year ended June 30, 2025.

Significant Accounting Policies and Practices

Qualitative Aspects of Significant Accounting Practices

We have discussed with the Board of Directors and management our judgments about the quality, not just the acceptability, of the Authority's accounting policies as applied in its financial reporting. The discussions generally included such matters as the consistency of the Authority's accounting policies and their application, and the understandability and completeness of the Authority's financial statements, which include related disclosures.

Significant Accounting Estimates and Significant Financial Statement Disclosures

The preparation of the financial statements requires management of the Authority to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The Authority's financial statements include management's estimate of the fair value of investments as well as the estimated claims liability for reported and unreported events. We evaluated the following significant assumptions used to develop the estimates, including possible management bias in developing the estimates, in determining that the estimates were reasonable in relation to the financial statements taken as a whole.

Noncompliance with Laws and Regulations, including Illegal Acts or Fraud

In connection with our audit of the Authority's financial statements, no identified or suspected instances of non-compliance with laws and regulations, including illegal acts or fraud, have come to our attention.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in dealing with management in performing our audit.

Disagreements with Management

There were no disagreements with management on financial accounting and reporting matters that individually or in the aggregate could be significant to the Authority's financial statements, or our auditors' report

Written Communications

Attached to this letter please find copies of the following written communications between management and us:

1. Engagement letter
2. Management representation letter

Affirmation of Independence

In connection with our audit of the Authority, KPMG and relevant KPMG professionals have complied with relevant ethical requirements regarding independence, as that term is defined by the professional standards.

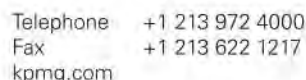


The Board of Directors
California State University Risk Management Authority
September 22, 2025
Page 3 of 3

This letter to the Board of Directors is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP





Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, fraud, and noncompliance with laws and regulations may exist and not be detected by an audit of financial statements even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Also, an audit is not designed to detect matters that are immaterial to the financial statements.

Internal control over financial reporting

We will obtain an understanding of the University's internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.

The objective of our audit of the Financial Statements is not to report on the University's internal control over financial reporting and we are not obligated to search for material weaknesses or significant deficiencies as part of our audit of the Financial Statements. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Financial Statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Financial Statements are free of material misstatement, we will also perform tests of the University's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the Financial Statements. However, our objective is not to provide an opinion on compliance with such provisions.

Required supplementary information

We will perform certain limited procedures to the required supplementary information as required by GAAS. However, we will not express an opinion or provide any assurance on the information. Our report relating to the Financial Statements will include our consideration of required supplementary information.

Supplementary information

We also understand that the Financial Statements will include a schedule of expenditures of federal awards ("SEFA") and a schedule of the Systemwide Revenue Bond Program's Net Income Available for Debt Service (the Schedule) which are presented for the purpose of additional analysis and are not a required part of the Financial Statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Financial Statements. The information will be subjected to the auditing procedures applied in the audit of the Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Financial Statements or to the Financial Statements themselves, and other additional procedures in accordance with GAAS with the objective of expressing an opinion as to whether the supplementary information is fairly stated, in all material respects, in relation to the Financial Statements as a whole.



Uniform Guidance compliance audit services

You have requested that we audit the University's major federal programs in accordance with Title 2 US Code of Federal Regulations Part 200 (2 CFR 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). The Uniform Guidance includes specific audit requirements, mainly in the areas of internal control and compliance with federal statutes, regulations, and the terms and conditions of federal awards that may have a direct and material effect on each of the University's major federal programs.

We have the responsibility to conduct and will conduct the audit of the major programs in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance with the objectives of obtaining reasonable assurance about whether material noncompliance with the compliance requirements occurred, whether due to fraud or error, and expressing an opinion on the University's compliance based on the audit. Reasonable assurance is a high level of assurance, but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect noncompliance when it exists.

As part of an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we exercise professional judgment and maintain professional skepticism throughout the audit. We also will:

- Identify and assess the risks of material noncompliance, whether due to error or fraud, design and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions on the major programs.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance.

We will perform tests of the University's compliance with federal statutes, regulations, and the terms and conditions of federal awards we determine to be necessary based on the *OMB Compliance Supplement*. The procedures outlined in the *OMB Compliance Supplement* are those suggested by each federal agency and do not cover all areas of regulations governing each program. Program reviews by federal agencies may identify additional instances of noncompliance.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material noncompliance, fraud, and noncompliance with laws and regulations may exist and not be detected by an audit even though the audit is properly planned and performed in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance. The risk of not detecting material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it could reasonably be expected to influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of the federal programs as a whole.

Our reporting responsibilities

Subject to the remainder of this paragraph, we will issue a written report upon completion of our audit of the Financial Statements addressed to the board of trustees. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter paragraph or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If, during the



performance of our audit procedures, such circumstances arise, we will communicate to the Committee on Audit ("Those Charged with Governance") our reasons for modification or withdrawal.

We will also issue a written report on the supplementary information upon completion of our audit.

In accordance with Government Auditing Standards, we will issue a written report, *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* ("GAGAS report"), describing our consideration of internal control over financial reporting and our tests of compliance made as part of our audit of the Financial Statements. We will include in this report any material weaknesses and significant deficiencies identified based on the audit work performed. We will also include in this report any of the following that we identify or suspect:

- Instances of noncompliance with certain provisions of laws, regulations, contracts, or grant agreements that could have a direct and material effect on the Financial Statements; or
- Instances of fraud that are material, either quantitatively or qualitatively, to the Financial Statements.

The GAGAS report will describe its purpose and will state that it is not suitable for any other purpose.

In accordance with Government Auditing Standards, we will communicate in writing when:

- Identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements comes to our attention during the course of our audit that has an effect on the Financial Statements that is less than material but warrants the attention of Those Charged with Governance, or
- We obtained evidence of identified or suspected instances of fraud that have an effect on the Financial Statements that are less than material but warrant the attention of Those Charged with Governance.

In accordance with Government Auditing Standards, we are also required in certain circumstances to report identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or instances of fraud directly to parties outside the auditee.

We will prepare a written report (Single Audit Report) which 1) provides our opinion on the University's compliance with compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs and 2) communicates our consideration of internal control over major federal programs. The Single Audit Report will describe its purpose and will state that it is not suitable for any other purpose.

Exempt offerings

In the event the University requests our involvement with a future exempt filing that will include or incorporate by reference the Financial Statements and our audit report(s) thereon, professional standards require us to be separately engaged. The specific terms of our future services with respect to future exempt offerings will be determined at the time such services are to be performed and will be subject to the negotiation, agreement, and execution of a specific engagement letter or contract.



In the event the University does not engage us to be involved with the offering document, then the University agrees to include the following language in the offering document:

"KPMG LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report, included herein, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this official statement."

Our responsibility to communicate with Those Charged with Governance

We will communicate the planned scope and timing for our audits with Those Charged with Governance, including significant risks identified in planning our audits.

We will communicate to Those Charged with Governance, in writing, concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the Financial Statements that we have identified during the audit.

We will report to Those Charged with Governance the following matters:

- Material, corrected misstatements that were brought to the attention of management as a result of audit procedures.
- Uncorrected misstatements accumulated by us during the audit and the effect that they, individually or in the aggregate, may have on our opinion in the auditors' report, the effect of uncorrected misstatements related to prior periods, and that uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if the auditor has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.
- Our views about qualitative aspects of the University's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures.
- Significant unusual transactions, if any.
- Significant difficulties, if any, encountered during our audits.
- Disagreements with management, if any.
- Circumstances that affect the form and content of our auditors' report, if any.
- Matters that are difficult or contentious for which the auditor consulted outside the engagement team and that are, in the auditors' judgment, significant and relevant to Those Charged with Governance regarding their responsibility to oversee the financial reporting process.
- Other matters required to be communicated by GAAS and Government Auditing Standards.
- Any significant deficiencies and material weaknesses in internal control over compliance identified during the compliance audit.



We will also determine that Those Charged with Governance have been informed of i) the initial selection of, and changes in, significant accounting policies, including the application of new accounting pronouncements during the period under audit, ii) our views on the policies and practices management used to account for significant unusual transactions, and iii) the effect of significant accounting policies in controversial or emerging areas, particularly when there is a lack of authoritative material or consensus.

We will also read minutes, if any, of relevant committee meetings for consistency with our understanding of the communications made to Those Charged with Governance and determine that Those Charged with Governance have received copies of all material written communications between ourselves and management.

To the extent that we become aware of information concerning an instance of noncompliance or suspected noncompliance with laws and regulations, we will discuss the matter with management (at a level above those involved with the suspected noncompliance), unless they are clearly inconsequential. Additionally, to the extent they come to our attention, we will inform the appropriate level of management about material errors in the Financial Statements and any instances of fraud. Further, to the extent they come to our attention, we also will communicate directly to Those Charged with Governance matters involving noncompliance with laws and regulations, unless they are clearly inconsequential, material errors in the Financial Statements, and any instances of fraud that involve senior management or that, in our judgment, cause a material misstatement of the Financial Statements.

Management responsibilities

Financial statements

The management of the University acknowledges and understands that they have responsibility for the preparation and fair presentation, in accordance with US generally accepted accounting principles, of the Financial Statements and all representations contained therein.

Management is responsible for adjusting the Financial Statements to correct material misstatements and for affirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the Financial Statements being reported upon, taken as a whole.

It is also the responsibility of management, with the oversight of Those Charged with Governance:

- To ensure that the University's operations are conducted in accordance with the provisions of laws, and regulations, including compliance with the provisions of laws, and regulations; and
- For disclosing to us, in writing, all known instances of noncompliance or suspected noncompliance with laws and regulations.

Management is also responsible for the design, implementation, and maintenance of programs and controls to prevent, deter, and detect fraud, for adopting sound accounting policies, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Financial Statements and to provide reasonable assurance against the possibility of misstatements that are material to the Financial Statements whether due to error or fraud. Management is responsible for disclosing to us all deficiencies in the design or operation of internal control over financial reporting of which they are aware. Management will also separately disclose to us all such deficiencies that they believe to be significant deficiencies or material weaknesses in internal control over financial reporting. The audit of the Financial Statements does not relieve management or Those Charged with Governance of their responsibilities.



In accordance with Government Auditing Standards, it is the responsibility of management, with the oversight of Those Charged with Governance:

- To ensure that the University's operations are conducted in accordance with the provisions of contracts and grant agreements, including compliance with the provisions of contracts and grant agreements that determine the reported amounts and disclosures in an University's financial statements; and
- For disclosing to us, in writing, all known instances of noncompliance or suspected noncompliance with the provisions of contracts and grant agreements.

In accordance with Government Auditing Standards and the Uniform Guidance, management agrees to:

- Identify and provide copies of reports, if applicable, of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether findings have been addressed and related recommendations have been implemented, prior to June 30, 20 to facilitate our audit planning;
- Provide us with written responses and any planned corrective actions to the findings included in the GAGAS or Single Audit Report within 10 days of being provided with draft findings. If such information is not provided on a timely basis prior to release of the report(s), the report(s) will indicate management did not provide written responses; and
- Distribute the report(s) issued by KPMG.

Required supplementary information

Management of the University also acknowledges and understands that they have responsibility for the preparation of the required supplementary information in accordance with the applicable criteria. Management is also responsible for providing us written representations regarding the required supplementary information.

Supplementary information

Management understands that they have responsibility for the preparation of the SEFA and the Schedule ("Supplementary Information") in accordance with the applicable criteria. Management is also responsible for providing us written representations regarding the Supplementary Information. Management is also responsible for including our report on the Supplementary Information in any document that contains and indicates that we have reported on the Supplementary Information, and for including the audited Financial Statements with any presentation of the Supplementary Information that includes our report thereon or making the audited Financial Statements readily available to intended users of the Supplementary Information no later than the date the Supplementary Information is issued with our report thereon.

Uniform Guidance

In relation to compliance with the program requirements applicable to its federal awards, management acknowledges and understands its responsibility for:

- Identifying the University's federal awards and understanding and complying with the compliance requirements.
- Designing, implementing and maintaining effective controls that provide reasonable assurance that the University administers federal awards in compliance with the compliance requirements.



- Complying with federal laws, statutes, regulations, rules, and provisions of contracts or grant agreements of federal awards.
- Evaluating and monitoring the University's compliance with the compliance requirements.
- Taking corrective action when instances of noncompliance are identified, including corrective action on audit findings of the compliance audit.

In addition to the Uniform Guidance requirements to maintain internal control and comply with the compliance requirements applicable to federal programs as discussed above, the Uniform Guidance also requires the University to prepare a:

- Schedule of expenditures of federal awards;
- Summary schedule of prior audit findings;
- Corrective action plan; and
- Data collection form (auditee sections).

While we may be separately engaged to assist you in the preparation of these items, preparation is the responsibility of the University. Management is also responsible for submitting the reporting package and data collection form.

Certain provisions of the Uniform Guidance allow a granting agency to request that a specific program be selected as a major program provided that the federal granting agency is willing to pay the incremental audit cost arising from such selection. The University agrees to notify KPMG of any such request by a granting agency and to work with KPMG to modify the terms of this Agreement as necessary to accommodate such a request.

Other

Management also acknowledges and understands that it is their responsibility to provide us with: i) access to all information of which management is aware that is relevant to the preparation and fair presentation of the Financial Statements and the compliance requirements applicable to its federal programs such as records, documentation, and other matters; ii) additional information that we may request from management for purposes of the audits; and iii) unrestricted access to persons within the University from whom we determine it necessary to obtain audit evidence. As required by GAAS, we will make specific inquiries of management about the representations embodied in the Financial Statements and the effectiveness of internal control, and obtain a representation letter from management about these matters. Management's responses to our inquiries, the written representations, and the results of audit tests, among other things, comprise the evidential matter we will rely upon in forming an opinion on the Financial Statements.

Because of the importance of management's representations to the effective performance of our services, the University will release KPMG and its personnel from any claims, liabilities, costs, and expenses relating to our services under the Agreement attributable to any misrepresentations in the representation letter referred to above. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, tort (including but not limited to negligence) or otherwise.



As referenced below, "Key Position" means a position in which an individual has primary responsibility for significant accounting functions that support material components of the financial statements; primary responsibility for the preparation of the financial statements; or the ability to exercise influence over the contents of the financial statements, including when the individual is a member of the board of directors or similar governing body, chief executive officer, president, chief financial officer, chief operating officer, general counsel, chief accounting officer, controller, director of internal audit, director of financial reporting, treasurer, or any equivalent position. For purposes of attestation engagements not involving financial statements, a Key Position is one in which an individual is primarily responsible for, or able to influence, the subject matter of the attestation engagement.

For the purpose of complying with the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct, the University agrees to provide the following in relation to the entity(ies) for which we perform a financial statement audit, review, or compilation engagement (as applicable):

- (a) a complete and accurate listing of all of the entity's affiliates as defined by AICPA Code of Professional Conduct interpretation ET 1.224, *Affiliates, Including State and Local Government Affiliates*, as applicable;
- (b) timely information about events that may result in a change in entity's affiliates; and
- (c) a listing of officers, directors, individuals who have a beneficial ownership interest (known through reasonable inquiry) that gives the individual significant influence over the entity, and individuals in Key Positions with respect to the preparation or oversight of the financial statements.

For the purpose of complying with the AICPA Code of Professional Conduct, the University agrees to provide the following in relation to the entity(ies) for which we perform a non-financial statement audit or attestation engagement (as applicable):

- (a) a listing of officers, directors, individuals who have a beneficial ownership interest (known through reasonable inquiry) that gives the individual significant influence over the entity, and individuals in Key Positions with respect to the subject matter of the attest engagement.

Other Government Auditing Standards and Uniform Guidance matters

We will perform tests of the University's compliance with federal statutes, regulations, and the terms and conditions related to the University's major federal program, Student Financial Assistance, that we determine to be necessary based on the *OMB Compliance Supplement*. We expect the *OMB Compliance Supplement* to include a requirement that auditors provide the US Department of Education information on all samples used to test disbursements and returns of Pell Grants and Direct Loans. We also expect it to request that auditors provide information for these two programs related to all instances of noncompliance, including those that are less than the \$25,000 Uniform Guidance reporting threshold. While this does not include direct access to the work papers, we believe this information request is within the scope of Government Auditing Standards, and we will provide the information to the US Department of Education. We will provide such information directly to the US Department of Education within 60 days of the filing of the Data Collection Form.

Pursuant to Government Auditing Standards, and subject to applicable provisions of laws and regulations, we are required to make appropriate individuals and certain audit documentation available in a timely manner to others, including the Department of Education upon request.

As required by Government Auditing Standards, we have attached a copy of KPMG's most recent peer review report.

The Federal Audit Clearinghouse requires the single audit reporting package, which includes the audited Financial Statements, to be submitted in a PDF format which is text searchable, unencrypted, and unlocked.



California State University
July 25, 2025
Page 10 of 10

This Agreement serves as the University's authorization for the submission of the reporting package in this format.

Reports, services and associated fees

Appendix I to this Engagement Letter lists the reports we will issue and the services we will provide as part of this engagement (the "Services") and the fees associated with providing such Services.

In addition, fees for any additional audit-related projects, such as research and/or consultation on special business or financial issues, will be billed separately from the audit fees for professional services set forth in Appendix I and may be subject to written arrangements supplemental to those in this Engagement Letter.

* * * * *

Our engagement herein is for the provision of annual audit services for the Financial Statements and the Uniform Guidance for the periods described in Appendix I, and it is understood that such Services are provided as a single annual engagement. Pursuant to our arrangement as reflected in this Engagement Letter, we will provide the Services set forth in Appendix I as a single engagement for each of the University's subsequent fiscal years until either Those Charged with Governance or we terminate this agreement, or mutually agree to the modification of its terms. The fees for each subsequent year will be annually subject to negotiation and approval by management.

We shall be pleased to discuss this Agreement with you at any time. Please sign and return it to us to indicate your acknowledgement of, and agreement with, the arrangements for our Services including our respective responsibilities.

Very truly yours,

KPMG LLP

Chris Ray
Partner

ACCEPTED

California State University

Yvonne Rome

Authorized Signature

Director of Procurement Operations

Title

07/25/2025

Date

Reports, Services and Associated Fees

Based upon our discussions with and representations of management, our fees for the Services we will perform are estimated as follows:

Audit of the financial statements of the business-type activities and the aggregate discretely presented component units of the California State University, an agency of the State of California, as of and for the year ended June 30, 2025, and the related notes to the financial statements	\$1,780,000
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The other reports that we will issue as part of and upon completion of this engagement are as follows:

Reports

CSU Financial Statements with Revenue Bond Program Supplementary Information (included above)	
CSU Financial Statement with Supplementary Information (included above)	
CSU Single Audit Report	\$310,000

Other Reports to be Issued:

CSU Risk Management Authority Financial Statements and Supplementary Information	\$30,000
California State University Institute Financial Statements with Supplementary Information	\$30,000
Stockton Center Site Authority Financial Statements with Supplementary Information	\$10,000

Other Required Tasks:

Access to KPMG's Accounting Research Online subscription and other required tasks and applicable charges	\$15,000
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Fees and expenses

The above estimates are based on the level of experience of the individuals who will perform the Services. Circumstances encountered during the performance of these Services that warrant additional time or expense could cause us to be unable to deliver them within the above estimates. We will endeavor to notify you of any such circumstances as they are assessed.



December 07, 2023

Paul Knopp
KPMG LLP
345 Park Ave
New York, NY 10154

Dear Paul Knopp:

It is my pleasure to notify you that on December 07, 2023, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is September 30, 2026. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Wagner", with a stylized, cursive script.

Michael Wagner
Chair, National PRC

+1.919.402.4502

cc: Dawn Trapani, Stephen Hicks

Firm Number: 900010054128

Review Number: 601233

GRANT THORNTON LLP

186 Wood Ave. S., 4th Floor
Iselin, NJ 08830-2725

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REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

November 20, 2023

To the Partners of KPMG LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of KPMG LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act; audits of employee benefit plans; an audit performed under FDICIA; and examinations of service organizations (SOC 1® and SOC 2® engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of KPMG LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. KPMG LLP has received a peer review rating of *pass*.

Grant Thornton LLP

September 22, 2025

KPMG LLP
550 South Hope Street, Suite 1500
Los Angeles, CA 90771-2629

Partners and Staff of KPMG:

We are providing this letter in connection with your audit of the financial statement of California State University Risk Management Authority (the Authority), a discretely presented component unit of the California State University, and the related notes to the financial statement as of and for the year ended June 30, 2025, for the purpose of expressing an opinion as to whether the financial statement presents fairly, in all material respects, the financial position, changes in financial position, and cash flows thereof in conformity with U.S. generally accepted accounting principles (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of September 22, 2025:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 25, 2025, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. We have made available to you:
 - a. All records, documentation, and information that is relevant to the preparation and fair presentation of the financial statements;
 - b. Additional information that you have requested from us for the purpose of the audit;
 - c. All minutes of the meetings of Board of Directors and Executive Committees, or summaries of actions of recent meetings for which minutes have not yet been prepared. All significant board and committee actions are included in the summaries; and
 - d. Unrestricted access and the full cooperation of personnel within the entity from whom you determined it necessary to obtain audit evidence.

3. Except as disclosed to you in writing, there have been no communications from regulatory agencies, governmental representatives, employees or others concerning investigations or allegations of noncompliance with laws and regulations in any jurisdiction, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
4. We have disclosed to you, in writing, all known instances of noncompliance or suspected noncompliance with laws and regulations, whose effects should be considered when preparing financial statements.
5. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We have disclosed to you all side agreements or other arrangements (either written or oral).
7. All events subsequent to the date of the statement of net position and through the date of this letter for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with paragraphs 96 – 113 of Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
9. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
10. We are not aware of any concentrations or constraints, as defined in GASB Statement No. 102, *Certain Risk Disclosures*, that should be considered when preparing the financial statements.
11. No uncorrected misstatements identified.
12. We acknowledge our responsibility for the design, implementation, and maintenance of programs and controls to prevent, deter, and detect fraud; for adopting sound accounting policies; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements and to provide reasonable assurance against the possibility of misstatements that are material to the financial statements, whether due to error or fraud. We understand that the term 'fraud' is defined as an intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception that results in a misstatement in financial statements that are the subject of an audit.
13. There are no deficiencies, significant deficiencies, or material weaknesses in the design or operation of internal control over financial reporting of which we are aware, which could adversely affect the City's ability to initiate, authorize, record, process, or report financial data. We have applied the definitions of a 'significant deficiency' and a 'material weakness' in accordance with the definitions in AU-C Section 265.07, *Communicating Internal Control Related Matters Identified in an Audit*.
14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

15. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.
17. We have no knowledge of any officer or Board Member of the Authority, or any other person acting under the direction thereof, having taken any action to fraudulently influence, coerce, manipulate, or mislead you during your audit.
18. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
19. We have disclosed to you the identity of all our related parties and all the related party relationships and transactions of which we are aware.
20. The following have been properly recorded or disclosed in the financial statements:
 - a. Related party relationships and transactions, of which we are aware, in accordance with U.S. GAAP, including sales, purchases, loans, transfers, leasing arrangements, guarantees, ongoing contractual commitments and amounts receivable from or payable to related parties. The term 'related party' refers to government's related organizations, joint ventures, and jointly governed organizations, as defined in GASB Statement No.14, *The Financial Reporting Entity*, as amended; elected and appointed officials of the government; its management; members of the immediate families of elected or appointed officials of the government and its management; and other parties with which the government may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. Another party also is a related party if it can significantly influence the management or operating policies of the transacting parties if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.
 - b. The existence of and transactions with joint ventures and other related organizations.
21. The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
22. The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

23. We have disclosed to you all accounting policies and practices we have adopted that, if applied to significant items or transactions, would not be in accordance with U.S. GAAP. We have evaluated the impact of the application of each such policy and practice, both individually and in the aggregate, on the Authority's current period financial statements, and the expected impact of each such policy and practice on future periods' financial reporting. We believe the effect of these policies and practices on the financial statements is not material. Furthermore, we do not believe the impact of the application of these policies and practices will be material to the financial statements in future periods.
24. To the best of our knowledge and belief, we have provided you with a complete and accurate listing of our affiliates as defined by the AICPA Code of Professional Conduct interpretation ET 1.224.020, State and Local Government Client Affiliates. We have also provided you with information about events, which may result in changes to the Entity's affiliates. We have also provided you with a list of officers, directors, individuals with significant influence over the Entity, and individuals in key positions with respect to the preparation or oversight of the financial statements. To the best of our knowledge and belief, we are not aware of any former KPMG partners in a key position with respect to the preparation or oversight of the Entity's financial statements and who have a prohibited financial or business relationship with KPMG (as defined under Section ET 1.279.020 of the AICPA Code of Professional Conduct) during the period covered by this letter.
25. We acknowledge our responsibility for the presentation of the required supplementary information which includes management's discussion and analysis and the schedule of claims development information (Schedule 15), in accordance with the applicable criteria and prescribed guidelines established by the Governmental Accounting Standards Board and:
- a. Believe the required supplementary information, including its form and content, is fairly presented in accordance with the applicable criteria and prescribed guidelines.
 - b. The methods of measurement or presentation of the required supplementary information have not changed from those used in the prior period.
 - c. The significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information are reasonable and appropriate.
26. We acknowledge our responsibility for the presentation of the supplementary information, which includes Schedule 1 – Schedule 14, in accordance with the applicable criteria and:
- a. Believe the supplementary information, including its form and content, is fairly presented in accordance with the applicable criteria;
 - b. The methods of measurement or presentation of the supplementary information have not changed from those used in the prior period [or, if the methods of measurement or presentation have changed, the reasons for such changes]; and
 - c. The significant assumptions or interpretations underlying the measurement or presentation of the supplementary information are reasonable and appropriate in the circumstances.
27. We agree with the findings of specialists in evaluating the valuation of claims reserve and have adequately considered the qualifications of the specialist in determining the amounts

and disclosures used in the basic financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amount derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

28. In accordance with Government Auditing Standards, we have identified to you all previous audits, attestation engagements, and other studies that relate to the objectives of this audit, including whether related recommendations have been implemented.
29. KPMG LLP assisted management in drafting the financial statements and notes. In accordance with Government Auditing Standards, we confirm that we have reviewed, approved, and accept responsibility for the financial statements and notes.

Further, we confirm that we are responsible for the fair presentation in the financial statements including statements of net position, statements of revenues, expenses and changes in net position, and statements of cash flows of the Authority, and the related notes to the financial statements, in accordance with U.S. GAAP.

Very truly yours,

California State University Risk Management Authority



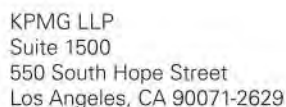
Robert Eaton

*Treasurer
California State University Risk Management Authority*



Jeni Kitchell

*Assistant Vice Chancellor for Finance and Budget Administration/Controller
CSU Chancellor's Office*



The Board of Directors
California State University Risk Management Authority

Report on Internal Control Over Financial Reporting

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Los Angeles, California
September 22, 2025



**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Financial Statements and Supplementary Schedules
June 30, 2025
(With Independent Auditors' Report Thereon)

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY
A Discretely Presented Component Unit of the California State University

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KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

Independent Auditors' Report

The Board of Directors
California State University Risk Management Authority:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the California State University Risk Management Authority (the Authority), a component unit of the California State University, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2025, and the changes in its financial position and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a



substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and the claims development information in Schedule 15 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information in schedules 1 through 14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

KPMG LLP

Los Angeles, California
September 22, 2025

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Management's Discussion and Analysis
Required Supplementary Information (Unaudited)
June 30, 2025

The following discussion and analysis provides an overview of the financial position and performance of the California State University Risk Management Authority (the Authority) as of and for the year ended June 30, 2025. It is designed to assist the readers in focusing on financial overview and analysis of the financial activities of the Authority. The discussion has been prepared by management and should be read in conjunction with the basic financial statements and accompanying notes, which follow this section.

Overview of the Financial Statements

The financial statements of the Authority as of and for the year ended June 30, 2025 have been prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. For reporting purposes, the Authority is considered a special-purpose government engaged in business-type activities.

The Authority's financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, the notes to the financial statements, supplementary information, and required supplementary information.

Statements of Net Position

The Statement of Net Position presents the financial position of the Authority at the end of the fiscal year and includes all assets and liabilities of the Authority. The difference between total assets and total liabilities, net position, is one indicator of the current financial condition of the Authority, while the change in net position is an indicator of how the overall financial condition has fluctuated from year to year.

A summary of the Authority's statements of net position at June 30, 2025 and 2024 is as follows:

Condensed Statements of Net Position

	(In thousands)			
	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Assets:				
Current assets	\$ 61,826	63,000	(1,174)	(2)%
Noncurrent assets	58,289	44,186	14,103	32 %
Total assets	<u>\$ 120,115</u>	<u>107,186</u>	<u>12,929</u>	<u>12 %</u>
Liabilities:				
Current liabilities	\$ 40,173	29,917	10,256	34 %
Noncurrent liabilities	57,756	42,484	15,272	36 %
Total liabilities	<u>\$ 97,929</u>	<u>72,401</u>	<u>25,528</u>	<u>35 %</u>
Net position:				
Unrestricted	\$ 22,186	34,785	(12,599)	(36)%
Total net position	<u><u>\$ 22,186</u></u>	<u><u>34,785</u></u>	<u><u>(12,599)</u></u>	<u><u>(36)%</u></u>

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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June 30, 2025

Assets

The Authority's assets totaled \$120.12 million on June 30, 2025, an increase of \$12.93 million or 12%, as compared to the previous year. This is mainly attributed to the increase in investments by \$8.73 million, due to higher contributions and investment income. Accounts receivable increased by \$3.03 million primarily related to the Auxiliary Organizations Risk Management Alliance (AORMA) Liability Assessment and Public Risk Innovation, Solutions, and Management (PRISM) recovery outstanding balance. Prepaid expenses increased by \$2.06 million, reflecting the timing of claim payments.

Liabilities

The Authority's liabilities totaled \$97.93 million on June 30, 2025, an increase of \$25.53 million or 35%, as compared to the previous year. This is primarily due to \$25.62 million increase in claims liabilities for losses and loss adjustment expenses, which represents 92% of the total liabilities as of June 30, 2025, while it is 88% as of previous year. The majority of the increase is in claims liability from the General Liability, AORMA Liability and Athletic Injury Medical Expense (AIME) programs which increased by \$23.59 million, \$2.41 million and \$0.60 million, respectively. The increase in claims liabilities was driven by higher-than-expected incurred loss development, claims inflation, and upward adjustments in case reserves. This is offset by a decrease of \$0.97 million of claims liabilities from the Workers' Compensation programs.

The accounts payable increased \$0.71 million primarily due to payment of prior year's outstanding premiums for Workers' Compensation program offset by higher unemployment claims in the last quarter of the fiscal year.

Net Position

Net position may serve over time as a useful indicator of the Authority's financial position. Net position represents the residual measure of assets net of liabilities. Net position fluctuates annually due to the Authority's operating results for a given fiscal year as well as changes in investment income. The Authority's net position is classified as unrestricted and may be designated for use by the Authority.

The Authority's net position totaled \$22.19 million on June 30, 2025, a decrease of \$12.60 million or 36%, as compared to the previous year. This is primarily due to an increase claim losses and loss adjustments expenses and Dividend Distributions, combined with investment income in fiscal year 2025. The revenues from member contributions increased by 7% compared to fiscal year 2024.

Statements of Revenues, Expenses, and Changes in Net Position

The Statement of Revenue, Expenses, and Changes in Net Position is the Authority's income statement. Revenues earned and expenses incurred during the year on an accrual basis are classified as either operating or nonoperating. It presents the results of the Authority's operations and changes in net position over the course of the fiscal year.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Management's Discussion and Analysis
Required Supplementary Information (Unaudited)
June 30, 2025

A summary of the Authority's statements of revenues, expenses, and changes in net position for the years ended June 30, 2025, and 2024 are as follows:

Condensed Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2025 and 2024

(In thousands)

	2025	2024	\$ Change	% Change
Operating revenues	\$ 129,171	\$ 116,200	12,971	11 %
Operating expenses	147,870	132,512	15,358	12 %
Operating (loss)	(18,699)	(16,312)	(2,387)	15 %
Nonoperating revenues, net	6,100	6,674	(574)	(9)%
Change in net position	(12,599)	(9,638)	(2,961)	31 %
Net position, beginning of year	34,785	44,423	(9,638)	(22)%
Net position, end of year	<u>\$ 22,186</u>	<u>34,785</u>	<u>(12,599)</u>	<u>(36)%</u>

Operating Revenues and Expenses

The Authority's operating revenues consist of member contributions, net of reinsurance premiums. Any increases or decreases in member contributions are primarily attributable to recommended funding for campus-covered programs calculated by an independent actuarial firm employed by the Authority.

During fiscal year 2025, operating revenues totaled \$129.17 million, an increase of \$12.97 million or 11%, which was primarily due to an increase in member contributions of \$4.70 million in general liability coverage and \$13.97 million for property coverage. This was offset by a decrease in reinsurance premium of \$1 million and resulting from a decrease in Workers' Compensation coverage of \$4.58 million.

During fiscal year 2025, operating expenses totaled \$147.87 million, an increase of \$15.36 million or 12% compared to the previous year. This is primarily due to an increase in claim losses and loss adjustment expenses, net of reinsurance and deductible recoveries of \$8.32 million, and an increase in dividend distributions and miscellaneous services of \$3.28 million and \$4.33 million, respectively.

Claim losses and loss adjustment expenses include actual claim payments made, as well as adjustments for reserves on claims. Claim case reserves are adjusted as claims develop and mature and additional information regarding potential loss amounts are known. Reserves for claims incurred but not reported, as determined by independent actuaries, are also included in this expense category. Claims administration includes expenses incurred by the Authority for claims administrator's fees and program administrator's fees, and brokerage commissions. Dividend distributions represent the return of contributions to CSU campuses and auxiliary organization members. In providing insurance coverage and risk management services to its members, the Authority incurs general and administrative and miscellaneous services expenses that are budgeted and approved by the Board of Directors annually.

Nonoperating Revenues (Expenses), Net

During fiscal year 2025, net nonoperating revenues totaled \$6.10 million, a decrease of \$0.57 million or 9% from prior year mainly due to a decrease in other nonoperating revenues.

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Required Supplementary Information (Unaudited)
June 30, 2025

Factors Impacting Future Periods

The Authority has moved forward from the COVID-19 pandemic with no known issues that are expected to materially impact the organization. However, there are trends that may influence membership and developments in the commercial insurance market and the University financial environment that warrant notice.

The Authority has a limited pool of membership consisting of CSU and its not-for-profit auxiliary organizations. The CSU and auxiliary organizations are subject to economic trends which impact funding, operations, and grants and contracts.

The California workers' compensation operating environment has stabilized despite increases in the cost of medical care and prescription drugs, combined with an aging workforce. To combat increasing costs to settle workers' compensation claims, the Authority has implemented a Workers' Compensation Claims Management and Return to Work Program, as well as an ongoing claims closure initiative. Results have been positive, however, the environment may change. The annual spend on the Workers' Compensation continues to remain essentially stable year over year.

Generally, the commercial insurance and reinsurance market is relatively stable, but the Authority expects diminished capacity, increased premiums and more narrow coverage. However, weather extremes, catastrophic losses, pandemics and investment losses are areas of concern for commercial insurance carriers and the California market has experienced catastrophic claims due to the pandemic, wildfires, and excessive rainfall. Institutional size risks, such as the CSU and its auxiliary organizations, with large valued property locations spread throughout the state are experiencing rate increases as commercial insurers raise concerns about recent natural disasters such as floods, hurricanes, and potential wildfires.

The market for excess liability for California public entities has firmed considerably. This is largely due to a significant rise in the cost of claims, especially those involving employment practices, law enforcement, and injuries to minors. The Authority manages this risk by developing long-term underwriting relationships and attracting other insurers and risk financing schemes to the program. Further, the Authority demonstrates to current and prospective carriers a sample of its risk mitigation endeavors.

Funds are invested by the Authority to pay expected claims in the pooled programs. The valuation of claims liabilities is discounted based on assumed investment earning rates. A divergence in the rate assumed for discounting claims liabilities and investment earnings can affect the ultimate claims liability recorded in the financial statements. To guard against possible divergence, the dividend calculations utilized to return excess funds to the membership use a more conservative calculation of equity.

CSU participated in the Schools Excess Liability Fund (SELF) for excess liability coverage from July 1, 1995 to June 30, 2010. SELF has declared an assessment of their membership with a potential estimated impact ranging from \$15 million to \$40 million for various coverage years, and CSU disputes the assessments. Pending litigation will determine the amount of the assessment, if any. CSURMA and auxiliary organization participants also are subject to the assessments and outcome of the pending litigation. The SELF assessments were the result of CA State Assembly Bill 218 which extended the time period for the filing of certain lawsuits.

The rates charged by the Authority for member contributions for the future year increased due to claim and market trends for the liability, industrial disability/nonindustrial disability/unemployment insurance, and property programs. In the May 2025 Board of Director's meeting, the fiscal year 2026 budget was approved for operating revenues of \$130.44 million and operating expenses of \$130.25 million.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Statement of Net Position
June 30, 2025
(In thousands)

Assets:

Current assets:

Short-term investments	\$ 45,420
Accounts receivable	11,881
Prepaid expenses	4,512
Reinsurance recoverable – workers' compensation	13
Total current assets	<u>61,826</u>

Noncurrent assets:

Capital assets, net	818
Other long-term investments	57,471
Total noncurrent assets	<u>58,289</u>
Total assets	<u>120,115</u>

Liabilities:

Current liabilities:

Accounts payable	7,590
Unearned revenues	535
Interest payable	6
SBITA liabilities - current portion	20
Claims liability for losses and loss adjustment expenses – current portion:	
Reported claims	15,888
Claims incurred but not reported	16,134
Total current liabilities	<u>40,173</u>

Noncurrent liabilities:

SBITA liabilities - net of current portion	135
Claims liability for losses and loss adjustment expenses – noncurrent portion:	
Reported claims	28,590
Claims incurred but not reported	29,031
Total noncurrent liabilities	<u>57,756</u>
	<u>97,929</u>

Net position:

Unrestricted	22,186
Total net position	<u>\$ 22,186</u>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Statement of Revenues, Expenses, and Changes in Net Position
June 30, 2025
(In thousands)

Operating revenues:	
Member contributions	\$ 171,315
Reinsurance premiums	(42,144)
Total operating revenues	<u>129,171</u>
Operating expenses:	
Claim losses and loss adjustment expenses	58,069
Claims administration	11,716
Insurance premiums	64,151
Amortization	884
Dividend distributions	4,339
General and administrative	2,732
Miscellaneous services	5,979
Total operating expenses	<u>147,870</u>
Operating loss	<u>(18,699)</u>
Nonoperating revenues (expenses):	
Investment income, net	6,133
Interest expense	(34)
Other nonoperating revenues	1
Total nonoperating revenues, net	<u>6,100</u>
Change in net position	(12,599)
Net position, beginning of year	<u>34,785</u>
Net position, end of year	<u><u>\$ 22,186</u></u>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Statement of Cash Flows
June 30, 2025
(In thousands)

Cash flows from operating activities:	
Receipts of member contributions	\$ 172,807
Payments to providers	(129,235)
Payments of claims	(37,167)
Dividend distributions to members	(2,932)
Net cash provided by operating activities	<u>3,473</u>
Cash flows from noncapital and related financing activities:	
Other noncapital financing activities	<u>1</u>
Net cash provided by noncapital and related financing activities	<u>1</u>
Cash flows from capital financing activities:	
Subscription payments for subscription-based IT arrangements	<u>(942)</u>
Net cash used in capital and related financing activities	<u>(942)</u>
Cash flows from investing activities:	
Proceeds from sales and maturities of investments	478,485
Purchases of investments	(482,069)
Withdrawals from the CSU Consolidated Investment Pool	224,682
Deposits into the CSU Consolidated Investment Pool	(228,498)
Investment income proceeds	4,868
Net cash used in investing activities	<u>(2,532)</u>
Net change in cash and cash equivalents	—
Cash and cash equivalents at beginning of year	<u>—</u>
Cash and cash equivalents at end of year	<u><u>\$ —</u></u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (18,699)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Amortization	884
Changes in assets and liabilities:	
Increase in accounts receivable	(3,093)
Increase in prepaid expenses	(2,063)
Decrease in reinsurance recoverable - workers' compensation	6
Increase in accounts payable	707
Increase in unearned revenues	108
Increase in claims liability for losses and loss adjustment expenses	25,623
Net cash provided by operating activities	<u><u>\$ 3,473</u></u>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Notes to Financial Statements
June 30, 2025
(In thousands)

(1) Organization

On January 1, 1997, California State University (CSU or the University) and certain auxiliary organizations of the University established the California State University Risk Management Authority (the Authority) pursuant to the provisions of Section 6500 et seq. of the California Government Code (the Code). The Code authorizes CSU and auxiliary organizations to establish and operate pooled coverage programs and to provide related services. The Authority provides entity risk pooling programs for workers' compensation, general liability, industrial and nonindustrial disability, unemployment insurance coverage, property, construction, and other risk-related programs for its member organizations (the Members). Members participating in the Authority's coverage programs at June 30, 2025 are as follows:

Location	Member Organization
Bakersfield	California State University, Bakersfield
Bakersfield	Associated Students, California State University, Bakersfield, Inc.
Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs Administration
Bakersfield	California State University, Bakersfield Foundation
Bakersfield	California State University, Bakersfield Student Union, Inc.
Chancellor's Office	Office of the Chancellor
Chancellor's Office	California State University Foundation
Chancellor's Office	California State University Institute
Channel Islands	California State University, Channel Islands
Channel Islands	Associated Students of California State University, Channel Islands, Inc.
Channel Islands	California State University Channel Islands Foundation
Channel Islands	CI University Auxiliary Services, Inc.
Chico	California State University, Chico
Chico	Associated Students of California State University, Chico
Chico	Chico State Enterprises
Chico	The University Foundation, California State University, Chico
Dominguez Hills	California State University, Dominguez Hills
Dominguez Hills	Associated Students, California State University, Dominguez Hills
Dominguez Hills	CSUDH Toro Auxiliary Partners**
Dominguez Hills	CSU Dominguez Hills Philanthropic Foundation
Dominguez Hills	The Donald P. and Katherine B. Loker University Student Union, Inc., California State University, Dominguez Hills
East Bay	California State University, East Bay
East Bay	Associated Students Inc., California State University, East Bay
East Bay	Cal State East Bay Educational Foundation
East Bay	California State University, East Bay Foundation, Inc.

** Formerly known as California State University, Dominguez Hills

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

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(In thousands)

Location	Member Organization
Fresno	California State University, Fresno
Fresno	Associated Students of California State University, Fresno
Fresno	California State University, Fresno Association, Inc.
Fresno	California State University, Fresno Foundation
Fresno	Fresno State Programs for Children, Inc.
Fresno	The Agricultural Foundation of California State University, Fresno
Fresno	The California State University, Fresno Athletic Corporation
Fullerton	California State University, Fullerton
Fullerton	Associated Students, California State University, Fullerton, Inc.
Fullerton	Cal State Fullerton Philanthropic Foundation
Fullerton	CSU Fullerton Auxiliary Services Corporation
Humboldt	California State Polytechnic University, Humboldt
Humboldt	Associated Students, Humboldt State University
Humboldt	Cal Poly Humboldt Foundation
Humboldt	Humboldt State University Center Board of Directors
Humboldt	Humboldt State University Sponsored Programs Foundation
Long Beach	California State University, Long Beach
Long Beach	Associated Students, California State University, Long Beach
Long Beach	California State University, Long Beach Research Foundation
Long Beach	Long Beach State Foundation
Long Beach	Forty-Niner Shops, Inc.
Los Angeles	California State University, Los Angeles
Los Angeles	Associated Students, California State University, Los Angeles, Inc.
Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
Los Angeles	California State University, Los Angeles Foundation
Los Angeles	University-Student Union at California State University, Los Angeles
Maritime Academy	California State University Maritime Academy
Maritime Academy	Cal Maritime Corporation
Maritime Academy	California Maritime Academy Foundation, Inc.
Maritime Academy	The Associated Students of the California Maritime Academy
Monterey Bay	California State University, Monterey Bay
Monterey Bay	Foundation of California State University, Monterey Bay
Monterey Bay	The University Corporation at Monterey Bay
Monterey Bay	Otter Student Union at CSU Monterey Bay

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
Notes to Financial Statements
June 30, 2025
(In thousands)

Location	Member Organization
Northridge	California State University, Northridge
Northridge	Associated Students, California State University, Northridge, Inc.
Northridge	California State University, Northridge Foundation
Northridge	North Campus University Park Development Corporation
Northridge	The University Corporation, CSU Northridge
Northridge	University Student Union of California State University, Northridge
Pomona	California State Polytechnic University, Pomona
Pomona	Associated Students Inc., California State Polytechnic University, Pomona
Pomona	The Cal Poly Pomona Foundation, Inc.
Pomona	Cal Poly Pomona Philanthropic Foundation
Sacramento	California State University, Sacramento
Sacramento	Associated Students of California State University, Sacramento
Sacramento	Capital Public Radio, Inc., CSU Sacramento
Sacramento	The University Foundation at Sacramento State
Sacramento	University Enterprises, Inc., CSU Sacramento
Sacramento	University Union Operation of CSUS, Inc.
San Bernardino	California State University, San Bernardino
San Bernardino	Associated Students Inc., California State University, San Bernardino
San Bernardino	CSUSB Philanthropic Foundation
San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
San Bernardino	University Enterprises Corporation at CSUSB
San Diego	San Diego State University
San Diego	Associated Students, San Diego State University
San Diego	Aztec Shops, Ltd., San Diego State University
San Diego	San Diego State University Research Foundation
San Diego	SDSU Mission Valley Enterprises
San Diego	The Campanile Foundation
San Francisco	San Francisco State University
San Francisco	Associated Students, Inc., San Francisco State University
San Francisco	San Francisco State University Foundation
San Francisco	The University Corporation, San Francisco State
San Jose	San Jose State University
San Jose	Associated Student, San Jose State University
San Jose	San Jose State University Research Foundation
San Jose	Spartan Shops, Inc., San Jose State University
San Jose	The Student Union of San Jose State University

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

A Discretely Presented Component Unit of the California State University
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June 30, 2025
(In thousands)

Location	Member Organization
San Jose	The Tower Foundation, San Jose State University
San Luis Obispo	California Polytechnic State University, San Luis Obispo
San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
San Luis Obispo	Cal Poly Corporation
San Luis Obispo	California Polytechnic State University Foundation
San Marcos	California State University, San Marcos
San Marcos	California State University San Marcos Corporation
San Marcos	California State University San Marcos Foundation
San Marcos	Associated Students, Inc. of California State University, San Marcos
Sonoma	Sonoma State University
Sonoma	Associated Students of Sonoma State University
Sonoma	Sonoma State Enterprises, Inc.
Sonoma	Sonoma State University Foundation
Stanislaus	California State University, Stanislaus
Stanislaus	Associated Students, Inc., California State University, Stanislaus
Stanislaus	California State University, Stanislaus Auxiliary and Business Services
Stanislaus	California State University, Stanislaus Foundation
Stanislaus	University Student Center of California State University, Stanislaus
N/A	Auxiliary Organizations Association

The accompanying financial statements are also included in the CSU's financial statements as a discretely presented component unit.

The Authority is managed by a board of directors, which is composed of 30 directors appointed by the CSU Executive Vice Chancellor/Chief Financial Officer, Business and Finance, and 10 directors elected by the auxiliary organizations, which are members of the Authority. The Executive Vice Chancellor may also appoint alternate representatives who shall serve in the absence of the primary representatives. Directors elected by the auxiliary organizations serve subject to terms and conditions adopted by the auxiliary organizations for election and replacement of the same. Each director of the Authority must be an officer, director, or employee of the University or an auxiliary organization.

The Authority assumed the losses of the University's risk pool on January 1, 1997 (inception date) in exchange for a commitment from the University to fund incurred losses. In addition, the University has made the commitment to provide sufficient cash flows to the Authority to meet its operating needs.

All post-development costs of the Authority's programs are funded by annual premiums charged to members participating in the program each policy year and by interest earnings on the accumulated funds. Premiums are based on a cost allocation plan and rating formula developed by the Authority with the assistance of actuaries, risk management consultants, and other qualified persons. The premium for each member participating in the shared risk programs includes the member's share of expected program losses, program reinsurance costs, and program administrative costs for the year. If the Authority experiences

**CALIFORNIA STATE UNIVERSITY
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A Discretely Presented Component Unit of the California State University
Notes to Financial Statements
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unusually large losses in one of the aforementioned programs during a policy year, those pooled funds for the program may be exhausted before the next annual premiums are due. The Board of Directors may, upon consultation, impose assessments on all participating members in the respective program to provide adequate funds to the Authority for the payment of all incurred losses.

The Authority coordinates the claims process in conjunction with various organizations. These entities include the State of California Attorney General's Office; Sedgwick Claims Management Services, Inc. (Sedgwick); Carl Warren & Company (Carl Warren); Health Special Risk, Inc. (HSR); the CSU Office of General Counsel; Systemwide Risk Management; Alliant Insurance Services (Alliant); the CSU Office of the Chancellor; and the 23 CSU campuses. Sedgwick is the third-party administrator (TPA) for all workers' compensation claims involving campuses and auxiliary organizations. Carl Warren is the TPA for auxiliary organization liability claims. HSR is the TPA for Athletic Injury Medical Expense (AIME) and Club Sports Insurance Program (CSIP) claims. Alliant administers all entity risk pooling programs provided by the Authority.

(2) Summary of Significant Accounting Policies

a. New Accounting Pronouncements

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "*Compensated Absences* (Statement No. 101)," which will be effective for the fiscal year ending June 30, 2025. This statement updated the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The implementation of Statement No. 101 did not have a material impact on the Authority's financial statement.

In December 2023, the GASB issued Statement No. 102, "*Certain Risk Disclosure* (Statement No. 102)," which will be effective for the fiscal year ending June 30, 2025. This statement requires disclosure of risks related to the Authority's vulnerabilities due to certain concentrations or constraints. This statement requires the Authority to assess (1) whether a concentration or constraint makes the Authority vulnerable to the risk of a substantial impact, and (2) whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The implementation of Statement No. 102 did not have a material impact on the Authority's financial statement.

In April 2024, the GASB released Statement No. 103, "*Financial Reporting Model Improvements* (Statement No. 103)," effective for the fiscal year ending June 30, 2026. This statement requires the (1) MD&A include more robust narrative explanations and disclosure of known facts and future conditions that could significantly affect financial results, (2) implementation of new definitions and reporting of operating and nonoperating revenues and expenses, including changes to the presentation on the Statement of Revenues, Expenses, and Changes in Net Position, and (3) replacement of extraordinary and special items with unusual or infrequent items. The Authority is currently assessing the impact of the implementation of Statement No. 103 on its financial statements but does not expect a material impact.

In September 2024, the GASB issued Statement No. 104, "*Disclosure of Certain Capital Assets* (Statement No. 104)," effective for the fiscal year ending June 30, 2026. This statement requires separate disclosure of certain capital assets, including lease assets (Statement No. 87), right-to-use intangible assets (Statement No. 94), and subscription-based assets (Statement No. 96), presented by

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major class of the underlying asset. It also requires expanded disclosures for capital assets held for sale. The Authority is currently assessing the impact of the implementation of Statement No. 104 on its financial statements but does not expect a material impact.

b. *Basis of Presentation*

The accompanying financial statements for the Authority have been prepared under the standards promulgated by the GASB using the accrual basis of accounting and economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The financial statements include the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows. The Authority is considered a special-purpose government. The Authority records revenues primarily from fees collected from the campuses and auxiliary organizations and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in business-type activities.

c. *Classification of Current and Noncurrent Assets (Other than Investments) and Liabilities*

The Authority considers assets to be current when they can be reasonably expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the Statement of Net Position date. Liabilities that can be reasonably expected, as part of the Authority's normal business operations, to be liquidated within 12 months of the Statement of Net Position date are considered to be current. All other assets and liabilities are considered to be noncurrent. For classification of current and noncurrent investments, refer to note 2(e).

d. *Cash and Cash Equivalents and Statement of Cash Flows*

The Authority considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The Authority considers amounts included in the Morgan Stanley and the CSU Consolidated Investment Pool (Investment Pool) to be investments. Certain transactions recorded as revenues or expenses in the accompanying Statement of Revenues, Expenses and Changes in Net Position include transactions between entities that are also participants in the Investment Pool. The Authority considers changes in the respective participants' equity in the Investment Pool resulting from these transactions to represent cash flows of the Authority in the accompanying Statement of Cash Flows.

e. *Investments*

Investments are reflected at fair value using quoted market prices. Realized and unrealized gains and losses are included in the accompanying Statement of Revenues, Expenses, and Changes in Net Position as a component of investment income, net.

Investments that are used for current operations are classified as short-term investments. Investments that are restricted for withdrawal or use for other than current operations, designated or restricted for the liquidation of the noncurrent portion of long-term liabilities, or restricted as to the liquidity of the investments are classified as other long-term investments.

f. *Accounts Receivable*

Accounts receivable represents amounts due from the Members and excess insurance carriers.

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g. ***Reinsurance Recoverable***

Reinsurance recoverable represents estimated amounts due from reinsurers, who reinsured the CSU's workers' compensation claims liability for claims incurred during the fiscal year. The estimates are related to paid claims and claim adjustment expenses as of fiscal year-end. The estimated amounts recoverable from reinsurers that are related to the liabilities for unpaid claims and claim adjustment expenses are deducted from those claims liabilities for losses and loss adjustment expenses (LAE) (note 2(j)).

h. ***Capital Assets***

Capital assets are subscription Information Technology (IT) assets that are stated at the present value of payments expected to be made during the subscription term less accumulated amortization. Capital assets are depreciated or amortized on a straight-line basis over their estimated useful lives, which ranges from 5 to 10 years.

Amortization expense is shown separately in the Statement of Revenues, Expenses and Changes in Net Position rather than being allocated among other categories of operating expenses.

i. ***Member Contributions***

The Authority reports contributions received from the Members in the Statement of Revenues, Expenses, and Changes in Net Position. Contribution calculations for both campuses and auxiliary organizations are based on program funding policies and procedures and various rating plans, including pro rata shares of the anticipated claims liabilities for losses and LAE based on actuary projections and loss rates. Contributions are recorded as revenue for the policy year in which coverage is provided. Contributions collected in advance of the policy year are recorded in the Statement of Net Position as unearned revenues.

j. ***Claims Liability for Losses and LAE***

The claims liability for losses and LAE included in the accompanying financial statements reflect the estimated cost of settling claims relating to events that have occurred as of fiscal year-end. The liability includes the estimated amount that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not been reported. The liability is also reduced by estimated amounts recoverable from the reinsurer that are related to the liability for unpaid claims and claim adjustment expenses. The liability is estimated through an actuarial calculation using individual case basis valuations and statistical analyses. The liability is not discounted.

Claims liability is recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made.

In estimating unpaid losses and LAE, the Authority has employed methods and assumptions considered reasonable and appropriate given the information currently available. Given the inherent uncertainty in the nature of such estimates, future losses may deviate from those estimates.

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k. *Subscription-Based Information Technology Arrangements*

The Authority has noncancellable subscription IT arrangements for the right-to-use information technology hardware and software. For subscription IT arrangements with a maximum possible term of 12 months or less at commencement, the Authority recognizes expenses based on the provision of the lease contract or subscription IT arrangement. For all other subscription IT arrangements, the Authority recognizes subscription IT liability (SBITA Liability) and a subscription IT assets in the Statement of Net Position.

At subscription commencement, the Authority initially measures the subscription IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription IT liability is reduced by the principal portion of subscription made. The subscription IT asset is initially measured as the initial amount of the subscription IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs.

Subsequently, the subscription IT asset is amortized into depreciation expenses on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

The Authority monitors changes in circumstances that may require remeasurement of a lease or subscription IT arrangement. When certain changes occur that are expected to significantly affect the amount of the subscription IT liability, the liability is remeasured and a corresponding adjustment is made to the subscription IT asset.

l. *Dividend Distributions*

The Authority reports dividends in the Statement of Revenues, Expenses, and Changes in Net Position for the return of contributions to the Members. Dividends to CSU campuses are based on a review of the funding status report by the Executive Committee and are distributed to each member by their pro rata contributions over the past five completed fiscal years. Dividends to any participating auxiliary organization are calculated and distributed in accordance with the Dividends and Assessment Policy. Dividend distributions are accrued as dividend expense once they are approved and declared by the Executive Committee and the auxiliary organizations Risk Management Alliance (AORMA) Committee.

m. *Net Position*

The Authority's net position is classified as unrestricted. Unrestricted net position may be designated for use by the Authority. The Authority has adopted a policy of utilizing restricted funds, when available, prior to unrestricted funds.

n. *Classification of Revenues and Expenses*

The Authority considers operating revenues and expenses in the Statement of Revenues, Expenses, and Changes in Net Position to be those revenues and expenses that result from exchange transactions or other activities that are connected directly to the Authority's primary functions. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB requirements. These nonoperating activities include the Authority's investment income, net, and interest income from loans.

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o. *Income Taxes*

The Authority was formed pursuant to the Code Section 6500 et seq. and, as a governmental entity, is not subject to federal or state income taxes under §115 of the Internal Revenue Code of 1986.

p. *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

(3) Cash and Cash Equivalents, Investments, and Investment Income, Net

The Authority's cash, cash equivalents, and investments as of June 30, 2025 are classified in the accompanying Statement of Net Position as follows:

Short-term investments	\$ 45,420
Other long-term investments	57,471
Total	<u>\$ 102,891</u>

a. *Cash and Cash Equivalents*

Cash and cash equivalents consists of demand deposits held at a financial institution. There were no cash and cash equivalents for the year ended June 30, 2025.

The Authority maintains centralized management for substantially all of its cash and cash equivalents. Cash in demand deposit accounts is minimized by sweeping available cash balances into the CSU Consolidated Investment Pool on a daily basis.

b. *Investments*

At June 30, 2025, the Authority's investment portfolio consists of investments held at Morgan Stanley and in the CSU Consolidated Investment Pool. Separate accounting is maintained as to the amounts allocable to the various funds and programs.

i. *Investment Policy*

State law and regulations require that surplus monies of the Authority must be invested. The primary objective of the Authority's investment policy is to safeguard the principal. The secondary objective is to meet the liquidity needs of the Authority. The third objective is to return an acceptable yield.

The Authority's investment policy authorizes funds held in local trust accounts under Education Code Sections 89721 and 89724 to be invested in any of the securities authorized by Government Code Sections 16430 and 53601, and Education Code Section 89724, subject to certain limitations. In general, the Authority's investment policy permits investments in obligations of the federal and

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California state governments, certificates of deposit, high-quality domestic corporate and fixed-income securities, and certain other investment instruments.

ii. *Custodial Credit Risk*

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments or deposits may not be returned to the Authority. Substantially all of the Authority's securities are registered in the Authority's name by the custodial bank as an agent for the Authority.

iii. *Interest Rate Risk*

Interest rate risk is the risk that fluctuations in interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair market value to fluctuations in market interest rates. The Authority's investment guidelines measure interest rate risk by limiting an eligible investment to a maximum effective maturity and by limiting the average duration of the portfolio. The effective maturity date reflects a bond with embedded options, such as a call, put, or reset date, and prepayment speed resulting in the maturity of a bond being less than its final maturity date. Duration is a measure of the sensitivity of the price of an investment relative to fluctuations in market interest rates.

Durations of the Authority's investment portfolio for each investment type as of June 30, 2025 are presented in the table below.

Investment type	Fair value	Duration (in years)
Asset Backed Securities	\$ 545	4.49909
Corporate Bonds	20,582	1.76414
Money Market Funds	1,563	—
Mortgage Backed Securities	12,861	6.77494
Municipal Bonds	1,427	1.85817
US Agency Securities	356	4.46050
US Treasury Securities	41,946	5.11113
CSU Consolidated Investment Pool	23,611	2.75295
Total investments	<u>\$ 102,891</u>	

Another way the Authority manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity evenly over time as necessary to provide cash flows and liquidity needed for operations.

iv. *Credit Risk*

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization.

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By law, the Authority invests in low credit risk securities, such as U.S. government securities, securities of federally sponsored agencies, highly rated domestic corporate bonds, prime-rated commercial paper, repurchase and reverse repurchase agreements, banker's acceptances, and negotiable certificates of deposit.

Ratings of the Authority's investment portfolio for each investment type as of June 30, 2025 are presented in the table below:

Investment type	Fair value	Ratings as of year-end				
		AAA	AA	A	BBB	Not rated
Asset Backed Securities	\$ 545	—	257	—	288	—
Corporate Bonds	20,582	2,333	9,222	9,027	—	—
Money Market Funds	1,563	1,563	—	—	—	—
Mortgage Backed Securities	12,861	—	12,861	—	—	—
Municipal Bonds	1,427	1,028	399	—	—	—
US Agency Securities	356	—	356	—	—	—
US Treasury Securities	41,946	—	41,946	—	—	—
CSU Consolidated Investment Pool	23,611	—	—	—	—	23,611
Total investments	<u>\$ 102,891</u>	<u>4,924</u>	<u>65,041</u>	<u>9,027</u>	<u>288</u>	<u>23,611</u>

v. *Concentration Risk*

Concentration of credit risk rises as investments become concentrated relative to a portfolio characteristic, such as issuance, issuer, market sector, counter party, or sovereign nation, and is best mitigated by diversification. The Authority's investment policy has concentration limits that provide sufficient diversification.

As of June 30, 2025, the following investments held at Morgan Stanley (other than U.S. Treasury securities, mutual funds, and external investment pools) represented 5% or more of the Authority's investment held at Morgan Stanley: Federal National Mortgage Association totaling \$5,896 or 7.05% and Federal Home Loan Mortgage Corporation totaling \$4,888 or 5.87%.

vi. *Fair Value Measurements*

The Authority uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine the fair value disclosures. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction among market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for the Authority's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. The Authority groups its assets and liabilities measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The level in the fair value hierarchy within which a fair

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measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Authority has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability. This valuation is accomplished using management's best estimate of fair value, with inputs into the determination of fair value that require significant management judgment or estimation.

The following table presents investments that are measured at fair value on a recurring basis at June 30, 2025:

Investment type	Fair value	Level 2	Net asset value
Asset Backed Securities	\$ 545	545	—
Corporate Bonds	20,582	20,582	—
Money Market Funds	1,563	—	1,563
Mortgage Backed Securities	12,861	12,861	—
Municipal Bonds	1,427	1,427	—
US Agency Securities	356	356	—
US Treasury Securities	41,946	41,946	—
	<u>79,280</u>	<u>77,717</u>	<u>1,563</u>
Investments not subject to fair value hierarchy:			
Equity in the CSU Consolidated Investment Pool	<u>23,611</u>		
Total investments	<u>\$ 102,891</u>		

The following discussion describes the valuation methodologies used for financial assets and liabilities measured at fair value. The techniques utilized in estimating the fair value are affected by the assumptions used.

Investments classified in Level 2 as fair value are calculated using valuations that include observable market quoted prices for similar assets or liabilities. These include observable inputs other than quoted prices such as price services or indices, estimates, appraisals, assumptions, and other methods that are reviewed by management.

Money market funds are not categorized under the fair value hierarchy and are shown at NAV used as a practical expedient to estimate fair value. These investments are measured at amortized cost when calculating NAV per share (or its equivalent) of the investment.

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c. Investment Income, Net

Investment income, net, included within the Statement of Revenues, Expenses, and Changes in Net Position is comprised of unrealized gains of \$1,265, realized gains of \$763, and interest and dividend income of \$4,105 for the year ended June 30, 2025.

(4) Capital Assets, Net

A summary of subscription IT asset activities during the year ended June 30, 2025 is as follows.

	Balance		Balance
	June 30, 2024	Additions	June 30, 2025
Subscription IT assets	\$ 4,299	—	4,299
Less accumulated amortization	(2,597)	(884)	(3,481)
Subscription IT assets, net	<u>\$ 1,702</u>	<u>(884)</u>	<u>818</u>

(5) SBITA Liabilities

A summary of changes in the related subscription IT liabilities during year ended June 30, 2025 is as follows:

	Balance June 30, 2024	Addition	Remeasurements/ Reductions	Balance June 30, 2025	Current Portion	Noncurrent Portion
SBITA Liabilities	\$ 1,058		(903)	155	20	135
Total SBITA liabilities	<u>\$ 1,058</u>	<u>—</u>	<u>(903)</u>	<u>155</u>	<u>20</u>	<u>135</u>

Future annual subscription payments are as follows:

	Principal	Interest	Total
Year ending June 30:			
2026	\$ 20	6	26
2027	22	6	28
2028	24	5	29
2029	27	4	31
2030	30	3	33
2031 - 2032	32	1	33
	<u>\$ 155</u>	<u>25</u>	<u>180</u>

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(6) Claims Liability for Losses and Loss Adjustment Expenses

The Authority establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related loss adjustment expenses. Although considerable variability is inherent in such estimates, management believes that the liability is reasonable at June 30, 2025.

Changes in the Authority's claims liability for the year ended June 30, 2025 is as follows:

Claims liability for losses and loss adjustment expenses, June 30, 2024	\$ 64,020
Less current portion	<u>(21,692)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2024, net of current portion	<u>42,328</u>
Incurred claims for losses and loss adjustment expenses:	
Provision for insured events of the current fiscal year	71,672
Decrease in provision for reinsured events of the current fiscal year	(26,072)
Increase in provision for insured events of prior fiscal years	<u>12,469</u>
Total incurred claims for losses and loss adjustment expenses	<u>58,069</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	(21,364)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of the current fiscal year	32,406
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(43,488)</u>
Total payments	<u>(32,446)</u>
Claims liability for losses and loss adjustment expenses, June 30, 2025	89,643
Less current portion	<u>32,022</u>
Claims liability for losses and loss adjustment expenses, June 30, 2025, net of current portion	<u>\$ 57,621</u>

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(7) Related-Party Transactions

The following represents a summary of the accounts receivable, contributions, and dividends for the year ended June 30, 2025, and general liability insurance deductibles for the policy period detailed by member type:

Member	Accounts receivable	Contributions	(Dividends) & Assessments	General liability insurance deductibles per occurrence
Campuses	\$ 404	144,845	(4,901)	50 - 1,000
Auxiliary organizations	8,484	26,470	562	0 - 100
	<u>\$ 8,888</u>	<u>171,315</u>	<u>(4,339)</u>	

The Authority maintained the Owner Controlled Insurance Program (OCIP) to provide General Liability, Completed Operations Liability, Property, and Workers' Compensation coverage for all contractors performing construction work on CSU projects exceeding \$10,000, as established by the CSU Chancellor's Office Capital Planning, Design, and Construction (CPDC). During the fiscal year, the administration of the OCIP was transferred to the Chancellor's Office. Accordingly, the remaining balance of the program was also transferred, and the related transactions were reported under Miscellaneous Services within Operating Expenses, totaling \$4,289.

(8) Excess Insurance and Reinsurance

a. Excess Insurance

For the year ended June 30, 2025, the Authority purchased excess insurance to protect the Members from catastrophic losses.

The Authority maintained excess public entity liability insurance coverage provided by School Excess Liability Fund (SELF), a joint powers authority, with coverage for individual claims above \$5,000 and up to \$45,000 per occurrence until December 2009.

The Authority maintained excess general liability insurance coverage provided by various insurers with coverage for individual claims above \$15,000 up to \$239,500 per occurrence. The Authority purchased from Safety National excess workers' compensation insurance to statutory limits in excess of the \$2,500 self-insured retention for the year ended June 30, 2025. For the AORMA workers' compensation program, the Authority also purchased from Safety National excess workers' compensation insurance to statutory limits in excess of the \$750 self-insured retention for the year ended June 30, 2025. There have been no settlements exceeding insurance limits in the past three fiscal years.

Effective January 1, 2015, the Authority joined the CSAC Excess Insurance Authority Excess Workers' Compensation Program, pursuant to the memorandum of coverage issued by the EIA. In 2020, CSAC EIA changed their name to Public Risk Innovation, Solutions and Management (PRISM.) PRISM is responsible for all covered losses within the amount of the self-insured retention layer of \$2,500 for the campus workers' compensation program and \$750 for the AORMA workers' compensation program.

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The estimated amounts that are recoverable from PRISM as of June 30, 2025 were \$70,455 for the campus workers' compensation program and \$5,294 for the AORMA workers' compensation program, respectively.

b. Reinsurance

For the year ended June 30, 2025, the Authority did not enter into the CSU's workers' compensation reinsurance contract. From the year ended June 30, 2008 through June 30, 2012, the Authority entered into a reinsurance contract with the Insurance Company of the State of Pennsylvania (the Reinsurer). This transaction reinsured the CSU's workers' compensation claims liability for claims incurred within the \$2,500 self-insured retention up to aggregate limits. The estimated amounts that are recoverable from the reinsurer and that reduce the liabilities as of June 30, 2025 was \$1,520. While such losses are reinsured, the Authority will not be relieved of its primary obligations to the policyholder in these reinsurance transactions.

For the year ended June 30, 2025, the Authority purchased reinsurance for the campus and AORMA liability programs provided by various insurers. This transaction reinsured the campus and AORMA claims liability for individual claims incurred in excess of \$1,000 and up to \$15,000 per occurrence. The reinsurance premiums for the year ended June 30, 2025 were \$6,128. There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

For the year ended June 30, 2025, the Authority purchased reinsurance for the campus and AORMA property programs provided by the Public Entity Property Insurance Program (the PEPIP). This transaction reinsured the campus and AORMA property programs for individual claims in excess of \$2,500 for the Campus program and \$100 for the AORMA program, and up to \$1,000,000 per occurrence. The reinsurance premiums for the year ended June 30, 2025 were \$36,016. The coverage terms and conditions are the same as provided by the PEPIP in prior years.

(9) SELF Assessment Liability

Prior to July 1, 2004, the Authority maintained excess workers' compensation insurance coverage provided by SELF, a public entity risk pool. The Authority remained liable for assessments from SELF in settlement of claims incurred prior to July 1, 2004. The ten-year assessment plan was completed in December 2022.

(10) Subsequent Events

Subsequent events have been evaluated through September 22, 2025, which corresponds to the date when the financial statements were available to be issued. There are no additional subsequent events that require disclosure.

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Supplementary Information

Reconciliation of Workers' Compensation Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's workers' compensation contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ 7,979
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	24,331
Decrease in provision for reinsured events of current fiscal year	(23,858)
Decrease in provision for insured events of prior fiscal years	<u>(3,007)</u>
Total incurred claims and claim adjustment expenses	<u>(2,534)</u>
Payments:	
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	17,918
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(16,084)</u>
Total payments	<u>1,834</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ 7,279</u></u>

See accompanying independent auditors' report.

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Supplementary Information

Reconciliation of General Liability Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's general liability contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ 44,692
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	16,506
Increase in provision for insured events of prior fiscal year	14,432
Total incurred claims and claim adjustment expenses	<u>30,938</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	—
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	3,431
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	(10,784)
Total payments	<u>(7,353)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u>\$ 68,277</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY

Supplementary Information

Reconciliation of Industrial Disability, Nonindustrial Disability, and Unemployment Insurance (IDL/NDI/UI) Claims
Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's IDL/NDL/UI contracts
for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	14,473
Total incurred claims and claim adjustment expenses	<u>14,473</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(14,473)</u>
Total payments	<u>(14,473)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ —</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of Property Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's property contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	<u>2,685</u>
Total incurred claims and claim adjustment expenses	<u>2,685</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(2,685)</u>
Total payments	<u>(2,685)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ —</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of Athletic Injury Medical Expense (AIME) Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's AIME contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ 3,422
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	5,650
Increase in provision for insured events of prior fiscal years	<u>42</u>
Total incurred claims and claim adjustment expenses	<u>5,692</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(2,463)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(2,629)</u>
Total payments	<u>(5,092)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ 4,022</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of Club Sports Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the Authority's club sports contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	41
Total incurred claims and claim adjustment expenses	41
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(41)
Total payments	(41)
Claims liability for losses and loss adjustment expenses, end of year	\$ —

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of AORMA Workers' Compensation Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the AORMA workers' compensation contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ 309
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	2,217
Decrease in provision for reinsured events of current fiscal year	(2,214)
Decrease in provision for insured events of prior fiscal years	<u>(199)</u>
Total incurred claims and claim adjustment expenses	<u>(196)</u>
Payments:	
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	1,216
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(1,290)</u>
Total payments	<u>(74)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ 39</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of AORMA General Liability Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the AORMA general liability contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ 7,618
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	4,099
Increase in provision for insured events of prior fiscal years	<u>1,201</u>
Total incurred claims and claim adjustment expenses	<u>5,300</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(32)
Claims and claim adjustment expenses attributable to recoveries from reinsured events of current fiscal year	9,841
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	<u>(12,701)</u>
Total payments	<u>(2,892)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ 10,026</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY**RISK MANAGEMENT AUTHORITY**

Supplementary Information

Reconciliation of AORMA Property Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the AORMA property contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	178
Total incurred claims and claim adjustment expenses	178
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(178)
Total payments	(178)
Claims liability for losses and loss adjustment expenses, end of year	\$ —

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY
Supplementary Information
Reconciliation of AORMA Crime Claims Liabilities
June 30, 2025
(In thousands)

The schedule below presents the changes in claims liabilities for the AORMA crime contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	—
Total incurred claims and claim adjustment expenses	—
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	—
Total payments	—
Claims liability for losses and loss adjustment expenses, end of year	\$ —

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY

Supplementary Information

Reconciliation of AORMA Unemployment Insurance Program (UIP) Claims Liabilities

June 30, 2025

(In thousands)

The schedule below presents the changes in claims liabilities for the AORMA UIP contract for the year ended June 30:

Claims liability for losses and loss adjustment expenses, beginning of year	\$ —
Incurred claims and claim adjustment expenses:	
Provision for insured events of current fiscal year	1,492
Total incurred claims and claim adjustment expenses	<u>1,492</u>
Payments:	
Claims and claim adjustment expenses attributable to insured events of current fiscal year	<u>(1,492)</u>
Total payments	<u>(1,492)</u>
Claims liability for losses and loss adjustment expenses, end of year	<u><u>\$ —</u></u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Schedule of Net Position

June 30, 2025

(For inclusion in the California State University Basic Financial Statements)

Assets:

Current assets:

Cash and cash equivalents	\$ —
Short-term investments	45,420,488
Accounts receivable, net	11,893,827
Prepaid expenses and other assets	4,512,037
Total current assets	<u>61,826,352</u>

Noncurrent assets:

Capital assets, net	818,125
Other long-term investments	57,470,979
Total noncurrent assets	<u>58,289,104</u>
Total assets	<u>120,115,456</u>

Liabilities:

Current liabilities:

Accounts payable	7,589,894
Unearned revenues	534,920
SBITA liabilities - current portion	20,039
Claims liability for losses and loss adjustment expenses, current portion	32,022,141
Other liabilities	5,790
Total current liabilities	<u>40,172,784</u>

Noncurrent liabilities:

SBITA liabilities, net of current portion	135,401
Claims liability for losses and loss adjustment expenses, net of current portion	57,621,312
Total noncurrent liabilities	<u>57,756,713</u>
Total liabilities	<u>97,929,497</u>

Net position:

Unrestricted	22,185,959
Total net position	<u><u>\$ 22,185,959</u></u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY

Schedule of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2025

(For inclusion in the California State University Basic Financial Statements)

Revenues:

Operating revenues:

Other operating revenues	\$ 129,171,166
Total operating revenues	<u>129,171,166</u>

Expenses:

Operating expenses:

Instruction	5,467,153
Research	109,029
Public service	60,836
Academic support	1,230,618
Student services	1,425,591
Institutional support	133,297,573
Operation and maintenance of plant	802,446
Auxiliary enterprise expenses	253,281
Depreciation and amortization	884,099
Total operating expenses	<u>143,530,626</u>
Operating loss	<u>(14,359,460)</u>

Nonoperating revenues (expenses):

Investment income, net	6,132,603
Interest expense	(33,847)
Other nonoperating expenses	<u>(4,338,355)</u>
Net nonoperating revenues	<u>1,760,401</u>
Decrease in net position	<u>(12,599,059)</u>

Net position:

Net position, beginning of year	34,785,018
Net position, end of year	<u><u>\$ 22,185,959</u></u>

See accompanying independent auditors' report.

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2025

(For inclusion in the California State University Financial Statements)

1 Cash and cash equivalents: *Not applicable*

2.1 Composition of investments:

	Current	Noncurrent	Total
Money market funds	\$ 429,953	1,133,011	1,562,964
Repurchase agreements	—	—	—
Certificates of deposit	—	—	—
U.S. agency securities	98,019	258,300	356,319
U.S. Treasury securities	11,538,888	30,407,226	41,946,114
Municipal bonds	392,565	1,034,486	1,427,051
Corporate bonds	5,661,820	14,920,001	20,581,821
Asset backed securities	149,981	395,228	545,209
Mortgage-backed securities	3,537,774	9,322,727	12,860,501
Commercial paper	—	—	—
Supranational	—	—	—
Mutual funds	—	—	—
Exchange traded funds	—	—	—
Equity securities	—	—	—
Alternative investments:			
Private equity (including limited partnerships)	—	—	—
Hedge funds	—	—	—
Managed futures	—	—	—
Real estate investments (including REITs)	—	—	—
Commodities	—	—	—
Derivatives	—	—	—
Other alternative investment	—	—	—
Other external investment pools	—	—	—
CSU Consolidated Investment Pool (formerly SWIFT)	23,611,488	—	23,611,488
State of California Local Agency Investment Fund (LAIF)	—	—	—
State of California Surplus Money Investment Fund (SMIF)	—	—	—
Other investments:	—	—	—
Total Other investments	—	—	—
Total investments	45,420,488	57,470,979	102,891,467
Less endowment investments (enter as negative number)	—	—	—
Total investments, net of endowments	\$ 45,420,488	57,470,979	102,891,467

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2025

(for inclusion in the California State University Basic Financial Statements)

2.2 Fair value hierarchy in investments:

Fair value measurements using					
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ 1,562,964	—	—	—	1,562,964
Repurchase agreements	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
U.S. agency securities	356,319	—	356,319	—	—
U.S. Treasury securities	41,946,114	—	41,946,114	—	—
Municipal bonds	1,427,051	—	1,427,051	—	—
Corporate bonds	20,581,821	—	20,581,821	—	—
Asset backed securities	545,209	—	545,209	—	—
Mortgage-backed securities	12,860,501	—	12,860,501	—	—
Commercial paper	—	—	—	—	—
Supranational	—	—	—	—	—
Mutual funds	—	—	—	—	—
Exchange traded funds	—	—	—	—	—
Equity securities	—	—	—	—	—
Alternative investments:	—	—	—	—	—
Private equity (including limited partnerships)	—	—	—	—	—
Hedge funds	—	—	—	—	—
Managed futures	—	—	—	—	—
Real estate investments (including REITs)	—	—	—	—	—
Commodities	—	—	—	—	—
Derivatives	—	—	—	—	—
Other alternative investment	—	—	—	—	—
Other external investment pools	—	—	—	—	—
CSU Consolidated Investment Pool (formerly SWIFT)	23,611,488	—	—	—	23,611,488
State of California Local Agency Investment Fund (LAIF)	—	—	—	—	—
State of California Surplus Money Investment Fund (SMIF)	—	—	—	—	—
Total Other investments	—	—	—	—	—
Total investments	\$ 102,891,467	—	77,717,015	—	25,174,452

2.3 Investments held by the University under contractual agreements: *Not applicable*

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2025

(for inclusion in the California State University Basic Financial Statements)

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets: *Not applicable*

3.1 Capital Assets, Right of Use:

Composition of capital assets - Lease ROU, net: *Not applicable*

Composition of capital assets - SBITA ROU, net:

	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Balance June 30, 2025</u>
Depreciable/Amortizable SBITA assets:			
Software	\$ 4,298,872	—	4,298,872
Total depreciable/amortizable SBITA assets	<u>4,298,872</u>	<u>—</u>	<u>4,298,872</u>
Less accumulated depreciation/amortization:			
Software	(2,596,648)	(884,099)	(3,480,747)
Total accumulated depreciation/amortization	<u>(2,596,648)</u>	<u>(884,099)</u>	<u>(3,480,747)</u>
 Total capital assets - SBITA ROU, net	 <u>\$ 1,702,224</u>	 <u>(884,099)</u>	 <u>818,125</u>
Total capital assets, net including ROU assets			<u><u>\$ 818,125</u></u>

3.2 Detail of depreciation and amortization expense:

Amortization expense - SBITA ROU	\$ 884,099
Total depreciation and amortization	<u><u>\$ 884,099</u></u>

4 Long-term liabilities:

	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2025</u>	<u>Current Portion</u>	<u>Noncurrent Portion</u>
Claims liability for losses and loss adjustment expenses	\$ 64,020,566	58,069,715	(32,446,828)	89,643,453	32,022,141	57,621,312
Total long-term liabilities	<u><u>\$ 64,020,566</u></u>	<u><u>58,069,715</u></u>	<u><u>(32,446,828)</u></u>	<u><u>89,643,453</u></u>	<u><u>32,022,141</u></u>	<u><u>57,621,312</u></u>

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2025

(for inclusion in the California State University Basic Financial Statements)

5 SBITA Liabilities:

	Balance June 30, 2024	Remeasurements/ Reductions	Balance June 30, 2025	Current Portion	Noncurrent Portion
SBITA liabilities	\$ 1,058,041	(902,601)	155,440	20,039	135,401
Total SBITA liabilities	\$ 1,058,041	(902,601)	155,440	20,039	135,401

5 Future minimum payments schedule - SBITA:

	SBITA liabilities		
	Principal Only	Interest Only	Principal and Interest
Year ending June 30:			
2026	\$ 20,039	6,326	26,365
2027	22,172	5,511	27,683
2028	24,459	4,608	29,067
2029	26,908	3,613	30,521
2030	29,529	2,518	32,047
2031 - 2032	32,333	1,316	33,649
Total minimum payments	\$ 155,440	23,892	179,332
Less: amounts representing interest			(23,892)
Present value of future minimum payments			155,440
Total SBITA liabilities			155,440
Less: current portion			(20,039)
SBITA liabilities, net of current portion			\$ 135,401

6 Long-term debt obligations schedule: *Not applicable*

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 3,083,589
Payments to University for other than salaries of University personnel	8,175
Payments received from University for services, space, and programs	40,687
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	—
Accounts (payable to) University	—
Other amounts (payable to) University	—
Accounts receivable from University	111
Other amounts receivable from University	—

**CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY**

Other Information

June 30, 2025

(for inclusion in the California State University Basic Financial Statements)

8 Restatements: *Not applicable*

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ —	5,467,153	—	—	—	—	—	5,467,153
Research	—	109,029	—	—	—	—	—	109,029
Public service	—	60,836	—	—	—	—	—	60,836
Academic support	—	1,230,618	—	—	—	—	—	1,230,618
Student services	—	1,425,591	—	—	—	—	—	1,425,591
Institutional support	—	1,416,635	—	—	—	131,880,938	—	133,297,573
Operation and maintenance of plant	—	802,446	—	—	—	—	—	802,446
Student grants and scholarships	—	—	—	—	—	—	—	—
Auxiliary enterprise expenses	—	253,281	—	—	—	—	—	253,281
Depreciation and amortization	—	—	—	—	—	—	884,099	884,099
Total operating expenses	\$ —	10,765,589	—	—	—	131,880,938	884,099	143,530,626

10 Deferred outflows/inflows of resources: *Not applicable*

11 Other nonoperating revenues (expenses):

Other nonoperating revenues	\$ 1,083
Other nonoperating (expenses)	(4,339,438)
Total other nonoperating revenues (expenses)	\$ (4,338,355)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY
RISK MANAGEMENT AUTHORITY
 Claims Development Information
 Required Supplementary Information (Unaudited)
 (In thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net earned required contribution and investment revenues:										
Earned	\$ 104,997	102,346	101,752	113,265	127,701	121,554	132,451	153,843	166,264	177,449
Ceded	6,886	9,441	9,812	11,219	13,413	17,397	22,306	28,150	43,321	42,144
Net earned	\$ 98,111	92,905	91,940	102,046	114,288	104,157	110,145	125,693	122,943	135,305
Unallocated expenses	\$ 60,194	80,309	71,150	69,756	76,439	84,907	86,914	81,579	82,827	89,835
Estimated incurred claims and expenses, end of policy year:										
Incurred	\$ 56,800	60,246	63,078	67,753	62,713	54,708	55,234	62,320	67,699	71,672
Ceded	24,959	26,653	29,282	30,120	22,606	14,314	25,438	26,160	27,750	26,072
Net incurred	\$ 31,841	33,593	33,796	37,633	40,107	40,394	29,796	36,160	39,949	45,600
Paid (cumulative) as of:										
End of policy year	\$ 9,658	7,058	5,830	3,533	8,912	(26,212)	(159)	877	1,184	(11,042)
One year later	21,005	23,554	23,227	22,540	28,539	28,146	16,586	19,773	22,807	—
Two years later	24,800	25,923	24,406	28,490	35,970	28,975	18,495	22,900	—	—
Three years later	32,329	27,174	25,971	30,457	39,558	31,216	21,268	—	—	—
Four years later	32,772	28,477	29,086	32,426	46,427	32,690	—	—	—	—
Five years later	32,772	30,311	30,914	33,309	47,581	—	—	—	—	—
Six years later	32,882	30,333	31,807	33,337	—	—	—	—	—	—
Seven years later	32,900	30,333	32,425	—	—	—	—	—	—	—
Eight years later	32,899	30,334	—	—	—	—	—	—	—	—
Nine years later	32,899	—	—	—	—	—	—	—	—	—
Re-estimated ceded claims and expenses	\$ 24,959	26,653	29,282	30,120	22,606	14,314	25,438	26,160	27,750	26,072
Re-estimated incurred claims and expenses:										
End of policy year	\$ 31,841	33,593	33,796	37,633	40,107	40,394	29,796	36,160	39,949	45,600
One year later	31,206	28,940	30,941	31,785	39,187	38,687	27,095	32,876	37,671	—
Two years later	29,356	28,377	27,913	33,524	44,068	37,427	26,533	40,542	—	—
Three years later	32,892	28,012	27,638	35,844	46,752	39,026	33,063	—	—	—
Four years later	33,207	29,754	32,465	34,230	50,617	40,545	—	—	—	—
Five years later	33,640	31,706	32,876	34,443	51,047	—	—	—	—	—
Six years later	33,249	31,532	32,389	33,843	—	—	—	—	—	—
Seven years later	32,925	30,475	33,380	—	—	—	—	—	—	—
Eight years later	32,910	30,373	—	—	—	—	—	—	—	—
Nine years later	32,907	—	—	—	—	—	—	—	—	—
Increase (decrease) in estimated incurred claims and expenses from end of policy year	\$ 1,066	(3,220)	(416)	(3,790)	10,940	151	3,267	4,382	(2,278)	—
See accompanying independent auditors' report.										

EXCESS INSURANCE RENEWAL REPORT

ISSUE: CSURMA renews its insured, self-insured and reinsured coverage programs effective July 1. This year saw a still firm excess liability market, a stability in cyber and a good result from the property insurance markets. Every effort is made on each program to present CSU to the markets with contributions from senior leadership and systemwide risk management. Table 1 shows a year over year summary.

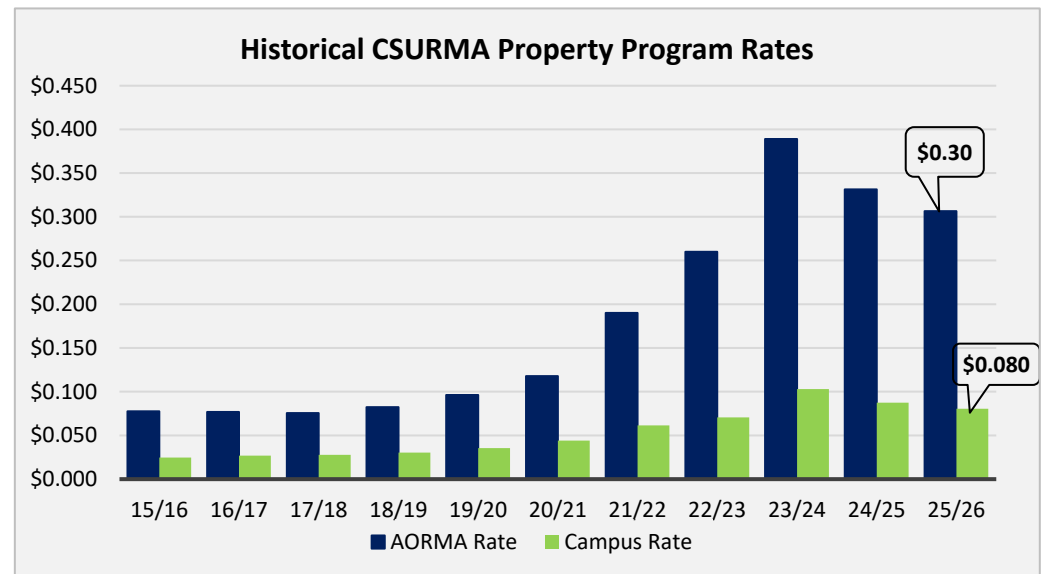
CSURMA Campus and AORMA Risk Pools Year Over Year Insurance Cost at July 1, 2025				
Coverage	FY 24/25	FY 25/26	\$ Change	% Change
Liability Reinsurance	6,462,833	7,282,615	819,782	13%
Liability Excess Insurance	20,957,814	23,805,044	2,847,230	14%
Property	35,518,148	35,339,349	-178,799	-1%
Workers' Compensation	32,967,819	34,534,408	1,566,589	5%
Cyber	1,766,975	1,745,850	-21,125	-1%
Fine Arts	331,517	331,517	0	0%
SLIP, SAFECLIP, CLIP	963,591	1,189,467	225,877	23%
Aviation	274,709	326,595	51,886	19%
Medical Malpractice	272,395	272,395	0	0%
Fidelity	532,192	532,192	0	0%
Total Cost:	\$100,047,993	\$105,359,433	\$5,311,440	5%

RECOMMENDATION: No action is requested at today’s meeting; however, the Board may take action or provide direction to staff.

FISCAL IMPACT: The increased excess insurance costs will be reflected in the FY 25/26 CSURMA budget as well as each campuses’ allocation of the total insurance costs.

BACKGROUND: Following are comments on the status of main coverage programs.

- **Excess Liability** – CSURMA’s excess liability program has seen loss development in the first excess layers for both the AORMA and Campus programs. The University fully retains the first \$10 million of each loss and the AORMA program continues to be covered separately in this layer. Broad form public entity liability including general, auto, professional, law enforcement and public officials’ liability now tops out at \$77.5 million. Sexual abuse and molestation coverage, and concussive injury to athletic participants coverage are maintained to \$77.5 million. We were able to secure an additional \$8 million in broad form coverage, exception is without the sexual abuse and molestation coverage. Annual aggregate limits apply excess of \$10 million. The excess liability insurance market is expected to remain firm for California public entities and higher education as the effects of catastrophic jury verdicts, settlements, police misconduct, and sexual abuse claims is absorbed by insurers. The total program limits are up slightly from 249.5 million for FY 24/25 to \$250 million for FY 25/26.
- **Property** – This year’s property renewal was an overall good result. The rate for FY 25/26 is \$0.08 which is down from FY 24/25 which was \$0.087. The program deductibles and sub-limits for perils such as wildfire and flood remain the same as last year. The property market is stabilizing and will continue to be impacted by global factors and the programs own loss experience.



- **Workers' Compensation** – Workers' compensation continues to be the bright spot in the major lines of coverage. CSU has had excellent results and entered into a new two-year agreement with reduced rates from the expiring terms.
- **Cyber** – AORMA purchases a deductible buy-down option, so they continue to have a \$15,000 deductible. The campus deductibles range from \$50,000, \$100,000 or \$250,000 depending on total insurance values. Due to CSU's secure practices and favorable market conditions, limits remained steady at \$28M and \$43M in the aggregate at a 1.2% decrease in cost despite a hardening cyber insurance marketplace. Coveted first party coverages such as Data Recovery Costs and Cyber Extortion remain full limit coverages as well.
- **Fine Arts** – This program renewed flat and continues to be valuable program for the campuses.
- **SPLIP, SAFECLIP & CLIP** – These programs continue perform exceptionally well and all programs were renewed flat. The SPLIP program has a few losses pending that we are watching.
- **Aviation** – This program entered into a new two-year agreement with CSU's longtime partner, Chubb. All programs DRIP (Drone Insurance Program), Rocketry and Non Owned Aircraft renewed flat. This market continues to be challenged from globally impact.
- **Medical Malpractice** – This program has a \$10 million limit. The medical malpractice market is challenged with limited capacity and carriers participating. CSU's program saw a flat renewal.
- **Fidelity** – This year renewed with flat, no change in deductibles. This program has had losses from both the campus and auxiliary sides and we expect that will be reflected in next year's renewal offering.

PUBLICATION: This item is for information in the agenda packet and no further publication is anticipated.

ATTACHMENT(S): None.

CAMPUS RISK POOLS RATING PLANS TASK GROUP

ISSUE: The Executive Committee established the Rating Plans Task Group (RPTG) to review and recommend revisions, if any, to the rating plan for each of the Campus Coverage Programs. The RPTG met on August 1, 2025, and August 19, 2025. The Board will hear a report on the task group's findings and recommendations at today's meeting. The Board will be asked to adopt the proposed amendments to the rating plans.

RECOMMENDATION: The Executive Committee recommends adoption of the proposed amendments to the rating plans as described in the Rating Plans Task Group report attached to this item.

FISCAL IMPACT: The RPTG's findings and recommendations will not affect the aggregate cost of the different Campus coverage programs but may affect how funding is shared between the Campuses.

BACKGROUND: The RPTG Report is attached for your information.

PUBLICATIONS: None.

ATTACHMENT(S):

- a. Rating Plans Task Group Report

Campus Risk Pools

Rating Plans Task Group

September 5, 2025

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- I. Executive Summary**
- II. Background**
- III. Review of Rating Plans**
- IV. Glossary of Terms**
- V. Attachments**

I. Executive Summary

A. Rating Plans Task Group Assignment and Responsibility

The Executive Committee established the Rating Plans Task Group (RPTG) on March 6, 2025 to review CSURMA's funding policies and rating plans for the Campus Risk Pool Coverage Programs and to explore possible refinements to the rating formulas as may be desired for the good of the membership.

The RPTG's recommendations for amendments to the funding policies and rating plans, if any, are to be used for calculating the annual contributions for each Campus member for the next three program years beginning July 1, 2026. The RPTG's findings and recommendations may be presented to the CSU Chief Administrative & Business Officers (CABO) as a matter of information and will be presented to the Board of Directors for adoption at its meeting on October 24, 2025.

The RPTG was directed to evaluate the funding policies and rating plans for the following Campus coverage programs:

- Workers' Compensation
- Liability
- Property
- Industrial Disability Leave, Nonindustrial Disability Insurance, Unemployment Insurance (*IDL/NDI/UI*)
- Automobile Liability
- Athletic Injury Medical Expense (*AIME*)

The RPTG did not review the rating plans of the Auxiliary Organizations Risk Management Alliance (AORMA) because responsibility for the auxiliary organizations' coverage plans has been delegated to the AORMA Committee, who develops and oversees the coverage terms and rating plans for all AORMA programs.

B. Task Group Members

The 2025 Rating Plan Task Group includes:

- Colin Donahue – Vice President, Administration and Finance, CSU Northridge (CSURMA Executive Committee Member)
- Rose McAuliffe – Vice President for Business & Finance, CSU Stanislaus (CSURMA Executive Committee Member)
- Lynniece Warren – Executive Director of Risk Management, CSU San Bernardino (CSURMA Executive Committee Member)
- Zachary Gifford – Senior Director of Systemwide Risk Management (CSU Office of the Chancellor)

The 2025 Rating Plan Task Group is staffed by:

- Daniel Howell - Senior Executive Vice President, Alliant Insurance Services, CSURMA Program Director
- Amy Lightner - Vice President, Alliant Insurance Services, CSURMA Program Administrator
- Mimi Long - Vice President, Alliant Insurance Services, CSURMA Program Administrator

II. Background

A. Purpose

The RPTG was tasked with a thorough review of the funding policies and rating plans for the following Campus coverage programs:

- Workers' Compensation
- Liability
- Property
- Industrial Disability Leave, Non-Industrial Disability Leave, Unemployment Insurance (*IDL/NDI/UI*)
- Automobile Liability
- Athletic Injury Medical Expense (*AIME*)

The current rating plans used by CSURMA were developed and adopted in 1994, and reviewed and modified in 1998, 2001, 2004, 2007, 2010, 2013, 2016, 2019 and 2022.

It had been agreed following the last rating plan review that the rating plans would be reviewed again in 2025. A review is appropriate at this time because Campuses are eligible to change their Liability program deductibles every three years, and beginning for fiscal year 26/27, Campuses are eligible to change their Property program deductibles every three years, rather than annually. The next deductible selection opportunity will be effective July 1, 2026.

B. Meetings

The RPTG scheduled two meetings. The first meeting on August 1, 2025, focused on reviewing the current rating plans, and exploring refinements of each for further consideration by the task group. A second meeting was held on August 19, 2025. The second meeting followed up with a review of the suggested changes to the rating plans, finalization of its recommendations to the Executive Committee, and approval of the draft RPTG report.

C. Rating Plans Philosophy

To reaffirm the goal of the CSURMA rating plans to balance Campus accountability for performance with the need for rate stability. Accountability is needed to encourage Campus loss control efforts. Rate stability is a goal so that Campuses can project annual costs for budget preparation and management purposes. Overall, the rating plans should fairly allocate the costs of the programs to the Campuses.

D. Fiscal Impact

The RPTG's findings and recommendations will not affect the aggregate cost of the different Campus coverage programs. Program costs may include recommended Risk Pool funding calculated by an independent actuary, Program Expenses as included in the CSURMA Budget, as well as Excess Commercial Insurance and Reinsurance costs. The RPTG's recommendations, however, will affect how aggregate funding is shared between the Campuses.

The projected costs for the Campus Coverage Programs, along with the funding policy adopted by the CSURMA Board of Directors, are reviewed annually by the Executive Committee, presented to the Chief Administrative & Business Officers (CABO), and referred to the Board of Directors with a recommendation for adoption of the proposed annual costs. The Board also retains authority to approve and adopt changes to the rating plans and the coverage forms.

III. Findings and Recommendations

A. General Recommendations:

Complete a comprehensive review of the rating plans to be initiated in the Spring, 2028 so that appropriate changes can be considered before adoption of the rates for FY 29/30.

B. Pooled Programs Funding Status:

At its meeting on September 5, 2025, the Executive Committee will review the funding status for the Workers' Compensation, Liability and AIME Coverage Programs' risk pools, as shown on the Estimated Fund Balance report (Attachment A). The report is based on the financial statements as of June 30, 2025 prepared by CSURMA Accounting, as well as the actuarial reports prepared by CSURMA's independent actuary, Pinnacle Actuarial Resources.

The Board of Directors adopted a policy to fund the programs at the actuary's expected loss level, which ranges between 50%-55% actuarial confidence level for each coverage program respectively. As shown on the Estimated Fund Balance report, the Workers' Compensation and AIME programs have a fund balance at June 30, 2025 which exceeds the amount necessary for funding at the 70% actuarial confidence level, which as a matter of practice is CSURMA's Goal for Retained Funds (Attachment B). The Goal for Retained Funds provides additional funds in excess of the actuary's expected loss estimates to allow funding for a risk margin. The Liability program has a fund balance deficit of \$28,168,366.

Recommendations: None. The Campus Liability Program has an estimated fund balance deficit of \$28,168,366. CSURMA has adopted a plan to achieve the required funding over time by assessing the Campus Liability Program \$5,000,000 annually until the program has a fund balance in excess of the actuarial expected confidence level.

C. Goal for Retain Funds

At its meeting on September 5, 2025, the Executive Committee will review the Estimated Fund Balance report in relation to CSURMA's Goal for Retained Funds exhibit at which time a dividend or assessment may be declared. The final review will include the independent actuarial studies completed for the valuation of the estimated outstanding claim liabilities at June 30, 2025 and expected recoveries from reinsurance and member deductibles.

Recommendations: None. See Attachment B for the Goal for Retained Funds Report at June 30, 2025.

D. Rating Plans:

The RPTG found that the current rating plans are fair and achieve program objectives. The RPTG has developed certain refinements to the Liability and Property coverage programs as detailed in the Findings and Recommendations sections.

It should be noted that the rating plans were developed in 1994 and reviewed in 1998, 2001, 2004, 2007, 2010, 2013, 2016, 2019 and 2022. The RPTG recommended modifications in 1998, 2001, 2004, 2013, 2016 and 2022 which were approved by the Executive Committee and adopted by the Board of Directors. No modifications to the rating plans were recommended in 2007, 2010 or 2019.

As CSURMA's coverage programs gain additional experience, it is expected that the rating plans will be reviewed again in the future so that they continue to achieve the goals of The California State University.

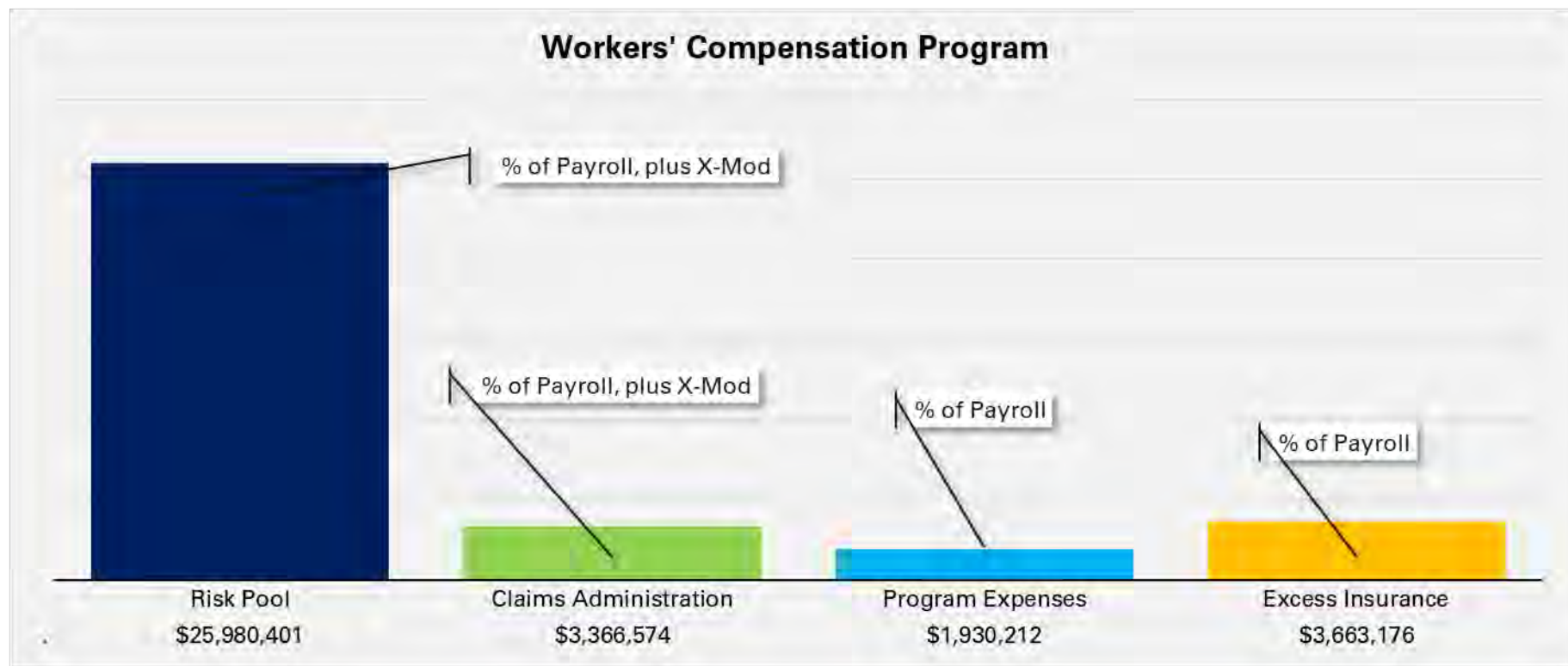
The following pages include the Findings & Recommendations for each coverage program.

III. Findings and Recommendations - Workers' Compensation

Program Overview:

The Campus Workers' Compensation Coverage Program provides statutory Workers' Compensation and Employer's Liability coverage for all CSU state employees and designated volunteers at all campuses and the Chancellor's Office. The risk pool retains the first \$2,500,000 of each claim and commercial insurance is purchase excess of the risk pool. There is no Campus deductible.

Beginning January 1, 2015, CSURMA entered into a reinsurance agreement with Public Risk Innovation, Solutions and Management (PRISM) to reinsure the \$2,500,000 risk pool. In most years, this financing strategy has enabled CSURMA to fund its workers' compensation claims at a cost less than the actuary's minimum funding recommendation at a 70% confidence level.



Current Rating Plan:

There are four separate costs included in the Workers' Compensation Program rating as described below:

1. **Risk Pool** costs are allocated to each campus based on its percentage of the total CSU payroll for the most recent complete fiscal period and adjusted to include an experience modification factor.

The **Experience Modification Factor (X-Mod)** for each campus is developed using the campus' actual payroll and paid claims.

- A *Loss Rate* is calculated using each campus' percentage of the total CSU claims and the total CSU payroll for the past five complete fiscal years.
 - A *Credibility / Variability Factor* is added to the *Loss Rate*. A *Credibility / Variability Factor* determines how much relative weight a campus' own claims experience will count towards its allocation of the total program costs. Credibility is the belief that the sample data is an accurate reflection of the larger population. This method assumes that the historical claims experience of a larger campus is more predictive of future claims experience than compared to that of a smaller campus. The campus with the largest payroll has a 90% credibility factor; the remaining campuses have proportionally lower factors.
 - *Claim Cap* – A maximum of \$500,000 per claim is included in the X-Mod calculation.
2. **Claims Administration** is allocated to each campus based on its percentage of the total CSU payroll and modified by its X-Mod.
 3. **Program Expenses** are allocated to each campus based on its percentage of the total CSU payroll.
 4. **Excess Insurance** is allocated to each campus based on its percentage of the total CSU payroll.

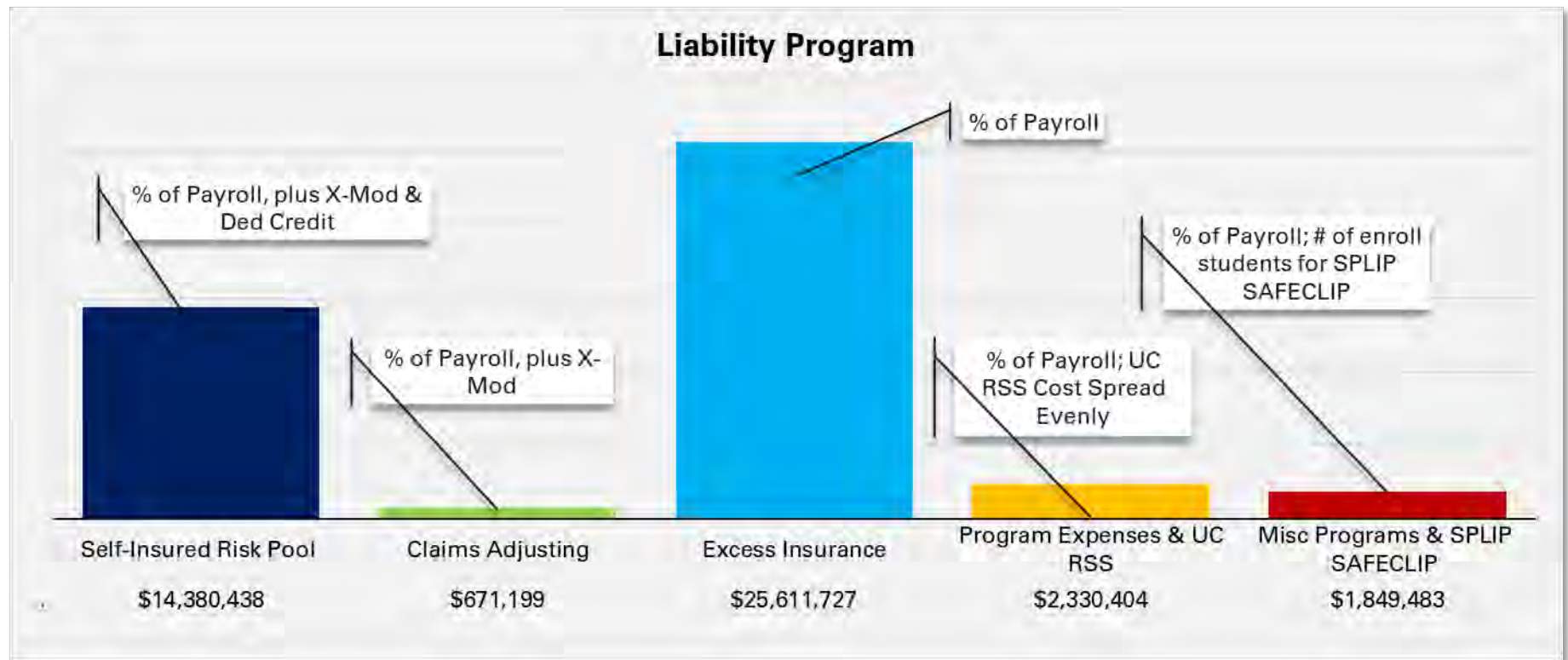
Recommendations: None. The RPTG finds the present rating formula remains consistent with CSURMA's rating philosophy and achieves the primary rating goal of fairness and budget stability for all members. The RPTG recommends maintaining the current rating plan without alteration.

The RPTG directed the Program Administrator to continue to review the benefits of PRISM's first dollar reinsurance. CSURMA has a two-year rate commitment with PRISM for the 25/26 and 26/27 coverage terms. The PRISM reinsurance includes a primary layer of \$125,000 per claim and an excess layer of \$2,375,000 per claim. The benefit to CSURMA of retaining the first reinsurance layer of \$125,000 within the workers' compensation risk pool will be reviewed for the 27/28 coverage term. Those considerations will not affect the rating plan.

III. Findings and Recommendations - Liability Program

Program Overview:

The Campus Liability Program provides General Liability, Professional Liability, Employment Practices Liability, and other similar public liability exposures of the California State University system. The participants include all twenty-three Campuses and the Chancellor's Office. The Campus Liability Program has a risk pool of \$10,000,000 per occurrence. Reinsurance and excess insurance are purchased excess of the risk pool. Each Campus selects its own deductible, from \$50,000 to \$1,000,000, which is offered every three years.



Current Rating Plan:

There are five separate costs included in the Liability Program rating as described below:

1. **Risk Pool** costs are allocated to each campus based on its percentage of the total CSU payroll for the most recent complete fiscal period and adjusted to include an experience modification factor.

The **Experience Modification Factor (X-Mod)** for each campus is developed using the campus' actual payroll and paid claims.

- A *Loss Rate* is calculated using each campus' percentage of the total CSU claims and the total CSU payroll for the past five complete fiscal years.
- A *Credibility / Variability Factor* is added to the *Loss Rate*. A *Credibility / Variability Factor* determines how much relative weight a campus' own claims experience will count towards its allocation of the total program costs. Credibility is the belief that the sample data is an accurate reflection of the larger population. This method assumes that the historical claims experience of a larger campus is more predictive of future claims experience than compared to that of a smaller campus. The campus with the largest payroll has a 90% credibility factor; the remaining campuses have proportionally lower factors.
- *Claim Retentions and Claim Cap* – A maximum of \$450,000 per claim is included in the X-Mod calculation. The first \$50,000 of each claim is not included in the X-Mod calculation, and all claims are capped at \$500,000. *(The Claim Retention was \$35,000 until FY 20/21 when it was increased to \$50,000.)* A Claim Cap is included in the X-Mod calculation to provide rate stability by smoothing out the high-severity, but low-frequency claims.

2. **Claims Administration** is allocated to each campus based on its percentage of the total CSU payroll and modified by its X-Mod.
3. **Excess Insurance** is allocated to each campus based on its percentage of the total CSU payroll.
4. **Program Expenses** are allocated to each campus based on its percentage of the total CSU payroll. The cost for **University of California Risk and Safety Solutions (UC RSS)** is included in the program expenses. The Chancellor's Office pays \$500,000 and the remaining costs are shared evenly between the campuses.
5. **Miscellaneous Coverage Programs:** Allocated to each campus based on its percentage of the total payroll.
 - Club Liability Insurance Program (not allocated to the CO)
 - Doctor's Medical Malpractice (not allocated to the CO)

- Deadly Weapons Response Program
- Aviation (all lines)
- Trustees Errors and Omissions / Fiduciary Liability

6. **SPLIP / SAFECLIP** costs are allocated to each campus based on its percentage of the total student enrollment. (SAFECLIP = Student Academic Field Experience for Credit / SPLIP = Student Professional Liability Insurance Program)

Recommendations:

1. **Update deductible selection credits for fiscal years 26/27, 27/28 and 28/29.** The RPTG recommends adjusting the Liability Deductible Credit Factors per the actuary's recommendation beginning with the FY 26/27 rates, and to direct another review in 2028. Deductible credits for \$1,000,000, \$2,000,000 and \$2,500,000 are also available.

***Example:** Shown below is a comparison of the current deductible credits used for fiscal years 23/24, 24/25 and 25/26, and the proposed deductible credits for fiscal years 26/27, 27/28 and 28/29. As shown in the "difference" column the credits, especially for the smallest deductibles, have been reduced significantly as claim costs continue to rise. As estimated by the CSURMA's independent actuary, the average claim cost for FY 24/25 (once all claims are closed) is expected to be \$428,702.*

Deductible	Current	Proposed	Difference
50,000	21%	11%	-48%
100,000	31%	19%	-39%
250,000	50%	39%	-21%
500,000	62%	44%	-29%
750,000	71%	55%	-22%
900,000	74%	60%	-18%
1,000,000	75%	63%	-16%
1,500,000	N/A	71%	
2,000,000	N/A	79%	
2,500,000	N/A	81%	

2. **Increase the minimum deductible from \$50,000 to \$100,000.** In order to increase program integrity, the RPTG recommends increasing the minimum deductible from \$50,000 per occurrence to \$100,000 per occurrence, and to direct another review of the deductible options at the next RPTG in 2028.

Currently, five campuses have a \$50,000 deductible – Bakersfield, Cal Maritime, Monterey Bay, San Bernardino and San Marcos. (Cal Maritime will merged into San Luis Obispo effective July 1, 2026).

3. Increase the claim retention and claim cap as used in the Experience Modification (X-Mod) calculation.

- The X-Mod claim retention is the portion of the claim cost that is NOT included in the X-Mod calculation. The current claim retention is \$50,000.
- Claim costs in excess of the X-Mod claim cap are NOT included in the X-Mod calculation. The current claim cap is \$500,000. This means that only \$450,000 of the claim cost is included in the X-Mod calculation.

Because the minimum program deductible is recommended to increase to \$100,000, the RPTG is also recommending that the X-Mod claim retention be increased to \$100,000. As claim costs are increasing, the RPTG also recommends increasing the X-Mod claim cap to \$650,000, which means a total of \$550,000 for each claim will be included in the X-Mod calculation.

Example:

This change results in a 9% increase to the X-Mod for the Chancellor's Office. The X-Mod increased from 92% to 112%. As shown in the example below, only one claim is included in the X-Mod calculation. Because the claim cap increased, the remaining amount of the claim used in the X-Mod calculation within FY 19/20 increased from \$195,103 to \$345,105. In the example below, only the five years highlighted in gray are used in the X-Mod calculation. The other years are shown only to show the claim cap. Also, when this claim was filed, the claim retention was \$35,000.

Chancellor's Office		
Payment Year	Current	Proposed
17/18	139,876	139,876
18/19	130,021	130,021
19/20	195,103	345,103
20/21	0	0
21/22	0	0
22/23	0	0
23/24	0	0
Claim Retention	35,000	35,000
Claim Cap	500,000	650,000

In contrast, Cal Maritime's X-Mod went down by 9%, from 215% to 187%. Because the claim retention increased from \$50,000 to \$100,000 a larger amount of the claim costs were removed from the X-Mod calculation, and the claim costs within the five-year X-Mod window, on any one claim, did not exceed the claim cap.

Cal Maritime		
Payment Year	Current	Proposed
19/20	26,129	0
20/21	252,151	125,878
21/22	138,396	138,396
22/23	0	0
23/24	353,070	303,070

Shown below is the overall change in contributions using the current and proposed X-Mod claim retention and X-Mod claim cap.

Change to Contributions		
Rating Options	Chancellor's Office	Cal Maritime
Current	\$1,023,720	\$543,311
Proposed	\$1,107,142	\$491,095
\$ Difference	\$83,422	-\$52,216
% Difference	8.15%	-9.61%

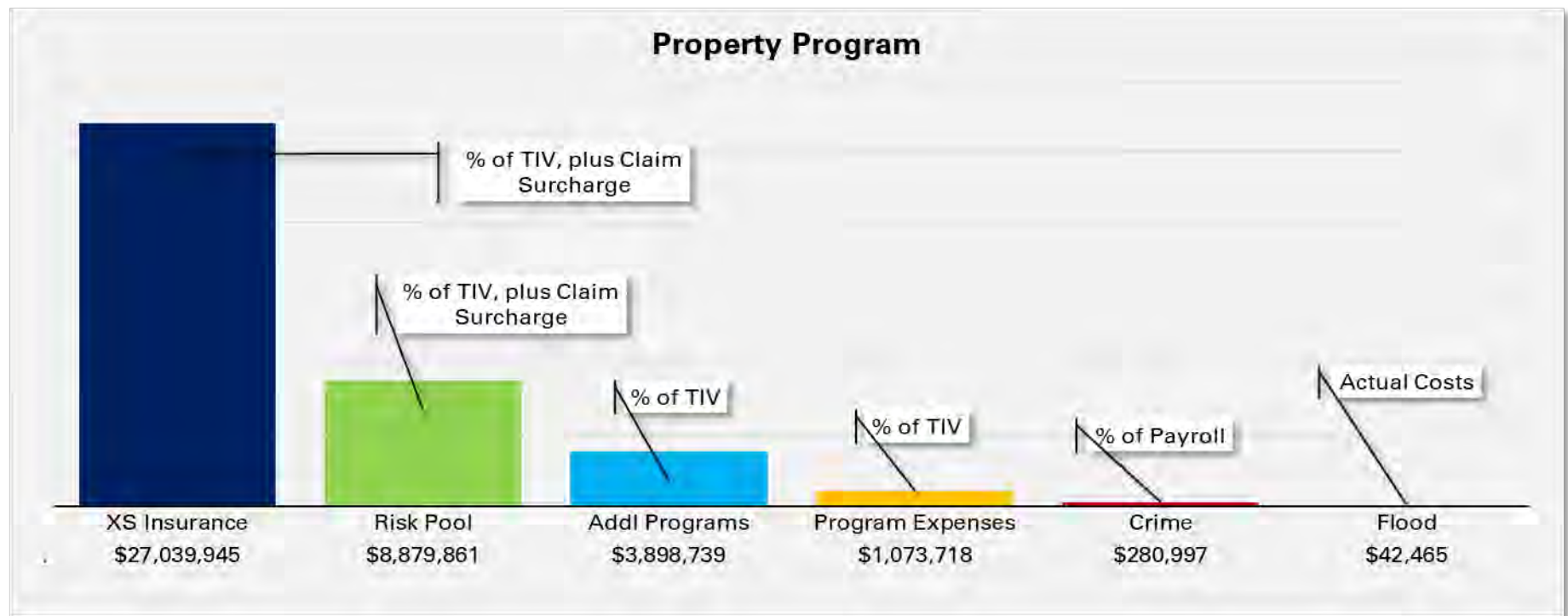
4. **Deductibles for Self-Supporting Funds.** Currently, the Self-Supporting Funds (Continuing Education, Housing, Parking, Trust and Lottery) are subject to a \$35,000 deductible. The RPTG recommends increasing the minimum deductible to \$50,000, and to direct another review of the deductible options at the next RPTG in 2028. This change will not impact program contributions.
5. **Combat Sports rating.** The RPTG does not recommend revising the rating plans for those campuses who have combat sports. But the RPTG did provide the following direction:
 - a. Continue to monitor injuries / claims resulting from combat sports.
 - b. Send out an annual combat sports survey to stay informed of exposures through the CSU.
 - c. Review tort law assumptions of liability for participation in combat sports.

III. Findings and Recommendations - Property Program

Program Overview:

The Property Program covers physical damage to buildings and other specified structures. Business Personal Property may also be covered as requested and scheduled. The Property Program is fully reinsured by a syndication of insurance companies known as the Alliant Property Insurance Program (APIP), an Alliant exclusive designed for public entities to empower market negotiations. The Property Program has a risk pool of \$2,500,000 per occurrence with an annual aggregate of \$10,000,000 for all occurrences. A \$1,000,000 maintenance deductible applies once the aggregate is exhausted. Campuses select their own deductible, from \$100,000 to \$1,000,000.

Campus 99 (real property) enables CSU auxiliary organizations who occupy state-owned buildings to select deductibles from \$5,000 to \$100,000. Campus 86 (business personal property) provides an option for campuses to insure its business personal property at deductibles less than \$100,000. Campus 86 can be used to insure higher-valued and specialized items such as electronic data processing equipment, laboratory equipment, scientific instruments, library stacks, fitness & recreation equipment, etc.



Current Rating Plan:

There are six separate costs included in the Property Program rating as described below:

1. **Risk Pool** costs are allocated to each campus based on its percentage of the total CSU Total Insurable Values (TIV) and adjusted to include a claim surcharge of 1% for each paid claim over \$100,000. A deductible credit is included for deductibles over \$100,000.
2. **Commercial Reinsurance/Excess Insurance (APIP)** costs are allocated to each campus based on its percentage of the total CSU Total Insurable Values (TIV) and adjusted to include a claims surcharge of 5% for each paid claim over \$1,000,000 and 10% for each claim over \$5,000,000.
3. **Program Expenses** are allocated to each campus based on its percentage of the total CSU TIV.
4. The **Other Property Coverages** costs are allocated to each campus based on its percentage of the total CSU TIV's.
 - Cyber Liability,
 - Pollution Liability,
 - Fine Arts, Artifacts & Archives,
 - Systemwide Earthquake Insurance Policy (w/ a parametric trigger)
 - Terrorism Liability
5. **Fidelity Insurance** costs are allocated to each campus based on its percentage of the total CSU payroll.
6. **Flood Insurance** costs represent the actual costs which are allocated to specific locations.

Recommendations:

1. **Remote Locations.** The Program Administrator was directed to continue to survey campuses with respect to their remote locations in order to validate the information on file, such as the physical address, description of the location, and the property valuation. The Values Limitation Clause endorsement will be updated as appropriate.
2. **Update deductible selection credits for fiscal years 26/27, 27/28 and 28/29.** The RPTG recommends adjusting the Property Deductible Credit Factors per the actuary's recommendations beginning with FY 26/27 rates and to direct another review in 2028. Going forward, Campuses will have an opportunity to change their property program deductible every three years, rather than annually.

Shown below is a comparison of the current deductible credits used for fiscal years 23/24, 24/25 and 25/26, and the proposed deductible credits for fiscal years 26/27, 27/28 and 28/29. As shown in the “difference” column the credits are reduced as claim costs continue to rise.

Deductible	Current	Proposed	Difference
100,000	0%	0%	0%
250,000	25%	19%	-24%
500,000	50%	39%	-22%
750,000	63%	51%	-19%
900,000	68%	57%	-16%
1,000,000	70%	60%	-14%

3. **Increase the risk and excess claim surcharges.**

The Risk Pool claim surcharge is currently 1% for each claim over \$100,000.

The Excess Insurance claim surcharge is currently;

- 5% for each claim over \$1,000,000
- 10% for each claim over \$5,000,000

The RPTG recommends that;

The Risk Pool surcharge be increased to 2% for each claim over \$100,000.

The Excess Insurance claim surcharge to be increased as follows;

- 5% for each claim over \$1,000,000
- 10% for each claim over \$2,500,000
- 15% for each claim over \$5,000,000

Example:

The largest premium increase is 3% or \$55,807 for San Luis Obispo. This is because one of their claims within the five-year claim surcharge window moved from the 10% surcharge to the 15% surcharge. Most campuses with few or no claims received a 1% premium reduction.

III. Findings and Recommendations – IDL, NDI, UI Program

Program Overview:

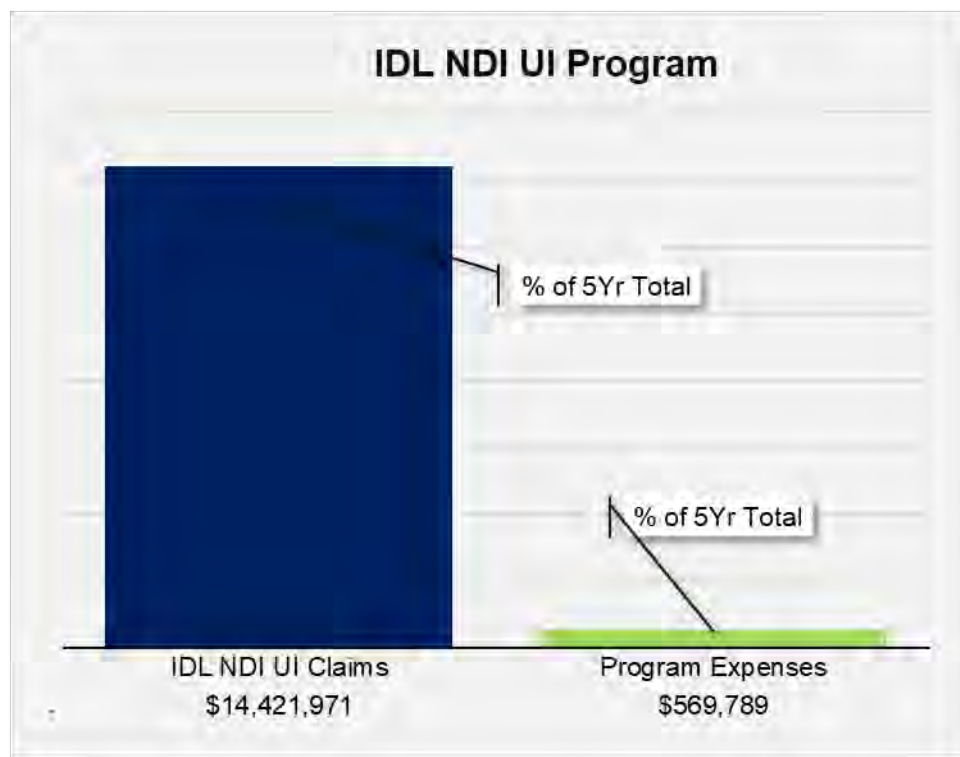
The Industrial Disability Leave (IDL), Non-Industrial Disability Insurance (NDI) and Unemployment Insurance (UI) - IDL/NDI/UI program fund - was established to provide a funding mechanism for temporary disability and unemployment insurance benefits for state employees. The IDL/NDI/UI program fund is entirely self-insured, and costs are allocated based on each campus' actual claims over a five-year period.

Current Rating Plan:

1. **IDL NDI UI Claims** - Each campus pays its percentage of the total IDL NDI UI claims over the past five years, including an estimate of the increase or decrease for the upcoming year.
2. **Program Expenses** are allocated to each campus based on its percentage of the total CSU IDL NDI UI claims.

Recommendations: None. The RPTG finds the present rating formula remains consistent with CSURMA's rating philosophy and achieves the primary rating goal of fairness and budget stability for all members.

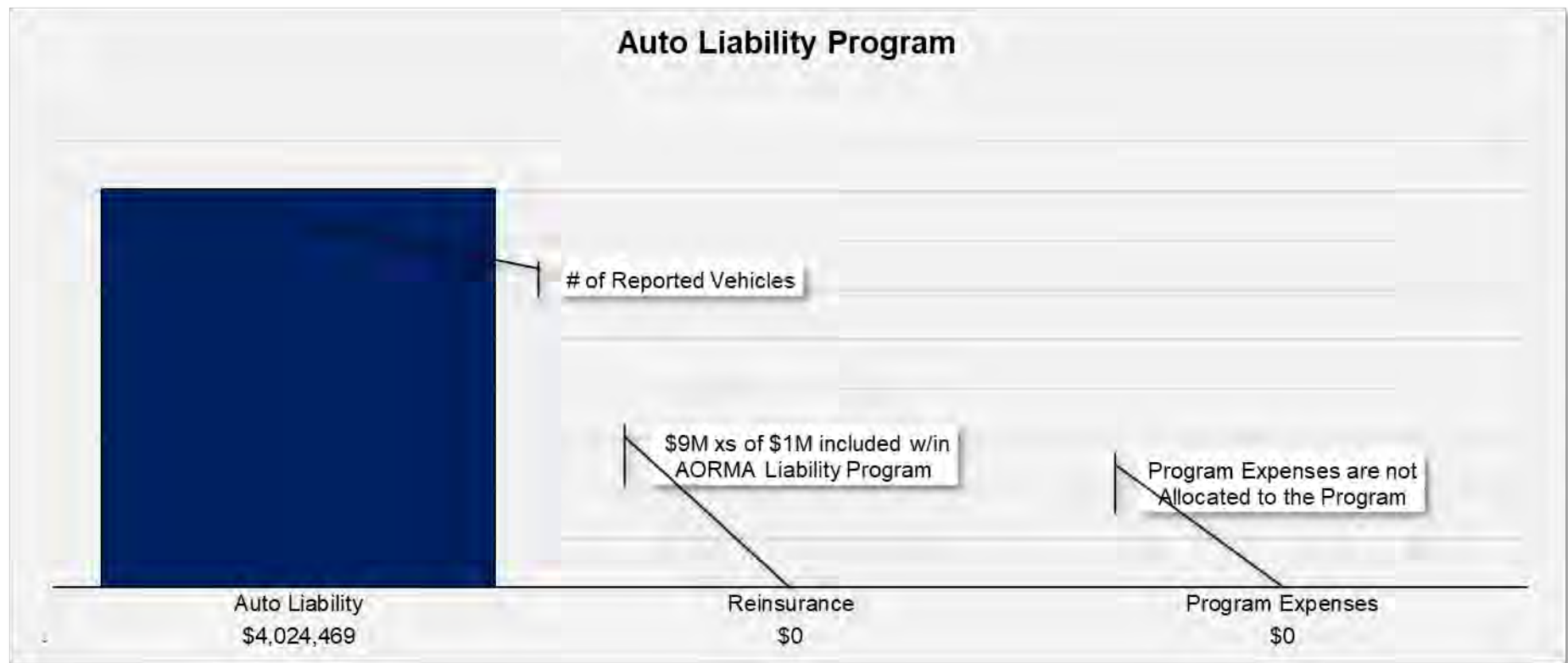
The RPTG recommends maintaining the current rating plan without alteration.



III. Findings and Recommendations – Auto Liability

Program Overview:

The Office of Risk & Insurance Management (ORIM) a part of the State's Department of General Services administers the State Motor Vehicle Liability Self-Insurance Program (VELSIP), which provides unlimited self-insured liability coverage for the state agencies, and employees who operate covered self-propelled land vehicles on state business. Effective January 1, 2004, liability coverage is limited to \$1,000,000 per occurrence/accident when the state vehicle is operated by a non-salaried employee (i.e. student assistant, volunteer, etc.) on state business. The driver's employment department/agency will be financially responsible for the payment of any claims, settlements, judgments or verdicts in excess of \$1,000,000. VELSIP provides excess liability coverage for state employees on state business while driving non-state vehicles, but only after the vehicle owner's liability policy limits have been paid.



Current Rating Plan:

1. Premium is allocated to each campus based on its total number of reported vehicles. Since MVIA allocations are not issued until March, CSURMA invoices the MVIA allocation one year in arrears; i.e., the March 2024 MVIA allocation is used to calculate FY 2025/26 premium deposits.
2. A claim surcharge of 10% for each claim over \$50,000 is added to the per vehicle rates. Only claims closed within the last five fiscal years are subject to the claim surcharge.
3. Administration costs are not allocated to the Auto Liability program.

Recommendations: None.

The RPTG reviewed the allocation between Vehicles and Mobile Equipment to see if it made financial sense to provide a separate lower rate for mobile equipment. This review stemmed from the belief that those campuses with agricultural and animal science programs may have a much higher percentage of mobile equipment. However, this was not the case as the split between vehicles and mobile equipment was fairly consistent between the campuses.

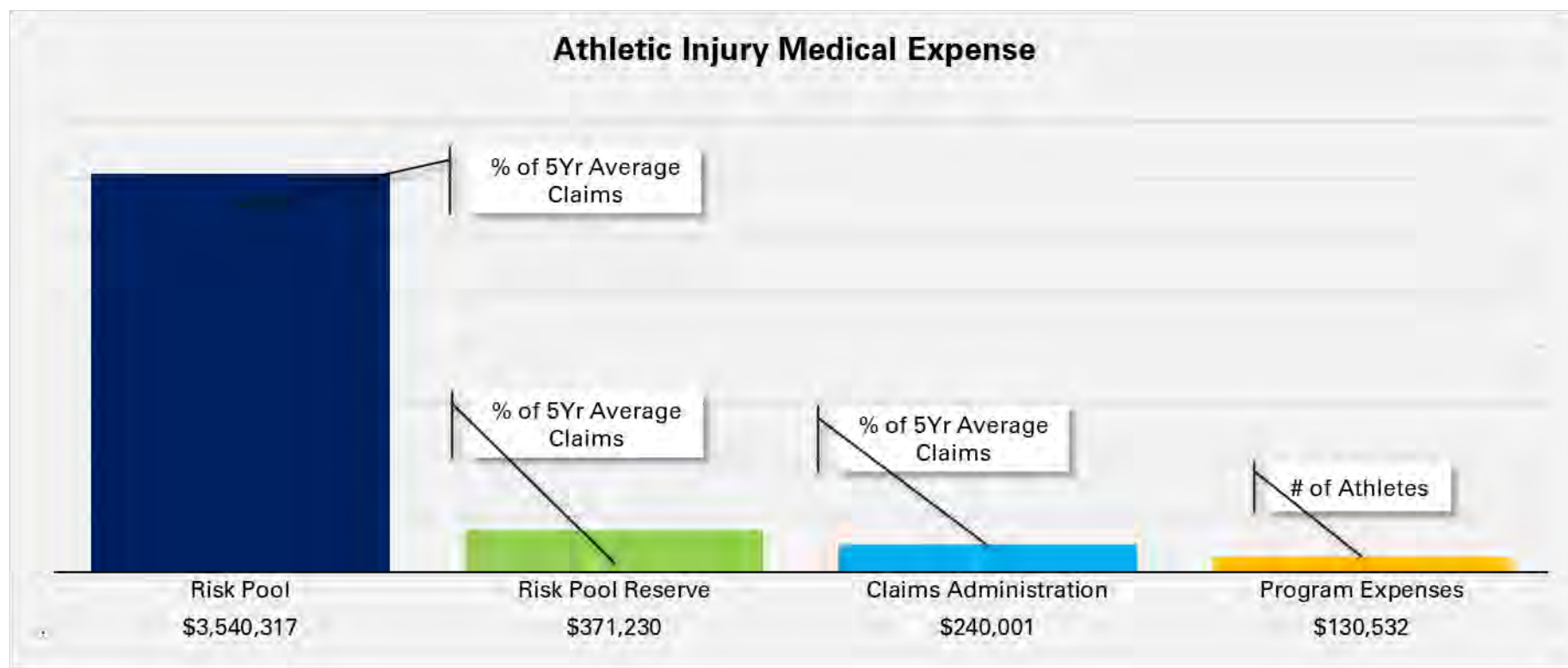
The RPTG finds the present rating formula remains consistent with CSURMA's rating philosophy and achieves the primary rating goal of fairness and budget stability for all members.

The RPTG recommends maintaining the current rating plan without alteration.

III. Findings and Recommendations – AIME

Program Overview:

The Athletic Injury Medical Expense program (AIME) was established to provide coverage for medical expenses incurred by CSU students participating in NCAA intercollegiate athletic activities. The AIME program is self-insured for the members' deductible limit defined by the catastrophe coverage policies purchased by their respective national governing bodies, NCAA.



Current Rating Plan:

There are four separate costs included in the AIME Program rating as described below:

1. **Risk Pool** costs are allocated to each campus based on its own five-year rolling average claims.
2. **Risk Pool Reserve Funding.** The reserve is the difference between the rolling five-year average claims and the required funding. The reserve is allocated to each campus based on its percentage of the total CSU five-year claims total.
3. **Claims Adjusting:** Allocated to each campus based on its percentage of the total CSU five-year claims total.
4. **Program Expenses** are allocated based on number of athletes.

Recommendations: None. The RPTG finds the present rating formula remains consistent with CSURMA's rating philosophy and achieves the primary rating goal of fairness and budget stability for all members.

The RPTG recommends maintaining the current rating plan without alteration.

III. Findings and Recommendations – Conclusion

The RPTG's evaluation of the rating plans has reaffirmed the plans' core appropriateness and effectiveness in determining each member's fair share of the CSU's cost for coverage. The recommended changes refine the existing rating plans to the benefit of the campuses in the long run. To the extent aggregate funding levels remain stable, it is expected that campuses will not see significant cost fluctuations except to the extent their own loss experience impacts their cost.

The RPTG recommends the Executive Committee:

1. Approve revisions to the Liability and Property rating plans as detailed in the Findings and Recommendations section for each Coverage Program.
2. Approve Liability and Property Deductible Credit Factors to be used in the 26/27, 27/28 and 28/29 program rating.
3. Forward all proposed changes to the Board of Directors for adoption.

IV. Glossary of Terms

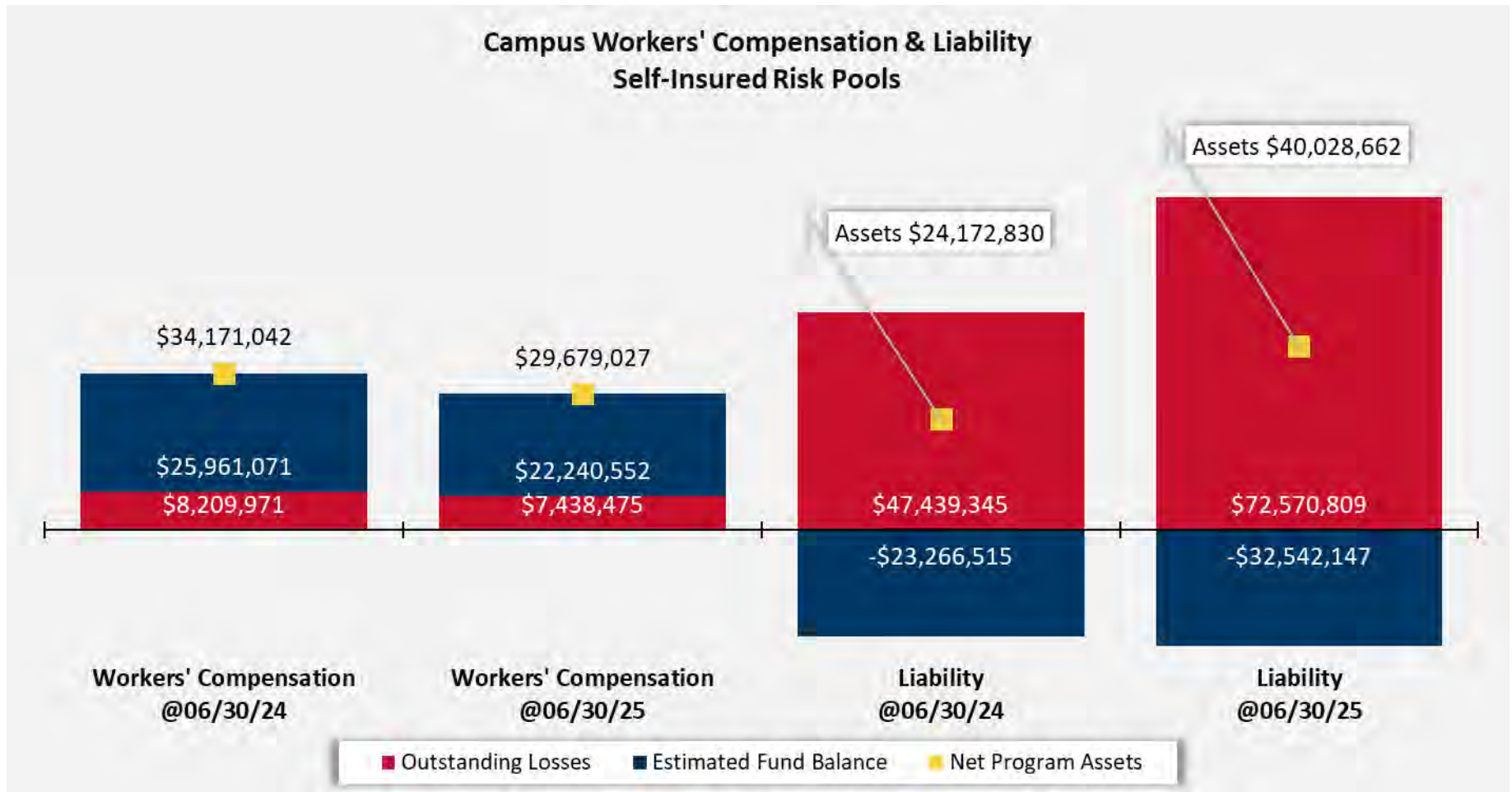
1. **Program Expenses** represent those costs and expenses which are assigned to each Coverage Program and are approved annually as part of the CSURMA Budget.
2. **Claims Adjusting** for the different Campus Coverage Programs is provided under contract with various Third-Party Administrators (TPA). The TPA oversees and administers all aspects of the claims handling, including engaging legal counsel for litigated claims.
3. **Experience Modification Factor (X-Mod)** is a measure of Campus claims experience compared to the Systemwide average. The X-Mod is developed by measuring the difference between actual past claims experience compared to the expected claims experience. An X-Mod below 100% means your Campus claims history is better than the Systemwide average. An X-Mod above 100% means your Campus claims history is higher than the Systemwide average. By definition, the Systemwide average is 100%. The X-Mod calculation may include the following factors:
 - **Credibility/Variability.** A *Credibility / Variability Factor* determines how much relative weight a campus' own claims experience will count towards its allocation of the total program costs. Credibility is the belief that the sample data is an accurate reflection of the larger population. This method assumes that the historical claims experience of a larger campus is more predictive of future claims experience than compared to that of a smaller campus.
 - **Claim Caps** are often added to an X-Mod calculation to lessen the annual change for each Campus and to provide rate stability.
 - **Balancing** may be necessary to achieve the required funding.
4. **Experience Rating** is a method of adjusting program contributions based on past claims experience. This is achieved through the addition of an Experience Modification Factor (X-Mod).
5. **Member Deductible** is the portion of an insured claim to be paid directly by the Campus.
6. **Excess Insurance** represents the costs to purchase reinsurance and/or insurance protection for a specified risk for a specified period of time.
7. **Risk Pool** represents the portion of the claim assumed by CSURMA for each coverage program. The funding amount for each Risk Pool is recommended by CSURMA's actuary and adopted by the Executive Committee. Historically, the Risk Pools are funded at a 70% *confidence level* and *discounted for investment income*.

8. **Confidence Level** is the statistical certainty that an actuary believes funding will be sufficient. For example, a 70% confidence level means that the actuary believes the recommended funding will be sufficient in seven years out of ten years.
9. **Discounted for Investment Income** represents the return received by CSURMA from its investments. 2% investment income is contemplated in the actuarial reports.

V. Attachments

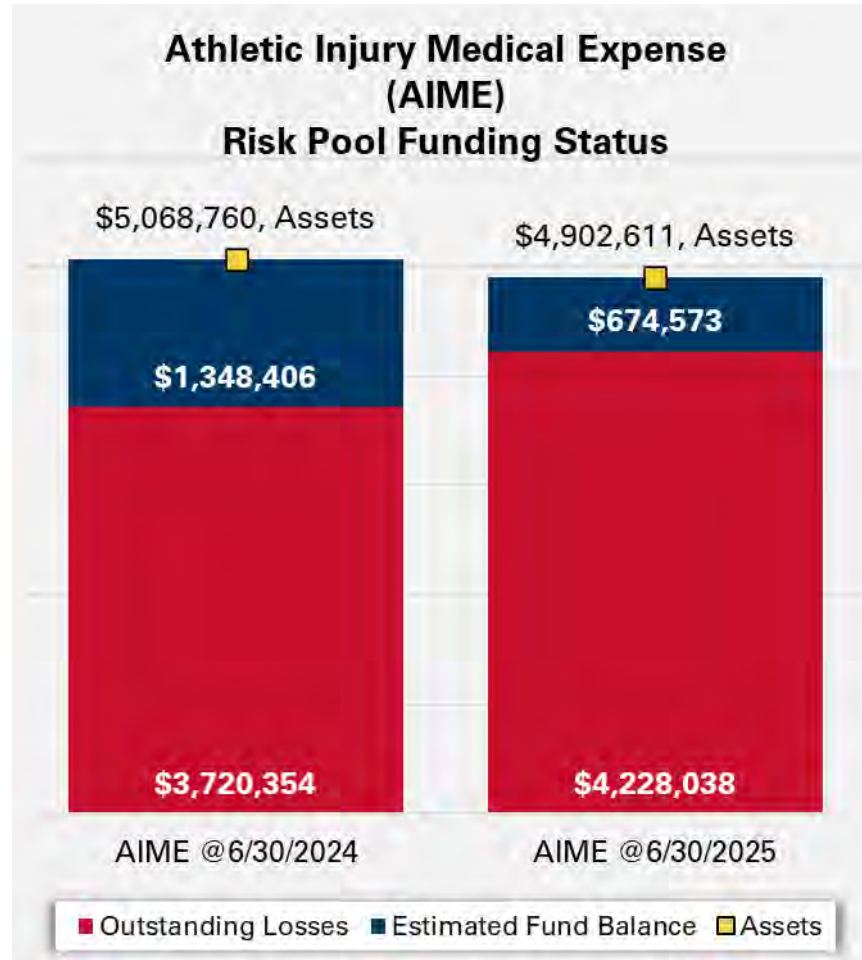
- A. Estimated Fund Balance Report**
- B. Goal for Retained Funds Analysis**

Risk Pool Funding Status at June 30, 2025



Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses

Risk Pool Funding Status at June 30, 2025



Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses **143**

Campus Workers' Compensation Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$2,500,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	31,277,188	Up From	30,912,114
Assets at 6/30/25 #1	29,679,028	Down From	34,171,043
Maximum Retention Per Occurrence	2,500,000	No Change	2,500,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	7,278,521	Down From	7,978,465
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	7,874,738	Down From	8,691,482
Retained Funds Above Expected Confidence Level, Undiscounted	22,400,507	Down From	26,192,578
Retained Funds Above 70% Confidence Level, Discounted	21,804,290	Down From	25,479,561

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 3:1	10,425,729	105%
2. Retained Funds to Retention	> 2:1	5,000,000	12
3. Outstanding Liabilities to Retained Funds	≤ 5:1	1,455,704	25%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	21,804,290
Indicated Minimum Retained Funds (largest ratio amount)	10,425,729
Maximum Dividend Available	11,378,561
Dividend 50% of Available:	5,689,280

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	23,857,246	-
70%	1.065	25,407,967	1,550,721

#3 - The Pooled Layer Funding is discounted.

Campus Liability Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$10,000,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	16,964,084	Up From	14,396,477
Assets at 6/30/25 #1	40,028,662	Up From	24,172,830
Maximum Retention Per Occurrence	10,000,000	No Change	10,000,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	68,277,316	Up From	44,692,132
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	74,866,229	Up From	49,009,688
Retained Funds Above Expected Confidence Level, Undiscounted	(28,248,654)	Down From	(20,519,302)
Retained Funds Above 70% Confidence Level, Discounted	(34,837,567)	Down From	(24,836,858)

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 3:1	5,654,695	42%
2. Retained Funds to Retention	> 1:1	10,000,000	4
3. Outstanding Liabilities to Retained Funds	≤ 5:1	13,655,463	171%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	(34,837,567)
Indicated Minimum Retained Funds (largest ratio amount)	13,655,463
Maximum Dividend Available	-
Dividend at 50% of Available:	-

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	36,711,221	-
70%	1.118	41,043,145	4,331,924

#3 - The Pooled Layer Funding is discounted.

AIME Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$90,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	5,030,764	No Change	5,030,764
Assets at 6/30/25 #1	4,902,611	Down From	5,068,759
Maximum Retention Per Occurrence	90,000	No Change	90,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	4,022,412	Up From	3,422,383
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	4,362,037	Up From	3,720,354
Retained Funds Above Expected Confidence Level, Undiscounted	880,199	Down From	1,646,376
Retained Funds Above 70% Confidence Level, Discounted	540,574	Down From	1,348,405

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 6:1	838,461	103%
2. Retained Funds to Retention	> 5:1	450,000	54
3. Outstanding Liabilities to Retained Funds	≤ 5:1	804,482	82%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	540,574
Indicated Minimum Retained Funds (largest ratio amount)	838,461
Maximum Dividend Available	-
Recommended Dividend 50%:	-

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	4,212,866	-
70%	1.067	4,495,128	282,262

#3 - The Pooled Layer Funding is discounted.

CAMPUS RISK POOL ACTUARIAL REPORTS VALUED AT JUNE 30, 2025

ISSUE: CSURMA retains the services of an independent actuary to evaluate the liabilities of its major self-insured programs. The Program Administrator has highlighted here, and in the attachments, key findings and exhibits. The information provided by the actuary is used to establish fiscal year-end financial reports and serves as the starting point in determining rates and funding for FY 26/27, as well as evaluating potential dividends. The actuary’s findings and recommendations are shown below. Table 1 provides a comparison of the estimated outstanding losses between June 30, 2024, and June 30, 2025, at an “expected” confidence level, undiscounted for investment income and including allocated loss adjustment expense (ALAE) and unallocated loss adjustment expense (ULAE).

Estimated Outstanding Losses					
Workers' Compensation		Liability		AIME	
At June 30, 2024	\$7,978,465	At June 30, 2024	\$44,692,132	At June 30, 2024	\$3,422,383
At June 30, 2025	\$7,278,521	At June 30, 2025	\$68,277,316	At June 30, 2025	\$4,022,412
Change	-9%	Change	53%	Change	18%

Tables 2, 3, 4, and 5 below compare the projected losses for FY 24/25 and FY 25/26 at a 70% confidence level, discounted.

The projected losses represent the accrual value of claims - the total amount expected to be paid for claims incurred in a given period once all claims are closed. They include indemnification and allocated loss adjustment expenses (ALAE) but not unallocated loss adjustment expenses (ULAE). The total costs are limited to the pooled layer (\$2,500,000 per loss for Workers’ Compensation, \$90,000 per accident for AIME, \$10,000,000 per occurrence for Liability, and \$2,500,000 for Property).

Table 2

Workers' Compensation Projected Losses, Discounted			
Term	Payroll	Funding	Rate
70% Confidence Level			
FY 25/26	\$4,567,357,401	\$25,716,050	\$0.5630
FY 26/27	\$4,795,131,576	\$24,211,086	\$0.5049
Change	5%	-6%	-10%

Table 3

Liability Projected Losses, Discounted			
Term	FTES	Funding	Rate
70% Confidence Level			
FY 25/26	430,012	\$31,291,430	\$72.77
FY 26/27	449,337	\$42,252,309	\$94.03
Change	4%	35%	29%

Table 4

AIME Projected Losses, Discounted			
Term	# of Athletes	Funding	Rate
70% Confidence Level			
FY 25/26	7,921	\$3,911,548	\$494
FY 26/27	7,921	\$4,190,209	\$529
Change	0%	7%	7%

Table 5

Property Projected Losses, Discounted			
Term	TIV	Funding	Rate
70% Confidence Level			
FY 25/26	\$31,604,764,000	\$10,412,767	\$0.0329
FY 26/27	\$38,318,589,000	\$10,593,389	\$0.0276
Change	21%	2%	-16%

RECOMMENDATION: No action is recommended; this item is for information only.

FISCAL IMPACT: At its meeting in September, the Executive Committee approved the use of the actuarial reports, which will directly affect the establishment of liabilities reported in CSURMA's financial statements and will also be used in rate setting and funding forecasts.

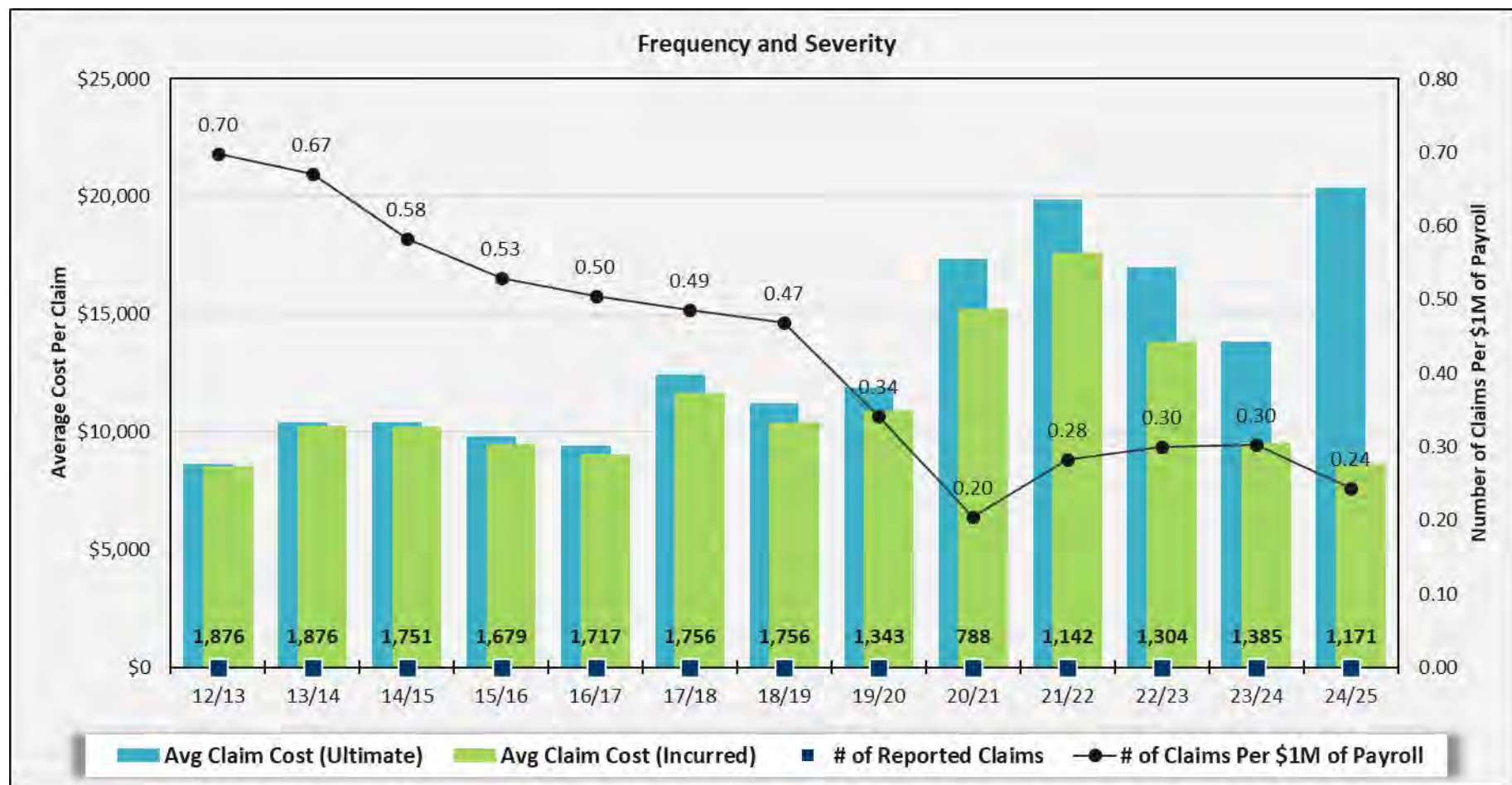
BACKGROUND: The complete actuarial reports include a discussion of the methodology used by the actuary to establish the financial projections for each coverage program. The Program Administrator will be present at today's meeting to review and comment on the findings in the reports.

PUBLICATION: None

ATTACHMENT(S):

- a. Actuarial Report Charts and Graphs
- b. Complete copies of the actuarial studies will be available as handouts during the meeting.

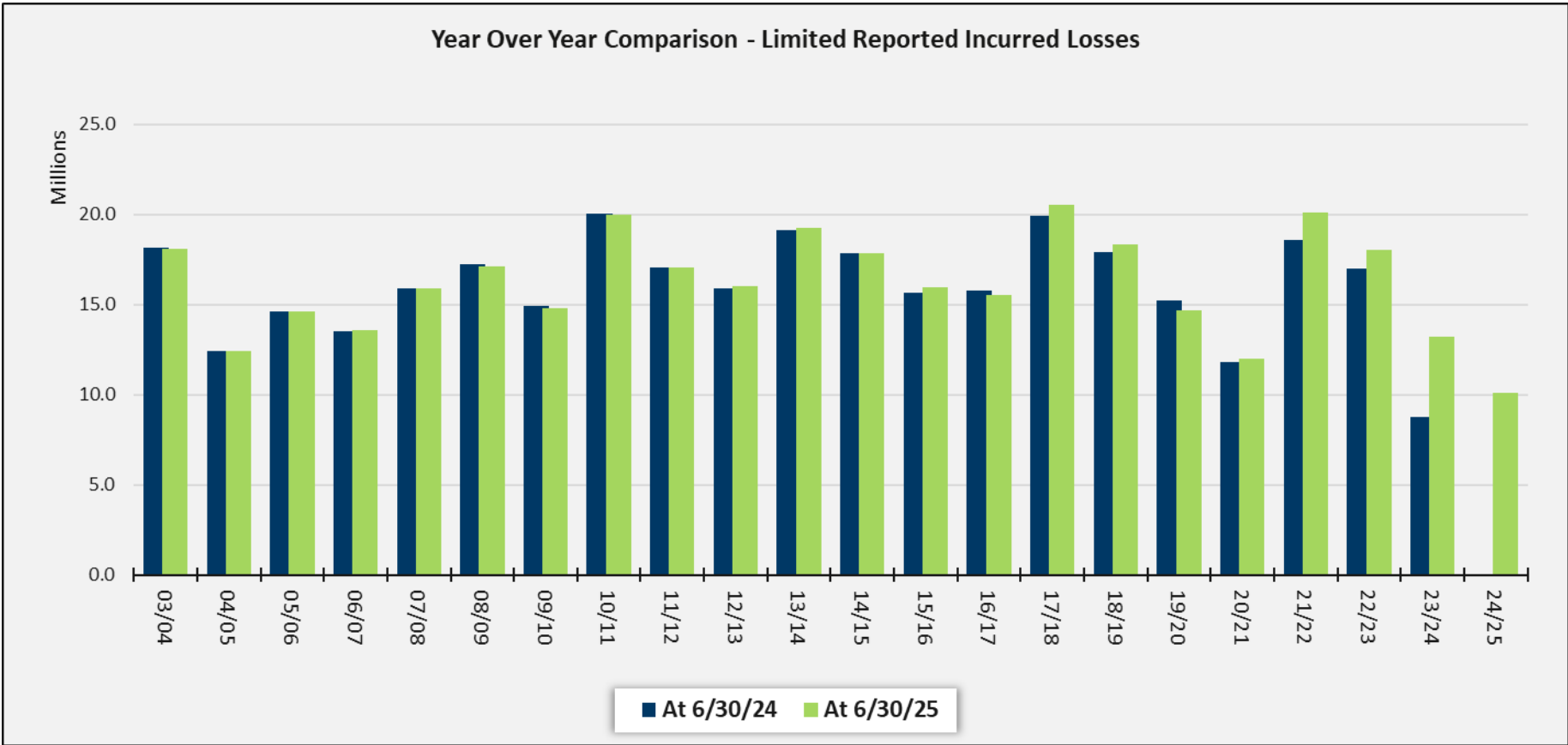
Actuarial Report – Campus Workers’ Compensation Program:



Average Claim Cost (Incurred) = Incurred Losses / # of Reported Claims

Frequency Rate Per \$1M of Payroll = # of Reported Claims / Payroll

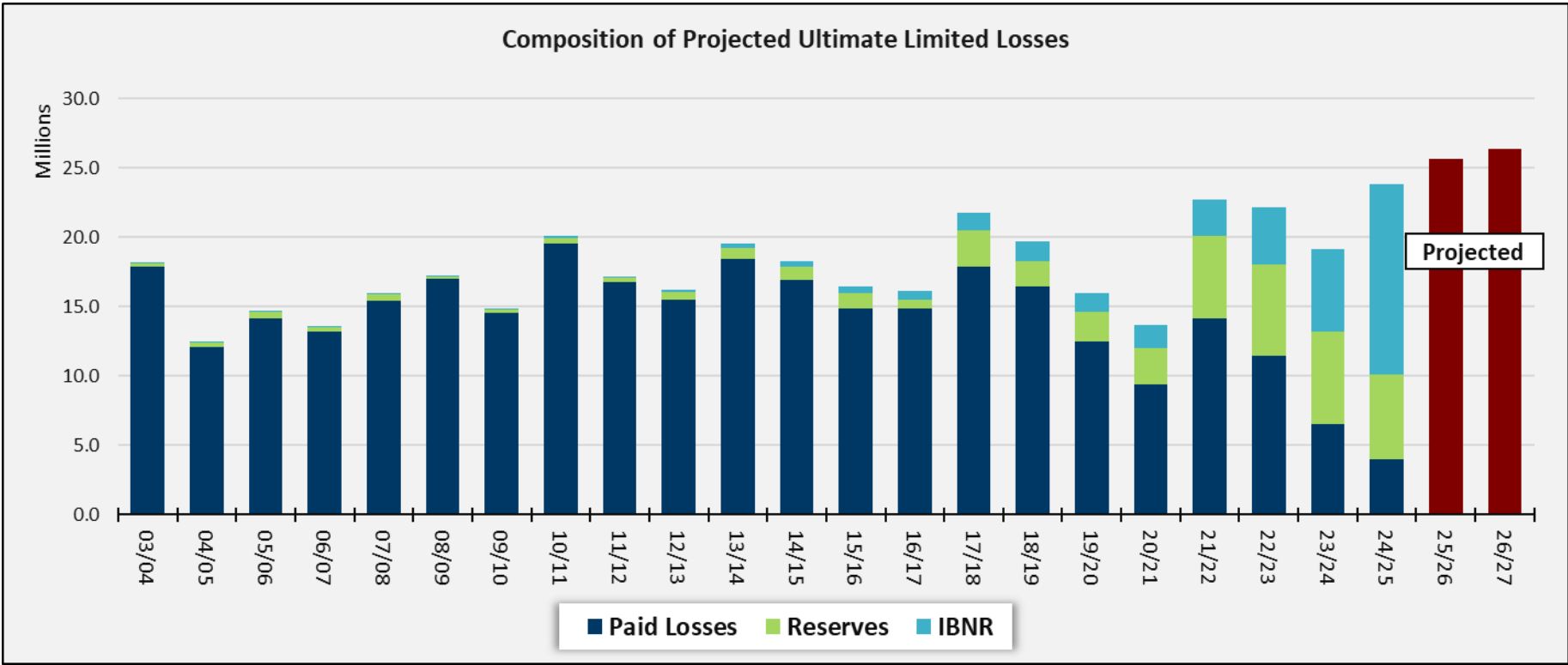
Actuarial Report – Campus Workers’ Compensation Program:



The graph above shows a comparison of the Reported Limited Incurred Losses (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year claim development (excluding FY 24/25) is \$7,820,322 or 1.2%.

Limited = Claims are capped at the risk pool limit.
Incurred = Claim payments plus case reserves on open claims.

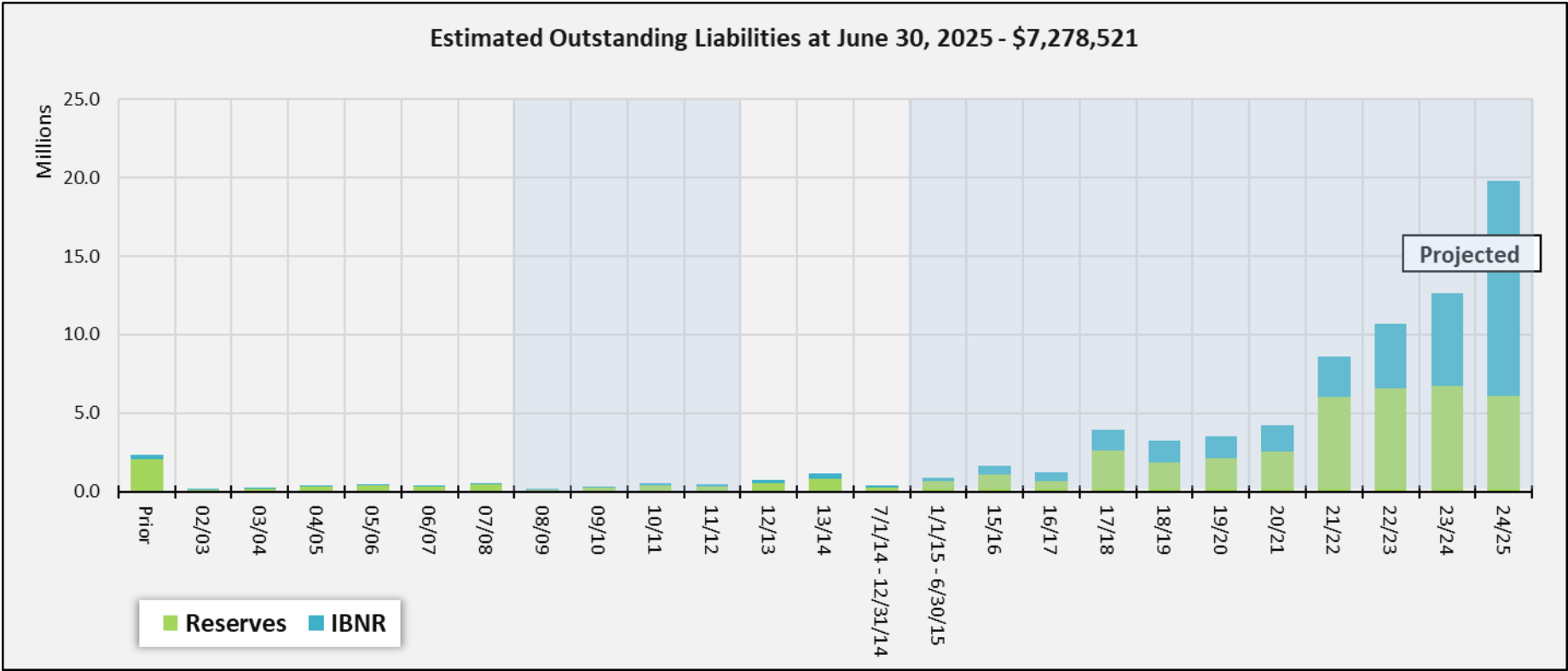
Actuarial Report – Campus Workers’ Compensation Program:



The graph above shows the actuary’s projection of the Ultimate Limited Losses for each year (capped at the risk pool limit).

IBNR = Incurred But Not Report. Sources of IBNR’s. (1) Late reported claims (2) claims that have been reported, but reserves have not yet been assigned (3) case reserves on open claims generally develop upward over time as more information becomes available, and (4) reopened claims.

Actuarial Report – Campus Workers’ Compensation Program:

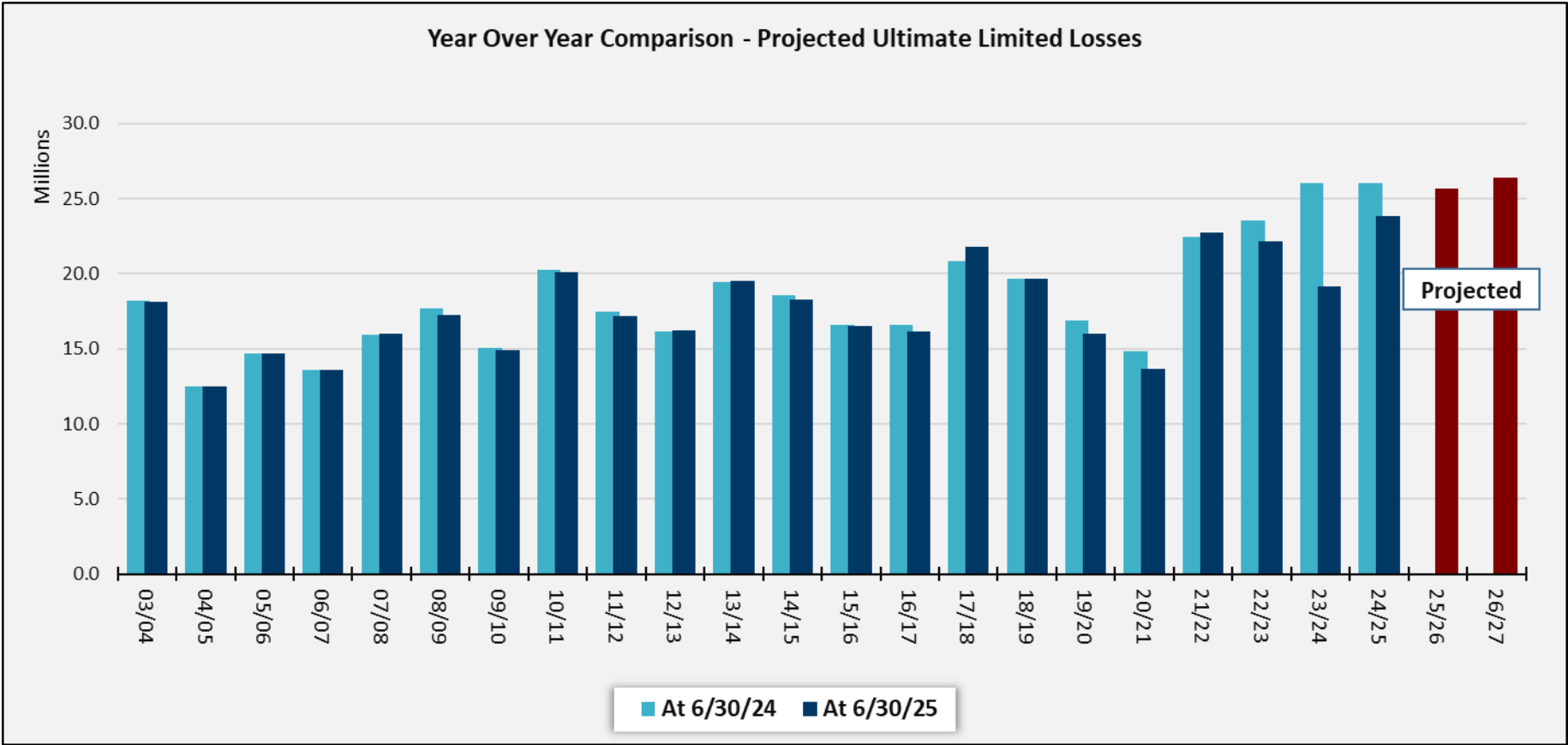


\$7,278,521 - Estimated Outstanding Liability are at an expected confidence level, undiscounted, including allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expense (ULAE).

The Estimated Outstanding Liabilities are the cost of unpaid claims, including case reserves on open claims and IBNR amounts. The Estimated Outstanding Liabilities are capped at the risk pool limit. **The years highlighted in blue are 100% reinsured and therefore do not add to the program’s Estimated Outstanding liabilities.**

IBNR = Incurred But Not Report. Sources of IBNR’s. (1) Late reported claims (2) claims that have been reported, but reserves have not yet been assigned (3) development on open claims, and (4) reopened claims.

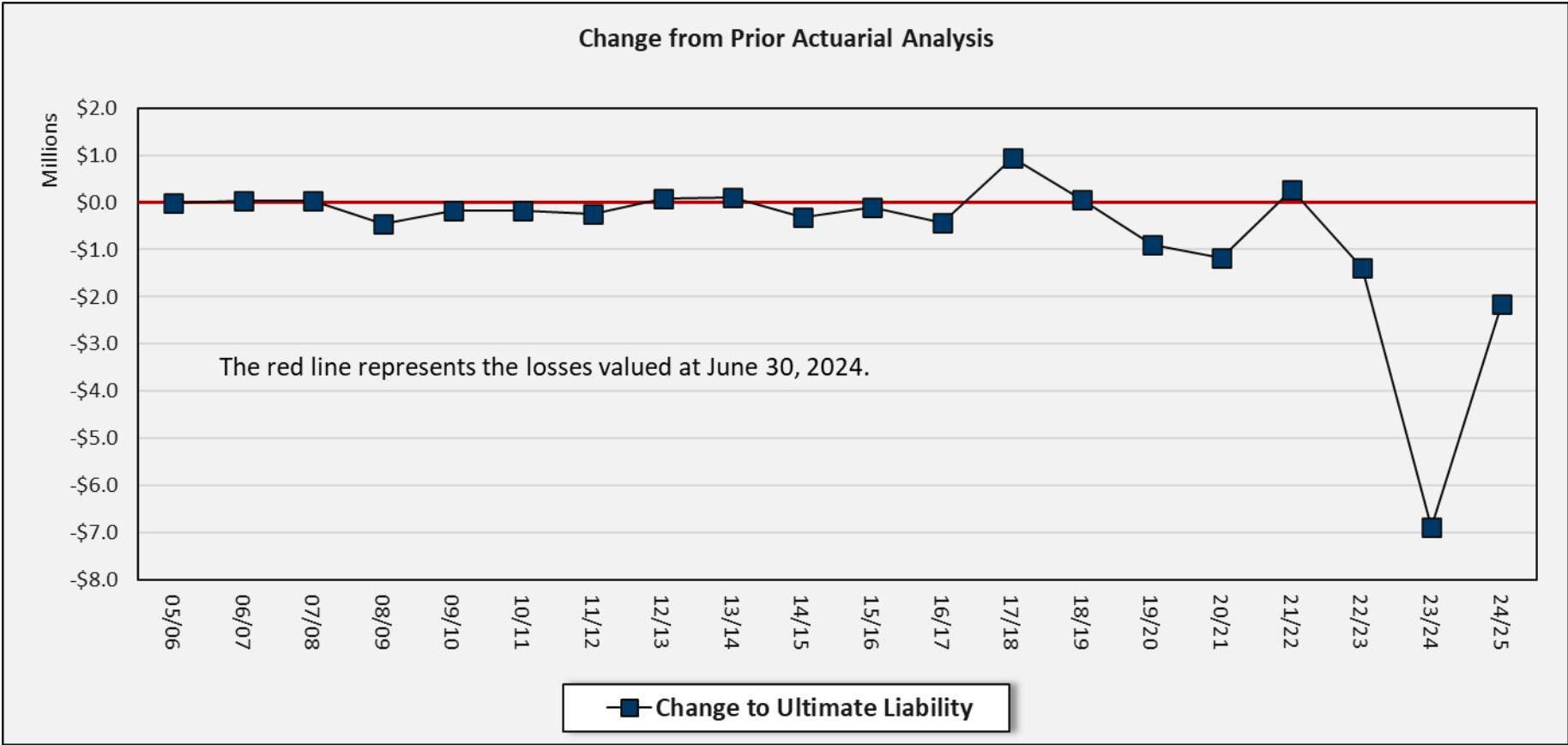
Actuarial Report – Campus Workers’ Compensation Program:



The graph above shows a comparison of the actuary’s projection of the Ultimate Limited Losses for each year (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year change to the actuarial projection is -\$12,814,624 or -1.8%.

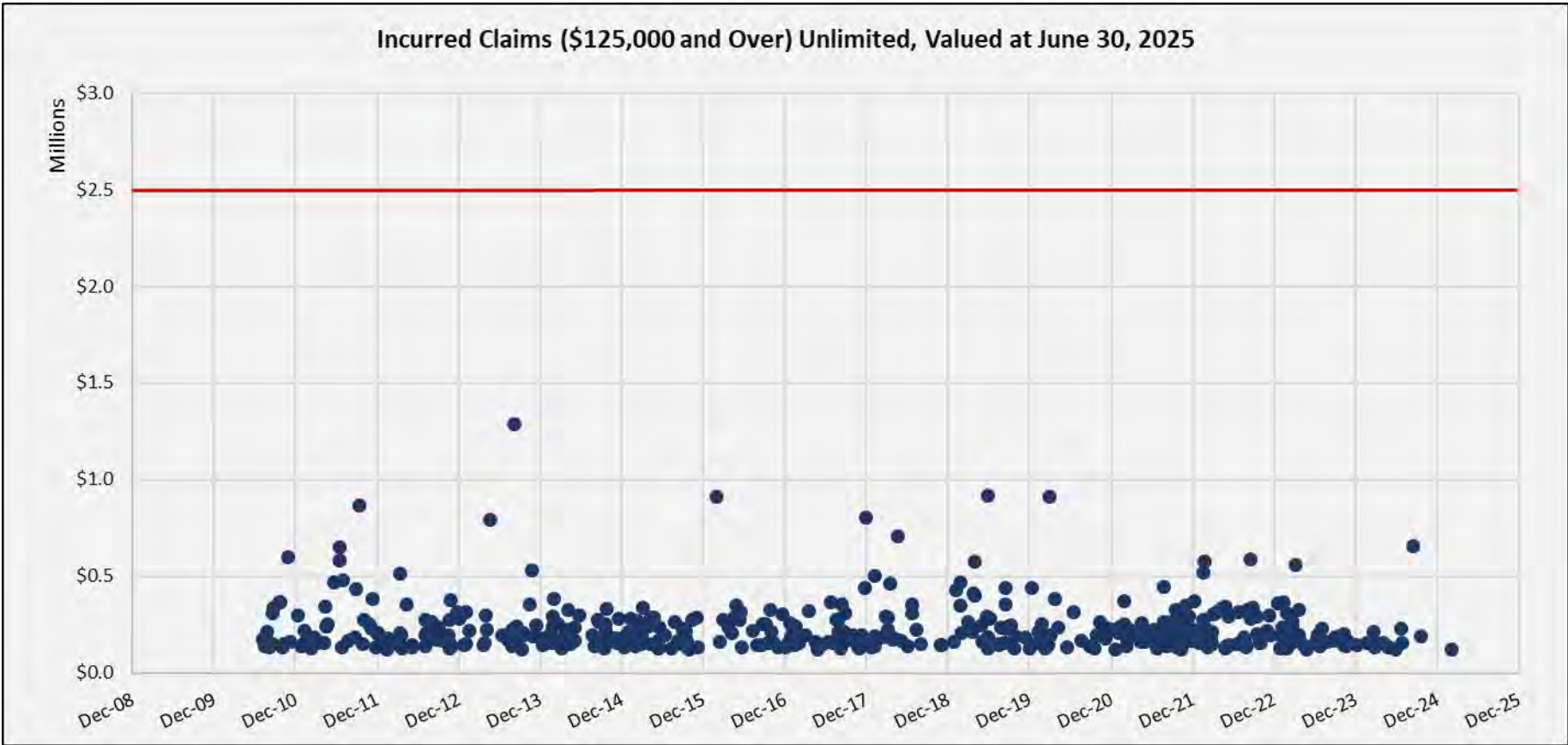
Limited = Claims are capped at the risk pool limit.
Ultimate = Claim payments, case reserves on open claims, plus IBNR.

Actuarial Report – Campus Workers’ Compensation Program:



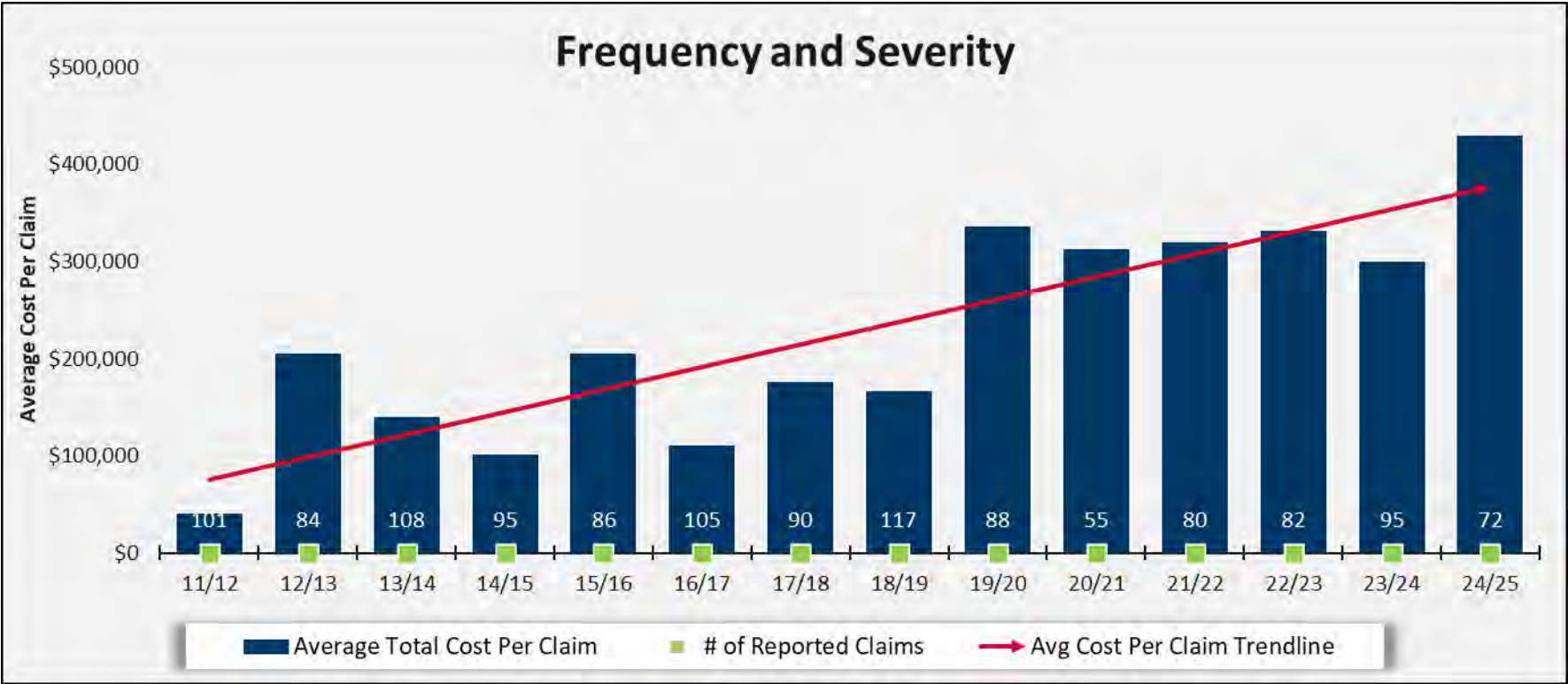
The comparison above shows the actual versus expected loss development using the information from the actuary’s report as of June 30, 2025. The year-over-year change to the Projected Ultimate Limited Losses is -\$12,814,624 or -1.8%.

Actuarial Report – Campus Workers’ Compensation Program:



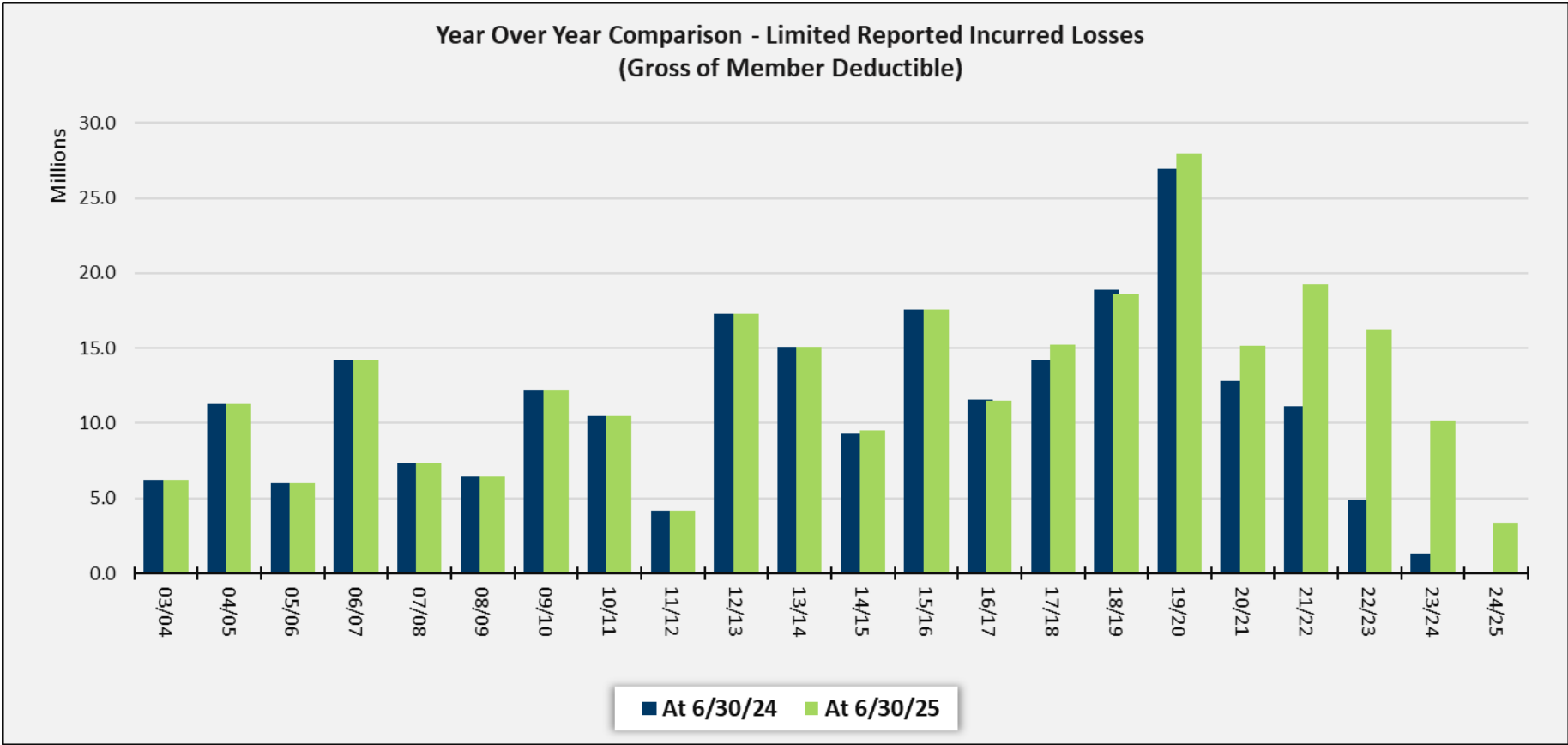
The Claim Size Distribution Exhibit above shows all individual claims with incurred amounts of \$125,000 and above. The red line denotes the Campus Workers’ Compensation self-insured risk pool.

Actuarial Report – Campus Liability Program:



Average Cost Per Claim is based on the actuary’s estimate of the total incurred, plus development.

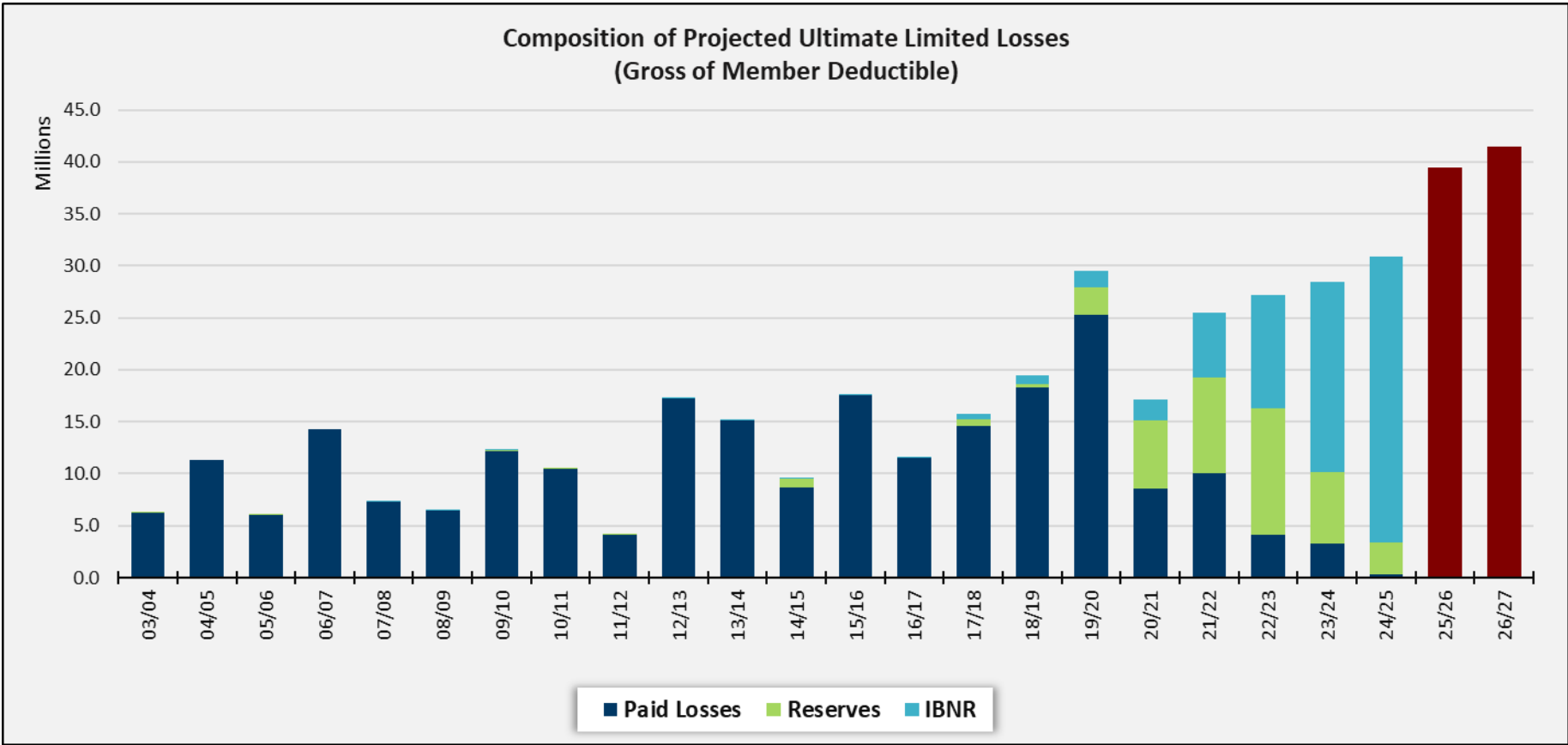
Actuarial Report – Campus Liability Program:



The graph above shows a comparison of the Reported Limited Incurred Losses (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year claim development (excluding FY 24/25) is \$32,522,769 or 10.2%.

Limited = Claims are capped at the risk pool limit.
Incurred = Claim payments plus case reserves on open claims.

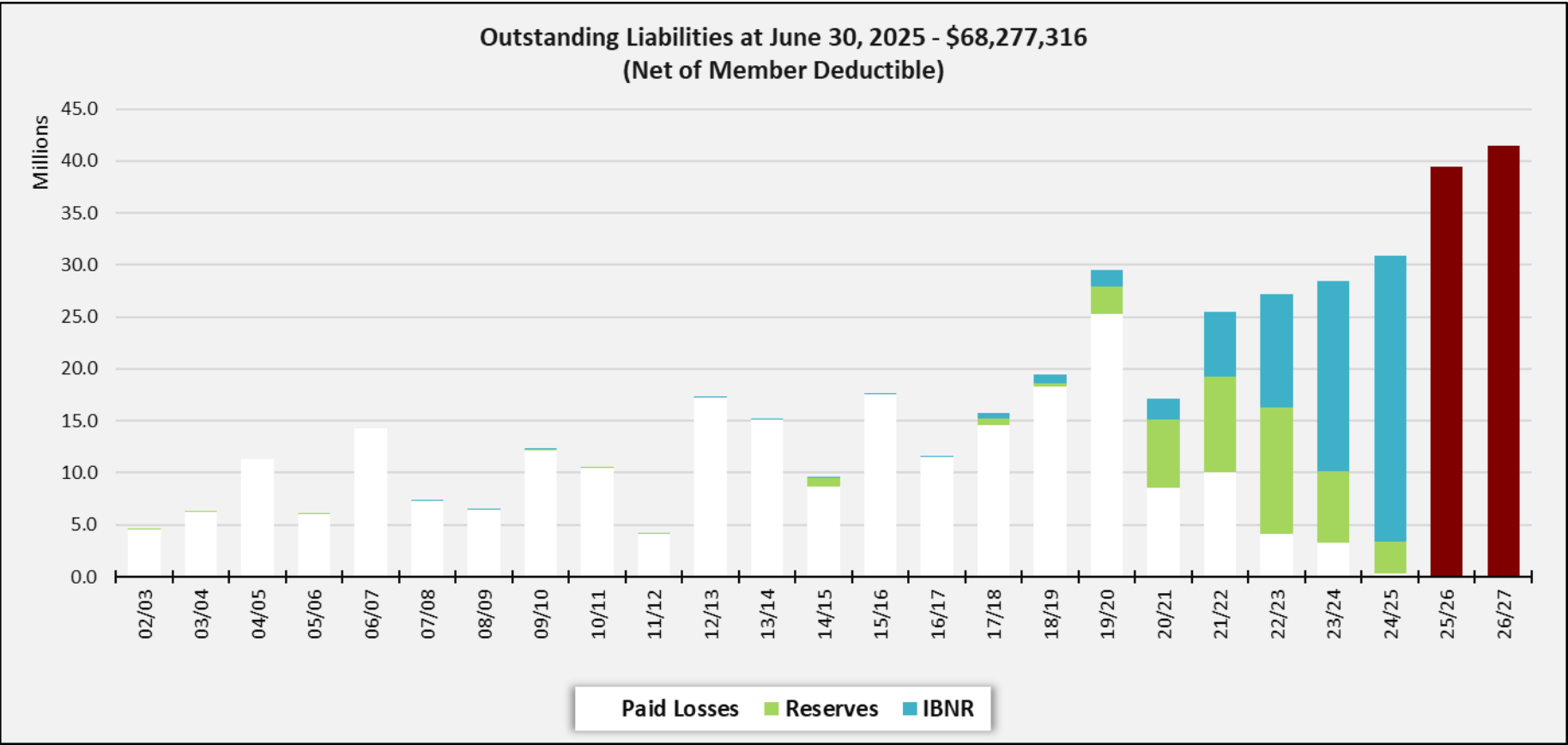
Actuarial Report – Campus Liability Program:



The graph above shows the actuary’s projection of the Ultimate Limited Losses for each year (capped at the risk pool limit).

IBNR = Incurred But Not Report. Sources of IBNR’s. (1) Late reported claims (2) claims that have been reported, but reserves have not yet been assigned (3) case reserves on open claims generally develop upward over time as more information becomes available, and (4) reopened claims.

Actuarial Report – Campus Liability Program:

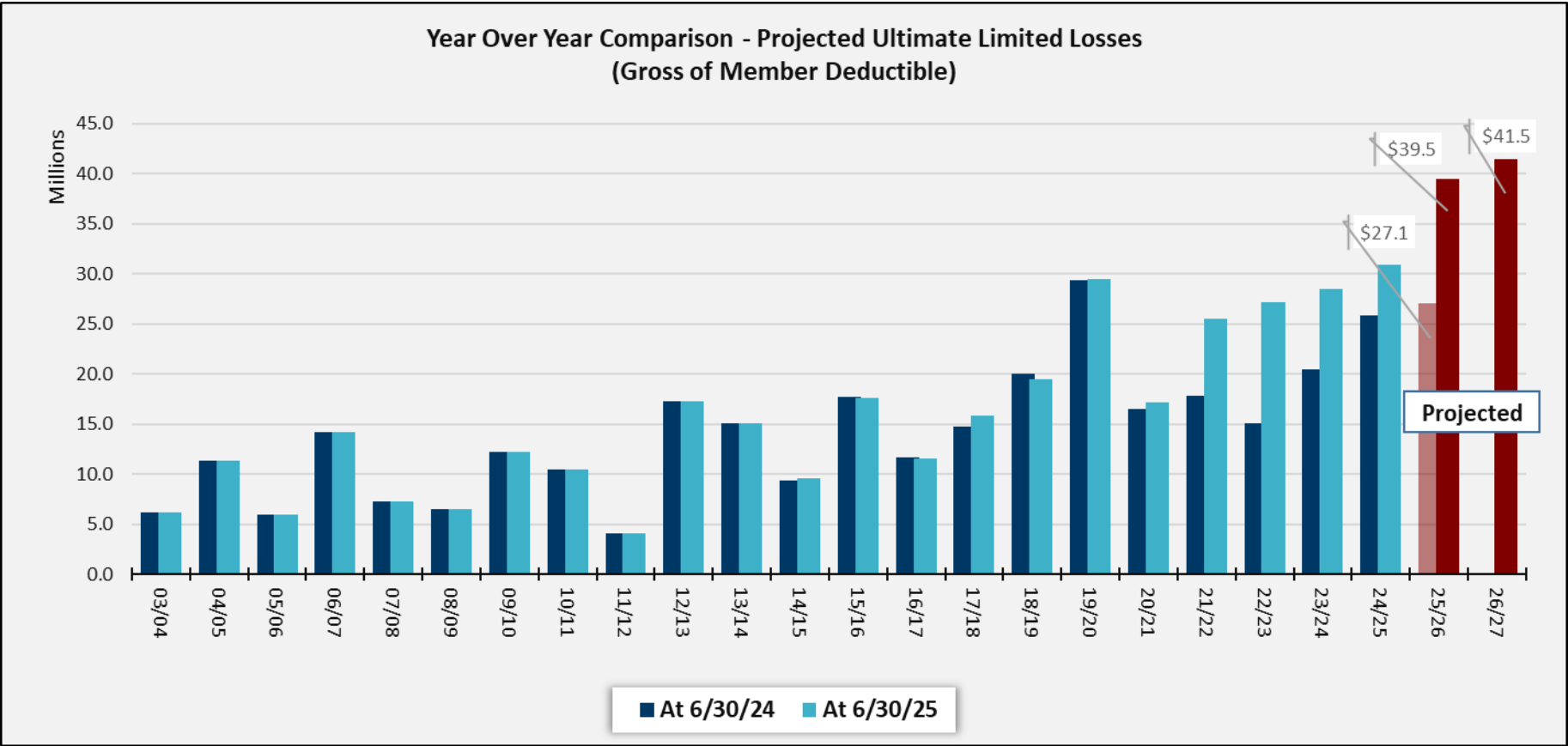


\$68,277,316 - Estimated Outstanding Liability are at an expected confidence level, undiscounted, including allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expense (ULAE).

The Estimated Outstanding Liabilities are the cost of unpaid claims, including case reserves on open claims and IBNR amounts. The Estimated Outstanding Liabilities are capped at the risk pool limit.

IBNR = Incurred But Not Report. Sources of IBNR's. (1) Late reported claims (2) claims that have been reported, but reserves have not yet been assigned (3) development on open claims, and (4) reopened claims.

Actuarial Report – Campus Liability Program:

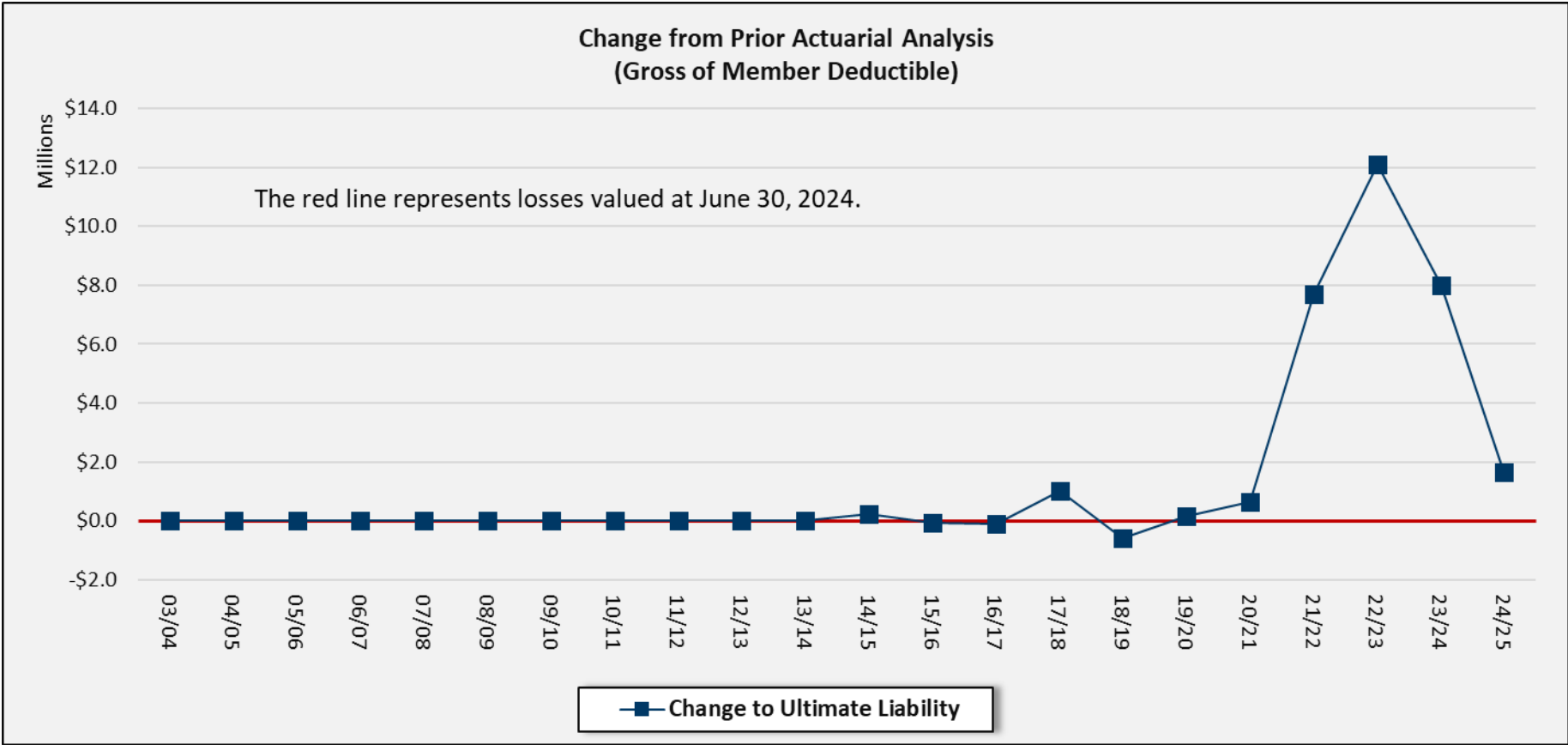


The graph above shows a comparison of the actuary's projection of the Ultimate Limited Losses for each year (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year claim development is \$30,772,592 or 7.9%.

Limited = Claims are capped at the risk pool limit.

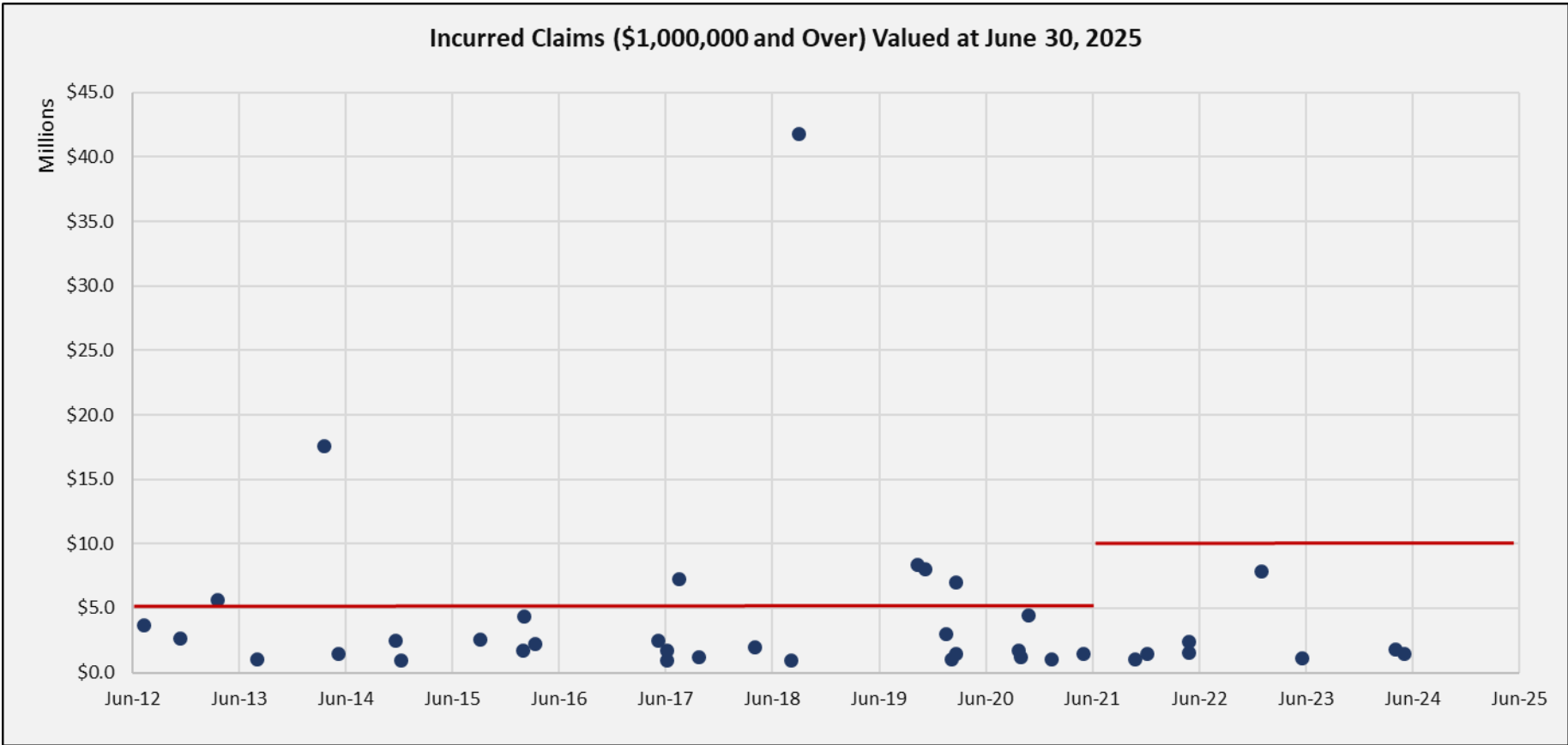
Ultimate = Claim payments, case reserves on open claims, plus IBNR.

Actuarial Report – Campus Liability Program:



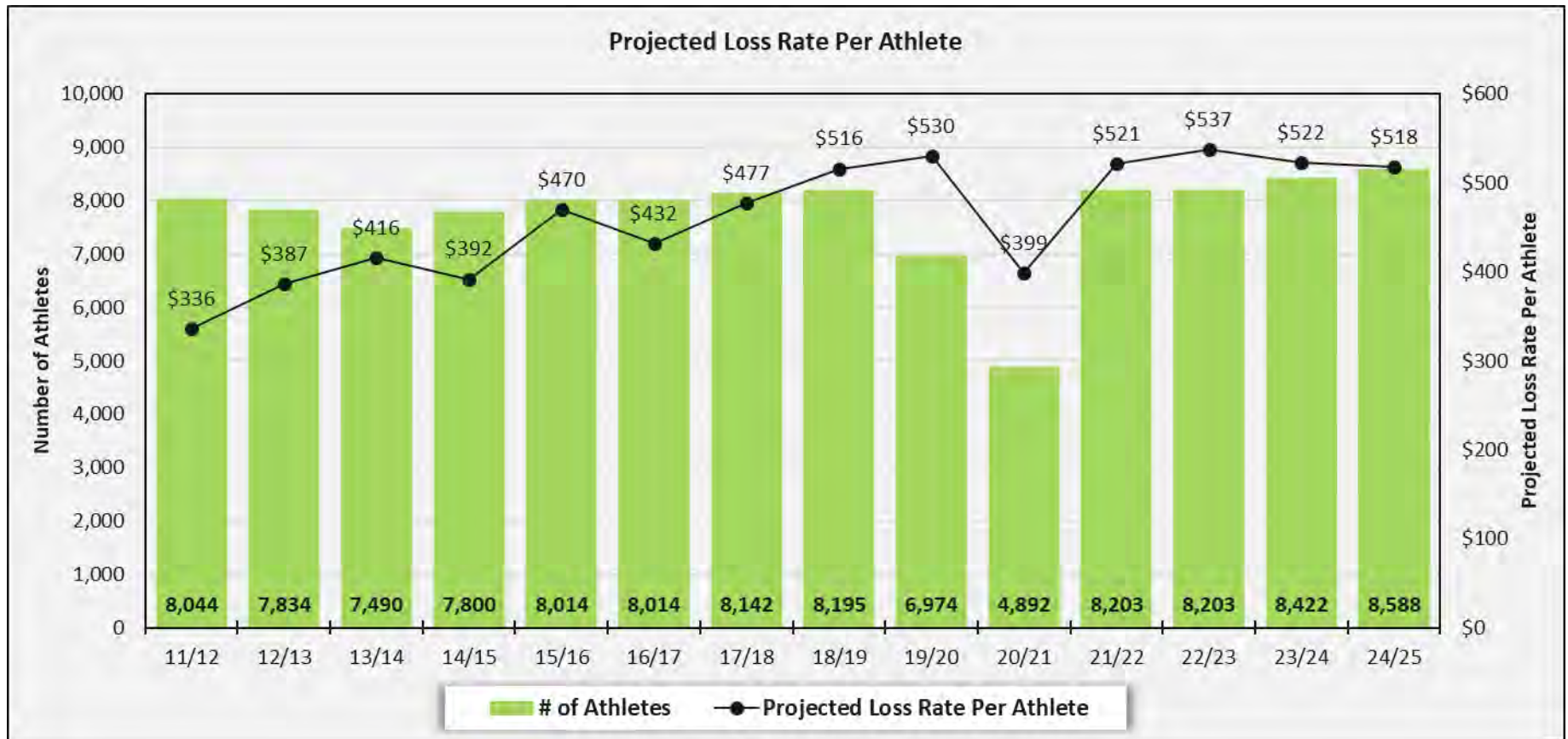
The comparison above shows the actual versus expected loss development using the information from the actuary’s report as of June 30, 2025. The year-over-year change to the Projected Ultimate Limited Losses is \$30,772,592 or 7.9%.

Actuarial Report – Campus Liability Program:



The Claim Size Distribution Exhibit above shows all individual claims with incurred amounts of \$1,000,000 and above. The red line denotes the Campus Liability Program risk pool limit.

Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



Projected Loss Rate Per Athlete = Projected Ultimate Limited Loss / # of Athletes.

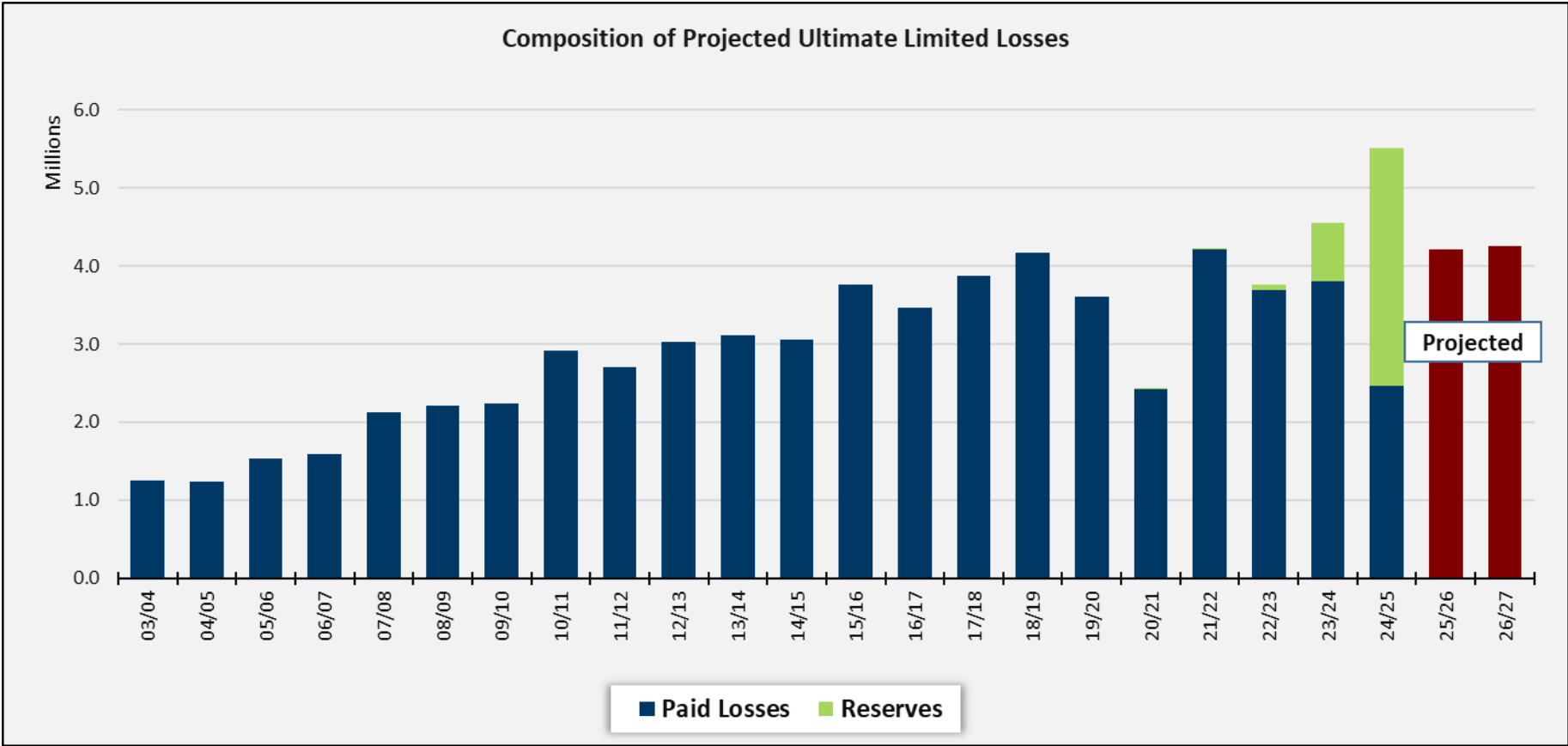
Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



The graph above shows a comparison of the Reported Limited Incurred Losses (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year claim development (excluding FY 24/25) is \$2,634,949 or 4.2%.

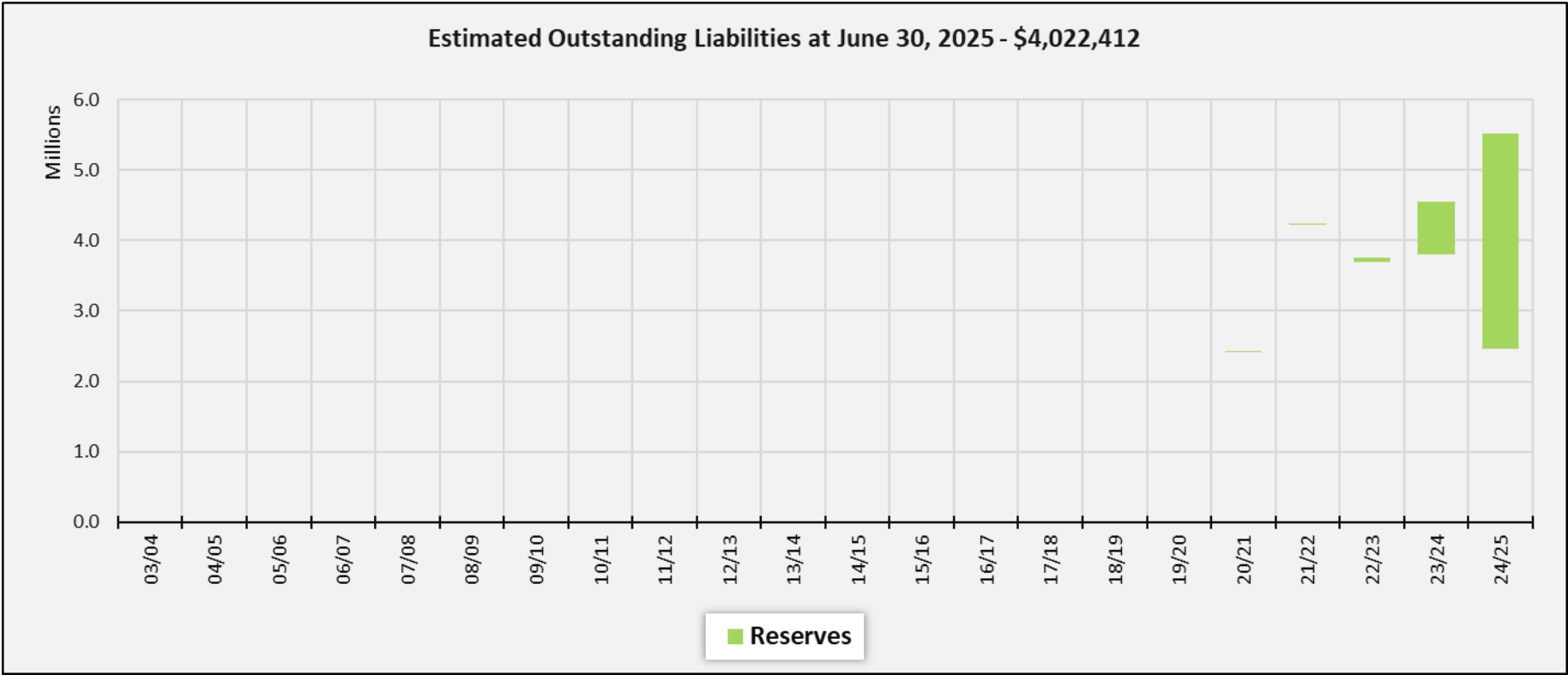
Limited = Claims are capped at the risk pool limit.
Incurred = Claim payments plus case reserves on open claims.

Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



The graph above shows the actuary’s projection of the Ultimate Limited Losses for each year (capped at the risk pool limit).

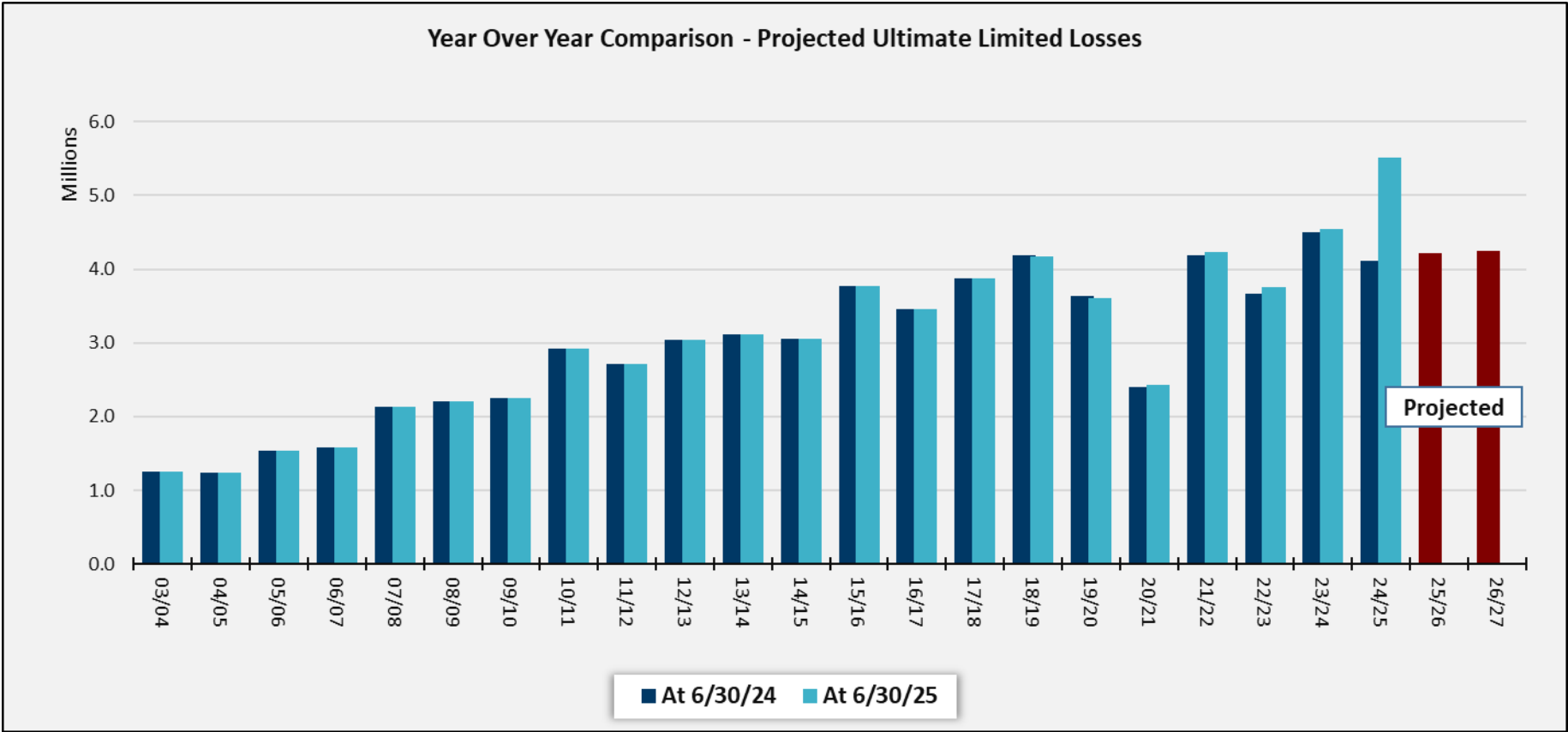
Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



\$4,022,412 - Estimated Outstanding Liability are at an expected confidence level, undiscounted, including allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expense (ULAE).

The Estimated Outstanding Liabilities are the cost of unpaid claims, including case reserves on open claims. The Estimated Outstanding Liabilities are capped at the risk pool limit.

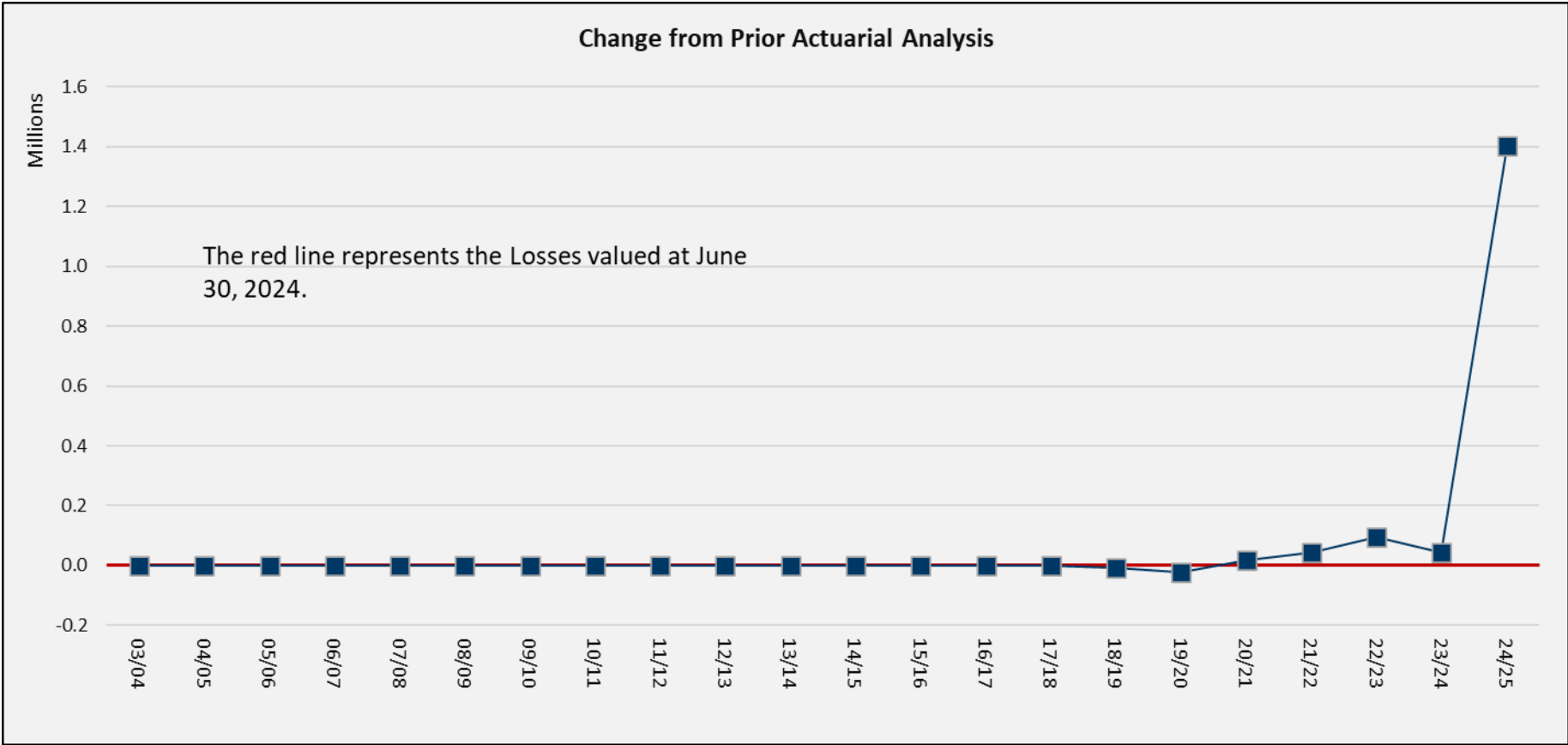
Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



The graph above shows a comparison of the actuary’s projection of the Ultimate Limited Losses for each year (capped at the risk pool limit) valued at June 30, 2024 and June 30, 2025. The year-over-year claim development is \$1,571,761 or 2.2%.

Limited = Claims are capped at the risk pool limit.
Ultimate = Claim payments plus case reserves on open claims.

Actuarial Report – Athletic Injury Medical Expense (AIME) Program:



The comparison above shows the actual versus expected loss development using the information from the actuary’s report as of June 30, 2025. The year-over-year change to the Projected Ultimate Limited Losses is \$1,571,761 or 2.2%.

CAMPUS RISK POOLS FUNDING STATUS AT JUNE 30, 2025

ISSUE: Each year, the Program Administrator evaluates the funding status of CSURMA's major risk pool programs and presents the findings to the Executive Committee. In its evaluation, the most recent actuarial reports and the financial statements prepared by Financial Services at the Chancellor's Office are used. The evaluation includes the funding status of the Campus Liability, Campus Workers' Compensation, and Athletic Injury Medical Expense risk pools valued as of June 30, 2025.

RECOMMENDATION: No action is recommended; this item is for information only.

FISCAL IMPACT: None; this item is for information only.

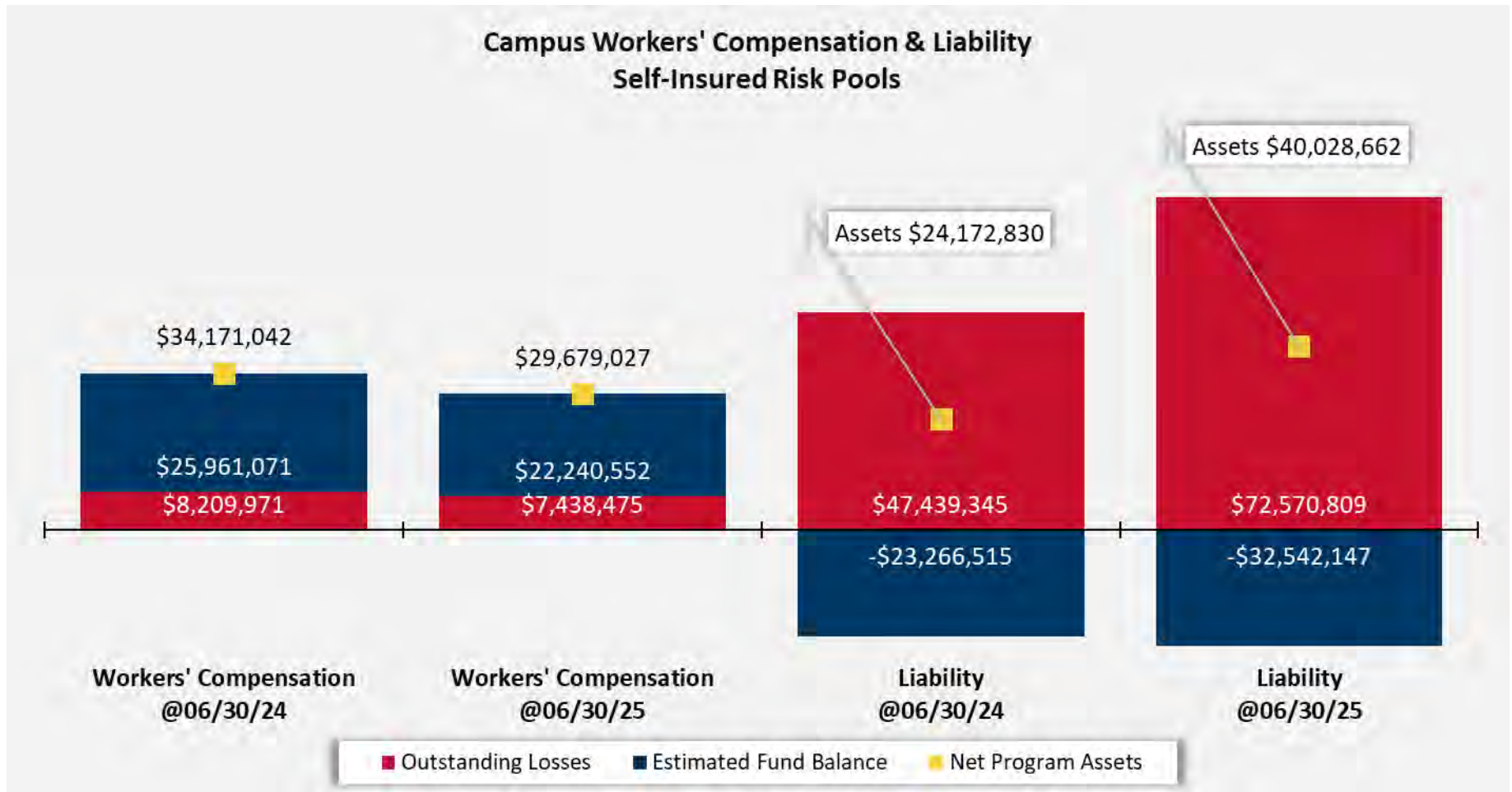
BACKGROUND: The Board reviews the funding status of the Campus and AORMA risk pools valued at December 31 and June 30 each year.

PUBLICATION: None

ATTACHMENT(S):

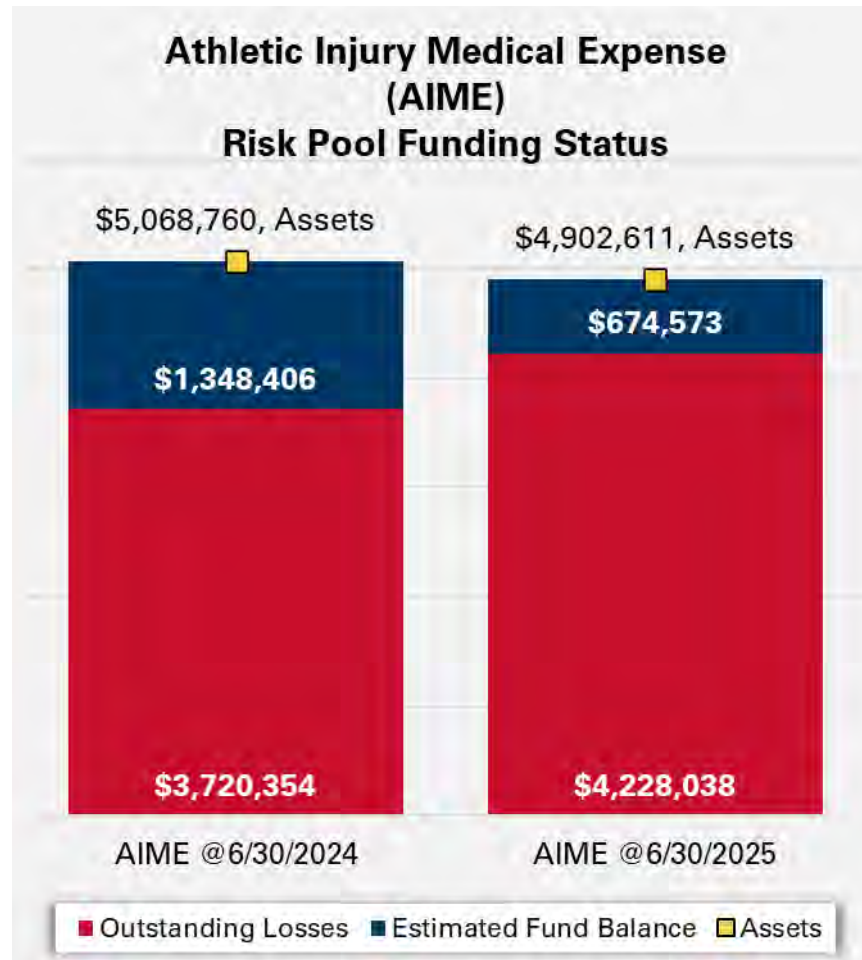
- a. Risk Pools Funding Status at June 30, 2025
- b. Policy & Procedure No. 7 - Self-Insured Program Funding

Risk Pool Funding Status at June 30, 2025



Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses **172**

Risk Pool Funding Status at June 30, 2025

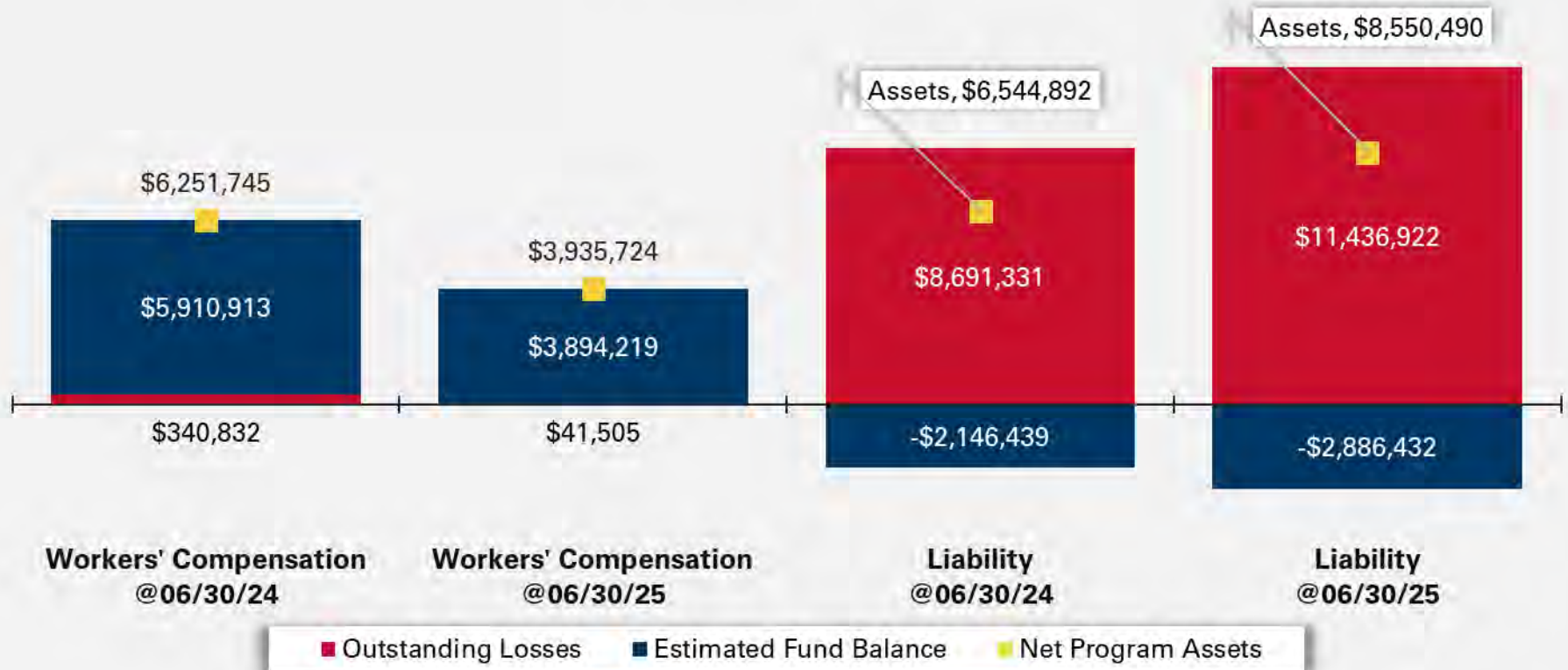


Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses **173**

Risk Pool Funding Status at June 30, 2025

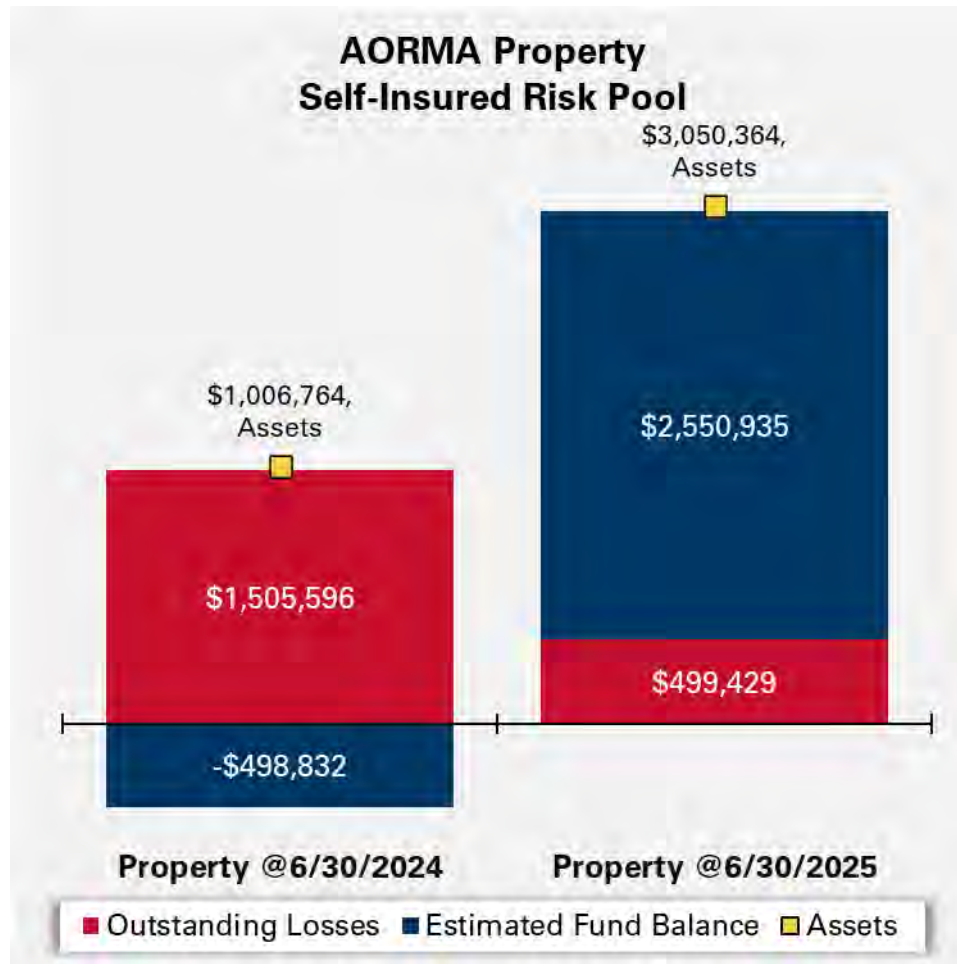


AORMA Workers' Compensation & Liability Self-Insured Risk Pools



Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses **174**

Risk Pool Funding Status at June 30, 2025



Outstanding Losses are Discounted, 70% Confidence Level, including ALAE and ULAE
Assets are reduced by payables
Estimated Fund Balance = Assets – Outstanding Losses **175**



CSURMA

POLICY AND PROCEDURE NO. 7

ADOPTED: January 1, 2000

AMENDED: April 27, 2015, March 2, 2023

SUBJECT: Self-Insured Program Funding

ISSUE:

The California State University Risk Management Authority (CSURMA) operates various self-insured coverage programs. Generally, these programs include a primary layer of pooling, with excess and reinsurance coverage. Each program is responsible for all costs generated by that program, as well as a proportionate share of the JPA's general administrative costs. It is important that each self-insured program be properly funded to satisfy its liabilities. This policy and procedure continues the policy adopted by the CSURMA Board of Directors on April 24, 1997.

POLICY STATEMENT:

It is the policy of CSURMA that each self-insured program shall establish budgets with a goal of full funding, including a reasonable risk margin. Such funding shall be determined by the Executive Committee as a part of each year's annual budget based upon the recommendations of a professional actuary and staff.

PROCEDURE:

CSURMA staff is responsible for developing draft budgets for each of the self-insured programs for each fiscal year. As a part of the budget development, staff will work with the CSU and its actuary to determine projected liabilities for the CSURMA's self-insured programs. The actuary's reports shall be used by staff and the Executive Committee to develop recommended rates and funding for each self-insured program.

It is the policy of CSURMA to fund fully the self-insured programs. Adopted funding shall include sufficient funds projected to pay the following cost elements:

- Administrative expenses shall be funded on a cash basis for each program year;
- Prior year cash deficits (if any) shall be funded on a cash basis; *(subject to a plan approved and adopted by the CSURMA Executive Committee)*
- Prior years' claims payable shall be funded on a cash basis to the extent accrued reserves do not amount to full funding; *(subject to a plan approved and adopted by the CSURMA Executive Committee)*
- Current year expected liabilities shall be funded on an accrual (incurred) basis; and



CSURMA

POLICY AND PROCEDURE NO. 7

- At such time as all outstanding liabilities are fully funded, a reasonable risk margin shall be funded.

Staff shall make an annual report to the Board of Directors, detailing the self-insurance programs' funding status in accordance with this Policy & Procedure No. 7.

2025 CAMPUS DIVIDEND / ASSESSMENT

ISSUE: At its September meeting, the Executive Committee approved a \$5,000,000 Liability Program assessment and no dividend from the Workers' Compensation or AIME Programs.

As shown below, the *Goal for Retained Funds* analysis identified an opportunity to issue a dividend from the Workers' Compensation Program but not from the Liability or AIME Programs. However, a dividend from the Workers' Compensation Program was not approved due to a negative short-term (current) cash fund balance. As reflected in the *Estimated Fund Balance* exhibit, the Workers' Compensation Program remains well funded through long-term (noncurrent) assets.

Until the short-term cash balance reaches an appropriate level, the CSURMA Bylaws authorize the Treasurer to approve interfund borrowing among CSURMA's coverage programs.

Table 1

Calculation Summary	Liability	WC	AIME
Funds in Excess of the Goal for Retained Funds	-\$34,757,279	\$21,959,541	\$555,373
Indicated Minimum Surplus	\$13,655,463	\$10,425,729	\$838,461
Maximum Dividend Available	\$0	\$11,533,812	\$0
Dividend - 50% of Maximum Dividend Available	\$0	\$5,689,280	\$0

RECOMMENDATION: No action is recommended; the Executive Committee took action at its September 2025 meeting to approve the \$5,000,000 Liability Program assessment.

FISCAL IMPACT: The FY 2025–26 CSURMA Budget does not include a dividend distribution from the Workers’ Compensation Program but does include a \$5,000,000 assessment to the Liability Program. The assessment will increase the risk pool’s retained funds.

BACKGROUND: The Program Administrator is working with the CSURMA Treasurer and Chancellor’s Office Accounting staff to manage short-term (current) assets in order to balance liquidity and long-term investments.

PUBLICATION: The approved assessment will be included in the campus “Early Bird” letter to be distributed in November 2025.

ATTACHMENT(S):

- a. Goal for Retained Funds Analysis
- b. Proposed 2025 Assessment
- c. Policy & Procedure No. 13 - Campus Risk Pool Programs Target Reserve Funding Goal

Goal for Retained Funds Analysis - Recap
Estimated at June 30, 2025
Dividends Available

Table 1

Calculation Summary	Liability	WC	AIME
Funds in Excess of the Goal for Retained Funds	-\$34,837,567	\$21,804,290	\$540,574
Indicated Minimum Surplus	\$13,655,463	\$10,425,729	\$838,461
Maximum Dividend Available	\$0	\$11,378,561	\$0
Dividend - 50% of Maximum Dividend Available	\$0	\$5,689,280	\$0

Campus Workers' Compensation Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$2,500,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	31,277,188	Up From	30,912,114
Assets at 6/30/25 #1	29,679,028	Down From	34,171,043
Maximum Retention Per Occurrence	2,500,000	No Change	2,500,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	7,278,521	Down From	7,978,465
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	7,874,738	Down From	8,691,482
Retained Funds Above Expected Confidence Level, Undiscounted	22,400,507	Down From	26,192,578
Retained Funds Above 70% Confidence Level, Discounted	21,804,290	Down From	25,479,561

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 3:1	10,425,729	105%
2. Retained Funds to Retention	> 2:1	5,000,000	12
3. Outstanding Liabilities to Retained Funds	≤ 5:1	1,455,704	25%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	21,804,290
Indicated Minimum Retained Funds (largest ratio amount)	10,425,729
Maximum Dividend Available	11,378,561
Dividend 50% of Available:	5,689,280

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	23,857,246	-
70%	1.065	25,407,967	1,550,721

#3 - The Pooled Layer Funding is discounted.

Campus Liability Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$10,000,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	16,964,084	Up From	14,396,477
Assets at 6/30/25 #1	40,028,662	Up From	24,172,830
Maximum Retention Per Occurrence	10,000,000	No Change	10,000,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	68,277,316	Up From	44,692,132
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	74,866,229	Up From	49,009,688
Retained Funds Above Expected Confidence Level, Undiscounted	(28,248,654)	Down From	(20,519,302)
Retained Funds Above 70% Confidence Level, Discounted	(34,837,567)	Down From	(24,836,858)

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 3:1	5,654,695	42%
2. Retained Funds to Retention	> 1:1	10,000,000	4
3. Outstanding Liabilities to Retained Funds	≤ 5:1	13,655,463	171%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	(34,837,567)
Indicated Minimum Retained Funds (largest ratio amount)	13,655,463
Maximum Dividend Available	-
Dividend at 50% of Available:	-

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	36,711,221	-
70%	1.118	41,043,145	4,331,924

#3 - The Pooled Layer Funding is discounted.

AIME Risk Pool
Goal for Retained Funds Analysis - Pooled Layer Funding @ \$90,000
@ June 30, 2025

Analysis Factors	Current Analysis	Change	Prior Analysis
Contributions for FY 25/26	5,030,764	No Change	5,030,764
Assets at 6/30/25 #1	4,902,611	Down From	5,068,759
Maximum Retention Per Occurrence	90,000	No Change	90,000
Outstanding Liabilities at 6/30/25 (Expected, Undiscounted) #2	4,022,412	Up From	3,422,383
Outstanding Liabilities at 6/30/25 (70%, Discounted) #2	4,362,037	Up From	3,720,354
Retained Funds Above Expected Confidence Level, Undiscounted	880,199	Down From	1,646,376
Retained Funds Above 70% Confidence Level, Discounted	540,574	Down From	1,348,405

#1 - Assets are reduced by accounts payable, unearned revenue, costs above budgeted, and if applicable, SELF assessment.

#2 - Outstanding Liabilities are net of member deductibles, and include IBNR and ULAE.

Ratio	Target	Indicated Minimum Equity	Projected Ratio
1. Contribution to Retained Funds	< 6:1	838,461	103%
2. Retained Funds to Retention	> 5:1	450,000	54
3. Outstanding Liabilities to Retained Funds	≤ 5:1	804,482	82%

Dividend	Ratios
Retained Funds Above 70% Confidence Level, Discounted	540,574
Indicated Minimum Retained Funds (largest ratio amount)	838,461
Maximum Dividend Available	-
Recommended Dividend 50%:	-

FY 25/26 Pool Funding

Confidence levels	Risk Factor	Pooled Layer Funding #3	Surplus
Expected	1.000	4,212,866	-
70%	1.067	4,495,128	282,262

#3 - The Pooled Layer Funding is discounted.

CSURMA CAMPUS RISK POOLS

Dividend / Assessment (To be Paid / Assessed in November 2025)

Campus	Liability Risk Pool (\$5,000,000)			Workers' Compensation Risk Pool \$0			Net Dividend (Assessment)
	Contributions	%	Assessment	Contribution	%	Dividend	
Bakersfield	919,096	2%	(81,297)	3,584,685	2%	0	(81,297)
Channel Islands	758,909	1%	(67,128)	3,843,631	2%	0	(67,128)
Chico	1,823,806	3%	(161,322)	6,214,409	3%	0	(161,322)
Dominguez Hills	2,677,545	5%	(236,838)	8,180,325	4%	0	(236,838)
East Bay	1,083,257	2%	(95,818)	7,202,355	4%	0	(95,818)
Fresno	3,295,710	6%	(291,517)	8,008,137	4%	0	(291,517)
Fullerton	4,498,032	8%	(397,867)	11,301,886	6%	0	(397,867)
Humboldt	967,565	2%	(85,585)	4,364,583	2%	0	(85,585)
Long Beach	3,006,073	5%	(265,898)	15,638,082	8%	0	(265,898)
Los Angeles	5,187,190	9%	(458,825)	10,463,338	5%	0	(458,825)
Maritime Academy	877,012	2%	(77,575)	1,665,231	1%	0	(77,575)
Monterey Bay	821,158	1%	(72,634)	3,426,156	2%	0	(72,634)
Northridge	2,931,514	5%	(259,303)	15,547,356	8%	0	(259,303)
Pomona	1,323,467	2%	(117,065)	12,350,100	6%	0	(117,065)
Sacramento	1,455,132	3%	(128,712)	8,830,748	5%	0	(128,712)
San Bernardino	4,469,882	8%	(395,377)	9,754,225	5%	0	(395,377)
San Diego	1,796,032	3%	(158,865)	11,313,188	6%	0	(158,865)
San Francisco	5,720,137	10%	(505,966)	12,910,129	7%	0	(505,966)
San Jose	3,062,041	5%	(270,848)	9,377,221	5%	0	(270,848)
San Luis Obispo	2,352,507	4%	(208,088)	12,592,292	7%	0	(208,088)
San Marcos	1,741,973	3%	(154,084)	4,299,926	2%	0	(154,084)
Sonoma	2,802,328	5%	(247,876)	4,502,882	2%	0	(247,876)
Stanislaus	1,033,579	2%	(91,424)	3,776,756	2%	0	(91,424)
xChancellor's Office	1,922,928	3%	(170,090)	2,798,028	1%	0	(170,090)
Total	\$56,526,872	100%	(\$5,000,002)	\$191,945,669	100%	\$0	(\$5,000,002)

ADOPTED: October 28, 2011

AMENDED: April 27, 2015, March 4, 2021, September 8, 2023

SUBJECT: Campus Risk Pool Goal for Retained Funds

In an effort to assure the long-term financial strength of the Campus Risk Pool Programs that include an element of self-insurance, the California State University Risk Management Authority (CSURMA) Board of Directors desires to fund the Programs in a responsible manner. Furthermore, in recognition that there is a high degree of uncertainty in actuarial estimates due to the possibility of occasional catastrophic claims and inconsistent or inaccurate case reserving, the Board of Directors desires to establish a Goal for Retained Funds that will guide the CSURMA Executive Committee in making annual funding decisions for the Programs.

Should there be any discrepancy between this document and either the MEMORANDUMS OF COVERAGE or PARTICIPATION AGREEMENTS between the Executive Committee and the MEMBER, the MEMORANDUMS OF COVERAGE and the PARTICIPATION AGREEMENTS will govern.

POLICY

The Goal for Retained Funds is hereby established to be, at a minimum, Retained Funds in excess of the actuarially determined Outstanding Losses at a 70% Confidence Level, discounted for investment. In evaluating the Programs' funding position relative to the Goal for Retained Funds as a part of each year's ratemaking process, the Executive Committee shall take into consideration the following ratios: Gross Premium to Retained Funds Ratio, Retained Funds to Pool Retention Ratio and Outstanding Losses to Retained Funds Ratio.

The Committee may take action to set higher or lower confidence levels based on CSURMA's goal to retain more or less risk. The Goal for Retained Funds and the Retained Funds Ratios described in this policy have been selected to take into account the nature of the Campus Risk Pool programs that include a relatively large and stable exposure and a single covered entity with substantial financial capacity.

PROCEDURE

- 1. Annual Actuarial Study** - Each year the Program Director will engage CSURMA's accredited independent actuary to perform an actuarial analysis of the Workers' Compensation, AIME, Liability and Property Programs. This analysis shall include estimates of the Outstanding Losses (including IBNR) at various confidence levels as well as estimates of ultimate losses for the upcoming year(s). The analysis shall also compare the current program funding against the outstanding losses and determine the confidence level to which the program is currently funded. Because the SAFECLIP, SPLIP and Crime Programs have an annual aggregate



POLICY AND PROCEDURE NO. 13

retention, an actuarial analysis may not be performed. Also, no actuarial study is required for the IDL/NDL/UI Program as that program covers very short tail statutory benefits.

- 2. Calculation of Industry Ratios** - The Program Administrator Director will also calculate certain insurance industry ratios to help analyze the Program's current financial position as follows:

Gross Premium to Retained Funds Ratio:

- Target <3:1 (Liability)
- Target <3:1 (Workers' Compensations)
- Target <6:1 (AIME)
- Target <3:1 (Property)

This ratio is a measure of how the Retained Funds are leveraged against possible pricing inaccuracies. A low ratio is desirable.

Retained Funds to Pool Retention Ratio:

- Target>1:1 (Liability)**
- Target>2:1 (Workers' Compensation)**
- Target>5:1 (AIME)**
- Target>2:1 (Property)**

This ratio is a measure of the maximum amount that Retained Funds could decline due to a single loss. A high ratio is desirable.

Outstanding Losses to Retained Funds Ratio: Target $\leq 5:1$

This ratio is a measure of how Retained Funds are leveraged against possible reserve inaccuracies. A low ratio is desirable.

- 3. Application of the Goal for Retained Funds Criteria** – After an annual review of the Retained Funds Ratios, the Executive Committee will determine whether it is desirable to increase, decrease, or stabilize reserves. Their recommendations will be forwarded to the Board of Directors. If the Board of Directors desires to decrease reserves, it may approve a funding level below the 70% confidence level. Conversely, a funding decision above the 70% confidence level will indicate a bias toward increasing reserves. A determination to fund at the 70% confidence level will reflect the Executive Committee’s desire to keep Retained Funds at the current level.

Because the SAFECLIP, SPLIP and Crime Programs have annual aggregate retentions, and therefore no actuarial study is performed, the Goal for Retained Funds shall be the amount of funds that exceed the maximum liability retained by the program for the upcoming program year plus the expected value for all open claims from current and prior years. The Executive Committee will approve the annual funding for each program.

The Retained Funds and Dividend Calculation Report will be prepared for each self-funded program and presented to the Executive Committee after the end of each fiscal year.

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4. **Dividends** – Dividends may be available from the amount of reserves exceeding the Goal for Retained Funds amount as established by the Executive Committee. The allocation of any dividend shall be pursuant to the formula approved by the Executive Committee.
5. **Assessments** – Assessments may be required when the Executive Committee determines that the amount of Retained Funds is not sufficient and can best be remedied by an extraordinary assessment. The allocation of any assessment shall be pursuant to the formula approved by the Executive Committee.

MEMBER APPEAL PROCESS

If a MEMBER wishes to appeal any decision regarding the application of the Target Retained Funds Policy, the MEMBER must present an appeal in writing to the CSURMA Secretary within 30 days of the disputed decision. The Secretary shall place the Member's appeal on the Executive Committee's agenda at its next regularly scheduled meeting. The Executive Committee will review the appeal and inform the Member of the final decision within five (5) business days of the final decision.

If a Member wishes to appeal the Executive Committee's decision, the Member will notify the CSURMA Secretary in writing within five (5) business days of receipt of the Executive Committee's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.

DEFINITIONS:

CONFIDENCE LEVEL: A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, a 70% confidence level means that the actuary believes funding will be sufficient in seven years out of ten.

CSURMA - The California State University Risk Management Authority, a California Joint Powers Authority, comprised of the California State University and its Auxiliary Organizations.

CSURMA EXECUTIVE COMMITTEE – The California State University Risk Management Authority Executive Committee, a committee of the CSURMA providing management and oversight to the CSURMA. The Executive Committee is comprised of the Chair, the Vice Chair, and seven “At Large” members.

GOAL FOR RETAINED FUNDS - The amount of cash equivalent available to pay claims in excess of actuarial expected losses, at a 70% confidence level, discounted for investment income.

GROSS PREMIUM - Includes pool premium and administrative costs but does not include reinsurance/excess insurance premium.

IBNR – Incurred but Not Reported losses. IBNR is comprised of two distinct items. These are the development of known case reserves and incurred by not reported claims. The actuary’s estimate of the inadequacy of case reserves. Most claims settle at amounts close to what is set by the claims administrator. Some claims close favorably and some emerge as more expense. On balance, case reserves tend to be too low. Therefore, the IBNR includes the actuary’s estimate of the amount total case reserves will rise upon closure. The IBNR also refers to those claims that have occurred, but have not yet been reported.

OUTSTANDING LOSSES - Outstanding Losses are the cost of claims that have occurred but have not yet been paid. They typically include indemnification and allocated loss adjustment expenses (ALAE), but not unallocated loss adjustment expenses (ULAE). They are calculated as projected ultimate losses less paid losses. Alternatively, they are the sum of case reserves and incurred but not reported (IBNR) claims. Outstanding Losses are usually the largest single item listed as a liability the balance sheet of a public entity’s financial statement. GASB Statement No. 10 requires they be calculated by actuarial methods.

POOL RETENTION - The maximum amount of exposure to a single loss retained by the pool over the most recent five (5) years.

FY 2026/27 RATES AND GROSS FUNDING CAMPUS COVERAGE PROGRAMS

ISSUE: Pursuant to the Executive Committee’s recommendation, the Board of Directors adopts rates and funding for the upcoming fiscal year at its fall meeting. The Program Administrator has prepared FY 26/27 funding recommendations for the Campus coverage programs. The summary below presents total program costs, with individual campus allocations provided in the attachments.

Campus	Current FY 25/26	Proposed FY 26/27	\$ Chg	% Chg
Liability	\$44,843,251	\$60,269,625	\$15,426,374	34%
Workers' Compensation	34,940,364	37,722,012	\$2,781,648	8%
Property	41,215,726	41,335,298	\$119,572	0%
AIME	4,282,080	4,520,025	\$237,945	6%
Auto Liability	4,024,469	3,078,149	(\$96,320)	-24%
IDL NDI UI	14,991,757	14,949,918	(\$41,839)	0%
Total	\$144,297,647	\$161,875,027	\$17,577,380	12%

RECOMMENDATION: The Executive Committee recommends that the Board of Directors adopt the FY 26/27 funding for the Campus coverage programs.

FISCAL IMPACT: The recommended funding calculations for the Campus coverage programs are consistent with policies, procedures, and rating plans previously adopted by the Board. They reflect revisions recommended by the Rating Plans Task Group and Executive Committee.

BACKGROUND: Summary of key rating considerations for each Campus Program:

- **Liability:** Funding includes loss coverage for a \$10M risk pool at a 70% confidence level, discounted for anticipated investment income. Recommended funding increased by \$10,960,330 (35%). Funding also accounts for:
 - o 15% increase to Reinsurance and Excess Insurance
 - o 5% increase to SPLIP, SAFECLIP, CLIP, Medical Malpractice, Terrorism Liability, Trustees E&O, and Fiduciary Liability
 - o No increase for Aviation coverage
- **Workers' Compensation:** PRISM's estimated reinsurance cost for FY 26/27 exceeds the actuary's recommended funding for a \$2.5M risk pool at 70% confidence. Accordingly, funding is based on PRISM's estimate rather than the actuary's recommendation.
- **Property:** Funding includes loss coverage for a \$2.5M risk pool at a 70% confidence level, discounted for anticipated investment income. Funding also accounts for:
 - o 0% increase for Excess Commercial Property Insurance
 - o 5% increase Deadly Weapons Response Program, Cyber Liability, and Fine Arts, Artifacts, and Archives Program
 - o 0% increase for Pollution Coverage
 - o 10% increase for Systemwide Earthquake Coverage
- **IDL/NDI/UI:** Rating assumes a 3% increase over actual claims for FY 24/25.
- **Automobile Liability:** Self-insured through the State Motor Vehicle Insurance Account (MVIA), with costs determined by the Office of Risk and Insurance Management (ORIM). Costs are paid in arrears; FY 26/27 rates will be published in spring 2026. CSU allocations decreased by 24% for FY 25/26, which will be paid in FY 26/27.
- **Athletic Injury Medical Expense (AIME):** Funding includes a \$90,000 self-insured risk pool at 70% confidence, discounted for anticipated investment income.

The Board is asked to focus on **aggregate program funding** at this time. Individual campuses should contact Daniel Howell or Mimi Long for questions regarding their specific allocations.

PUBLICATION: None at this time. Approved contributions will be included in the “early-bird” letter distributed in November 2025.

ATTACHMENT(S):

- a. FY 2026/27 Campus Coverage Programs Proposed Funding (*Draft*)
- b. Policy & Procedure No.7 – Self-Insured Program Funding

**CSURMA Risk Pools FY 2026/27
All Programs Combined**

A	B	C	D	E	F	G	H	I	J	K	L	M
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg	Current FY 25/26	Proposed FY 26/27	\$ Chg	% Chg	Current FY 26/27	Proposed FY 26/27	\$ Chg	% Chg
Liability	\$44,843,251	\$60,862,400	\$16,019,150	36%	\$44,843,251	\$60,269,625	\$15,426,374	34%	\$60,862,400	\$60,269,625	(\$592,775)	-1%
Workers' Compensation	34,940,364	37,722,012	2,781,648	8%	34,940,364	37,722,012	2,781,648	8%	37,722,012	37,722,012	\$0	0%
Property	41,215,726	41,335,300	119,574	0%	41,215,726	41,335,298	119,572	0%	41,335,300	41,335,298	(\$2)	0%
AIME	4,282,080	4,520,025	237,945	6%	4,282,080	4,520,025	237,945	6%	4,520,025	4,520,025	\$0	0%
Auto Liability	4,024,469	3,078,149	(946,320)	-24%	4,024,469	3,078,149	(946,320)	-24%	3,078,149	3,078,149	\$0	0%
IDL NDI UI	14,991,757	14,949,918	(41,839)	0%	14,991,757	14,949,918	(41,839)	0%	14,949,918	14,949,918	\$0	0%
Total	\$144,297,647	\$162,467,804	\$18,170,158	13%	\$144,297,647	\$161,875,027	\$17,577,380	12%	\$162,467,804	\$161,875,027	-\$592,777	0%

Current FY 25/26: Represents the contributions paid by the Campuses for the current fiscal year, using the current rating plan.

Current FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, using the current rating plan.

Proposed FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, if the BOD accepts all RPTG recommended revisions to the Coverage Program rating plans.

RPTG: Rating Plan Task Group

CSURMA Risk Pools FY 2026/27
All Programs Combined

A	B	C	D	E	F	G	H	I	J	K	L	M
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg	Current FY 25/26	Proposed FY 26/27	\$ Chg	% Chg	Current FY 26/27	Proposed FY 26/27	\$ Chg	% Chg
Bakersfield	3,145,681	3,518,986	373,305	12%	3,145,681	3,463,009	317,327	10%	3,518,986	3,463,009	-55,978	-2%
Channel Islands	2,467,500	2,695,012	227,512	9%	2,467,500	2,630,658	163,158	7%	2,695,012	2,630,658	-64,354	-2%
Chico	5,005,428	5,440,512	435,084	9%	5,005,428	5,368,629	363,201	7%	5,440,512	5,368,629	-71,883	-1%
Dominguez Hills	4,795,800	5,237,491	441,691	9%	4,795,800	5,254,518	458,719	10%	5,237,491	5,254,518	17,027	0%
East Bay	4,622,568	4,841,584	219,016	5%	4,622,568	4,805,901	183,332	4%	4,841,584	4,805,901	-35,683	-1%
Fresno	7,392,477	8,789,272	1,396,794	19%	7,392,477	8,966,104	1,573,626	21%	8,789,272	8,966,104	176,832	2%
Fullerton	8,793,824	9,639,841	846,017	10%	8,793,824	9,818,269	1,024,445	12%	9,639,841	9,818,269	178,428	2%
Humboldt	3,595,494	3,902,599	307,105	9%	3,595,494	3,810,998	215,503	6%	3,902,599	3,810,998	-91,601	-2%
Long Beach	10,988,653	12,339,059	1,350,406	12%	10,988,653	12,058,730	1,070,078	10%	12,339,059	12,058,730	-280,328	-2%
Los Angeles	7,426,069	8,297,758	871,689	12%	7,426,069	8,463,817	1,037,747	14%	8,297,758	8,463,817	166,059	2%
Monterey Bay	2,662,770	3,012,388	349,618	13%	2,662,770	2,874,022	211,252	8%	3,012,388	2,874,022	-138,366	-5%
Northridge	9,542,085	10,606,440	1,064,354	11%	9,542,085	10,523,974	981,888	10%	10,606,440	10,523,974	-82,466	-1%
Pomona	7,925,750	9,327,756	1,402,006	18%	7,925,750	9,148,728	1,222,978	15%	9,327,756	9,148,728	-179,028	-2%
Sacramento	7,109,385	7,890,441	781,056	11%	7,109,385	7,753,597	644,212	9%	7,890,441	7,753,597	-136,844	-2%
San Bernardino	6,842,308	7,868,678	1,026,370	15%	6,842,308	7,556,488	714,180	10%	7,868,678	7,556,488	-312,191	-4%
San Diego	9,824,588	11,556,901	1,732,313	18%	9,824,588	11,611,085	1,786,497	18%	11,556,901	11,611,085	54,184	0%
San Francisco	8,854,492	9,863,977	1,009,486	11%	8,854,492	10,044,167	1,189,675	13%	9,863,977	10,044,167	180,190	2%
San Jose	10,530,572	12,338,762	1,808,190	17%	10,530,572	12,486,155	1,955,583	19%	12,338,762	12,486,155	147,393	1%
San Luis Obispo	10,062,032	11,128,610	1,066,578	11%	10,062,032	11,072,049	1,010,017	10%	11,128,610	11,072,049	-56,562	-1%
San Marcos	3,636,806	4,065,351	428,545	12%	3,636,806	4,030,869	394,063	11%	4,065,351	4,030,869	-34,483	-1%
Sonoma	4,024,027	4,399,948	375,921	9%	4,024,027	4,352,968	328,941	8%	4,399,948	4,352,968	-46,980	-1%
Stanislaus	3,359,947	3,965,051	605,104	18%	3,359,947	3,903,047	543,100	16%	3,965,051	3,903,047	-62,004	-2%
Chancellor's Office	1,689,390	1,741,386	51,996	3%	1,689,390	1,877,247	187,857	11%	1,741,386	1,877,247	135,861	8%
Total	\$144,297,647	\$162,467,804	\$18,170,158	13%	\$144,297,647	\$161,875,027	\$17,577,380	12%	\$162,467,804	\$161,875,027	-\$592,777	0%

Current FY 25/26: Represents the contributions paid by the Campuses for the current fiscal year, using the current rating plan.

Current FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, using the current rating plan.

Proposed FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, if the BOD accepts all RPTG recommended revisions to the Coverage Program rating plans.

RPTG: Rating Plan Task Group

CSURMA Risk Pools FY 2026/27
Liability Coverage Program - Cost Comparison

A	B	C	D	E	F	G	H	I	J	K	L	M
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg	Current FY 25/26	Proposed FY 26/27	\$ Chg	% Chg	Current FY 26/27	Proposed FY 26/27	\$ Chg	% Chg
Bakersfield	1,086,229	1,467,243	381,014	35%	1,086,229	1,419,281	333,052	31%	1,467,243	1,419,281	(47,963)	-3%
Channel Islands	751,617	990,855	239,238	32%	751,617	933,745	182,128	24%	990,855	933,745	(57,110)	-6%
Chico	1,699,263	2,295,668	596,405	35%	1,699,263	2,188,063	488,800	29%	2,295,668	2,188,063	(107,605)	-5%
Dominguez Hills	1,750,110	2,230,115	480,005	27%	1,750,110	2,257,878	507,768	29%	2,230,115	2,257,878	27,763	1%
East Bay	1,266,801	1,620,249	353,449	28%	1,266,801	1,601,860	335,059	26%	1,620,249	1,601,860	(18,389)	-1%
Fresno	2,470,907	3,832,283	1,361,375	55%	2,470,907	4,026,097	1,555,190	63%	3,832,283	4,026,097	193,814	5%
Fullerton	2,696,848	3,699,331	1,002,483	37%	2,696,848	3,898,473	1,201,624	45%	3,699,331	3,898,473	199,142	5%
Humboldt	1,305,933	1,613,755	307,822	24%	1,305,933	1,535,003	229,069	18%	1,613,755	1,535,003	(78,752)	-5%
Long Beach	3,629,823	4,825,519	1,195,697	33%	3,629,823	4,562,905	933,082	26%	4,825,519	4,562,905	(262,614)	-5%
Los Angeles	2,662,667	3,547,062	884,395	33%	2,662,667	3,732,599	1,069,932	40%	3,547,062	3,732,599	185,537	5%
Monterey Bay	838,909	1,180,716	341,807	41%	838,909	1,050,167	211,258	25%	1,180,716	1,050,167	(130,549)	-11%
Northridge	2,493,995	3,341,043	847,048	34%	2,493,995	3,285,522	791,527	32%	3,341,043	3,285,522	(55,521)	-2%
Pomona	1,878,905	2,988,623	1,109,718	59%	1,878,905	2,818,977	940,072	50%	2,988,623	2,818,977	(169,646)	-6%
Sacramento	2,361,032	3,107,620	746,588	32%	2,361,032	2,985,836	624,804	26%	3,107,620	2,985,836	(121,784)	-4%
San Bernardino	2,420,534	3,578,565	1,158,031	48%	2,420,534	3,230,931	810,396	33%	3,578,565	3,230,931	(347,635)	-10%
San Diego	3,050,327	4,259,149	1,208,822	40%	3,050,327	4,357,566	1,307,239	43%	4,259,149	4,357,566	98,417	2%
San Francisco	2,064,762	2,549,198	484,437	23%	2,064,762	2,584,401	519,640	25%	2,549,198	2,584,401	35,203	1%
San Jose	2,752,224	3,935,498	1,183,275	43%	2,752,224	4,122,108	1,369,885	50%	3,935,498	4,122,108	186,610	5%
San Luis Obispo	2,665,705	3,246,461	580,756	22%	2,665,705	3,107,187	441,482	17%	3,246,461	3,107,187	(139,274)	-4%
San Marcos	1,364,166	1,844,639	480,473	35%	1,364,166	1,818,288	454,121	33%	1,844,639	1,818,288	(26,352)	-1%
Sonoma	1,127,370	1,591,328	463,958	41%	1,127,370	1,554,417	427,047	38%	1,591,328	1,554,417	(36,911)	-2%
Stanislaus	1,481,404	2,047,366	565,963	38%	1,481,404	1,990,635	509,231	34%	2,047,366	1,990,635	(56,731)	-3%
Chancellor's Office	1,023,720	1,070,112	46,392	5%	1,023,720	1,207,687	183,967	18%	1,070,112	1,207,687	137,575	13%
Total	\$44,843,251	\$60,862,400	\$16,019,150	36%	\$44,843,251	\$60,269,625	\$15,426,374	34%	\$60,862,400	\$60,269,625	-\$592,775	-1%

Includes funding for SPLIP, SAFECLIP, CLIP, Medical Malpractice, Aviation (all lines), Trustees E&O and Fiduciary Liability.

Current FY 25/26: Represents the contributions paid by the Campuses for the current fiscal year, using the current rating plan.

Current FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, using the current rating plan.

Proposed FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, if the BOD accepts all RPTG recommended revisions to the Coverage Program rating plans.

RPTG: Rating Plan Task Group

CSURMA Risk Pools FY 2026/27
Workers' Compensation Coverage Program - Cost Comparison

A	B	C	D	E
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg
Bakersfield	773,930	810,581	36,651	5%
Channel Islands	697,150	764,702	67,552	10%
Chico	1,036,863	1,006,240	(30,623)	-3%
Dominguez Hills	1,429,774	1,406,148	(23,626)	-2%
East Bay	1,258,369	1,239,361	(19,008)	-2%
Fresno	1,697,712	1,926,901	229,189	13%
Fullerton	1,749,075	1,803,570	54,495	3%
Humboldt	651,744	709,028	57,284	9%
Long Beach	2,845,542	3,157,620	312,078	11%
Los Angeles	1,557,104	1,765,630	208,526	13%
Monterey Bay	770,194	805,852	35,658	5%
Northridge	2,754,026	2,863,335	109,309	4%
Pomona	2,910,916	3,144,030	233,114	8%
Sacramento	1,447,533	1,599,934	152,401	11%
San Bernardino	1,758,397	1,741,451	(16,946)	-1%
San Diego	2,229,974	2,814,166	584,192	26%
San Francisco	2,043,561	1,990,757	(52,804)	-3%
San Jose	1,547,708	1,594,477	46,769	3%
San Luis Obispo	2,946,492	3,560,157	613,665	21%
San Marcos	824,996	873,715	48,719	6%
Sonoma	904,357	941,002	36,645	4%
Stanislaus	669,252	763,487	94,235	14%
Chancellor's Office	435,695	439,868	4,173	1%
Total	\$34,940,364	\$37,722,012	\$2,781,648	8%

CSURMA Risk Pools FY 2026/27
Property Coverage Program - Cost Comparison

A	B	C	D	E	F	G	H	I	J	K	L	M
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg	Current FY 25/26	Proposed FY 26/27	\$ Chg	% Chg	Current FY 26/27	Proposed FY 26/27	\$ Chg	% Chg
Bakersfield	686,971	652,633	(34,338)	-5%	686,971	644,618	(42,353)	-6%	652,633	644,618	(8,015)	-1%
Channel Islands	674,193	659,508	(14,685)	-2%	674,193	652,264	(21,929)	-3%	659,508	652,264	(7,244)	-1%
Chico	1,664,639	1,585,374	(79,265)	-5%	1,664,639	1,621,096	(43,543)	-3%	1,585,374	1,621,096	35,722	2%
Dominguez Hills	861,774	831,992	(29,782)	-3%	861,774	821,256	(40,518)	-5%	831,992	821,256	(10,736)	-1%
East Bay	1,473,463	1,402,605	(70,858)	-5%	1,473,463	1,385,311	(88,152)	-6%	1,402,605	1,385,311	(17,294)	-1%
Fresno	1,801,884	1,716,001	(85,883)	-5%	1,801,884	1,699,019	(102,865)	-6%	1,716,001	1,699,019	(16,982)	-1%
Fullerton	2,887,357	2,764,046	(123,311)	-4%	2,887,357	2,743,332	(144,025)	-5%	2,764,046	2,743,332	(20,714)	-1%
Humboldt	1,094,568	1,042,290	(52,278)	-5%	1,094,568	1,029,441	(65,127)	-6%	1,042,290	1,029,441	(12,849)	-1%
Long Beach	2,479,944	2,368,305	(111,639)	-5%	2,479,944	2,350,591	(129,353)	-5%	2,368,305	2,350,591	(17,714)	-1%
Los Angeles	2,125,945	1,967,108	(158,837)	-7%	2,125,945	1,947,630	(178,315)	-8%	1,967,108	1,947,630	(19,478)	-1%
Monterey Bay	626,882	604,668	(22,214)	-4%	626,882	596,851	(30,031)	-5%	604,668	596,851	(7,817)	-1%
Northridge	2,362,789	2,451,844	89,055	4%	2,362,789	2,424,899	62,110	3%	2,451,844	2,424,899	(26,945)	-1%
Pomona	1,921,501	1,839,791	(81,710)	-4%	1,921,501	1,830,409	(91,092)	-5%	1,839,791	1,830,409	(9,382)	-1%
Sacramento	1,990,862	1,922,910	(67,952)	-3%	1,990,862	1,907,850	(83,012)	-4%	1,922,910	1,907,850	(15,060)	-1%
San Bernardino	1,939,832	1,847,813	(92,019)	-5%	1,939,832	1,883,257	(56,575)	-3%	1,847,813	1,883,257	35,444	2%
San Diego	3,118,170	3,039,373	(78,797)	-3%	3,118,170	2,995,140	(123,030)	-4%	3,039,373	2,995,140	(44,233)	-1%
San Francisco	3,517,822	4,112,223	594,401	17%	3,517,822	4,257,210	739,388	21%	4,112,223	4,257,210	144,987	4%
San Jose	4,471,769	5,079,962	608,193	14%	4,471,769	5,040,745	568,976	13%	5,079,962	5,040,745	(39,217)	-1%
San Luis Obispo	2,367,680	2,438,719	71,039	3%	2,367,680	2,521,431	153,751	6%	2,438,719	2,521,431	82,712	3%
San Marcos	865,905	824,986	(40,919)	-5%	865,905	816,855	(49,050)	-6%	824,986	816,855	(8,131)	-1%
Sonoma	1,403,067	1,342,808	(60,259)	-4%	1,403,067	1,332,739	(70,328)	-5%	1,342,808	1,332,739	(10,069)	-1%
Stanislaus	730,707	696,084	(34,623)	-5%	730,707	690,811	(39,896)	-5%	696,084	690,811	(5,273)	-1%
Chancellor's Office	148,002	144,257	(3,745)	-3%	148,002	142,543	(5,459)	-4%	144,257	142,543	(1,714)	-1%
Total	\$41,215,726	\$41,335,300	\$119,574	0%	\$41,215,726	\$41,335,298	\$119,572	0%	\$41,335,300	\$41,335,298	-\$2	0%

Includes funding for Deadly Weapons Response, Cyber Liability, Fine Arts, Pollution, Earthquake, Fidelity/Crime, and Flood.

Current FY 25/26: Represents the contributions paid by the Campuses for the current fiscal year, using the current rating plan.

Current FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, using the current rating plan.

Proposed FY 26/27: Represents the contributions to be paid by the Campuses for FY 26/27, if the BOD accepts all RPTG recommended revisions to the Coverage Program rating plans.

RPTG: Rating Plan Task Group

CSURMA Risk Pools FY 2026/27
AIME Coverage Program - Cost Comparison

A	B	C	D	E
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg
Bakersfield	197,554	209,451	11,897	6%
Channel Islands	-	-	-	-
Chico	34,537	34,062	(475)	-1%
Dominguez Hills	93,895	121,811	27,916	30%
East Bay	51,532	52,612	1,080	2%
Fresno	533,951	519,605	(14,346)	-3%
Fullerton	282,539	292,526	9,987	4%
Humboldt	34,405	42,532	8,127	24%
Long Beach	634,698	667,204	32,506	5%
Los Angeles	30,741	58,022	27,281	89%
Monterey Bay	57,801	86,515	28,714	50%
Northridge	257,960	262,943	4,983	2%
Pomona	113,472	194,156	80,684	71%
Sacramento	345,665	318,718	(26,947)	-8%
San Bernardino	70,615	56,685	(13,930)	-20%
San Diego	374,888	416,805	41,917	11%
San Francisco	35,077	31,580	(3,497)	-10%
San Jose	550,108	565,309	15,201	3%
San Luis Obispo	502,881	493,543	(9,338)	-2%
San Marcos	24,677	31,215	6,538	26%
Sonoma	-	-	-	-
Stanislaus	55,084	64,731	9,647	18%
Chancellor's Office	-	-	-	0%
Total	\$4,282,080	\$4,520,025	\$237,945	6%

CSURMA Risk Pools FY 2026/27
Auto Liability Coverage Program - Cost Comparison

A	B	C	D	E
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg
Bakersfield	103,753	77,673	(26,080)	-25%
Channel Islands	94,395	57,335	(\$37,060)	-39%
Chico	119,350	90,959	(\$28,391)	-24%
Dominguez Hills	111,891	83,294	(\$28,597)	-26%
East Bay	63,066	51,101	(\$11,965)	-19%
Fresno	315,328	237,618	(\$77,710)	-25%
Fullerton	236,462	184,371	(\$52,091)	-22%
Humboldt	102,397	75,629	(\$26,768)	-26%
Long Beach	283,456	213,039	(\$70,418)	-25%
Los Angeles	164,784	71,030	(\$93,755)	-57%
Monterey Bay	76,628	56,722	(\$19,906)	-26%
Northridge	206,828	187,744	(\$19,084)	-9%
Pomona	207,371	216,411	\$9,041	4%
Sacramento	185,806	165,566	(\$20,240)	-11%
San Bernardino	212,389	188,868	(\$23,521)	-11%
San Diego	270,029	210,228	(\$59,801)	-22%
San Francisco	144,712	114,108	(\$30,604)	-21%
San Jose	191,231	147,170	(\$44,061)	-23%
San Luis Obispo	603,667	406,557	(\$197,110)	-33%
San Marcos	106,466	79,717	(\$26,749)	-25%
Sonoma	118,672	88,404	(\$30,268)	-26%
Stanislaus	105,109	74,096	(\$31,013)	-30%
Chancellor's Office	678	511	(\$167)	-25%
Total	\$4,024,469	\$3,078,149	(\$946,320)	-24%

*Allocated per reported fleet count submitted to Chancellor's Office and DGS.
Auto Liability is managed by the State Vehicle Liability Self-Insurance Program (VELSIP).*

**CSURMA Risk Pools FY 2026/27
IDL NDI UI - Coverage Comparison**

A	B	C	D	E
Campus	Current FY 25/26	Current FY 26/27	\$ Chg	% Chg
Bakersfield	297,244	301,405	4,161	1%
Channel Islands	250,145	222,612	(27,533)	-11%
Chico	450,776	428,209	(22,567)	-5%
Dominguez Hills	548,356	564,131	15,775	3%
East Bay	509,338	475,656	(33,682)	-7%
Fresno	572,695	556,864	(15,831)	-3%
Fullerton	941,542	895,997	(45,545)	-5%
Humboldt	406,447	419,365	12,918	3%
Long Beach	1,115,190	1,107,372	(7,818)	-1%
Los Angeles	884,828	888,906	4,078	0%
Monterey Bay	292,356	277,915	(14,441)	-5%
Northridge	1,466,487	1,499,531	33,044	2%
Pomona	893,586	944,745	51,159	6%
Sacramento	778,487	775,693	(2,794)	0%
San Bernardino	440,541	455,296	14,755	3%
San Diego	781,199	817,180	35,981	5%
San Francisco	1,048,558	1,066,111	17,553	2%
San Jose	1,017,532	1,016,346	(1,186)	0%
San Luis Obispo	975,607	983,174	7,567	1%
San Marcos	450,596	411,079	(39,517)	-9%
Sonoma	470,561	436,406	(34,155)	-7%
Stanislaus	318,391	319,287	896	0%
Chancellor's Office	81,295	86,638	5,343	7%
Total	\$14,991,757	\$14,949,918	(\$41,839)	0%

Includes Industrial Disability Leave, Nonindustrial Disability Insurance, and Unemployment Insurance.



CSURMA

POLICY AND PROCEDURE NO. 7

ADOPTED: January 1, 2000

AMENDED: April 27, 2015, March 2, 2023

SUBJECT: Self-Insured Program Funding

ISSUE:

The California State University Risk Management Authority (CSURMA) operates various self-insured coverage programs. Generally, these programs include a primary layer of pooling, with excess and reinsurance coverage. Each program is responsible for all costs generated by that program, as well as a proportionate share of the JPA's general administrative costs. It is important that each self-insured program be properly funded to satisfy its liabilities. This policy and procedure continues the policy adopted by the CSURMA Board of Directors on April 24, 1997.

POLICY STATEMENT:

It is the policy of CSURMA that each self-insured program shall establish budgets with a goal of full funding, including a reasonable risk margin. Such funding shall be determined by the Executive Committee as a part of each year's annual budget based upon the recommendations of a professional actuary and staff.

PROCEDURE:

CSURMA staff is responsible for developing draft budgets for each of the self-insured programs for each fiscal year. As a part of the budget development, staff will work with the CSU and its actuary to determine projected liabilities for the CSURMA's self-insured programs. The actuary's reports shall be used by staff and the Executive Committee to develop recommended rates and funding for each self-insured program.

It is the policy of CSURMA to fund fully the self-insured programs. Adopted funding shall include sufficient funds projected to pay the following cost elements:

- Administrative expenses shall be funded on a cash basis for each program year;
- Prior year cash deficits (if any) shall be funded on a cash basis; *(subject to a plan approved and adopted by the CSURMA Executive Committee)*
- Prior years' claims payable shall be funded on a cash basis to the extent accrued reserves do not amount to full funding; *(subject to a plan approved and adopted by the CSURMA Executive Committee)*
- Current year expected liabilities shall be funded on an accrual (incurred) basis; and



CSURMA

POLICY AND PROCEDURE NO. 7

- At such time as all outstanding liabilities are fully funded, a reasonable risk margin shall be funded.

Staff shall make an annual report to the Board of Directors, detailing the self-insurance programs' funding status in accordance with this Policy & Procedure No. 7.

AIME PROGRAMS UPDATE

ISSUE: The Athletic Injury Medical Expense (AIME) program continues to address the insurance and risk management needs of its members.

The Executive Committee Liaison for AIME will report on the activities of the AIME Committee.

RECOMMENDATION: This item is for information only; no action is required on this item at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: AIME is designed to cover medical expenses arising from injuries to student athletes while practicing or competing in inter-collegiate sports programs of the university.

PUBLICATION: None.

ATTACHMENT(S): None.

AORMA PROGRAMS UPDATE

ISSUE: The Auxiliary Organizations Risk Management Alliance (AORMA) continues to address the insurance and risk management needs of its members. All Auxiliary Organizations in Good Standing purchase insurance coverage through AORMA.

The AORMA Chair will report on the activities of the AORMA Committee.

RECOMMENDATION: No action is required on this item at today's meeting.

FISCAL IMPACT: None.

BACKGROUND: The AORMA was first marketed to CSU Auxiliary Organizations in 1998. Since that time, the program has grown from 12 members to 86 members and represents 100% participation.

PUBLICATION: None.

ATTACHMENT(S): None.

CSURMA LONG RANGE PLANNING GOALS

ISSUE: The Executive Committee conducts a Long-Range Action Planning meeting each year in March and establishes a long-range action plan for the year.

RECOMMENDATION: No action is requested; this item is for information only.

FISCAL IMPACT: No fiscal impact is expected from today's meeting.

BACKGROUND: The Executive Committee adopted the Long-Range Action Plan and goals to be accomplished. The Board will receive a report from Staff on the assigned responsibilities and deadlines.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Long Range Action Plan

FY 2025/26 CSURMA LONG RANGE ACTION PLAN					
GOAL	ACTION / TASK		STAFF	DEADLINE	STATUS
LRP-1	Energized Equipment				
SRM - Amy to Manage	1.	Develop SOP for Mechanical, Medium, High Volt, Look/Tag – Consultant Bids - Looking at LOTO agreement with Master Lock	PA, SRM	Aug-24	In Process
	2.	Work on MEA to Resource Consultants	PA, SRM	Oct-24	Completed
	3.	Student Project Safety Manual for Same	PA, SRM	Aug-25	Completed
	4.	Energized Electrical Equipment Resource Guide (draft out for review)	PA, SRM	Aug-25	Completed
LRP-2	Create Acceptance of Risk / Informed Consent Document to be Use When Students are Engaged in Experiential Learning				
SRM - Amy to Manage	1.	Review the use of the CSU liability waiver and provide clarification between (1) voluntary experiential learning with lack of CSU oversight, and (2) course required internships at the direction and control of faculty.	PA, SRM	Jun-21	Completed
	2.	Review Executive Order 1064 and provide clarification as to the statement included, "if the internship placement is not required as part of the student's academic program, the student must complete the liability waiver form..."	PA, SRM	Jul-21	In Process
	3.	Provide guidance at the campus level.	PA, SRM	Sep-22	Pending
	4.	Create acceptance of risk / informed content document to use when students are engaged in experiential learning.	PA, SRM	Oct-24	Pending
	5.	Update the CSU Waiver Handbook.	PA, SRM	Oct-25	
	6.	Provide guidance at the campus level either in person or via announcement of updated resources available.	PA, SRM	Oct-25	
LRP-3	Evident ID				
Mimi	1.	Present proposal to EC for final approval	PA, EC	May-25	Completed
	2.	Introduce Evident ID services to the BOD	PA, BOD	May-25	Completed
	3.	Begin the implementation process	PA, SRM	May-25	
	4.	Roll out and monitor services	PA, SRM	Jun-25	
LRP-4	Combat Sports				
Amy	1.	Send survey to all Campuses and Auxiliaries to gather information (tournaments, for-profit, 3rd party sponsorship, etc.)	PA	Apr-25	Completed
	2.	Analyze the data	PA, SRM	May-25	Completed
	3.	Evaluate coverage options, available or otherwise	PA	Jun-25	Completed
	4.	Review with Rating Plans Task Group	PA, SRM	Jul-25	Completed
LRP-5	AI Campus Security Survey				
Amy	1.	Poll all campuses for existing AI security	PA, SRM	May-25	Completed
	2.	Share information between campuses	PA, SRM	Jun-25	Completed
	3.	Discuss systemwide AI security with subject matter expert	PA, SRM	Nov-25	
	4.	Provide a formal recommendation to the EC	PA, SRM	Mar-26	

FY 2025/26 CSURMA LONG RANGE ACTION PLAN						
GOAL	ACTION / TASK			STAFF	DEADLINE	STATUS
LRP-6	Process for Identifying Complex Claims Process					
Mimi	1.	Create a flow chart for each coverage program outlining the claims process	PA	Jul-25		
	2.	Identify within the flow chart the appropriate "claims service champion" for each coverage program	PA, SRM	Jul-25		
	3.	Add to the CSURMA Service Calendar	PA	Jul-25		
	4.	Distribute, annually, the flow chart to all Campuses and Auxiliaries	PA, SRM	Dec-25		
PARKING LOT - ONGOING OR FUTURE PROJECTS						
GOAL	ACTION / TASK			STAFF	DEADLINE	STATUS
PL-1	Systemwide Roof Assessment and Fall Protection / Prevention - Development of Resource Guide					
Zachary	1.	In exchange for funding CSU Sacramento's roof assessment and fall protection, the inspector will be asked to create a resource guide to be available to all CSU Campuses.	SRM	N/A	Ongoing	
	2.	Resource Guide Completed	SRM	N/A	Completed	
BOD: CSURMA Board of Directors CABO: CSU Chief Administrators and Business Officers CO: Chancellor's Office CPDC: CO Capital Planning Design & Construction EC: CSURMA Executive Committee OGC: CSU Office of General Counsel PA: CSURMA Program Administrator SRM: CSU Systemwide Risk Management						

CSURMA ANNUAL REPORT

ISSUE: Each year the Program Administrator prepares the CSURMA Annual Report for the Board of Directors.

RECOMMENDATION: This item is presented for the Board's information. No action is requested.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: A complete copy of the CSURMA Annual Report will be posted on the CSURMA website.

ATTACHMENT:

- a. CSURMA Annual Report

The background of the entire page is a photograph of graduates at a ceremony. Two graduates in the foreground are wearing black caps and gowns with gold stoles. They are smiling and holding up their smartphones. In the background, other graduates and the "Don Julio CLUB" sign are visible.

California State University Risk Management Authority (CSURMA)

June 30, 2025

Annual Report

Presented by:

Alliant Insurance Service, Inc.



CA License No. 0C36861
Alliant Insurance Services, Inc.

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CSU Long Beach

Vice Chair

Rose McAuliffe

CSU Stanislaus

Treasurer

Robert Eaton

CSU Chancellor's Office

Secretary-Auditor

Zachary Gifford

CSU Chancellor's Office

CSURMA

*c/o Alliant Insurance
Services, Inc.*

*560 Mission Street, 6th Floor
San Francisco, CA 94105*

CSURMA and Alliant

Alliant Insurance Services, Inc. (Alliant) is proud of its longstanding partnership with the California State University (CSU) system and its auxiliary organizations. Since 1995, Alliant has provided innovative solutions to address CSU's evolving risk management needs. In 1997, Alliant played a key role in establishing the California State University Risk Management Authority (CSURMA), a joint powers authority created under California Government Code to manage operational risks for CSU campuses and auxiliary organizations through the Auxiliary Organizations Risk Management Alliance (AORMA).

Alliant delivers comprehensive joint powers authority administration, risk management, and insurance brokerage services. As Program Administrators, Alliant manages CSURMA's risk pool programs, excess and reinsurance placements, group insurance purchases, and provides ongoing risk management consultation.

In addition, Alliant provides direct advisory and program management support to the CSU Office of the Chancellor, including Systemwide Risk Management, Public Safety, General Counsel, Capital Planning Design & Construction, and the Chief Administrative & Business Officials (CABO). At the campus level, Alliant supports Risk Management, Environmental Health & Safety, Human Resources, Student Health Centers, Athletics, Student Life & Leadership, Facilities, and CSU's auxiliary organizations.

CSURMA and Alliant

Alliant has adapted its services to deliver high-quality, stable risk management programs that support CSU's mission and CSURMA's vision. This Annual Report summarizes:

- Accomplishments
- Opportunities for Improvement
- Financial Performance
- Loss Control and Risk Management Resources and Programs
- Coverage Programs
- Historical Milestones



Program Administrators (Alliant Staff)

Alliant is proud of its team of dedicated professionals who are assigned to serve you. The team is led by Daniel Howell as CSURMA Program Director, Amy Lightner and Mimi Long for Campus and AORMA coverage programs. Bob Frey provides expert consultation for Property and Liability claims. Stacey Weeks administers the Athletic Injury Medical Expense (AIME) program, and Thomas Joyce assists in administering the Cyber Liability Coverage Program. The team is supported by an experienced administrative staff.



Daniel Howell



Amy Lightner



Mimi Long



Van Rin



Stacey Weeks



Bob Frey



Tevea Him



**La Shaunda
Wallace**



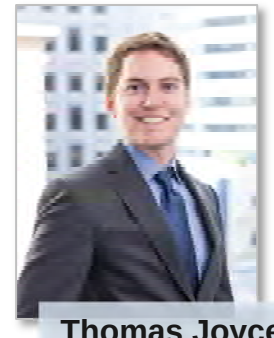
Yvonne Killian



**Marnie
Defosset**



Ryan Lopez



Thomas Joyce

CSURMA and Alliant

Since the establishment of the Campus Risk Pool in 1995 and CSURMA in 1997, Alliant has developed and implemented meaningful, cost-effective coverage programs for CSU campuses and auxiliary organizations. Many of these programs remain viable today, providing highly valued, state-of-the-art protection.

These accomplishments represent important milestones, including: the establishment of risk pools, creation of the joint powers authority, development of rating plans that are both loss-sensitive and equitable, commissioning actuarial reviews, setting budget goals to ensure adequate funding, and ultimately recommending dividends to members. More recently, Alliant has helped strengthen program management practices, aligning with expectations of CSU's Internal Auditors to ensure fiscal responsibility.

The accomplishments described herein highlight Alliant's role in supporting CSURMA's achievements throughout the year. This would not have been possible without the commitment of CSU's Systemwide Office of Risk Management with the Campuses' and auxiliary organizations' leadership working with the Alliant team members.



2025/26 – Excess Insurance Marketing Results

Renewing CSURMA's insured, self-insured, and reinsured coverage programs requires significant preparation, strategy, and collaboration. Each year, the process involves extensive market outreach, detailed program analysis, and active engagement with CSU senior leadership and systemwide risk management. This year's renewal presented both challenges and opportunities, with a still-firm excess liability market, stability in cyber, and favorable conditions in property insurance. Every program renewal reflects the dedicated effort to position CSU competitively and responsibly to insurers.

Liability – CSURMA's excess liability program continues to experience loss development in the first excess layers for both the AORMA and Campus programs. The University fully retains the first \$10 million of each loss, with AORMA's first \$10 million layer separately covered. Despite challenging market conditions, broad form public entity liability—including general, auto, professional, law enforcement, and public officials' liability—was maintained at a program limit of \$77.5 million. Coverage for sexual abuse and molestation claims, as well as concussive injury to athletic participants, was also preserved to \$77.5 million.

Through extensive negotiation and the strategic presentation of CSU's strong risk profile, an additional \$8 million in broad form coverage (excluding sexual abuse and molestation) was secured. This adjustment increased the overall program limits slightly—from \$249.5 million in FY 2024/25 to \$250 million in FY 2025/26. Annual aggregate limits continue to apply excess of \$10 million. The excess liability market is expected to remain firm for California public entities and higher education, as insurers continue to absorb the financial impact of catastrophic jury verdicts, settlements, police misconduct, and sexual abuse claims.



2025/26 – Excess Insurance Marketing Results

Property – This year’s property renewal produced a favorable outcome, with a reduction in rates compared to the prior year. Program deductibles and sub-limits for perils such as wildfire and flood remain unchanged. Although the property market is beginning to stabilize, it will continue to be shaped by global conditions and the program’s own loss experience. These factors will be important in determining how the program is positioned for next year’s renewal.

Workers’ Compensation – Workers’ compensation continues to be the bright spot in the major lines of coverage. CSU has had excellent results and entered into a new two-year agreement at reduced rates compared to the expiring terms.



Cyber – AORMA purchases a deductible buy-down option, so they continue to have a \$15,000 deductible. The campus deductibles range from \$50,000, \$100,000 or \$250,000 depending on total insurance values. Due to CSU’s security practices and favorable market conditions, limits remained steady at \$28M and \$43M in the aggregate at a 1.2% decrease in cost despite a hardening cyber insurance marketplace. Important first-party coverages, such as Data Recovery Costs and Cyber Extortion, remain at full limits.

2025/26 – Excess Insurance Marketing Results

Fine Arts – This program renewed flat and continues to be a valuable program for the campuses.

SPLIP, SAFECLIP & CLIP – These programs continue to perform exceptionally well, and all programs were renewed flat. The SPLIP program has a few losses pending that we are watching.

Aviation – This program entered into a new two-year agreement with CSU's longtime partner, Chubb. All programs DRIP (Drone Insurance Program), Rocketry and Non-Owned Aircraft renewed flat. This market continues to be challenged by global factors.

Medical Malpractice – This program carries a \$10 million limit. The medical malpractice market continues to face significant challenges, driven by limited carrier capacity and a small pool of participating insurers. Despite these market conditions, the CSU program achieved a flat renewal, maintaining current terms and demonstrating program stability in a difficult environment.

Fidelity – The program renewed at a flat rate this year, with no changes to deductibles. However, both the campus and auxiliary organizations have experienced losses under this program. These adverse loss developments are likely to influence the underwriting evaluation, which may result in increased premiums, higher deductibles, or other adjustments at next year's renewal.



Opportunities for Improvement



Through internal review and planning, several priority opportunities for improvement have been identified.

CAMPUS PROGRAMS LONG RANGE GOALS

- Develop a standard operating procedure for energized equipment.
- Create an Acceptance of Risk / Informed Consent document to be used when students engage in experiential learning.
- Roll out Evident ID's insurance verification solution.
- Evaluate combat sports programs within the CSU.
- Review AI-based campus security options.
- Develop a flow chart outlining the process for managing complex claims.

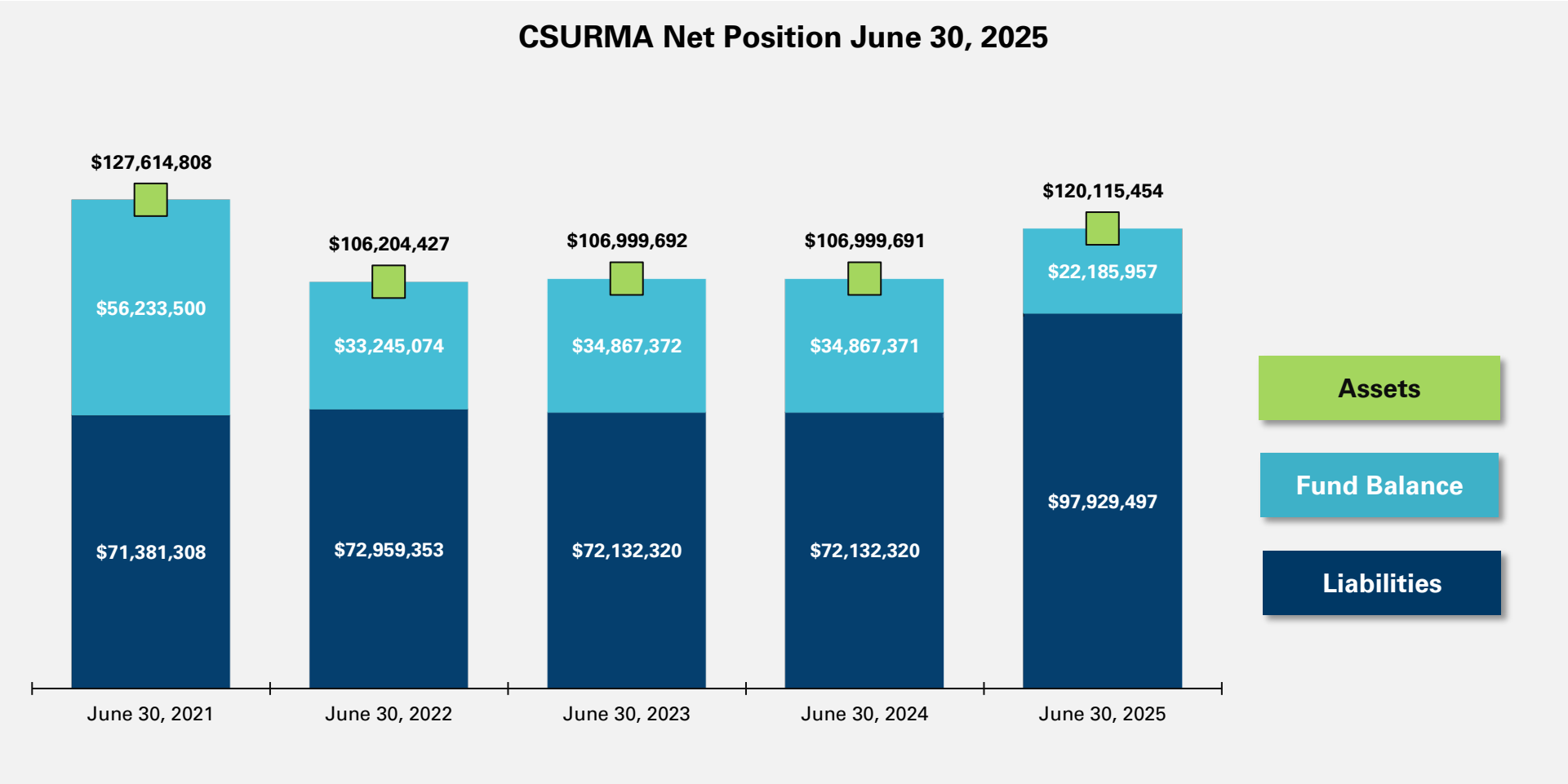


AORMA PROGRAMS LONG RANGE GOALS

- Roll out Evident ID's insurance verification solution
- Evaluate the Workers' Compensation Program reinsurance purchased
- Solve the evidence of auto liability insurance issue with the DMV
- Expand Alliant Risk Control Consulting Safety Outreach

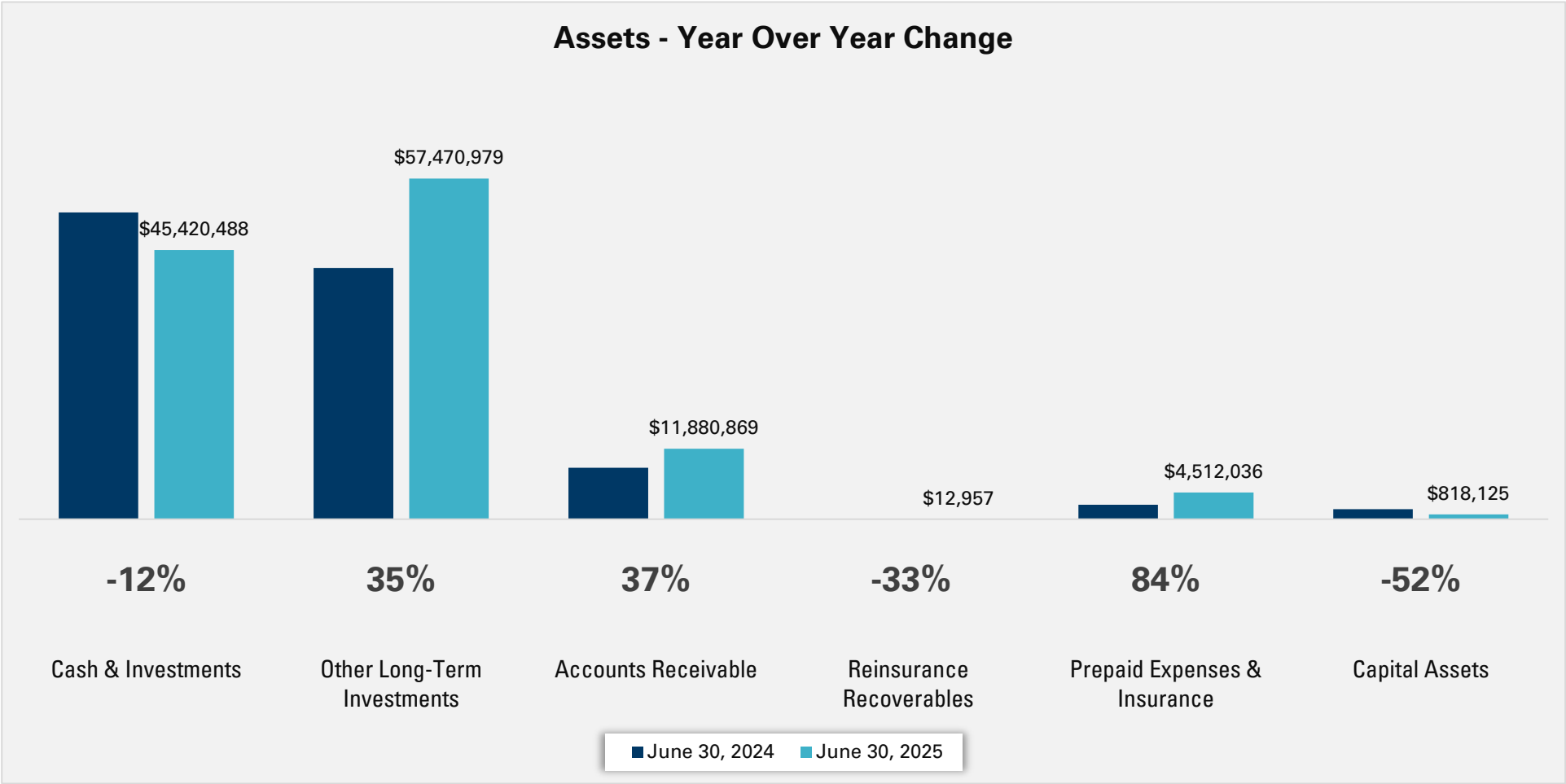
CSURMA keeps its financial records in accordance with Government Accounting Standards Board (GASB) and produces a comprehensive annual financial report each year. Funds are invested by the CSURMA Treasurer, per the CSURMA Master Investment Policy, to pay expected claims in the risk pools.

Summary of Financial Audit @ June 30, 2025



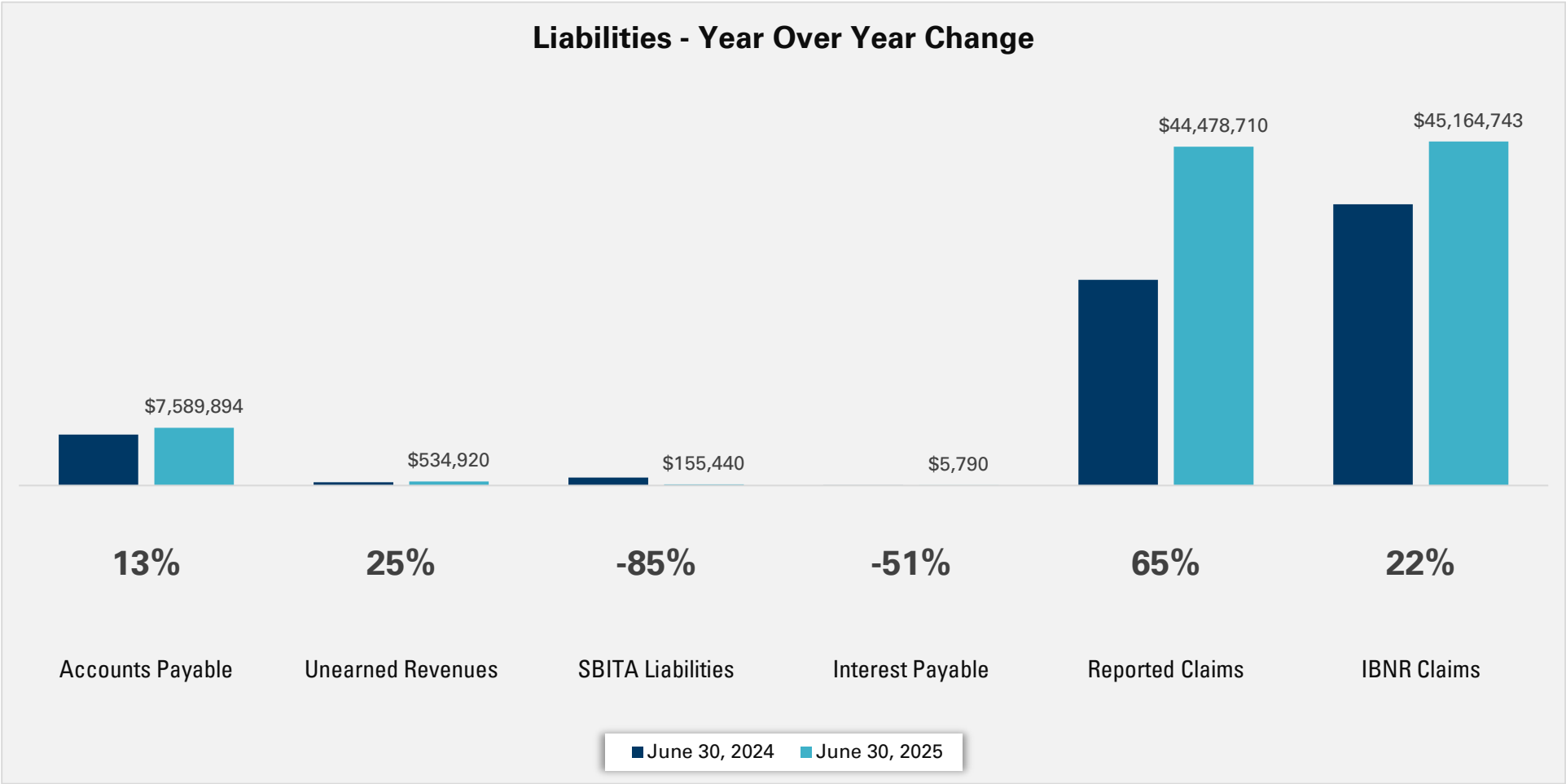
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Summary of Financial Audit @ June 30, 2025



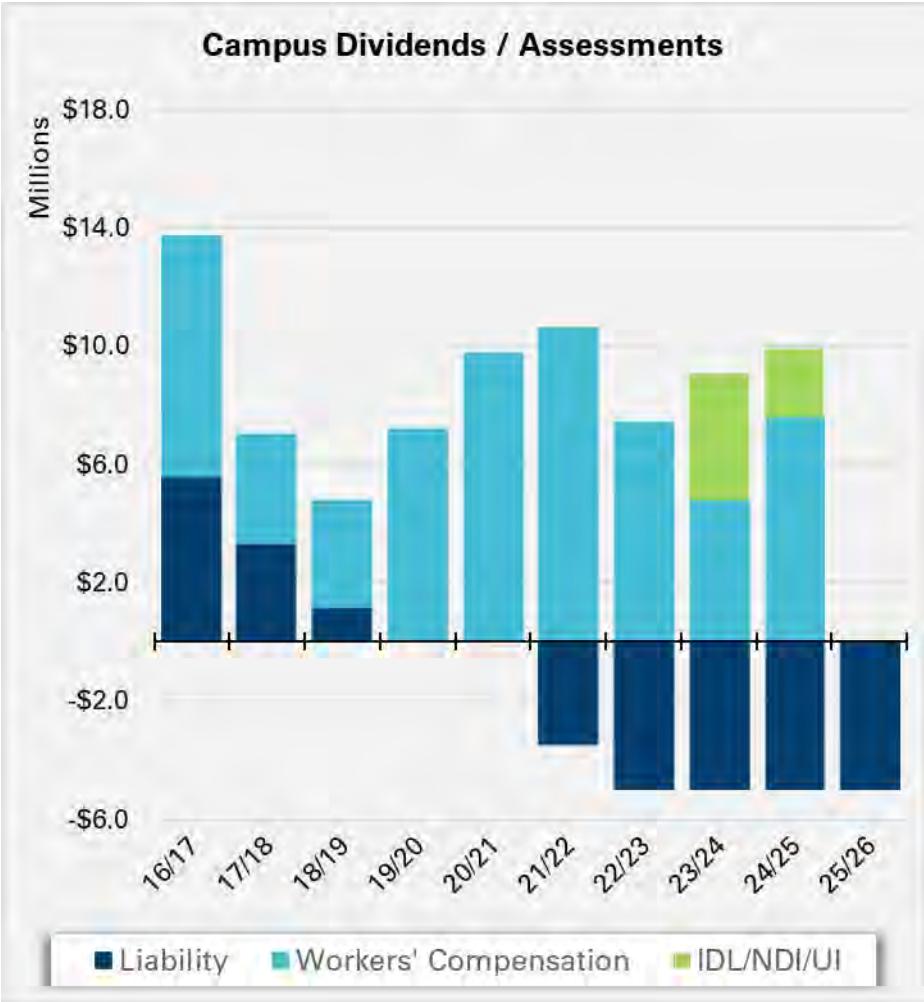
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Summary of Financial Audit @ June 30, 2025



Total Dividends Returned - \$177,649,218

Since inception, CSURMA has returned \$177.6M in dividends to the CSU campuses and auxiliaries. Without CSURMA, these funds would have been retained by commercial insurers as underwriting profits.

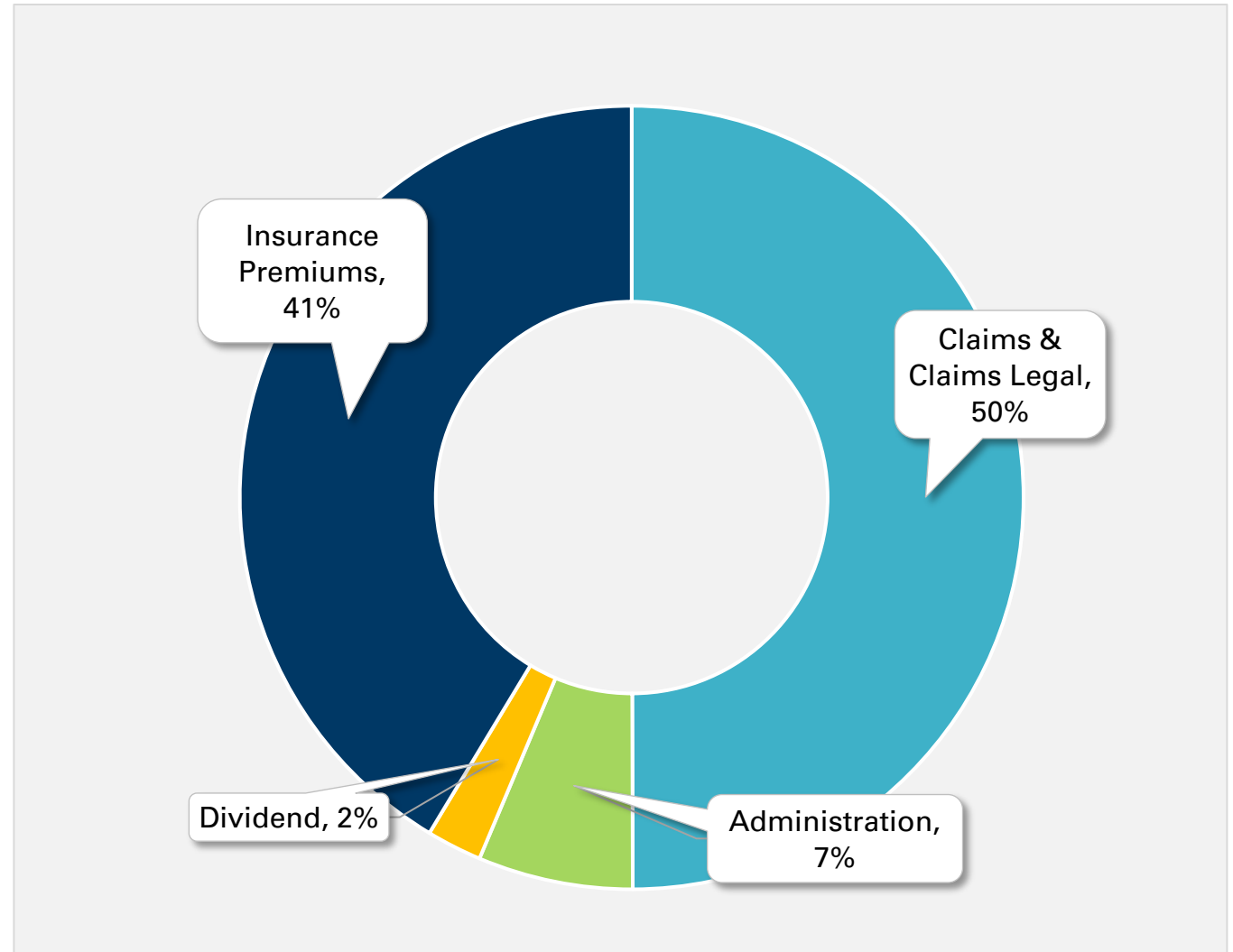


CSURMA Total Operating Expenses for FY 24/25 - \$190,013,848

- Claims & Defense Costs: 50% current or future claims.
- Insurance Premiums: 41% excess insurance or reinsurance to cover catastrophic claims.

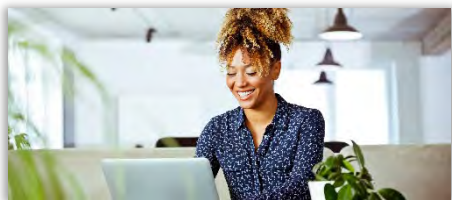
91% of your dollars are used to finance your claims.

- Dividends: 2%
- Program Expenses: 7%



Loss Control and Risk Management Resources

Agility Recovery Solutions, Inc.



Provides support to ensure uninterrupted business operations during major disasters or planned shutdowns. Services include temporary access to office space, reliable power supply, communication systems and IT infrastructure.

Available to all Campuses and AO's.

Contributions are included in the Campus & AORMA Liability Programs.

Black Swan Solutions (Empathia)



Provides rapid solutions for critical events such as mass fatality incidents, terrorist attacks, active shooter situations, and natural disasters. Depending on the scale, the response may include an incident response contact center, survivor and family assistance center, onsite deployment of counselors.

Available to all Campuses and AO's.

Contributions are included in the Campus Liability Program.

Belfor, ServePro, ATI



Provides property recovery and restoration services for major incidents, including fire, water, wind, pollution release, or other catastrophes.

Available to all Campuses and AO's.

Costs are included as a claim expense.

Praesidium



Unlimited online youth protection training as well as additional youth protection services.

Available to all Campuses and AO's.

Contributions are included in the Campus & AORMA Liability Programs.

Loss Control and Risk Management Resources

Innovation Grant Program



Provides funds for risk management and safety projects at the systemwide level.

Grant applications are submitted through CSU's affinity groups.

Grant funds are included in the Campus Liability Program.

Insurance Requirements in Contracts (IRIC) Manual



The CSURMA custom IRIC manual serves as a guide in developing proper insurance requirements in contracts and verifying compliance with those requirements.

Posted on the CSURMA website.

No cost to members.

Special Events Resource Guide



The purpose of this resource guide is to support CSU's mission to enrich its students and communities through hosting special events.

Posted on the CSURMA website.

No cost to members.

UC Risk & Safety Solutions



Provides access to inspection checklists, lab safety assessments, lab roster modules, chemical management systems (two modules – chemical inventory and chemical administration), and service desk support.

Available to all Campuses.

Contributions are included in the Campus Liability Program..

Loss Control and Risk Management Resources

Alliant Risk Control Consulting



ARCC provides services hours that AO's may use for any risk management or safety-related topic. Topics can be customized and may include live training, fact sheets, industrial hygiene, webinars, ergonomic evaluations, surveys, written programs or applicable risk management topics.

ARCC can also First Aid, CPR, AED and BBP training.

Available to all AO's.

Contributions included in the AORMA Liability Program.

Employers Group



All AO's with employees have access to EG full suite of benefits including:

- HR consultation via phone or email through EG's Helpline,
- Access to EG's HR library, EG's website featuring the Professional HR Management Suite, EG's Online Training Library,
- Annual Employee Opinion Survey,
- Annual review of employee handbook and narrative summary report,
- Webinars on critical, late-breaking employee relations and compliance issues,
- Weekly email updates on critical HR news,
- And more.

Available to all AO's with employees.

Contributions included in the AORMA Liability Program.

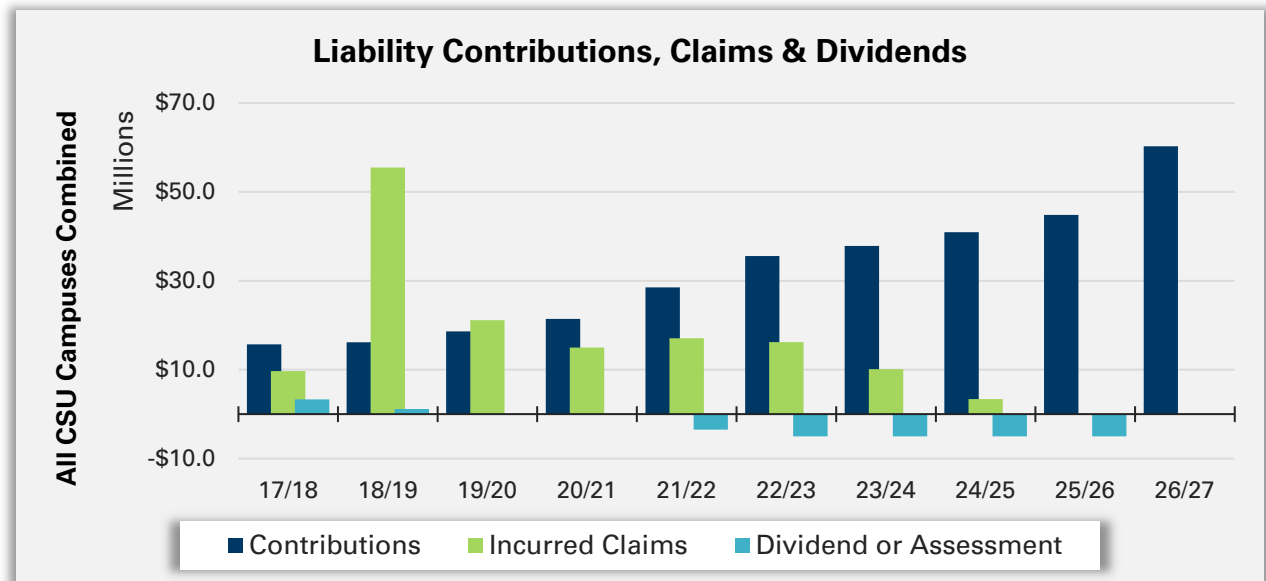
Coverage Programs (Campus)



LIABILITY COVERAGE PROGRAM

The Campus Liability Coverage Program was established to fund the exposures of General Liability, Professional Liability, Employment Practices Liability, and other similar public liability exposures of the University system. The participants include all twenty-three (23) campuses of the CSU and the Chancellor's Office. The Campus Liability Coverage Program has a self-insured risk pool of \$10,000,000 per occurrence. Every three years, each campus selects its own deductible, which is offered from \$50,000 to \$1,000,000 per occurrence. The Campus Liability Program also includes costs for:

- Student Professional Liability Insurance Program (SPLIP)
- Student Academic Field Experience for Credit Liability Insurance Program (SAFECLIP)
- Trustees E&O / Fiduciary Liability
- Club Liability Insurance Program (CLIP)
- Doctor's Medical Malpractice
- Terrorism Liability
- Aviation (All Lines)



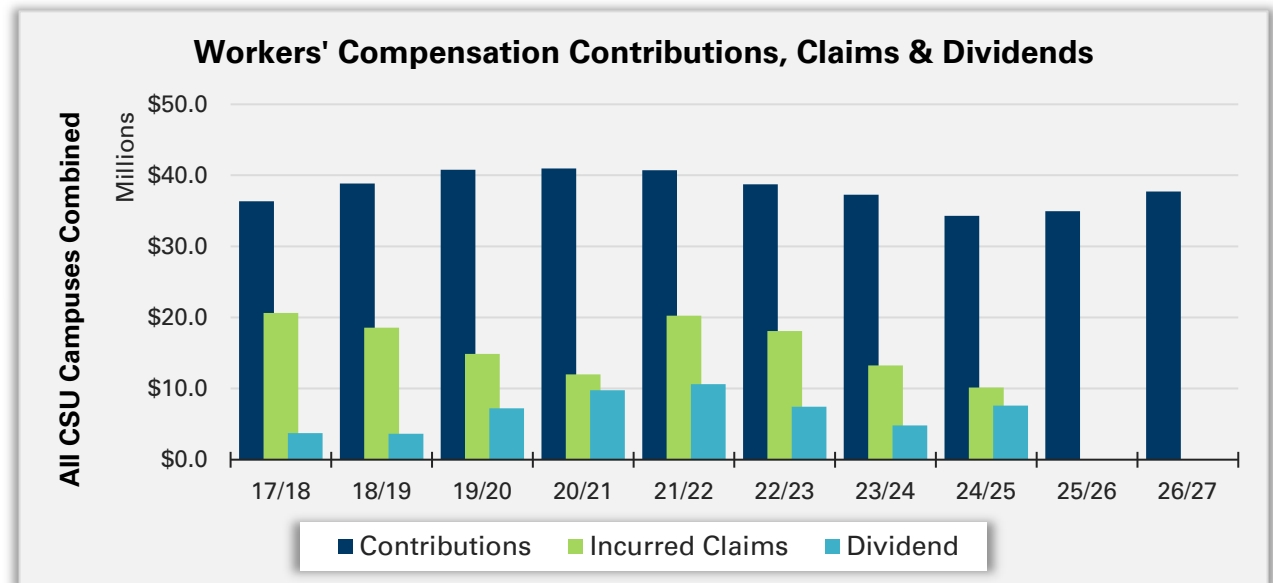
Coverage Programs (Campus)



WORKERS' COMPENSATION COVERAGE PROGRAM

The Campus Workers' Compensation Coverage Program was established to provide statutory Workers' Compensation and Employer's Liability coverage for all CSU state employees and designated volunteers at all campuses and the Chancellor's Office. The program includes a risk pool of \$2,500,000 per accident and there is no deductible. Claims in excess of the risk pool are covered by commercial insurance.

Beginning January 1, 2015, CSURMA entered into an agreement with Public Risk Innovation, Solutions and Management (PRISM), the risk pool for California counties and other California public entities, to finance CSURMA's Workers' Compensation claims covered by the Campus and AORMA Workers' Compensation risk pools. This financing strategy enables CSURMA to fund its workers' compensation claims at a cost less than the actuary's minimum funding recommendation while preserving CSURMA's funding policy and financial integrity. The agreement with PRISM covers industrial injuries occurring from January 1, 2015 to June 30, 2027.



Coverage Programs (Campus)



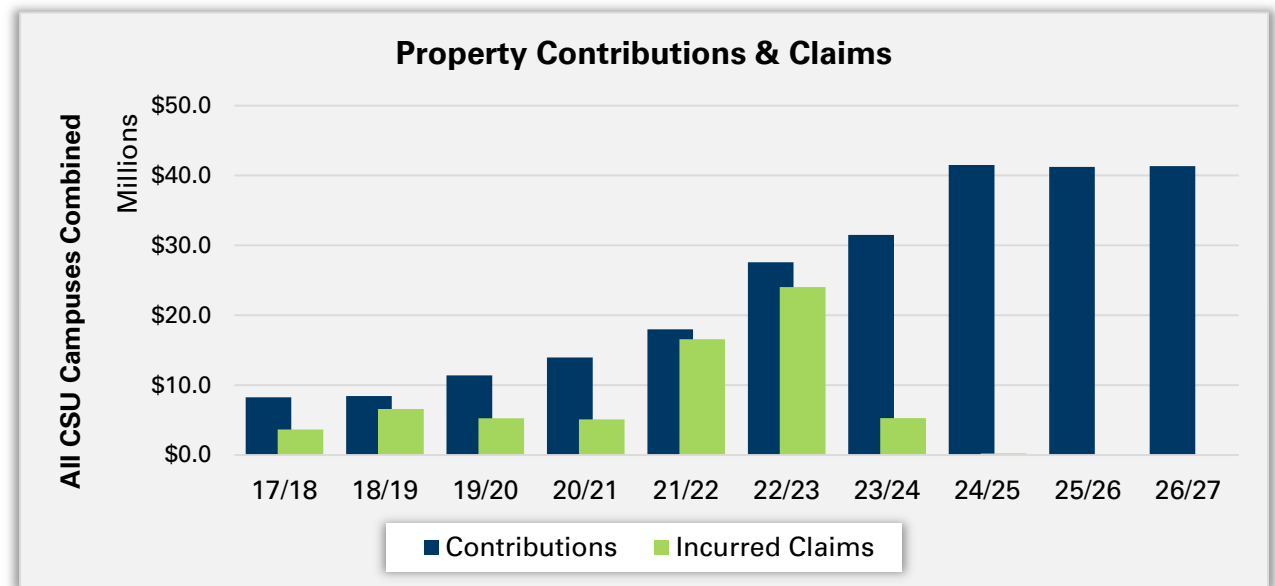
PROPERTY COVERAGE PROGRAM

The Campus Property Program was established to provide Property and Boiler & Machinery Insurance covering physical damage to buildings and other specified structures. Business Personal Property (furnishings, equipment, etc.) may also be covered as requested by a campus member. The program insures all CSU campuses and the Chancellor's Office. The Campus Property Program is fully reinsured by a syndication of insurance companies known as the Alliant Property Insurance Program (APIP), an Alliant exclusive designed for public entities to empower market negotiations. The Campus Property Program has a risk pool of \$2,500,000 per occurrence with an annual aggregate of \$10,000,000 for all occurrences.

Campus 99 (real property) enables CSU auxiliary organizations who occupy state-owned buildings to enjoy deductibles from \$5,000 to \$100,000. Campus 86 (business personal property) provides an option for campuses to insure its business personal property at deductibles less than \$100,000 and it can be used to insure higher-valued and specialized items such as electronic data processing equipment, laboratory equipment, scientific instruments, library stacks, fitness & recreation equipment, etc.

The Campus Property Program also includes premium for:

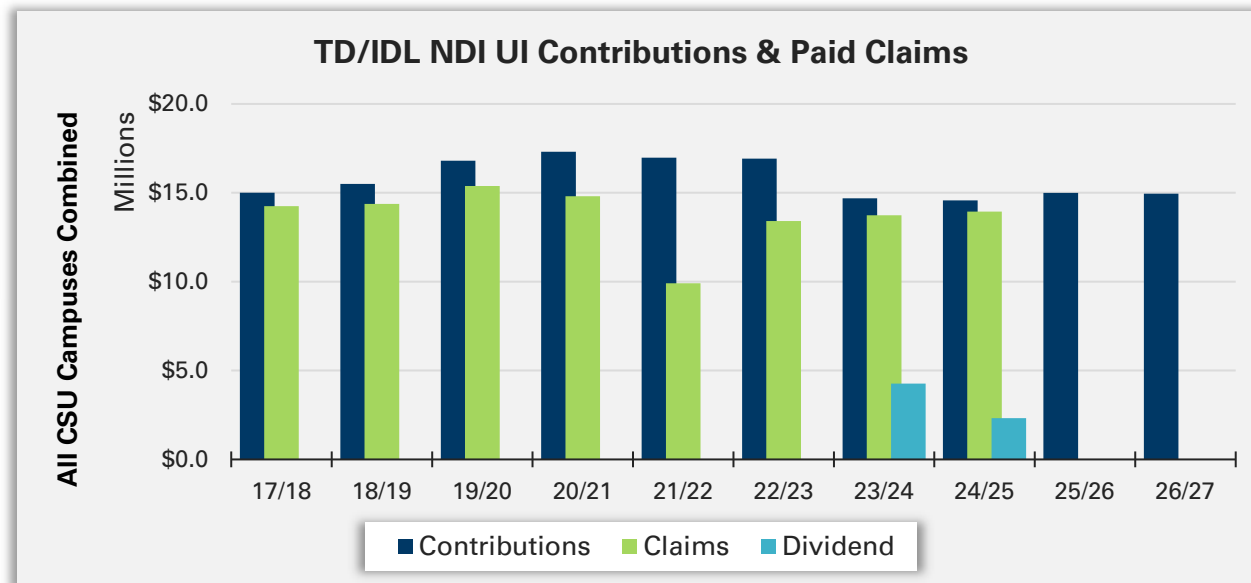
- Cyber Liability
- Earthquake (limited coverage)
- Fidelity / Crime
- Fine Arts, Artifacts & Archives Program
- Flood
- Pollution
- Deadly Weapons Response
- Terrorism Liability



Coverage Programs (Campus)

IDL/NDI/UI COVERAGE PROGRAM

The Industrial Disability Leave (IDL), Non-Industrial Disability Leave (NDI) and Unemployment Insurance (UI), program fund was established to provide a funding mechanism for temporary disability and unemployment insurance benefits for state employees. The IDL/NDI/UI program is entirely self-insured, and costs are allocated to each campus based on its actual utilization (claims) over a rolling five-year period. There is no deductible.

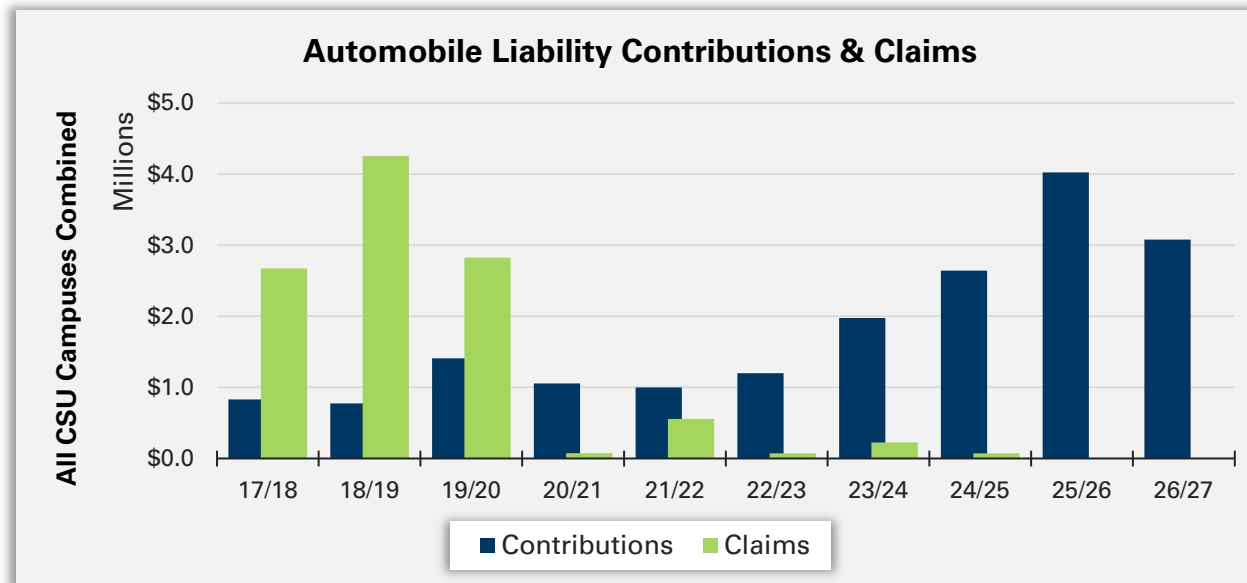


Coverage Programs (Campus)



AUTO LIABILITY PROGRAM

Auto Liability is provided by the State Motor Vehicle Insurance Account (MVIA) and managed by the Office of Risk & Insurance Management (ORIM) through the State's Department of General Services. MVIA's coverage for state-salaried employees is unlimited, but liability for non-state operators is capped at \$1,000,000 per accident. The Campus Liability Program purchases additional insurance above the \$1,000,000 MVIA sublimit for the non-state operators.



Coverage Programs (Campus)

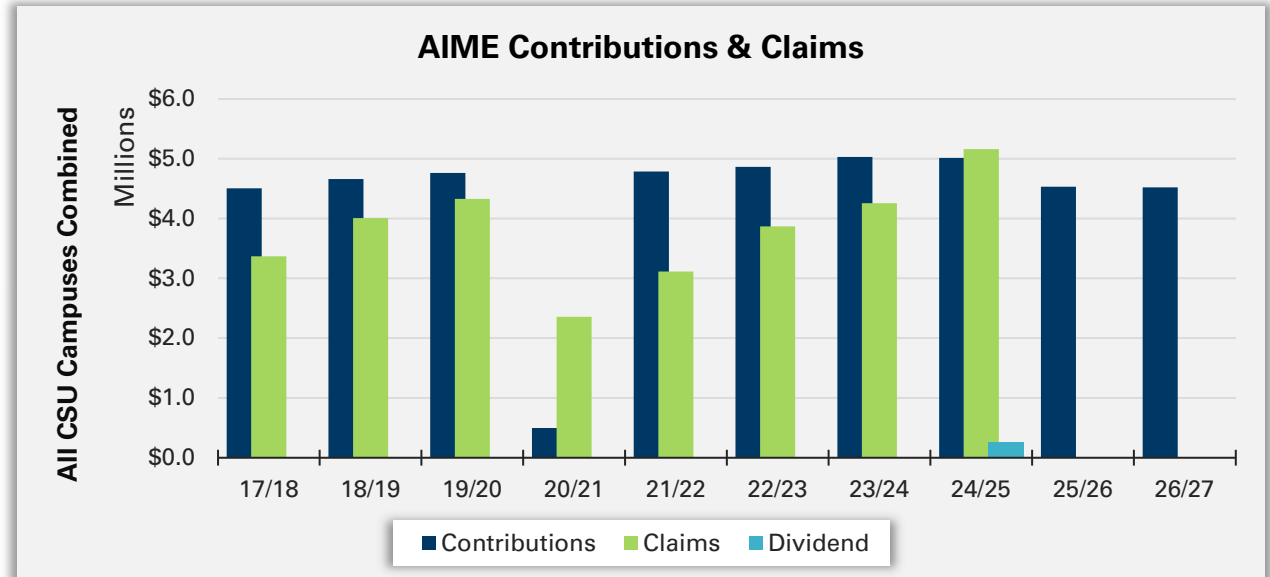


ATHLETIC INJURY MEDICAL EXPENSE COVERAGE PROGRAM (AIME)

The Athletic Injury Medical Expense program (AIME) was established to provide coverage for medical expenses incurred by CSU students participating in NCAA and NAIA intercollegiate athletic activities.

The AIME program is self-insured for the deductible limit defined by the catastrophe coverage policies purchased by their respective national governing bodies, NCAA or NAIA.

The NCAA purchases catastrophe liability insurance on behalf of all its member schools with a \$90,000 deductible. NAIA purchased catastrophe liability insurance on behalf of its member schools with a \$35,000 deductible.



Coverage Programs (AORMA)



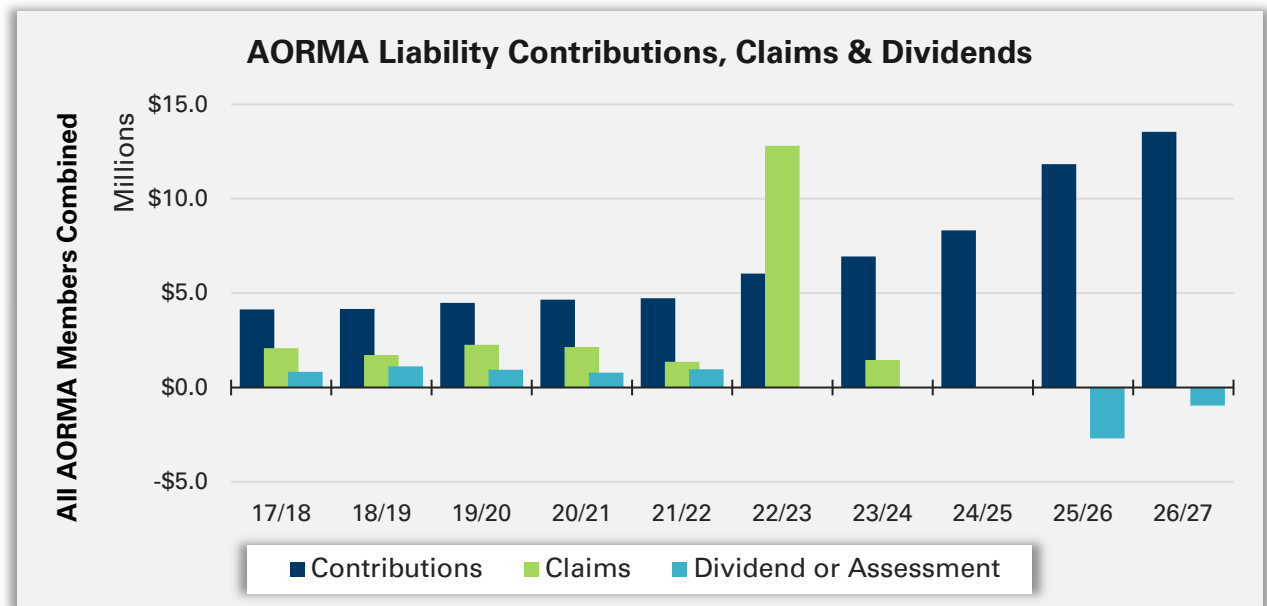
LIABILITY PROGRAM

The AORMA Liability Coverage Program was established to fund the exposures of General Liability, Professional Liability, Employment Practices Liability, Auto Liability, and other similar public liability exposures of the CSU auxiliary organizations.

The AORMA Liability Coverage Program has a risk pool, effective July 1, 2024, of \$1,000,000 per occurrence and includes a \$0 deductible for most causes of loss except Employment Practices Liability which includes deductibles of between \$25,000 and \$100,000.

The AORMA Liability Program also includes costs for:

- Trustees E&O / Fiduciary Liability
- Terrorism Liability
- Drone Insurance Program
- Deadly Weapon Response Program



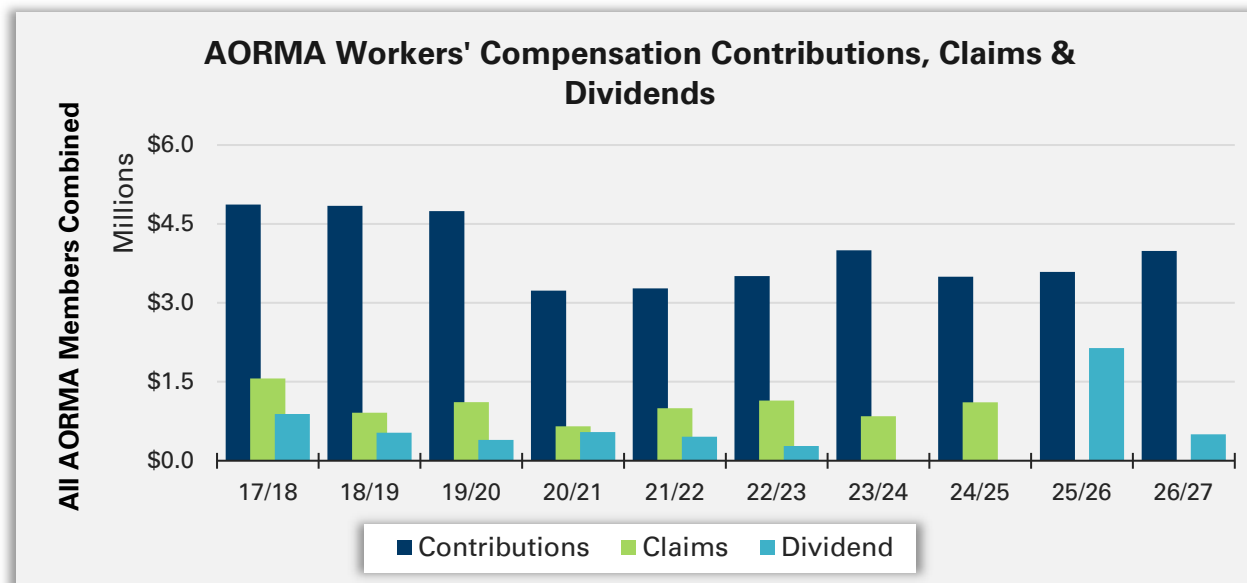
Coverage Programs (AORMA)



WORKERS' COMPENSATION PROGRAM

The AORMA Workers' Compensation program includes a risk pool of \$750,000 per occurrence and a \$0 deductible.

Beginning January 1, 2015, CSURMA entered into an agreement with Public Risk Innovation, Solutions and Management (PRISM), the risk pool for California counties and other California public entities, to finance the CSU's Workers' Compensation claims covered by the Campus Workers' Compensation risk pool and AORMA Workers' Compensation risk pool. This financing strategy enables CSURMA to fund its workers' compensation claims at a cost less than the actuary's minimum funding recommendation while preserving CSURMA's funding policy and financial integrity. The agreement with PRISM covers industrial injuries occurring from January 1, 2015 to June 30, 2027.



Coverage Programs (AORMA)



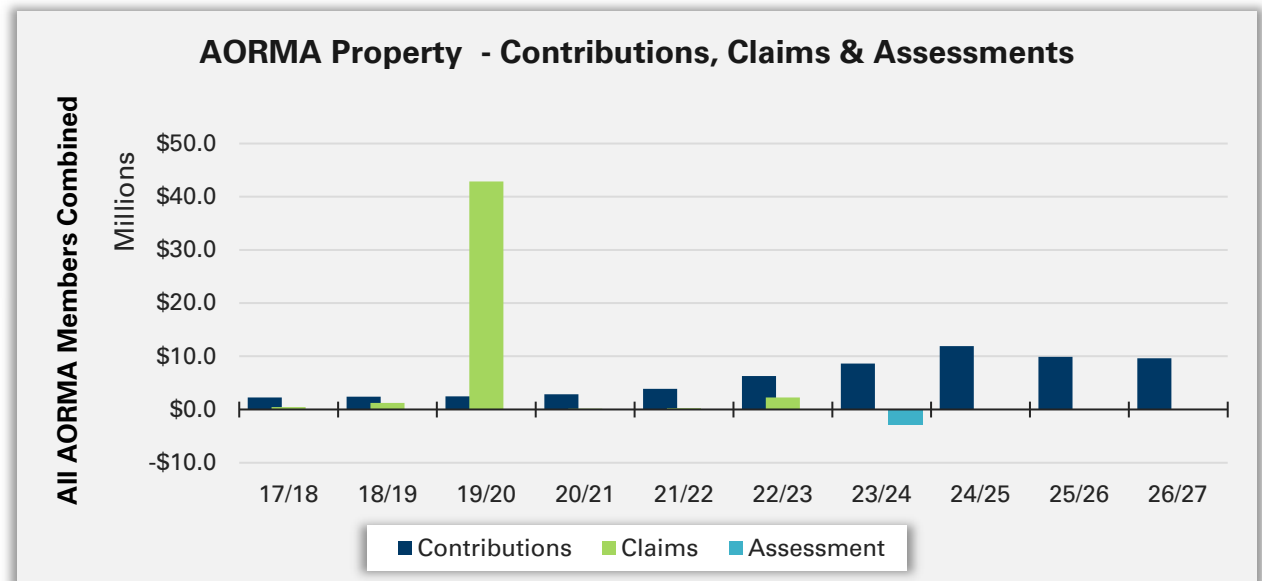
PROPERTY PROGRAM

The AORMA Property Program was established to provide Property and Boiler & Machinery Insurance covering physical damage to buildings and other specified structures as well as Business Personal Property (furnishings, equipment, etc.) owned by the auxiliary organization. All auxiliary organizations are enrolled in the AORMA Property Program so that they can benefit from the Cyber Liability Coverage that is offered through the AORMA Property Program. The AORMA Property Program is fully reinsured by a syndication of insurance companies known as the Alliant Property Insurance Program (APIP), an Alliant exclusive designed for public entities to empower market negotiations. The AORMA Property Program has a risk pool of \$100,000 per occurrence, except wildfire, which is \$250,000. Two campuses have a \$5,000,000 sublimit for flood and water related damage. Member deductibles are \$5,000 for business personal property and business interruption and/or loss of rents, and between \$5,000 and \$50,000 for real property depending on the building's value. Flood losses have a deductible of \$100,000 or \$500,000 depending on flood zone.

Some CSU auxiliary organizations also purchase Property Coverage through "Campus 99". Campus 99 enables CSU auxiliary organizations who occupy state-owned buildings to enjoy deductibles from \$5,000 to \$100,000.

The AORMA Property Program also includes costs for:

- Limited Earthquake Coverage
- Pollution Coverage
- Cyber Liability Coverage

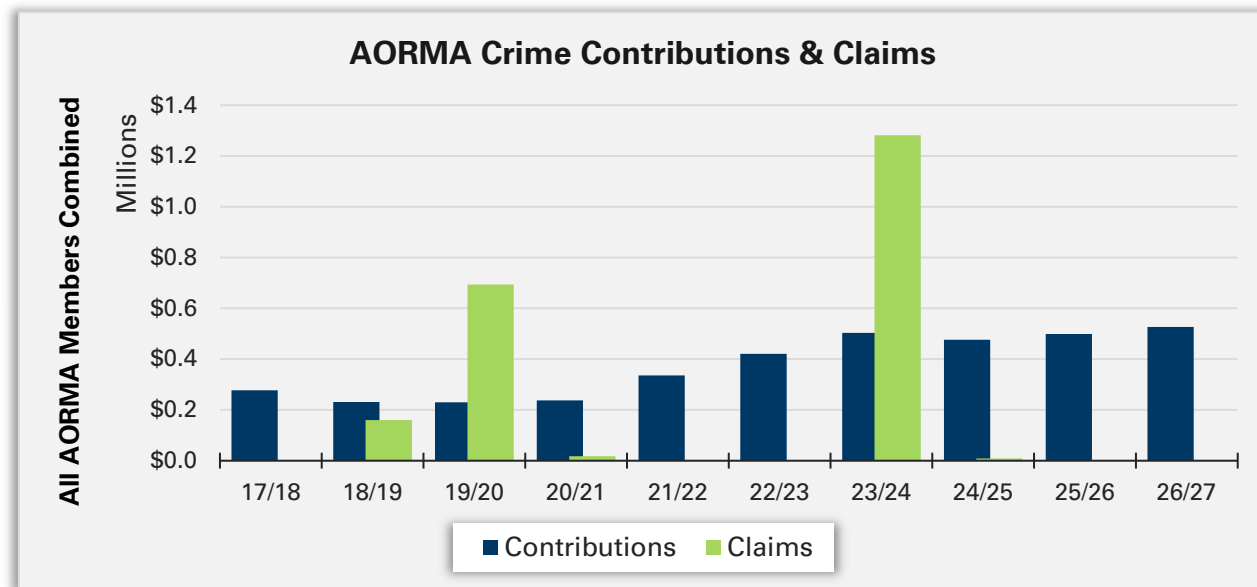


Coverage Programs (AORMA)



CRIME PROGRAM

The AORMA Crime program has a self-insured risk pool of \$75,000 per occurrence with an aggregate limit of \$300,000. All auxiliary organization members have a deductible of \$5,000. All members automatically participate in the AORMA Crime program.



Coverage Programs (AORMA)



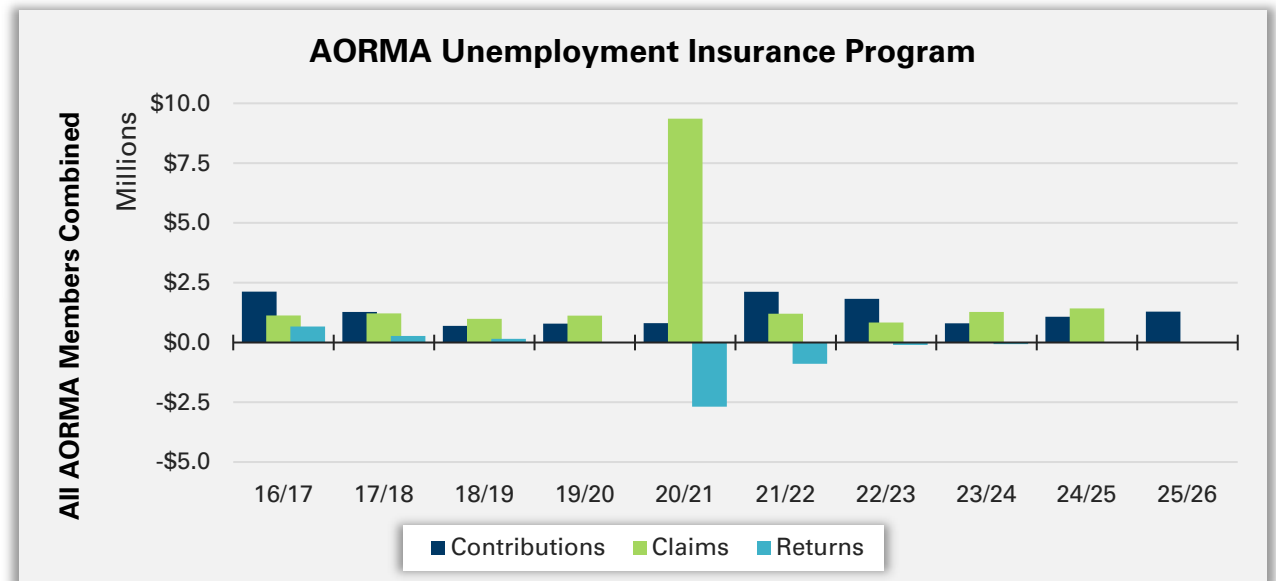
UNEMPLOYMENT INSURANCE PROGRAM (UIP)

The AORMA Unemployment Insurance program was established to provide a funding mechanism for mandatory unemployment benefits.

The Unemployment Insurance Program is entirely self-insured, and costs are allocated to the UIP members based on the members' actual claims over a five-year period.

Each member is required to maintain in the program a minimum fund balance of two-times its rolling five-year average claims. If the member's fund balance exceeds the minimum required, excess funds are used to reduce contributions for the upcoming fiscal year.

If the member's fund balance is below the minimum required amount, each year the member's contributions will be increased to include 20% of the fund balance deficit until their fund balance is at the minimum required amount. A member can provide reimbursement in a single lump sum to CSURMA. The blue bars in the chart denote member reimbursements to CSURMA.



Ancillary Coverages - Property

Builders' Risk Ins Program (BRIP)



BRIP covers direct physical loss to CSU's and/or the AO's construction projects in the course of construction. All Major Capital Improvement Projects are to be insured by the BRIP in place of the contractor's insurance. The program is managed by Alliant and CSU's CPDC.

Available to all Campuses and AO's.

Contributions managed through CPDC.

Pollution Liability



This program provides coverage for owned site clean-up costs, off-site clean-up costs, third-party bodily injury or property damage, emergency response costs, business interruption.

All Campuses and AO's participate.

Contributions included in the Campus Property or AORMA Program.

Owner Controlled Ins Program (OCIP)



OCIP covers major building projects of the CSI and/or AOs with initial construction cost of \$10M or more. OCIP includes General Liability, Completed Operations and Workers' Compensation coverage for all contractors. This program is managed by Alliant and CSU's CPDC.

Available to all Campuses and AO's.

Contributions managed through CPDC.

Cyber Liability



This program is designed to provide insurance coverage for both first and third-party financial losses resulting from data breaches and other cybercrimes that may compromise sensitive information.

All Campuses and AO's participate.

Contributions included in the Campus or AORMA Property Program.

Ancillary Coverages - Property

Earthquake w/ Parametric Trigger

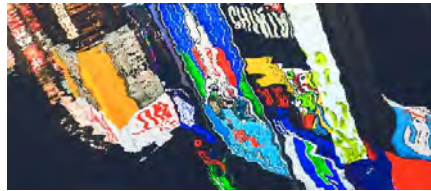


Provides Systemwide earthquake coverage. The limit for each location is predetermined based on zip code and maximum shaking at that particular location. The deductible is a minimum trigger intensity of 45.00%g – Pseudo-Spectral Acceleration with a period of 0.3s.

All Campuses and AO's participate.

Contributions included in the Campus and AORMA Property Program.

Fine Arts, Artifacts & Archives



Provides coverage for art objects that are owned or lent to the University or auxiliary organizations. Coverage includes transit coverage while the art objects are transported to or away from the campus; i.e., coverage is "nail-to-nail" or "wall-to-wall".

All Campuses and AO's participate.

Contributions included in the Campus and AORMA Property Program.

Inland Marine



Provides "All Risk" coverage for scheduled specific objects such as:

- Computers, media, laptops
- Scientific and laboratory equipment
- Cameras, audio, industrial lighting
- Specialized mobile equipment; etc.

Available to all Campuses and AO's. Each item must be scheduled to be covered.

Contributions are calculated and invoiced quarterly and sent directly to Campus or AO.

Automobile Physical Damage



Provides "All Risk" coverage for scheduled vehicles and/or mobile equipment.

Available to all Campuses and AO's. Each item must be scheduled to be covered.

Contributions are calculated and invoiced quarterly and sent directly to Campus or AO.

Ancillary Coverages - Student Programs

Club Liability Insurance Program (CLIP)



CLIP provides general liability coverage for all student clubs. The program excludes coverage for auto liability, activities of fraternal organizations as well as injuries to participants participating in athletic activities.

Automatic coverage for all officially recognized student clubs (per Executive Order #1068).

Contributions are included in the Campus Liability Program. No charge for AORMA.

Club Sports Insurance Program



Covers CSU students for general liability, and medical expenses due to accidental injuries while participating in the CSU's or AO's club sports, intramural and recreational sports.

Coverage is available to all Campuses and AO's. Sport type and # of participants must be scheduled.

Contributions are invoiced separately.

Student Travel Accident Insurance



Provides medical expense coverage for injuries to CSU students (including Extended Education Program students) during travel to, or from, campus to participate in a school sponsored activity. Additionally, coverage for overnight supervised and sponsored travel is included for up to 14 days.

All Campuses and AO's participate.

Contributions included in Campus Liability Program. No charge for AORMA.

Participation Accident Insurance Program (PAI)



PAI provides accident medical expense benefits and is recommended when the CSU or AO is sponsoring a high hazard activity or when minors are participating in a sponsored activity.

Available to all Campuses and AO's.

Contributions are invoiced separately.

Ancillary Coverages - Student Programs

Student Professional Liability Ins Program (SPLIP)



Systemwide professional liability insurance to provide coverage for students enrolled in the Nursing, Allied Health or Education internship curricula. This program is designed to satisfy the requirements of host institutions that students maintain professional liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and personal liability coverage with broad protection for the students, affiliates and the University.

Available to all Campuses.

Contributions are included in the Campus Liability Program.

Student Academic Field Experience for Credit Liability Ins Program (SAFECLIP)



Provides coverage for students involved in the University's service-learning programs while performing service or volunteer work for academic credit. This program is designed to satisfy the requirements of host institutions that students maintain liability insurance in order to participate in programs offered under affiliation agreements with the University. The program includes professional and general liability coverage with broad protection for the students, affiliates and the University.

Available to all Campuses.

Contributions are included in the Campus Liability Program.

Ancillary Coverages - Aviation / Watercraft

Drone Insurance Program



Covers aviation risks on a blanket basis for liability arising from small drones that are owned, non-owned or hired by CSU or its AO's. Coverage is automatic for non-commercial use of small drones only. Hull coverage can be purchased separately.

All Campuses and AO's participate.

Contributions are included in the Campus and AORMA Liability Program.

Non-Owned Aircraft Liability

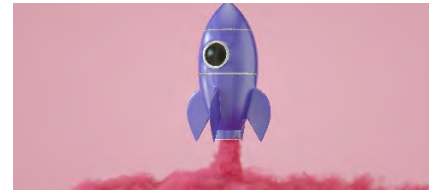


As CSU occasionally uses non-owned aircraft for CSU business, a special Aviation Liability policy was placed to insure against non-owned aircraft liability.

All Campuses and AO's participate.

Contributions are included in the Campus Liability Program. No charge for AORMA.

Rocketry Liability



CSURMA purchases a special Aviation Liability insurance policy to facilitate coverage for the University's liability arising from rocketry activities.

All Campuses and AO's participate.

Contributions are included in the Campus Liability Program. No charge for AORMA.

Watercraft Insurance Program



Provides Hull and Machinery Insurance, Collision and Towers Liability coverage, Protection and Indemnity Liability coverage.

This is not a blanket coverage; each vessel must be reported and scheduled on the policy.

Contributions are invoiced separately.

Ancillary Coverages - Miscellaneous

Deadly Weapons Response Program



Addresses the needs of the CSU system should a violent incident occur. The program provides third party liability, physical damage coverage and crisis management services.

Automatic coverage for all Campuses and AO's.

Contributions included in the Campus and AORMA Property Program.

Fidelity / Crime Insurance Program



Insures the CSU's and AO's and auxiliary organization's employees for Employee Fidelity, including faithful performance of duties, counterfeit, fraud, computer crime, and other misappropriation of the funds.

All Campuses and AO's participate

Contributions included in the Campus Liability Program and the AORMA Crime Program.

Medical Professional Malpractice Liability Insurance



This program provides Medical Professional Malpractice Liability insurance for Medical Professionals employed by the CSU or its Campuses for services performed within the course and scope of their duties as employees while serving at the Student Health Center on a campus of the CSU.

All Campuses participate.

Contributions included in the Campus Liability Program.

Trustees E&O, and Fiduciary Liability



This program provides professional liability for the various CSURMA board and committee members, while serving in their capacity as such. This program also provides Fiduciary Liability coverage for the Campuses and AO's administration of its employee benefit plans and trusts.

Automatic for all Campuses and AO's.

Contributions included in the Campus and AORMA Liability Program.

Ancillary Coverages - Miscellaneous

Special Event Insurance Program



The Special Events Program offers premises liability coverage for a broad range of events held by uninsured third parties in public assembly facilities. The program has the added feature of allowing the CSU and its auxiliary organizations to insure its own events as circumstances warrant.

Available to all Campuses and AO's.

Invoiced separately.

Foreign Travel Insurance Program (FTIP)

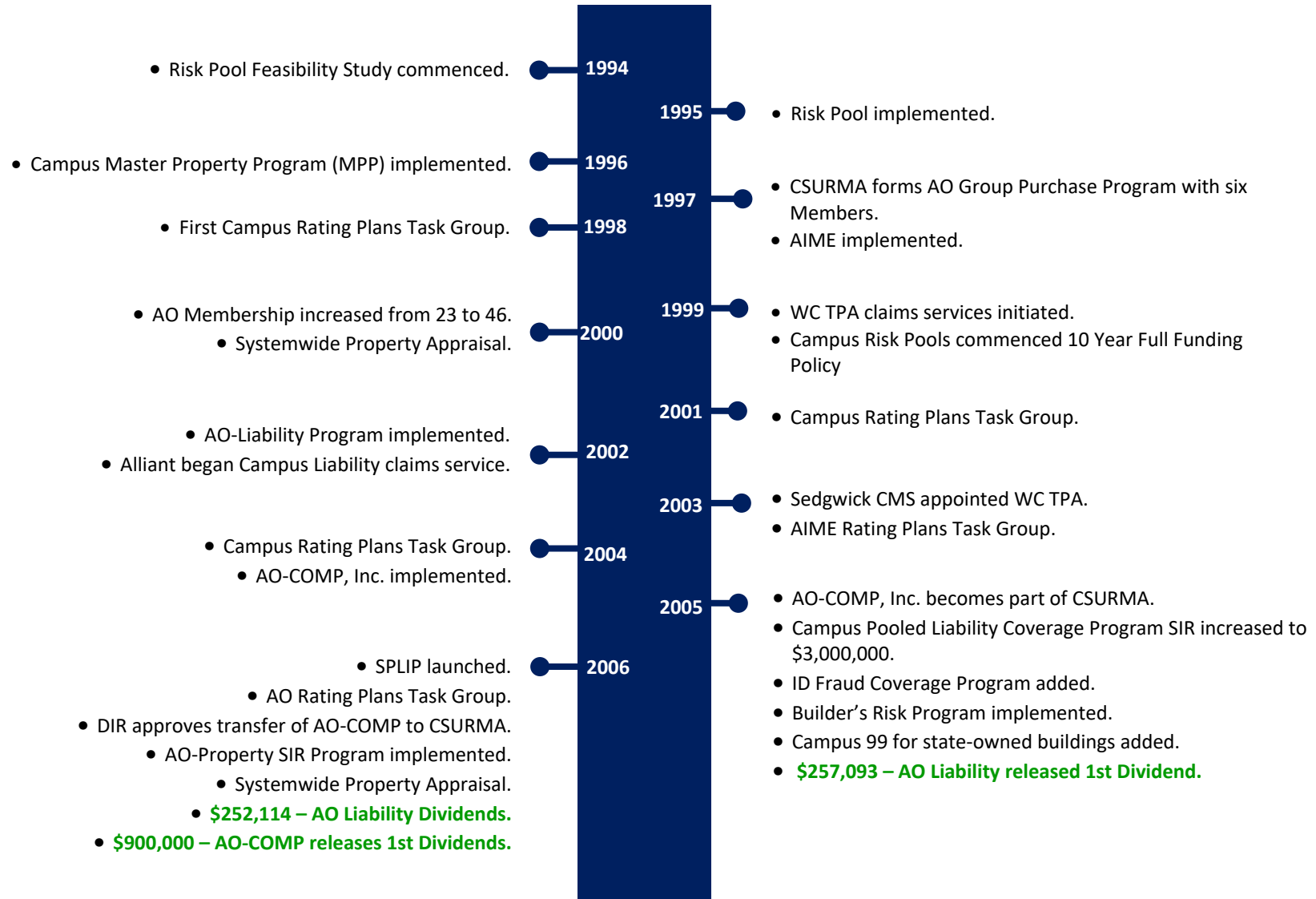


This program provides coverage for employees and students while traveling outside the United States. Coverage includes General Liability, Contingent Auto Liability, Employee Benefits Liability, Employers Responsibility, Employee Voluntary Compensation, Employers Liability, Primary Accident and Sickness, Accidental Death and Dismemberment, and Executive Assistance Services. Beginning July 1, 2014, FTIP added an "Overlay" coverage to supplement the insurance mandated by certain third-party travel program providers under approved agreements with the University. Specifically, the overlay coverage extends FTIP's Liability insurance that is not otherwise provided by certain third-party programs.

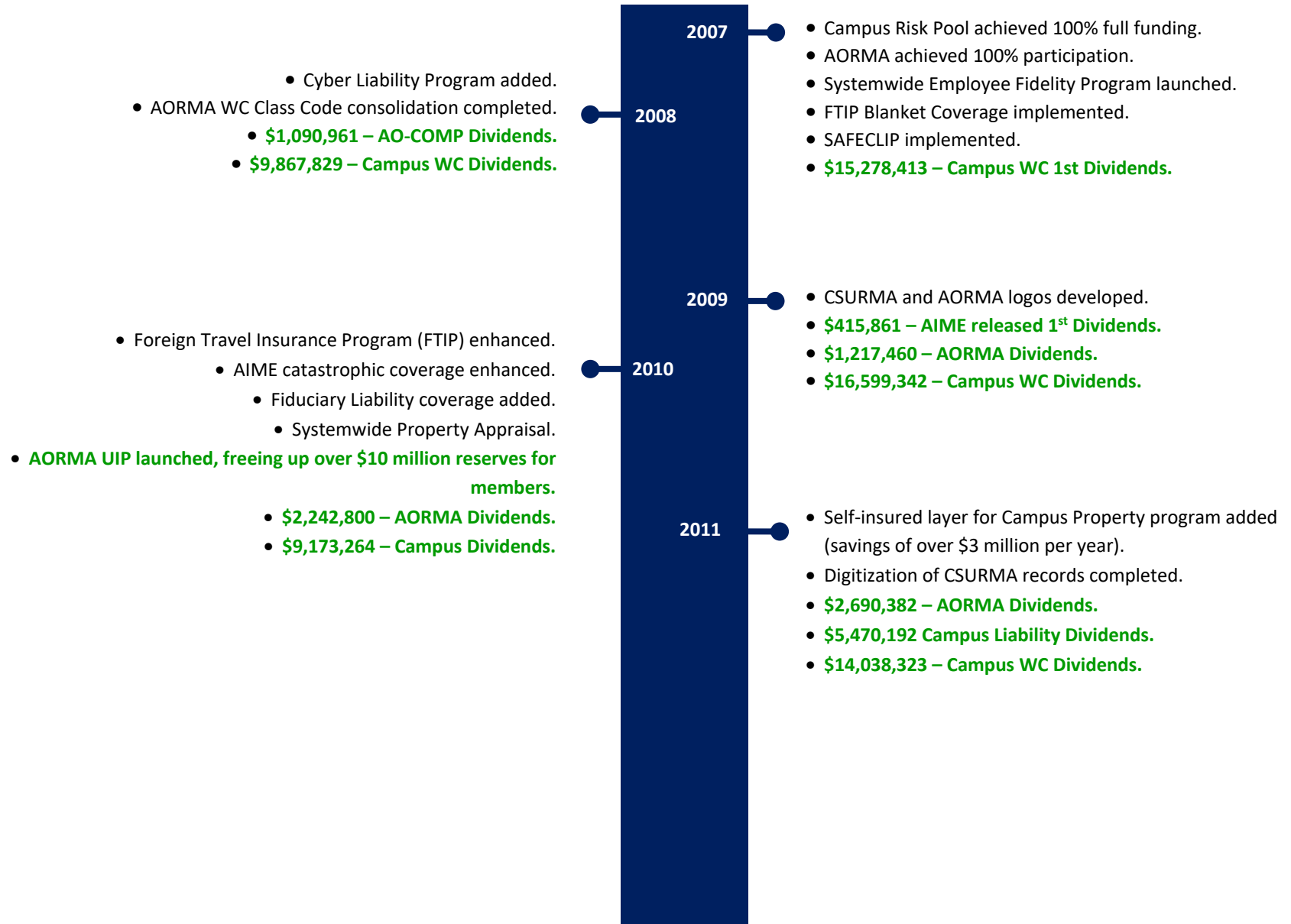
Available to all Campuses and AO's. All international travel must be reported to obtain coverage.

Invoiced separately.

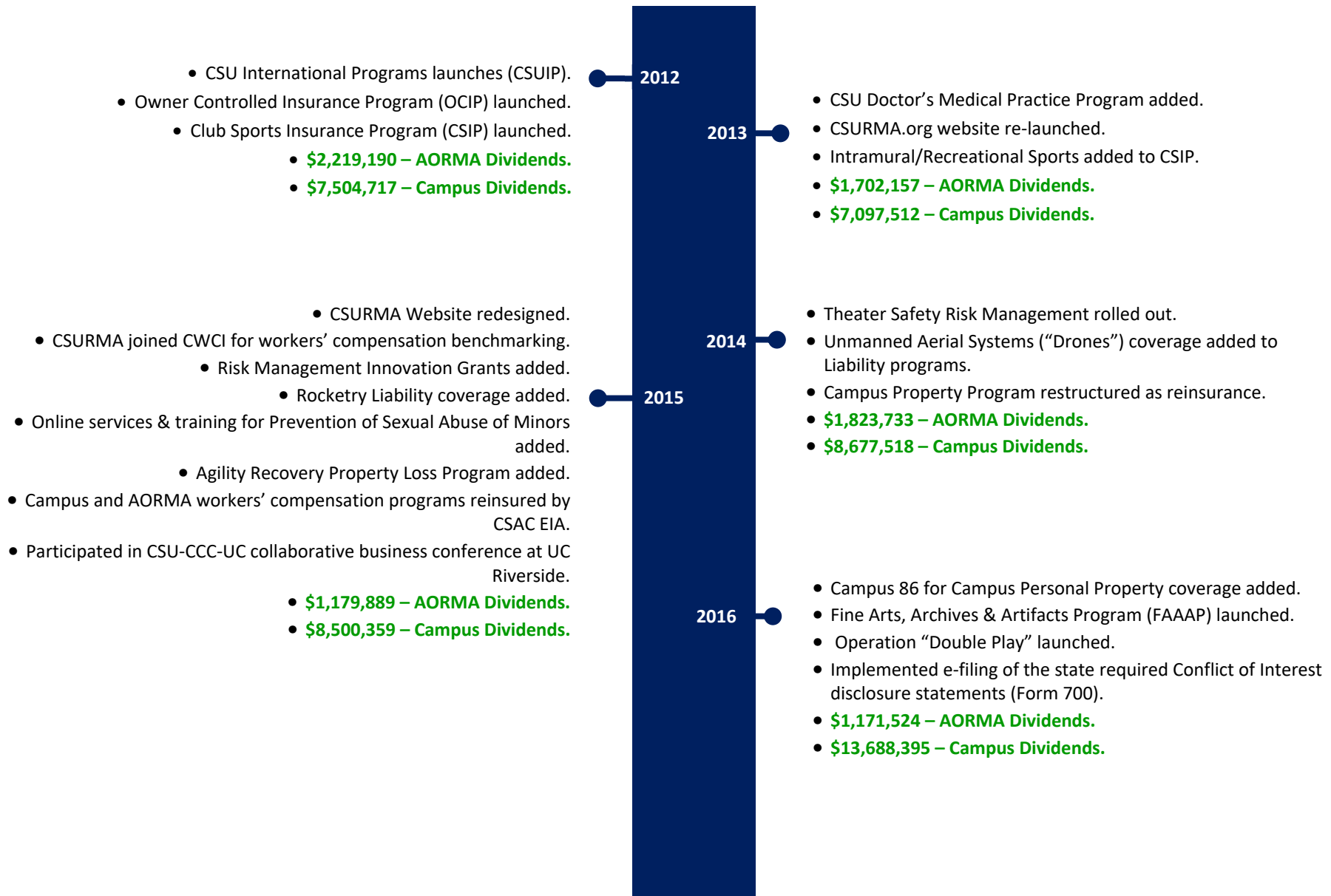
CSURMA Milestones



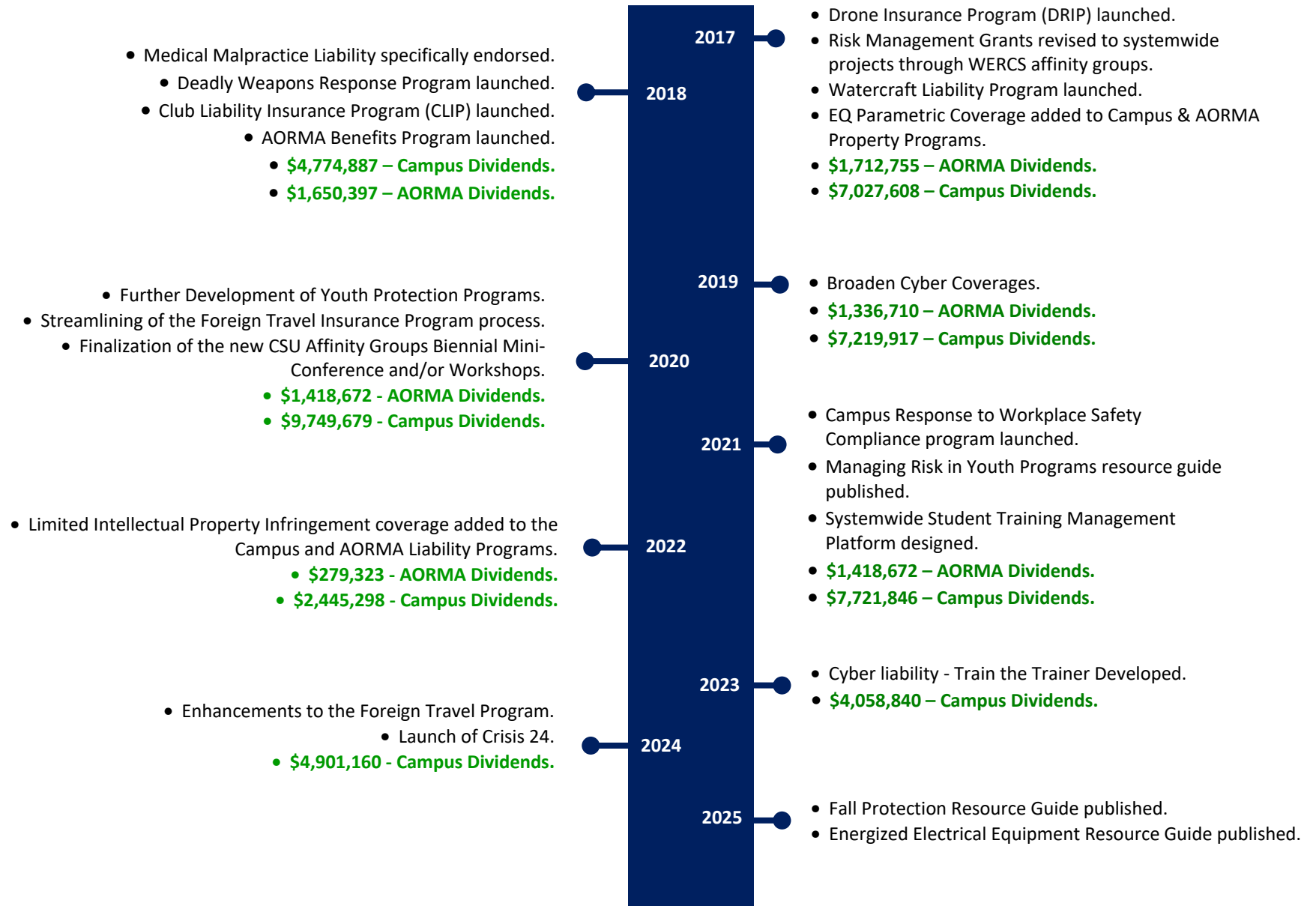
CSURMA Milestones



CSURMA Milestones



CSURMA Milestones



FINANCIAL RATINGS OF THE CSURMA INSURERS AND REINSURERS

ISSUE: Staff prepared the attached report showing the financial strength of all insurance and reinsurance providers for the FY 25/26 placements.

RECOMMENDATION: This item is for information only; no action is recommended.

FISCAL IMPACT: None.

BACKGROUND: None.

PUBLICATION: This report will be presented to the Board of Directors every year at the fall meeting.

ATTACHMENT(S):

- a. Financial Report of CSURMA Insurers and Reinsurers

CSURMA Coverage Programs - Reinsurers and Excess Insurers
Financial Ratings
July 1, 2025 - July 1, 2026

[Rating Symbols and Categories](#)

A++ / A+ = Superior

A / A- = Excellent

[Class Size \(in Millions\)](#)

VII = \$50 / VIII = \$100 / XII = \$1,000
XIII = \$1,250 / XIV = \$1,500 / XV = \$2,000

Coverage	Carrier	AM Best Rating
CAMPUS & AORMA		
REINSURANCE LIABILITY		
Reinsurance Liability (\$4M x \$1M w/ \$1M AAD)	Great American	A+, XV
Reinsurance Liability (\$1M po \$3M xs \$5M) - Layer 1a	Continental (Applied)	A-,XII
Reinsurance Liability (\$2M po \$3M xs \$5M) - Layer 1b	Obsidian Pacific	A-,XII
Reinsurance Liability (\$2M xs \$8M) - Layer 1c	Arcadian	A-,XV
Reinsurance Liability (\$5M xs \$10M) - Layer 1d	Everest Re	A+, XV
EXCESS LIABILITY		
Excess Liability (\$10M xs \$15M) - Layer 2	AWAC	A+, XV
Excess Liability (\$5M xs \$25M) - Layer 3	Liberty Surplus	A, XV
Excess Liability (\$2.5M po \$5M xs \$30M) - Layer 4a	SiriusPoint Bermuda (Arcadian)	A-, XV
Excess Liability (\$2.5M po \$5M xs \$30M) - Layer 4b	Group Ark	A, XI
Excess Liability (\$2.5M po \$5M xs \$30M) - Layer 4c	Bowhead / Homesite	A,XV
Excess Liability (\$10M xs \$37.5M) - Layer 5	Gemini	A+, XV
Excess Liability (\$5M po \$15M xs \$47.5M) - Layer 6a	First Specialty	A, VIII
Excess Liability (\$5M po \$15M xs \$47.5M) - Layer 6b	Aspen	A, XV
Excess Liability (\$5M po \$15M xs \$47.5M) - Layer 6c	Group Ark	A, XV
Excess Liability (\$2.5M po \$15M xs \$62.5M) - Layer 7a	Bowhead/Homesite	A, XV
Excess Liability (\$5M po \$15M xs \$62.5M) - Layer 7b	Liberty Surplus	A, XV
Excess Liability (\$2M po \$15M xs \$62.5M) - Layer 7c	Upland	A-,VIII
Excess Liability (\$2.5M po \$15M xs \$62.5M) - Layer 7d	Arcadian	A-,XV
Excess Liability (\$2.5M po \$15M xs \$62.5M) - Layer 7e	Helix (Somers Re)	A-,XI
Excess Liability (\$5M xs \$77M) - Layer 8	AWAC (replaces Starstone)	A, XII
Excess Liability (\$3M xs \$82M) - Layer 9	Helix (Somers Re)	A-,XI
Excess Liability (\$13M po \$35M xs \$85.5M) - Layer 10a	XL Bermuda	A+,XV
Excess Liability (\$5M po \$35M xs \$85.5M) - Layer 10b	Hamilton Re	A,XV
Excess Liability (\$5M po \$35M xs \$85.5M) - Layer 10c	Markel	A,XIV
Excess Liability (\$5M po \$35M xs \$85.5M) - Layer 10d	Helix (Somers Re)	A-,XI
Excess Liability (\$7M po \$35M xs \$85.5M) - Layer 10e	Munich Re / Inigo	N / R
Excess Liability (\$10M xs \$120.5M) - Layer 11	Canopus / Hiscox	A,XV

CSURMA Coverage Programs - Reinsurers and Excess Insurers
Financial Ratings
July 1, 2025 - July 1, 2026

Rating Symbols and Categories

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A / A- = Excellent

Class Size (in Millions)

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XIII = \$1,250 / XIV = \$1,500 / XV = \$2,000

Coverage	Carrier	AM Best Rating
Excess Liability (\$5M po \$27.5M xs \$130.5M) - Layer 12a	First Specialty	A, VIII
Excess Liability (\$10M po \$27.5M xs \$130.5M) - Layer 12b	Argo Re	A-, XIII
Excess Liability (\$7.5M po \$27.5M xs \$130.5M) - Layer 12c	Vantage Risk	A-, XI
Excess Liability (\$5M po \$27.5M xs \$130.5M) - Layer 12d	Group Ark	A, XV
Excess Liability (\$12.5M po \$24.5M xs \$158M) - Layer 13a	Ascot Bermuda	A, XIII
Excess Liability (\$12M po \$24.5M xs \$158M) - Layer 13b	XL Bermuda	A, XV
Excess Liability (\$15M po \$57.5M xs \$182.5M) - Layer 14a	AIG Bermuda	A,XV
Excess Liability (\$2.5M po \$57.5M xs \$182.5M) - Layer 14b	Markel	A, XIV
Excess Liability (\$25M po \$57.5M xs \$182.5M) - Layer 14c	Chubb Bermuda	A++,XV
Excess Liability (\$10M po \$57.5M xs \$182.5M) - Layer 14d	AWAC	A, XV
Excess Liability (\$5M po \$57.5M xs \$182.5M) - Layer 14c	Argo Re	A-, XIII
Excess Liability (\$10M xs \$240M) - Layer 15	Inigo	N / R
OTHER PROGRAM / COVERAGES		
Alliant Mobile-Vehicle Program (AMVP)	AGCS Marine (Allianz)	A+,XV
Alliant Deadly Weapon Response Program (DWRP)	Beazley Syndicates AFB	A+, XV
Aviation Program (Drone)	Westchester Fire Ins.	A++, XV
Aviation Program (Non-Owned Aircraft)	Westchester Fire Ins	A++, XV
Aviation Program (Rocketry)	ACE Property & Casualty Ins Co	A++,
Builder's Risk	Illinois Union	A++, XV
Club Liability Insurance Program (CLIP)	Underwriters @ Lloyds	A, XV
CYBER LIABILITY		
Cyber Breach Response Endt - 2M Lives / 250 Notification Threshold	Beazley Syndicate 2623/623	A+, XV
Cyber (\$15K Retention Buy Down - AORMA)	Beazley Syndicate 2623/623	A+, XV
Excess Cyber Risk Liability (\$5M xs \$2M; \$10M Agg)	Indian Harbor (AXA XL)	A+, XV
Excess Cyber Risk Liability (\$3M xs \$7M; \$5M Agg)	Liberty Surplus (Ironshore)	A, XV
Excess Cyber Risk Liability (\$5M xs \$10M; \$10M Agg)	Associated Industries (AmTrust)	A-, XV
Excess Cyber Risk Liability (\$5M xs \$15M; \$10M Agg)	Arch	A+, XV
Excess Cyber Risk Liability (\$5M xs \$20M; \$5M Agg)	Tokia Marine	A++, XV
Excess Cyber Risk Liability (\$3M xs \$20M; \$3M Agg)	Beazley Syndicate 2623/623	A+, XV
Doctors' Med Mal - \$10m xs \$5m	Ascot / AXA XL / Chaucer	A+, XV

CSURMA Coverage Programs - Reinsurers and Excess Insurers
Financial Ratings
July 1, 2025 - July 1, 2026

[Rating Symbols and Categories](#)

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Coverage	Carrier	AM Best Rating
EQ Parametric Trigger	Swiss Re Corp	A+, XV
FIDELITY/CRIME		
Fidelity - Crime (Primary)	Underwriter's @ Lloyds	A+, XV
Fidelity - Crime (Excess) (\$10M xs \$10M)	Underwriter's @ Lloyds	A+, XV
Fine Arts, Artifacts, & Archives Program (FAAAP)	Underwriter's @ Lloyds	A+, XV
FOREIGN TRAVEL INSURANCE PROGRAM (FTIP)		
Foreign Travel Insurance Program (FTIP) - Primary A&H	ACE American	A++, XV
Foreign Travel Insurance Program (FTIP) - GL / XS Auto / WC (Casualty)	ACE American	A++, XV
Foreign Travel Insurance Program (FTIP) - K&E	Lloyd's 1414 (Hiscox)	A+, XV
Inland Marine Program	AGCS Marine (Allianz)	A+, XV
International Program (CSU IP)	ACE American	A+ XV
Participant Accident Insurance (PAI)	Wellfleet Ins. Co	A++, XV
Pollution Liability (APEEL)	Ascot	A, XIII
Property and B&M Insurance (incl. Cyber & Pollution Liab)	Various	Varies
STUDENT ACADEMIC FIELD EXP. FOR CREDIT LIAB INS. PPROGRAM (SAFECLIP)		
SAFECLIP Primary (\$5M / \$10M)	Underwriter's @ Lloyds	A+, XV
SAFECLIP (Agg Excess)	Ascot Underwriting Bermuda	N/R
STUDENT PROFESSIONAL LIABILITY INSURANCE PROGRAM (SPLIP)		
SPLIP - Primary	Underwriter's @ Lloyds	A+, XV
SPLIP - Agg Excess	Ascot Underwriting Bermuda	N/R
Terrorism Liability (\$50M XS \$2.5M)	Munich Re Syndicate #457	A, XV
Trustees E&O, Fiduciary Liability	Underwriter's @ Lloyds	A+, XV
Watercraft Program	Ascot	A, XIII
Workers Compensation Program	PRISM / Safety National	A++, XV

CSURMA TRI-FOLD BROCHURE

ISSUE: The attached CSURMA brochure is updated annually and includes financial information as well as an overview of changes within CSURMA. Please feel free to share this brochure.

RECOMMENDATION: No action is recommended; this item is for information only.

FISCAL IMPACT: None.

BACKGROUND: Staff completed the first CSURMA tri-fold brochure in 2016. It will be updated annually.

PUBLICATION: This brochure will be uploaded to the CSURMA website.

ATTACHMENT(S):

- a. CSURMA Tri-Fold Brochure

CSURMA Officers:

- **Chair: Scott Apel**
CSU Long Beach
- **Vice Chair: Rose McAuliffe**
CSU Stanislaus
- **Treasurer: Robert Eaton**
Chancellor's Office
- **Secretary-Auditor: Zachary Gifford**
Chancellor's Office

CSURMA Governance:

- Board of Directors
- Executive Committee
- AORMA Committee
- AIME Committee

Total Dividends Since 1997:
\$177,649,218



CSURMA (California State University Risk Management Authority) is a joint powers authority formed by the CSU and its Auxiliary Organizations to protect member resources through comprehensive coverage and expert risk management.

Since 1997, CSURMA has provided specialized guidance and collaborative support to help members manage operational risks and prevent financial loss.

Its programs protect students, faculty, staff, and volunteers, offering liability coverage for injury, property damage, errors and omissions, and professional liability, as well as property coverage for CSU and Auxiliary Organization assets.

By combining self-insurance, traditional insurance, and reinsurance strategies, CSURMA delivers stable, cost-effective protection. Its proactive risk management approach has returned millions in dividends to members - reflecting the program's strength and long-term value.

CSURMA Overview
June 30, 2025

California State University
Risk Management Authority



For more information, please visit our website

www.CSURMA.org

Administrative Practices:

CSURMA is overseen by the CSU Chancellor's Office and follows;

- CSU Chancellor's Executive Orders
- CSU Systemwide Risk Management Technical Letters
- Applicable Integrated CSU Administrative Manual sections
- Applicable CAJPA Accreditation Standards
- Independent Financial Auditor – KPMG
- CSURMA Governing Documents:

Joint Powers Agreement
Bylaws
Policies and Procedures
Participation Agreements
Memoranda of Coverage

Board of Directors:

- 40 Board Members
- 23 Campus Votes
- 10 Auxiliary Organization Votes
- 7 Chancellor Office Votes

In partnership with:

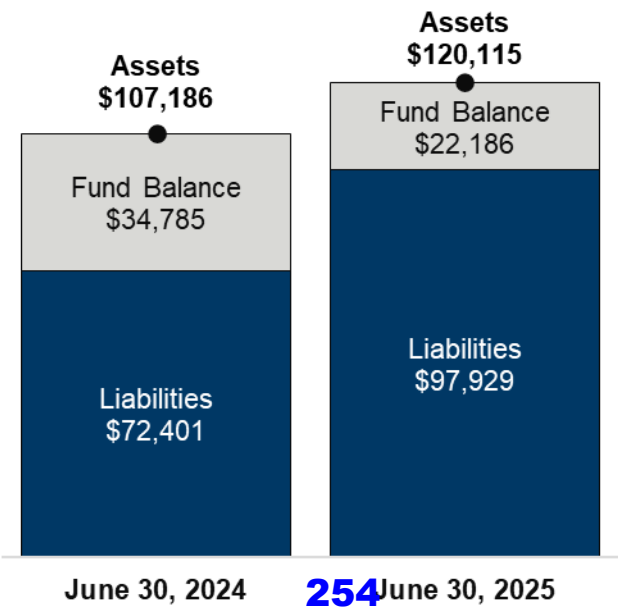


Financial Position:

Assets at June 30, 2025 (in thousands)	
Cash and investments	\$45,420
Other long-term investments	\$57,471
Accounts receivable	\$11,881
Capital assets, net	\$818
Reinsurance receivable	\$13
Prepaid insurance	\$4,512
Total:	\$120,115

Liabilities at June 30, 2024 (in thousands)	
Accounts payable	\$7,590
Unearned revenue	\$535
SBITA	\$155
Accured interest payable	\$6
Reported claims	\$44,478
Claims IBNR	\$45,165
Total:	\$97,929

Fund Balance Comparison: (in thousands)





The California State University
SYSTEMWIDE RISK MANAGEMENT

- Zachary Gifford – Senior Director
- Scott Bourdon – Assistant Director
- Jenny Novak – Director, SW Emergency Management & Continuity
- Andrew Theisen – Emergency & Continuity Manager
- Martha Guiditta – Liability Claims Manager
- Leona Ching – Administrative Analyst
- Marissa Castillo – EHS Training and Compliance Administrator



Coverage Programs:

Liability

Workers' Compensation

Cyber Liability

Club Sports & Intramurals

Property

Auto Liability

Pollution

Student Clubs Liability

Crime

Flood

Limited Earthquake

.... and Many More!

UNEMPLOYMENT INSURANCE CLAIMS COSTS SUMMARY CHARTS

ISSUE: The attached Unemployment Insurance Claims report shows an annual and quarter-by-quarter comparison of the University's UI claims costs.

RECOMMENDATION: No action is requested. This item is for information only.

FISCAL IMPACT: None.

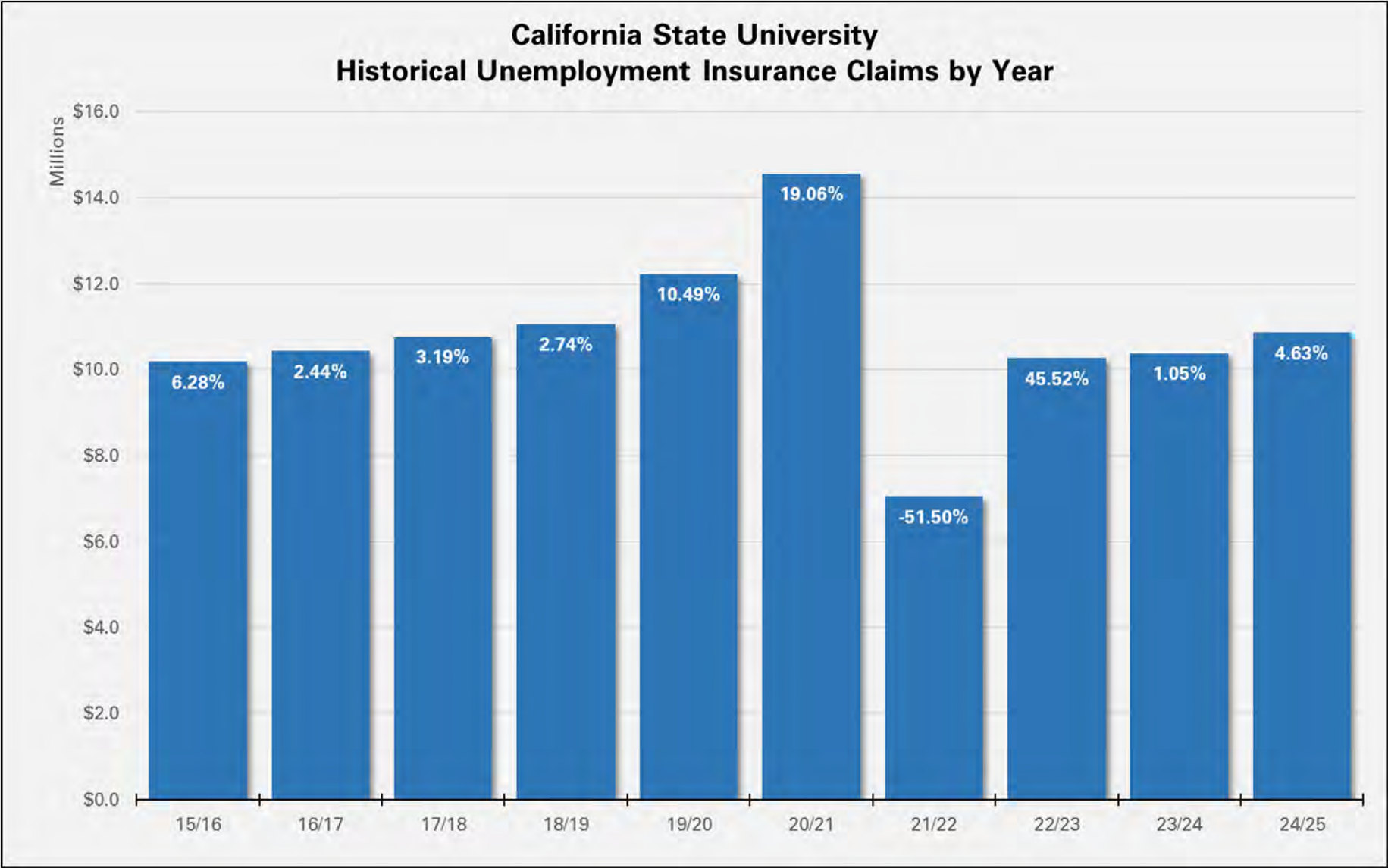
BACKGROUND: None.

PUBLICATION: None.

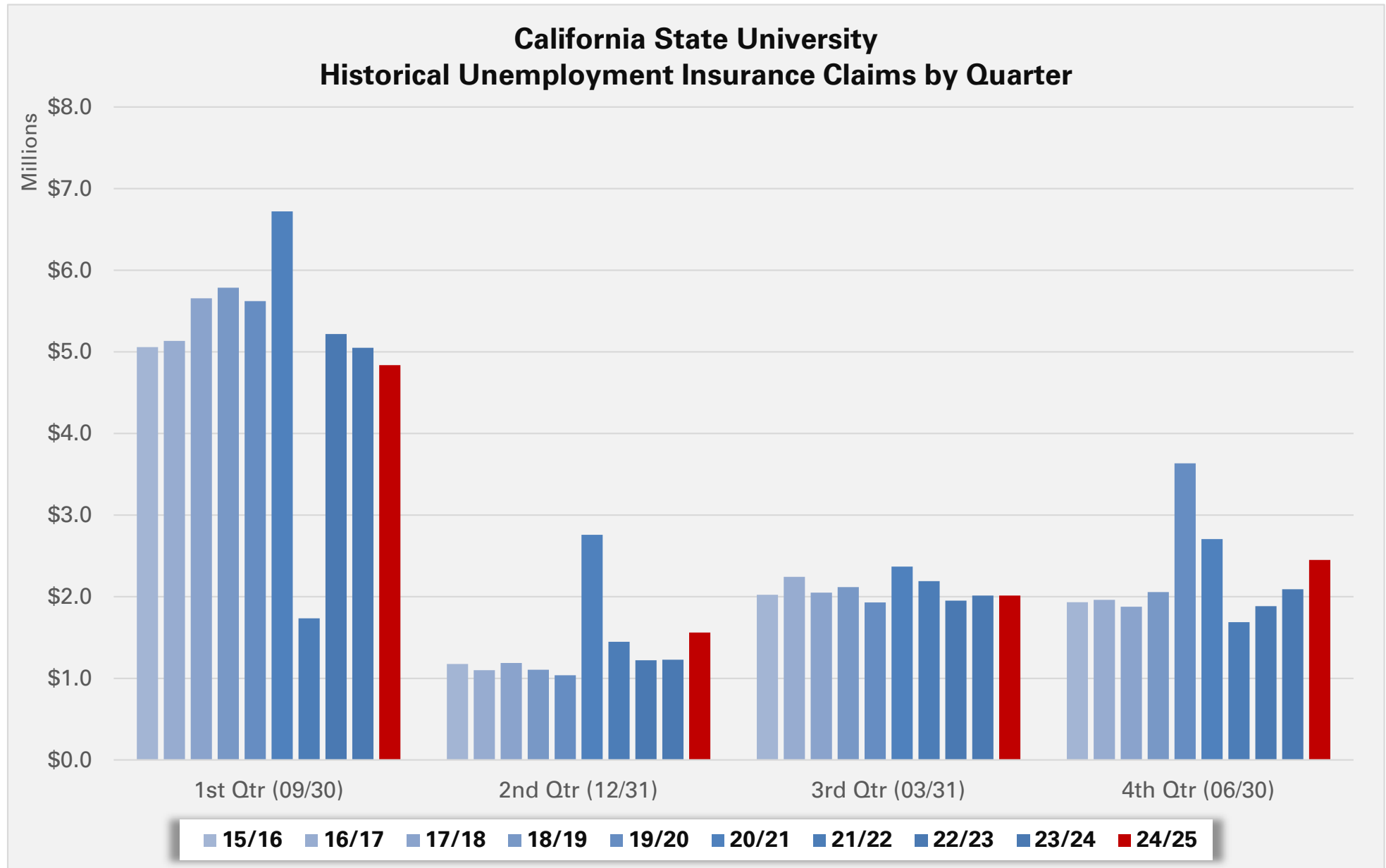
ATTACHMENT(S):

- a. UI Summary Charts

CSU Unemployment Insurance Claims



CSU Unemployment Insurance Claims



WORKERS' COMPENSATION STEWARDSHIP REPORT

ISSUE: Sedgwick, CSU's workers' compensation claims administrator, has completed their annual Stewardship Report which reviews CSURMA's key performance indicators for the program over the last five fiscal years.

RECOMMENDATION: This item is for information only; no action is requested.

FISCAL IMPACT: None.

BACKGROUND: Sedgwick CMS has provided workers' compensation third party claims administration for the CSU Campuses since July 1, 2003. The current agreement with Sedgwick has been extended to June 30, 2030.

PUBLICATION: None.

ATTACHMENT(S):

- a. Sedgwick's CSU Workers' Compensation Stewardship Report



CSU

**The California
State University**

September 2025

California State University Stewardship Meeting

CSU

The California State University

WORKING FOR CALIFORNIA

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sedgwick



-  **Introductions & Executive Summary**
-  **Sedgwick Solutions**
-  **Results from Prior Year Areas of Focus**
-  **Program Performance Summary**
-  **Utilization Review Summary**
-  **Opportunities and challenges for FY2026**



INTRODUCTIONS AND EXECUTIVE SUMMARY

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INTRODUCTIONS



Zachary Gifford – Sr. Director Systemwide Risk Management
Scott Bourdon – Asst. Director Systemwide Risk Management



Amy Lightner – Vice President



Eddy Canavan – Chief Claims Advisor
Deanna Jacona – Sr. Claims Analyst & Administrator



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Vice President, Casualty Operations

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REBECCA TIFFANY

Claim Manager, Casualty Operations

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Welcome to the annual CSU Workers' Compensation Stewardship presentation.

We're proud to mark 23 years of partnership with the California State University system, having launched claim administration services in July 2003. Today, our dedicated Sedgwick team of 16 professionals supports 23 campuses and the Office of the Chancellor.

This year brings both change and opportunity. As CSU adapts to evolving budget priorities and economic conditions, strategic transitions are underway, such as the integration of Cal Maritime into Cal Poly San Luis Obispo. These shifts reflect the system's long-term commitment to its mission and resilience.

Just as we partnered through the SB1159 pandemic response, we remain committed to supporting CSU with proactive solutions and a deeply collaborative approach.

Program metrics over the past five years have remained steady, with expected increases in new claims and cash flow as part of the normalization of pandemic-era activity. We're closely monitoring emerging trends, such as mental health claims and extended lost time, while maintaining strong overall performance and a focus on continuous improvement.



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Unmatched perspective



Depth of talent to respond to any claim scenario



Unparalleled data set driving better outcomes



Culture of yes



Flexible, AI-enabled technology



Creative solutions tailored to your needs



Caring that counts



Culture of service and caring



Compassion at every step of the claim journey





Improving the claimant experience

- **In-claim surveys** | check in during the claim process to assess satisfaction
- **mySedgwick** | claimant-facing claim information system

Enhancing workflows with Sidekick+ GenAI

- Medical document summarization
- One-page summary of claim notes and financials
- Demand packet summarization
- Optimization of claims functions

Using data to guide decisions

- Clinical care guidance identifies claims for clinical intervention
- New model to support recovery from musculoskeletal injuries



Staying connected with Sedgwick



In the know webinars



Circles for peer connection



Thought leadership | Forecasting 2025



Blogs and conferences



NEW! Podcasts





RESULTS FROM
PRIOR YEAR
AREAS OF
FOCUS

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RESULTS FROM PRIOR YEAR AREAS OF FOCUS



Connecting with the Sedgwick Team

Team Engagement & Development Initiatives

- Monthly All-Team Meetings continue
- Weekly Examiner Huddles led by Team Leads

New Initiative: Weekly Client Service Instruction (CSI) Training/Refresher meetings

- Launching: October 8, 2025
- Initial Focus: Audit improvement areas
- First Topic: Litigation Management (based on bi-annual Alliant Audit results)

Work Environment

- Team returned-to-office on a hybrid schedule
- Positive impact on morale and collaboration



Connecting with Injured Workers

In-Claim Survey Program Highlights

- Initiated July 1, 2024
- Sent 10 days post-conversion to Indemnity or upon reserve addition
- Question: "How would you rate your claim experience so far?"
- FY2025 Avg. Score: 3.98/5 (Target:3.5/5)

Enhancements (Effective July 1, 2025)

- Expanded to 5 questions
- Avg. Score: 4.2/5



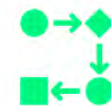
Connecting with Campus Partners

Campus Visits

- Ongoing and effective for understanding WCC needs
- Helps identify how Sedgwick can better support campus partners

Active involvement in Workers' Comp Affinity Group meetings

- Provides insight into systemwide concerns, training needs, and development opportunities



Connecting with Quality

Alliant Audit Results

- Achieved 92% on latest audit
- Fifth consecutive cycle scoring above 90%

Improvement Efforts

- Examiner-level targeted coaching
- Team-wide via CSI meetings

Program Recognition

- CSU Program consistently ranks as a top-three performer in the Western Business Unit (internal audit scores)

"Claims process has been smooth, streamlined, and professional." (Ginger Pierce)

"My adjuster has taken care of the necessary paperwork and information promptly, and everything was explained clearly. Great help." (Susan Neville)

"Daniel Lee, my claims adjuster, has been very good and helpful with the doctors for approving any tests or PT requests quickly. Thank you" (Daniel Lee)

"Overall, I would give Sedgwick and Jessica Magpayo a 5 out of 5 stars for the experience. Thank you." (Jessica Magpayo)



PROGRAM
PERFORMANCE
SUMMARY

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92% SCORE ON BI-ANNUAL ALLIANT AUDIT



101% CLOSING RATIO



\$1.2M IN RESERVE SALVAGE ON DOUBLE PLAY STAFFED CLAIMS SETTLED BY COMPROMISE AND RELEASE



\$268K IS REDUCED MEDICARE SET-ASIDE (MSA) FUNDING ACHIEVED USING “NON-SUBMIT” MSAS



TWO “TAKE NOTHING” FINDINGS

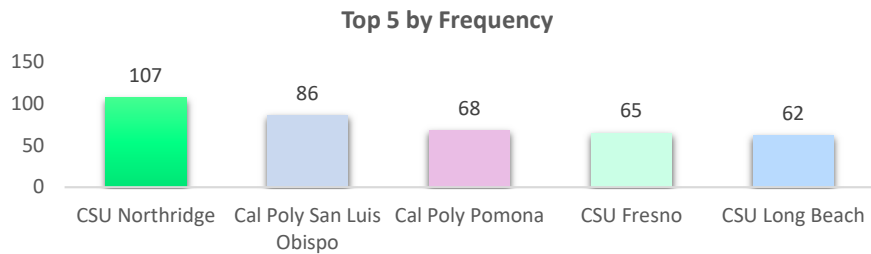
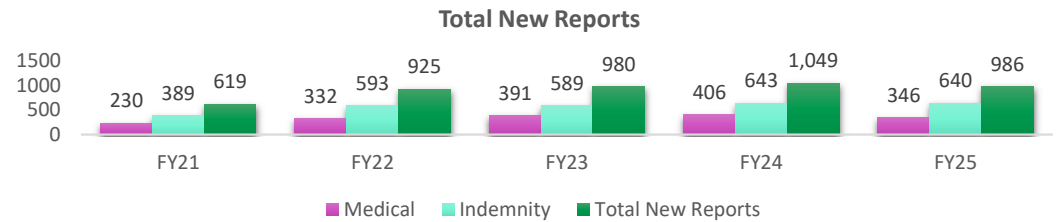


USE OF “HOME GROWN” IAP EXAMINER TO MAINTAIN UNINTERRUPTED STAFFING DESPITE ONE DEPARTURE (INTERNAL PROMOTION TO TEAM LEAD ON ANOTHER PROGRAM)



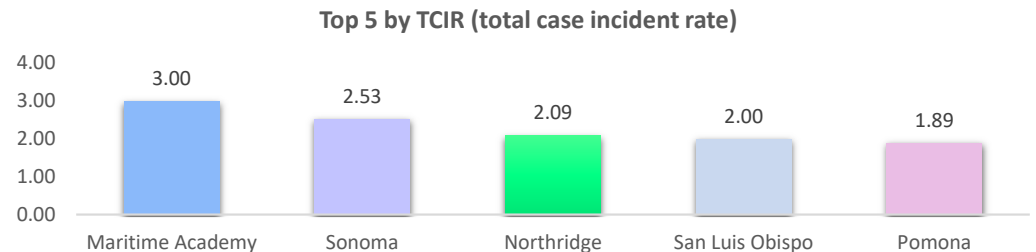
PROGRAM STATISTICAL ANALYSIS - NEW

New claim volume for FY2025 is down by 6% compared to last year. Compared to pre-pandemic reporting levels (FY2019), they are down 16%



The Top Five Campus locations reported 39% of the new claims for FY2025. This stat has not deviated more than 2% over the last five FYs

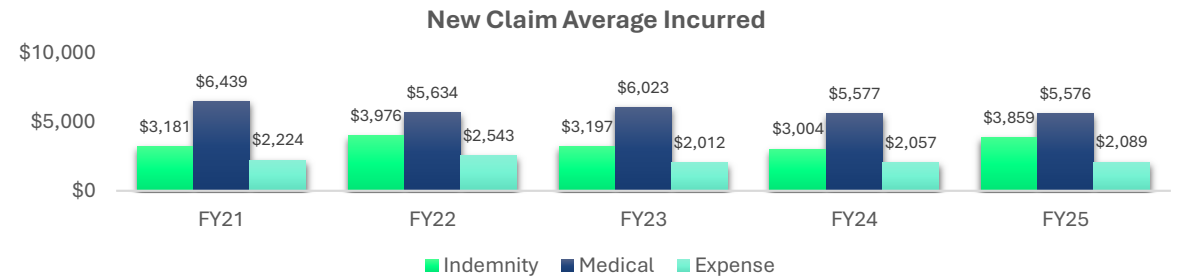
For the first time in the last five FYs there is substantial overlap between this stat and the top five by pure frequency, with the top three by frequency taking up the three through five slots by TCIR (TCIR – OSHA measurement based on FTE)



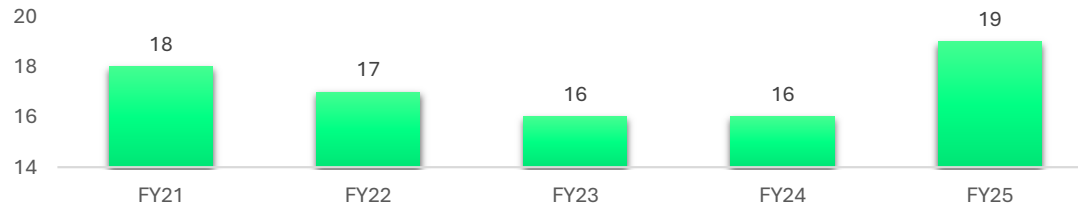


PROGRAM STATISTICAL ANALYSIS - NEW

New claim average incurred is substantially similar for FY2025 over FY2024.



New Claim Average TD Days

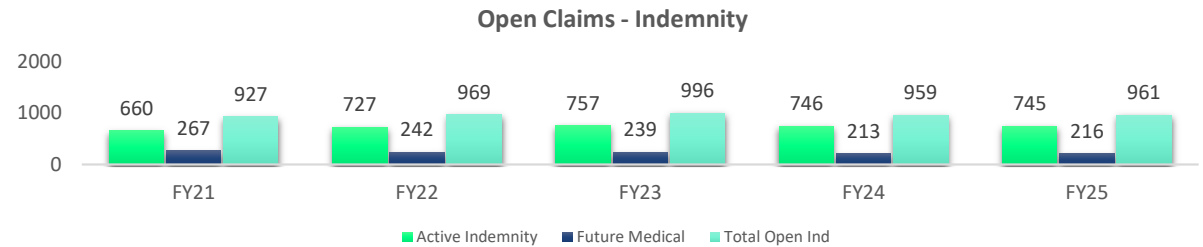


There is a spike in average TD days on new claims for FY2025 vs. FY2024

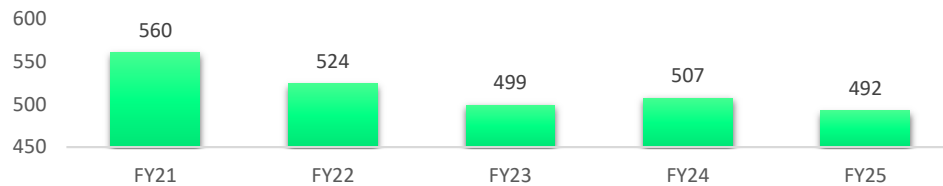


PROGRAM STATISTICAL ANALYSIS - PENDING

Very slight increase for FY2025 over FY2024 for total open indemnity claims

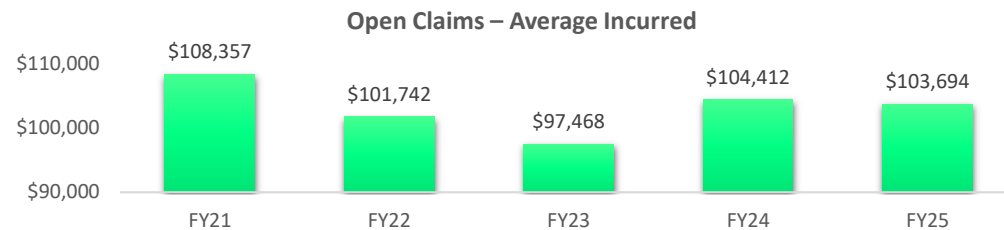


Open Claims – > 2 Years Old



After last year's slight bump in the aged pending caseload, this population is at a historic low

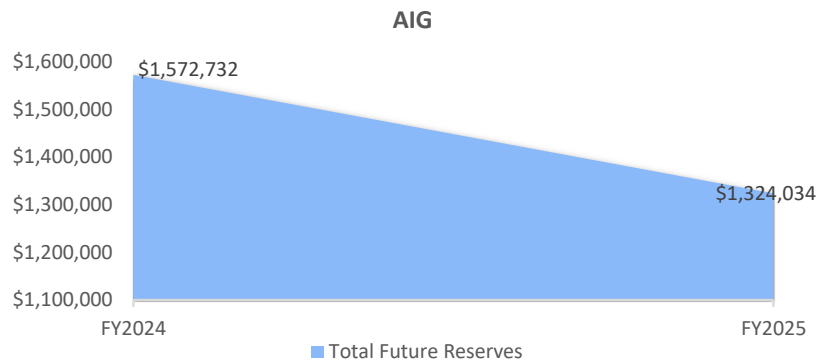
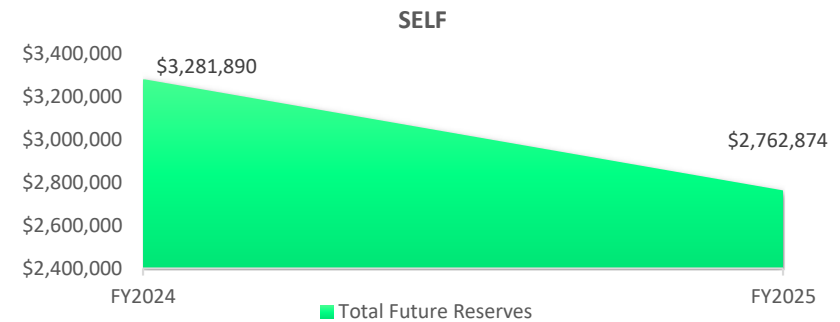
The average incurred on the open inventory tracks with the decreased frequency of new claims for FY2025 over FY2024. The fluctuation for the look-back period is less than 10%





PROGRAM STATISTICAL ANALYSIS - PENDING

The population of SELF (Schools Excess Liability Fund) coverage files has decreased by 2% between FY2024 and FY2025, with a decrease in outstanding reserves of 16%

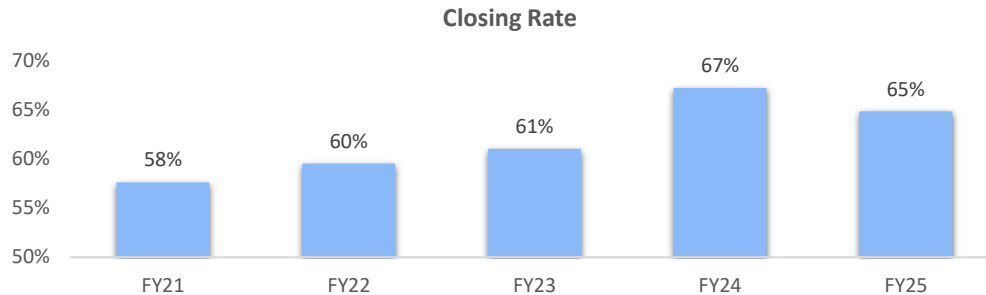
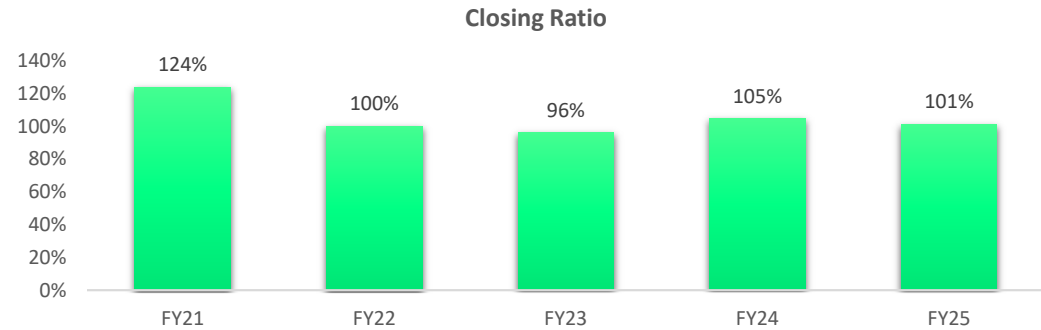


The population of AIG “first dollar” coverage files has decreased by 24% between FY2024 and FY2025, with a decrease in outstanding reserves of 16%



PROGRAM STATISTICAL ANALYSIS - CLOSED

The CSU Program has a consistent history of indemnity closing ratios at 100% or better. This has been achieved in all but one of the previous five years

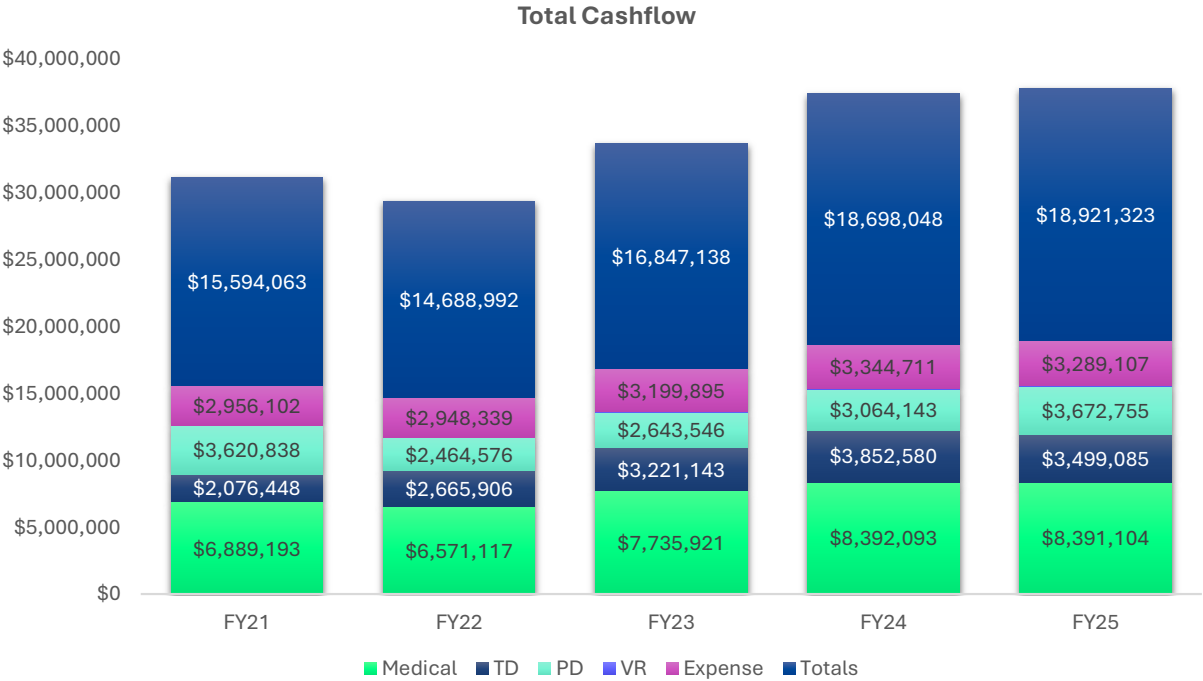


The Closing Rate reflects claims received and closed in the same fiscal year. While a bit lower than FY2024, this category has shown consistent year-over-year improvement and remains strong despite reduced new claim reporting



PROGRAM STATISTICAL ANALYSIS – CASH FLOW

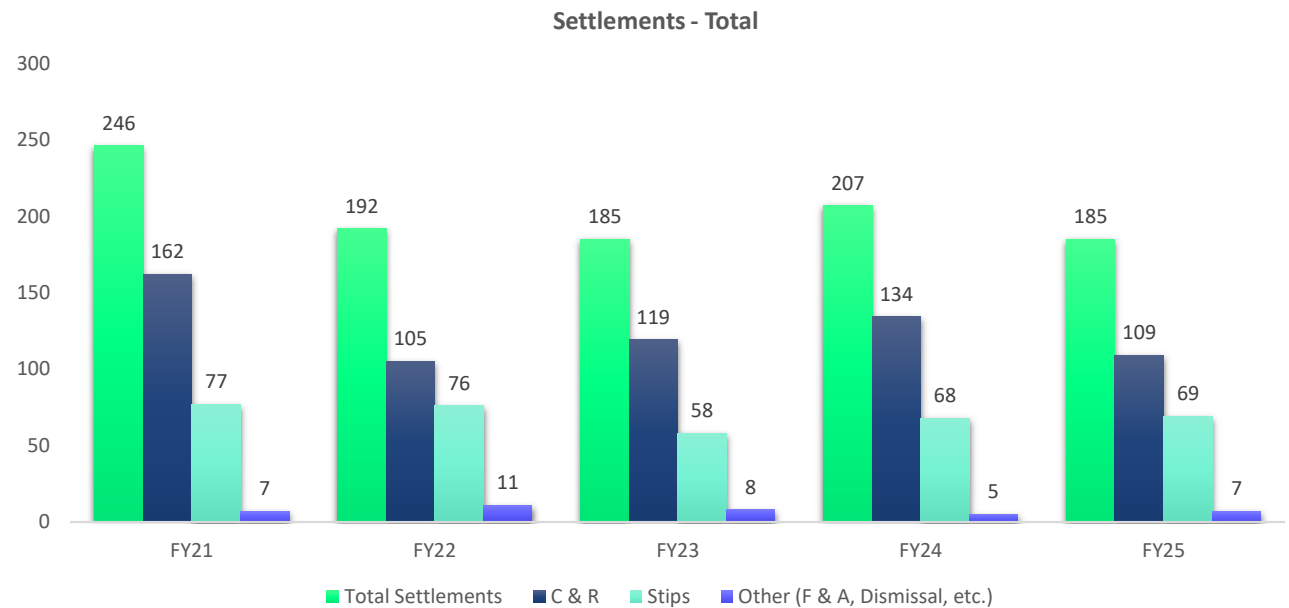
Total cash flow remained stable in FY2025, with a modest 1% increase over the previous year, FY2024. The rise in Permanent Disability payments is attributed to a small number of high-value claims.





PROGRAM STATISTICAL ANALYSIS - SETTLEMENTS

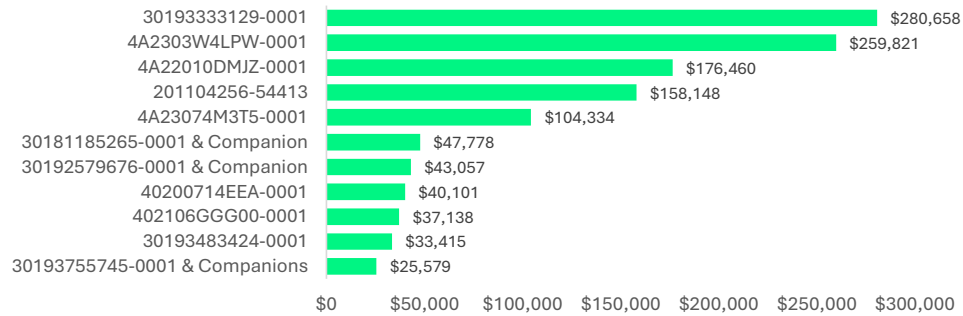
C&Rs continue to make up the bulk of the resolutions. In FY2025 they were 59% of all settlements compared to FY2024 at 65%





PROGRAM STATISTICAL ANALYSIS - SETTLEMENTS

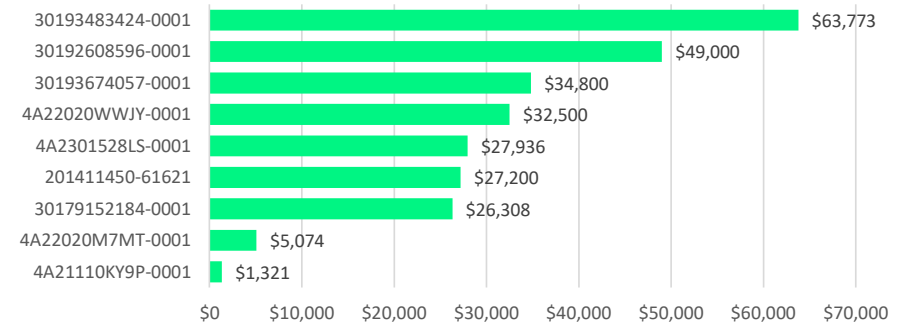
Settlements in FY2025 – Double Play Reserve Salvage



The use of evidenced-based, non-submit MSAs saved \$267,912 in funding requirements for settlements finalized in FY2025

Double Play staffed settlements account for 12% of our total settlements for the FY. As of 6/30/2025, the program has yielded a total reserve salvage of just over \$18.8 million, with \$1.2M of that being realized in FY2025

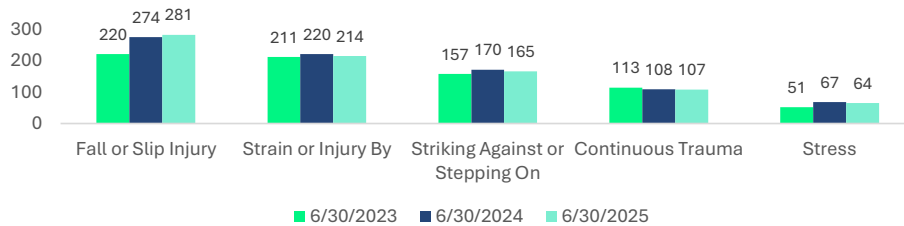
Settlements in FY2025 – Non-Submit MSA Funding Savings





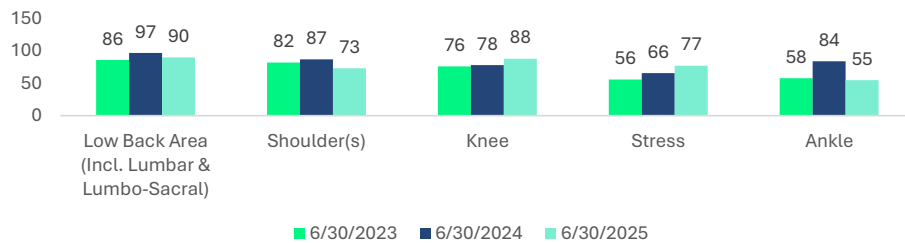
LOSS CONTROL TOP 5 – CAUSE/NATURE/BODY PART
(ALL OCCUPATIONS CONSIDERED)

New Claim Count by Cause



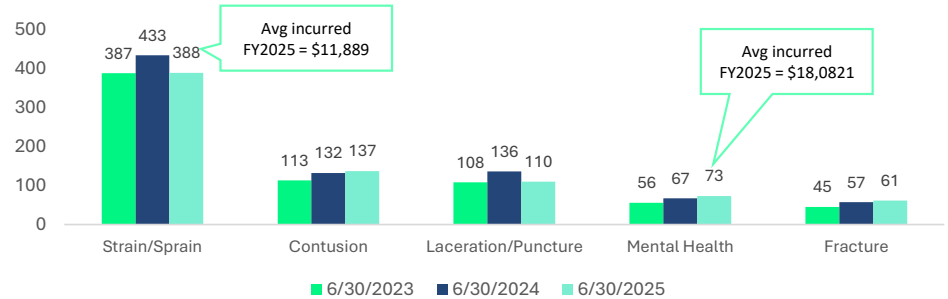
An area that may bear additional review and remediation is that of Mental Health injuries, which have increased by 30% over the look-back period and provide for a disproportionate level of total incurred

Top 5 by Body Part



Fall or Slip injuries tag team with Strain or Injury by for top cause categories, but we do see a progressive increase in Fall and Slip injuries over the look-back period

New Claim Count by Nature

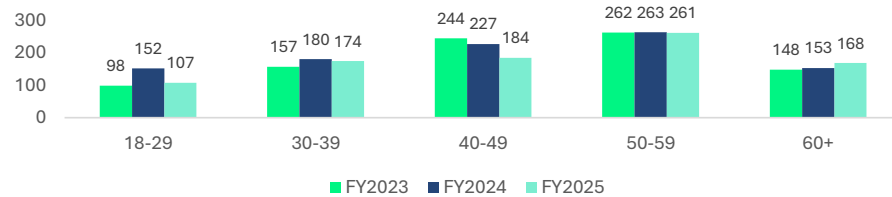


Looking at the areas of injury, we see a progressive increase in injuries to the knee and stress-related injuries



LOSS CONTROL TOP 5 - AGE/SERVICE LENGTH/OCCUPATION
(STUDENT ASSISTANTS REMOVED FOR THESE SLIDES)

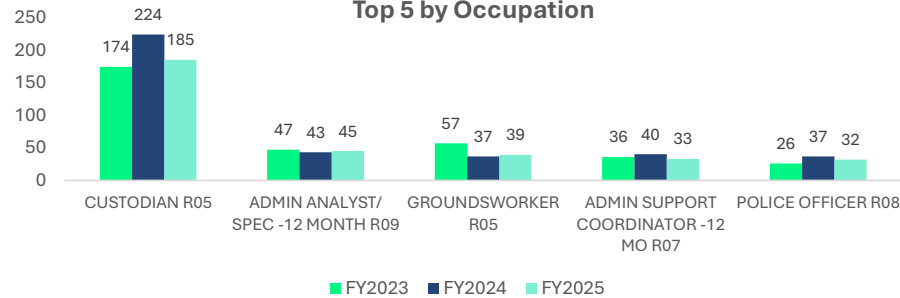
Top 5 by Age Group



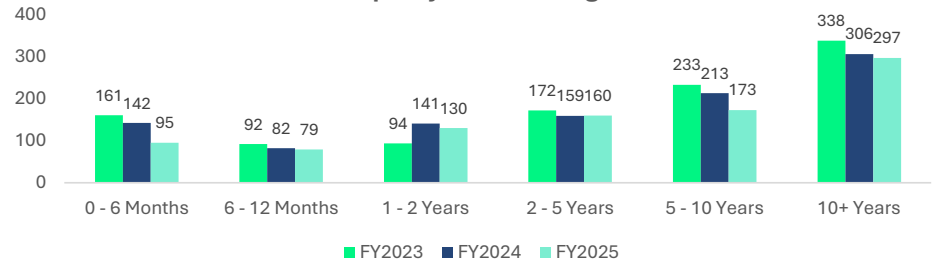
The combined 50-year-old + groups are consistently the greatest population of new claims

The population of claimants with 10+ years of service is the group with the highest frequency

Top 5 by Occupation



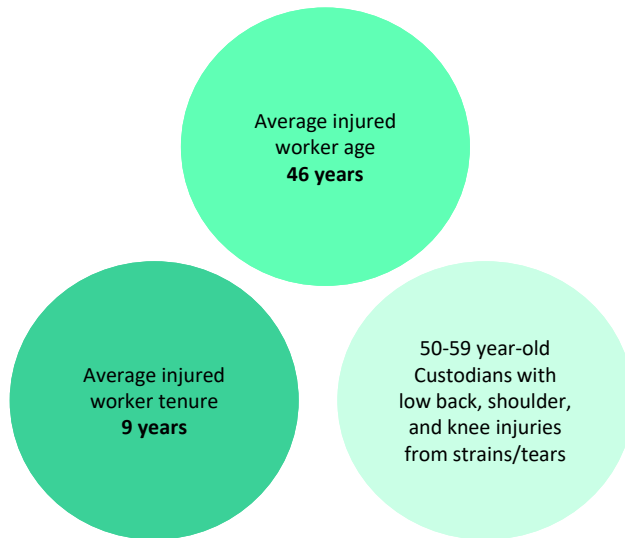
Top 5 by Service Length



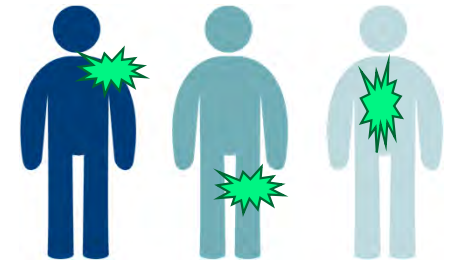
Custodians account for more new claims than the next four occupations combined



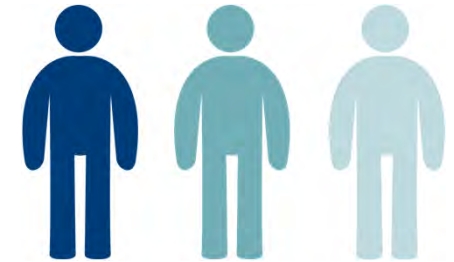
LOSS CONTROL WRAP UP – NEW REPORTS - FY2022 THRU FY2025



- ❖ **Shoulder, knee, and back**
 - ❖ **25%** new claim volume
 - ❖ **33%** new claim costs
- ❖ Resulting in **Strain/Sprain**, most frequently caused by **Lifting, Falls/Slips/Trips, and Continuous Trauma**



- ❖ **Custodians, Admin Analysts, and Grounds Workers**
 - ❖ **31%** new claim volume
 - ❖ **31%** new claim costs
- ❖ Of the Top 5 Occupations, **Custodians** are the greatest contributors to both frequency and severity
- ❖ **55% of Top 5 Severity**
- ❖ **66% of Top 5 Severity**



Custodians Admin Analysts Ground Workers

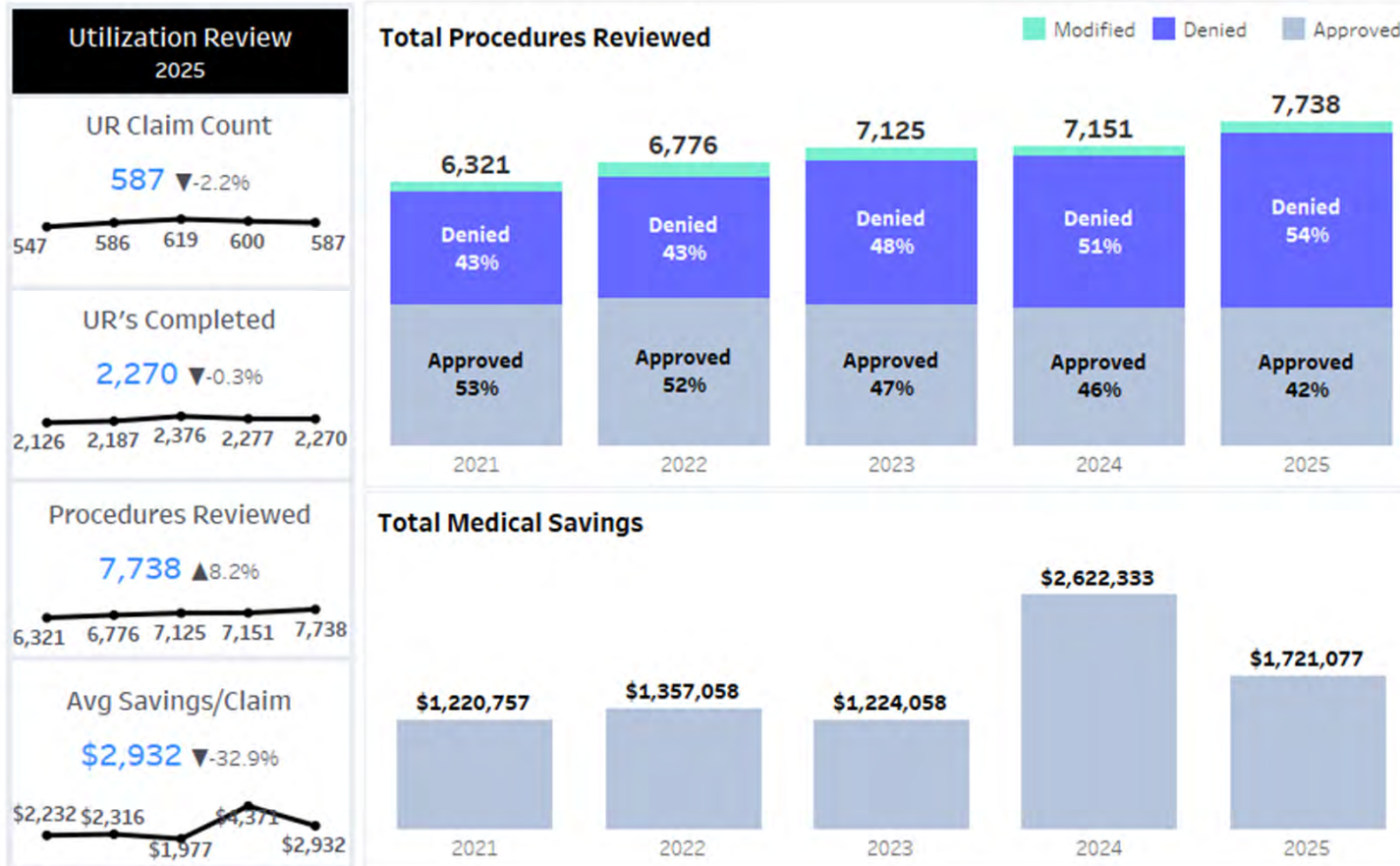


UTILIZATION
REVIEW
RESULTS

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UTILIZATION REVIEW



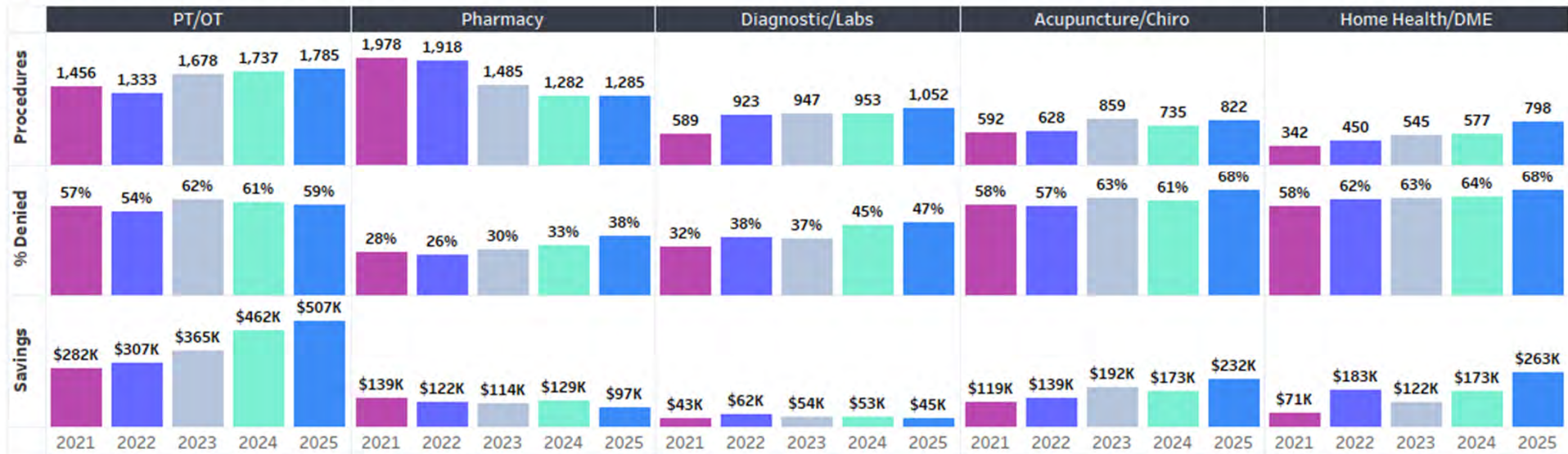
- Denial rate increased to 54% in FY2025, continuing the upward trend from previous years.
- 8.2% increase in procedures reviewed versus last year
- Total savings and average savings declined significantly compared to last year.



UTILIZATION REVIEW

Utilization Review

by Top Frequent Procedure Categories



- Majority of denials coming from PT/OT, Acupuncture/Chiro, and Home Health/DME
- Between those 3 categories, we saw around \$1 Million in savings. These categories also made up around 44% of the UR procedures reviewed.
- 37% of UR's were completed in the 36+ month claim group.



Pharmacy UR 2025

RX UR Claim Count



RX UR's Completed



Procedures Reviewed



RX UR Savings



Pharmacy UR Procedures Reviewed - 2025

	Count Procedures	% Denied	Procedure Savings
HYDROCODONE BITARTRATE-ACETA..	174	55%	\$6,781
GABAPENTIN	117	32%	\$4,344
LIDOCAINE	84	55%	\$20,665
DICLOFENAC SODIUM	70	41%	\$6,370
IBUPROFEN	63	10%	\$310
CYCLOBENZAPRINE HCL	55	51%	\$2,204
MELOXICAM	46	15%	\$1,297
TRAMADOL HCL	41	61%	\$1,999
NAPROXEN	40	23%	\$672
OXYCODONE HCL-ACETAMINOPHEN	35	37%	\$2,724
DOCUSATE SODIUM	28	43%	\$22
CELECOXIB	23	17%	\$1,642
ACETAMINOPHEN	20	5%	\$2
METHOCARBAMOL	17	65%	\$368
PREGABALIN	16	19%	\$2,579
FAMOTIDINE	16	75%	\$1,043
ONDANSETRON HCL	15	33%	\$2,420
BACLOFEN	15	73%	\$919
OMEPRAZOLE	14	29%	\$542
CEPHALEXIN	13	77%	\$233
ALL OTHERS	409	33%	\$43,518
Grand Total	1,311	38%	\$100,651

PHARMACY UR

- Pharmacy UR claim count down only 8 claims, with 9 less PUR's completed.
- Most common drug type with UR denials were opioids, anticonvulsants topicals, NSAIDS, and muscle relaxers.
- We saw around \$100k in savings through pharmacy UR this past year, down slightly from the year prior.
- In fiscal year 2024, the top five claims resulted in approximately \$29,000 in savings. In comparison, the top five claims in fiscal year 2025 had only generated about \$11,000 in savings.



UTILIZATION REVIEW OVERVIEW

Key Statistics

Total Savings	Total Fees
\$8,145,281	\$2,468,572
Savings/Claim	% Approved
\$4,949	47.90%
# of Reviews	% Denied
11,236	48.20%
# of Procedures	% Modified
35,111	3.90%
ROI	
\$3.30	

- **FY 2021:**
 - Total Savings: \$1,280,052
 - ROI: \$3.5:1
- **FY 2022:**
 - Total Savings: \$1,426,319
 - ROI: \$3:1
- **FY 2023:**
 - Total Savings: \$1,159,596
 - ROI: \$2.1:1
- **FY 2024:**
 - Total Savings: \$2,646,159
 - ROI: \$5.1:1
- **FY 2025:**
 - Total Savings: \$1,721,077
 - ROI: \$3:1



OPPORTUNITIES FOR FY2026

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Opportunities

- Improve initial claim experience with pre-authorization for routine care during the first 60 days of the claim
- Work with systemwide HR to provide a monthly report of terminations and separations
- Work with systemwide HR to make all necessary adjustment to Sedgwick systems to allow for accurate coding of new claims
- Cost containment opportunities via Sedgwick specialty services
 - Targeted intervention at the examiner's discretion
 - Cost reduction with an improvement in employee claim experience

Challenges

- The ongoing departure of long-term Workers' Comp Coordinators (WCC) continues
- Progressive increase in mental health claims
 - Low frequency with high severity
- Consolidation of the Cal Maritime Academy into the Cal Poly San Luis Obispo structure
- Pending classification and wage structure updates to take effect 10/1/2025



The California
State University

THANK YOU



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CSURMA ADMINISTRATIVE SERVICE CALENDAR

ISSUE: This item is provided as an information item to advise the Board of Directors of the various recurring administrative activities and when they take place over the course of the year. It includes items noting when they appear before the Executive Committee and Board of Directors. It is to be provided for information with each agenda packet.

RECOMMENDATION: It is recommended that the Board of Directors review the CSURMA Administrative Service Calendar and provide direction to staff as appropriate.

FISCAL IMPACT: No direct fiscal impact is expected from action at today's meeting.

BACKGROUND: None.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Administrative Services Calendar

CSURMA SERVICE CALENDAR

DRAFT

CSURMA Administrative Service Calendar			
#	Task	Staff	Status
JANUARY 2025			
1	Executive Committee Nominations <i>Chair to appoint the EC Nominating Committee at January EC meeting</i> <i>EC election at the May BOD meeting</i>	Mimi Long	Completed
2	State Filing - Statement of Facts – Roster of Public Agencies - file with Secretary of State	Tevea Him	Completed
3	State Filing - Joint Powers Authority - file with Secretary of State - As Needed	Tevea Him	Completed
4	State Filing - Financial Statement to the County Auditor and State Controller	Tevea Him	Completed
5	Treasurers' Bond	Van Rin	Completed
6	Announce the new AORMA Committee open seats on the AORMA Committee at the AOA Conference	Mimi Long	Completed
7	FORM 700 - JPA ADMIN sends Form 700 to CSURMA FILERS	Tevea Him	Completed
8	AORMA Member Budget Letter (January Letter)	Mimi Long	Completed
CSURMA AOA CONFERENCE		Mimi Long	
CSURMA EC Meeting		Mimi Long	
AIME Committee Meeting		Stacey Weeks	
FEBRUARY			
#	Task	Staff	Status
1	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery at Dec 31st	Mimi Long	Completed
MARCH			
#	Task	Staff	Status
1	Review of all CSURMA Policies and Procedures (odd in odd years / even in even years)	Mimi Long	Completed
2	Chancellor's Office Services Budget Proposals	Tevea Him	Completed
3	CSURMA Budget	Mimi Long	Completed
4	CSURMA Mid-Term Budget (Review Variance Report w/ EC)	Mimi Long	Completed
5	CSURMA Master Investment Policy	Tevea Him	Completed
6	Review and adoption of Applicable Integrated CSU Administrative Manual Policies	Tevea Him	Completed
7	Review and adoption of CSURMA's Data Security Policies	Tevea Him	Completed
8	CSU International Programs Funding	Amy Lightner	N/A
9	Campus Liability, AORMA Liability, AIME and Campus WC - Risk Pool claims audit (every odd year) <i>Req approval of auditor's proposal at the March, 2025 meeting (no approval required for WC)</i> <i>Complete the audit review June - August, 2025</i> <i>Present results at September, 2025 EC & AORMA meetings</i> <i>Present results at October, 2025 BOD meeting</i>	Mimi Long	Completed
10	Campus Risk Pools Funding Status Report (using 12/31 financials)	Mimi Long	Completed
11	Auxiliary Service Provider Report	Tevea Him	Completed
12	Campus Programs RPTG <i>Appoint RPTG committee at March, 2025 EC meeting;</i> <i>Schedule in-person RPTG meeting in July, 2025;</i> <i>Schedule follow-up virtual meeting in August, 2025;</i> <i>Present Results at September, 2025 EC meeting for FY 2026/2027 rating</i>	Mimi Long	Completed
13	Forward to the AOA EC the slate of nominees to fill the open seats on the AORMA Committee	Mimi Long	Completed
14	Completion of the Form 700 – Statement of Economic Interest	Tevea Him	Completed
15	Campus Benchmarking Report	Mimi Long	Completed
16	CSURMA Operational Review <i>Request approval to perform audit at September, 2026 EC meeting</i> <i>Present results at March, 2027 EC meeting</i> <i>Present results at May, 2027 BOD meeting</i> <i>Present results at May, 2027 AORMA Meeting</i>	Mimi Long	N/A
17	Property Appraisals, Begin the Process in 2028	Mimi Long	N/A

CSURMA SERVICE CALENDAR

DRAFT

#	Task	Staff	Status
	CSURMA EC Meeting	Mimi Long	
	CSURMA EC LRP Meeting	Mimi Long	
APRIL			
#	Task	Staff	Status
1	JPA ADMIN verifies BOD Campus Primary and Alternate representative remain in place by	Tevea Him	Completed
2	Election for AORMA Committee term beginning on July 1st (election closes April 30)	Tevea Him	Completed
3	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute	Claims Admin	Completed
MAY			
#	Task	Staff	Status
1	Approval by BOD Resolution allowing Treasurer to invest or reinvest funds (P/O Budget	Tevea Him	Completed
2	Approval of Conflict of Interest Code by BOD every even-number year - File with FPPC as required	Tevea Him	Completed
3	Approval of Long Range Action Plan for upcoming fiscal year	Mimi Long	Completed
4	Campus Risk Pools Funding Status	Mimi Long	Completed
5	Executive Committee Nominations	Mimi Long	Completed
	<i>Chair to appoint the EC Nominating Committee at January EC meeting</i>		
	<i>EC election at the May BOD meeting</i>		
6	Adoption of the CSURMA Operating Budget	Mimi Long	Completed
7	CSURMA Quarterly Investment Report	Tevea Him	Completed
8	Announce AORMA Committee members for the new term beginning July 1st	Tevea Him	Completed
9	Send out appointment letters to the newly elected AORMA Committee members for the term beginning on July 1st	Tevea Him	Completed
10	Send out appointment letters to the newly elected Executive Committee members for the term beginning on July 1st	Mimi Long	Completed
11	CSURMA Operational Review	Tevea Him	N/A
	<i>Request approval to perform audit at September, 2026 EC meeting</i>		
	<i>Present results at March, 2027 EC meeting</i>		
	<i>Present results at May, 2027 BOD meeting</i>		
	<i>Present results at May, 2027 AORMA Meeting</i>		
	AIME Committee Meeting	Stacey Weeks	
	CSURMA BOD NMO Meeting via Teleconference	Amy Lightner	
	AORMA Committee Meeting	Mimi Long	
	CSURMA EC Meeting	Mimi Long	
	CSURMA BOD Meeting	Mimi Long	
JUNE			
#	Task	Staff	Status
1	AORMA Liability Program - Reinsurance Recovery / EPL Deductible Recovery	Van Rin	Completed
2	Request COI from all vendor's	L. Wallace	in process
	Expiring Contract: Agility - July 15, 2025 (Extended to 7/15/26)	Mimi Long	Completed
	Expiring Contract: Alliant Loss Control Services - June 30, 2025 (Extended to 6/30/28)	Mimi Long	Completed
	Expiring Contract: CO Overhead Costs - June 30, 2025 (Extended to 6/30/26)	Mimi Long	Completed
	Expiring Contract: Employers Group Service Corp - Expires June 30, 2026	Mimi Long	N/A
	Expiring Contract: Praesidium - June 30, 2026	Mimi Long	N/A
	Expiring Contract: Sedgwick - June 30, 2030	Mimi Long	N/A
	Expiring Contract: Witt O'Brien's, LLC - June 30, 2026	Mimi Long	N/A
	Expiring Contract: UC RSS - May 7, 2026	Mimi Long	N/A
	Expiring Contract: Black Swan (Empathia, Inc.) - June 30, 2027	Mimi Long	N/A
	Expiring Contract: Ventiv / iVos - June 30, 2026	Mimi Long	N/A
	Expiring Contract: CO Systemwide Professional Development (AORMA online training) - Continuous	Mimi Long	N/A

CSURMA SERVICE CALENDAR

DRAFT

#	Task	Staff	Status
JULY			
#	Task	Staff	Status
1	OCIP #3 - CGL & WC - Expiration Date: December 31, 2022 - 2027	Amy Lightner	Completed
2	Financial audit prep with KPMG	Van Rin	Completed
3	Send to CSU Accounting the approved dividends and allocation of program costs for invoicing	Van Rin	Completed
4	Send out AORMA invoice to all members	Van Rin	Completed
5	Request Workers' Compensation and Liability loss runs @ 6/30 – Forward to Actuary	Mimi Long	Completed
6	Actuary Campus Liability Deductible Credits, based on June 30, 2025 losses. New deductibles 26/27, 27/28, 28/29	Mimi Long	Completed
7	Request Liability (EPL check register) for minimum EPL deductible calculation for upcoming fiscal year	Tevea Him	Completed
8	Final FY Payroll - request from Chancellor's Office	Mimi Long	Completed
9	Process the Liability and Workers' Compensation dividend checks and forward to Alliant for distribution	Van Rin	Completed
10	Distribute the Liability and Workers' Compensation dividend checks	Van Rin	Completed
11		Tevea Him	Completed
12	Request final audited payroll from all Workers' Compensation program members for expired year		
12	Survey legal counsel compensation and recommend to AORMA a fair and equitable maximum allowable hourly rate, 2025 (Review again in 2027)	Mimi Long	Completed
13	Workers' Compensation Scorecard - Receive report from Sedgwick and distribute (annual for AORMA)	WC Consult	Completed
14	Campus Programs RPTG	Mimi Long	Completed
	<i>Appoint RPTG committee at March, 2025 EC meeting; Schedule in-person RPTG meeting in July, 2025; Schedule follow-up virtual meeting in August, 2025; Present Results at September, 2025 EC meeting for FY 2026/2027 ratina</i>		
15	AORMA Programs RPTG	Mimi Long	N/A
	<i>Appoint RPTG committee at December, 2025 AORMA Committee meeting; Schedule in-person RPTG meeting in July, 2026; Schedule follow-up virtual meeting in August, 2026; Present Results at September, 2025 EC meeting for FY 2027/2028 ratina</i>		
AORMA Officers Retreat		Mimi Long	Completed
AUGUST			
#	Task	Staff	Status
1	Send out letter regarding Campus Appointment of CSURMA Board of Directors Members and Alternate	Tevea Him	In Process
2	Send out letter to regarding Claims Settlement Authority Annual Confirmation	Tevea Him	In Process
3	Send out letter to regarding Foreign Travel Authority Confirmation	Tevea Him	In Process
4	CSURMA Quarterly Investment Report for EC Meeting	Tevea Him	Completed
5	Calculate additional premium or return premium for each Workers' Compensation program member based on the audited payroll	Mimi Long	Completed
6	Receipt of Actuarial Studies	Mimi Long	Completed
	<i>Forward to Systemwide Risk Management and Accounting Team</i>		
7	Calculate each member's minimum EPL deductible for the upcoming program term	Tevea Him	Completed
8	Complete Target Surplus Funding Report	Mimi Long	Completed
9	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 6/30	Tevea Him	Completed
10	Completion of the Public Self-Insurer's Annual Report for CSURMA (must be filed with the state by Oct 1st.)	Mimi Long	Completed
11	Campus Programs RPTG	Mimi Long	Completed
	<i>Appoint RPTG committee at March, 2025 EC meeting; Schedule in-person RPTG meeting in July, 2025; Schedule follow-up virtual meeting in August, 2025; Present Results at September, 2025 EC meeting for FY 2026/2027 ratina</i>		

CSURMA SERVICE CALENDAR

DRAFT

#	Task	Staff	Status
12	AORMA Programs RPTG <i>Appoint RPTG committee at December, 2025 AORMA Committee meeting; Schedule in-person RPTG meeting in July, 2026; Schedule follow-up virtual meeting in August, 2026; Present Results at September, 2025 EC meeting for FY 2027/2028 ratina</i>	Mimi Long	N/A
SEPTEMBER			
#	Task	Staff	Status
1	Adoption of CSURMA Executive Committee, Board of Directors, and AORMA Committee meeting calendars	Tevea Him	Completed
2	Actuarial Reports	Mimi Long	Completed
3	Risk Pools Funding Status Report	Mimi Long	Completed
4	Proposed Campus, AIME and AORMA Dividends	Mimi Long	Completed
5	Rates and Gross Funding Campus and AORMA Coverage Programs	Mimi Long	Completed
6	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Van Rin	Completed
7	CAJPA Fall Conference and Training Seminar -South Lake Tahoe		
8	Campus Workers' Compensation Program Safety National Aggregate Stop Loss Report - Present to EC in Sept	Tevea Him	
9	Prepare invoices or checks for the Workers' Compensation payroll audit	Van Rin	Completed
10	CSURMA Quarterly EPL Deductible Recoverys ending September 30 (Begin Task)	Van Rin	In Process
11	Completion of the AORMA Committee (September Letter) updating all AORMA members on the funding and dividends approved for the upcoming fiscal year	Mimi Long	Completed
12	Annual Exposure Surveys to Members - all aviation, CLIP, Med Mal, watercraft, AORMA renewal app, AORMA Liability App	Tevea Him	In Process
13	Campus Benchmarking Report	Amy Lightner	
14	Campus Programs RPTG <i>Appoint RPTG committee at March, 2025 EC meeting; Schedule in-person RPTG meeting in July, 2025; Schedule follow-up virtual meeting in August, 2025; Present Results at September, 2025 EC meeting for FY 2026/2027 ratina</i>	Mimi Long	Completed
15	AORMA Programs RPTG <i>Appoint RPTG committee at December, 2025 AORMA Committee meeting; Schedule in-person RPTG meeting in July, 2026; Schedule follow-up virtual meeting in August, 2026; Present Results at September, 2025 EC meeting for FY 2027/2028 ratina</i>	Mimi Long	N/A
16	CSURMA Operational Review <i>Request approval to perform audit at September, 2026 EC meeting Present results at March, 2027 EC meeting Present results at May, 2027 BOD meeting Present results at May, 2027 AORMA Meeting</i>	Mimi Long	N/A
17	Campus Liability, AORMA Liability, AIME and Campus WC - Risk Pool claims audit (every odd year) <i>Req approval of auditor's proposal at the March, 2025 meeting (no approval required for WC) Complete the audit review June - August, 2025 Present results at September, 2025 EC & AORMA meetings Present results at October, 2025 BOD meeting</i>	Mimi Long	Completed
18	AORMA WC - Risk Pool claims audit (every even year) Complete the audit review June - August, 2026 Present results at September, 2026 AORMA meetings Present results at October, 2026 BOD meeting	Mimi Long	N/A
	AORMA Long Range Plan meeting	Mimi Long	
	AORMA New Committee Member Orientation meeting	Mimi Long	
	AORMA Committee Meeting	Mimi Long	
	CSURMA EC Orientation Meeting	Mimi Long	

CSURMA SERVICE CALENDAR

DRAFT

#	Task	Staff	Status
	CSURMA EC Meeting	Mimi Long	
OCTOBER			
#	Task	Staff	Status
1	CSURMA Annual Report (Stewardship)	Mimi Long	Completed
2	CSURMA Tri-Fold based on June 30 financials	Mimi Long	Completed
3	AORMA Estimated Workers' Compensation payroll	Tevea Him	Completed
4	Government Compensation Report (request from CSU Accounting)	Tevea Him	
5	Campus Liability, AORMA Liability, AIME and Campus WC - Risk Pool claims audit (every odd year)	Mimi Long	Completed
	<i>Req approval of auditor's proposal at the March, 2025 meeting (no approval required for WC)</i> <i>Complete the audit review June - August, 2025</i> <i>Present results at September, 2025 EC & AORMA meetings</i> <i>Present results at October, 2025 BOD meeting</i>		
6	AORMA WC - Risk Pool claims audit (every even year)	Mimi Long	N/A
	<i>Complete the audit review June - August, 2026</i> <i>Present results at September, 2026 AORMA meetings</i> <i>Present results at October, 2026 BOD meeting</i>		
	AIME Committee Meeting	Stacey Weeks	
	CSURMA BOD Meeting	Mimi Long	
	CSURMA EC Meeting	Mimi Long	
NOVEMBER			
#	Task	Staff	Status
1	Review CAJPA Accreditation Standard for new or reoccurring item	Mimi Long	
2	FORM 700 - Campus Risk Pool Administrator sends request to campus president to confirm appointments of primary and alternate representative to BOD (Note: AORMA Representatives are maintained through their election process)	Tevea Him	
3	Send campus risk pool renewal budget (Early Bird Renewal Letter)	Mimi Long	
4	Campus Risk Pool Deductible - Effective In (2026, 2029)	Mimi Long	N/A
5	Review volunteer losses within the AORMA Workers' Compensation program (review at December meeting)	Tevea Him	
6	UIP - Process EDD Statement of Reimbursable Benefit Charges for the period ending 9/30	Tevea Him	
DECEMBER			
#	Task	Staff	Status
1	Vendor Survey - Review List of Vendors and Work on Recipients	L. Wallace	
2	CSURMA Cash Flow Statement at Sept. 30th	Mimi Long	
3	AORMA Liability Program - Reinsurance Recovery (verify w/ Carl Warren)	Mimi Long	
4	Quarterly Risk Management Report for Systemwide Risk Management	Dan Howell	
5	Financial Audit - mail to Secretary of State and County Auditor	Tevea Him	
6	CSURMA Quarterly EPL Deductible Recoveries	Van Rin	
7	AORMA Programs RPTG	Mimi Long	
	<i>Appoint RPTG committee at December, 2025 AORMA Committee meeting;</i> <i>Schedule in-person RPTG meeting in July, 2026;</i> <i>Schedule follow-up virtual meeting in August, 2026;</i> <i>Present Results at September, 2025 EC meeting for FY 2027/2028 ratina</i>		
	Expiring Contract: Enterprises Rent A Car - Update Rates for the new year	Tevea Him	
	Expiring Contract: Alliant Insurance Services (Brokerage Agreement) - December 31, 2029	Mimi Long	N/A
	Expiring Contract: Alliant Insurance Services (Program Admin Agreement) - December 31, 2029	Mimi Long	N/A
	Expiring Contract: Carl Warren & Company - December 31, 2026	Mimi Long	N/A

CSURMA SERVICE CALENDAR

DRAFT

#	Task	Staff	Status
	<i>Expiring Contract: HSR (AIME and Club Sports) - December 31, 2027</i>	Amy Lightner	N/A
	<i>AORMA Committee Meeting</i>	<i>Mimi Long</i>	

CSURMA BOARD OF DIRECTORS AND STAFF CONTACT LIST

ISSUE: Attached is a list of phone numbers and e-mail addresses for members of the CSURMA Board of Directors and CSURMA Staff.

RECOMMENDATION: Staff recommends that members review the list at each meeting for accuracy. If there are any changes, please contact Tevea Him via email at thim@alliant.com.

FISCAL IMPACT: None

BACKGROUND: An accurate and current list facilitates better communication among the Board members and with staff.

PUBLICATION: None.

ATTACHMENT(S):

- a. CSURMA Board of Directors and Staff Contact List

CSURMA BOARD OF DIRECTORS MEMBERS

AS OF JULY 2025

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
Representative	Lori Blodorn	AVP and Chief Human Resources Officer	Bakersfield	California State University, Bakersfield	lblodorn@csub.edu	661-654-3206
Alternate	Jevan Lane	Director of Safety and Risk Management Services	Bakersfield	California State University Bakersfield	jlane1@csub.edu	661-654-2081
Secretary-Auditor	Zachary Gifford	Senior Director, Systemwide Risk Management	Chancellor's Office	California State University, Office of the Chancellor	zgifford@calstate.edu	562-951-4600
Representative / Treasurer	Robert Eaton	Assistant Vice Chancellor, Financing, Treasury, and Risk Management	Chancellor's Office	California State University, Office of the Chancellor	reaton@calstate.edu	562-951-4671
Alternate		Executive Vice Chancellor and CFO	Chancellor's Office	CSU Chancellor's Office		562-951-4600
Representative	Bradley Olin	Vice President for Business and Financial Affairs	Channel Islands	California State University, Channel Islands	bradley.olin@csuci.edu	805-437-8877
Alternate	MariaElena Plaza	Associate Vice President - Human Resources & HRO	Channel Islands	California State University, Channel Islands	mariaelena.plaza@csuci.edu	805-437-8490
Representative	Michael Thorpe	Risk Manager	Chico	California State University, Chico	methorpe@csuchico.edu	530-898-6588
Alternate	Jamie Clyde	Interim Vice President for Business and Finance	Chico	California State University, Chico	jcamaren@csuchico.edu	530-898-6231
Representative	Deborah Wallace	Vice President for Administration and Finance	Dominguez Hills	California State University, Dominguez Hills	dwallace@csudh.edu	310-243-3750
Alternate	Shauneice Milton	Manager, Workers Compensation/ADA	Dominguez Hills	California State University, Dominguez Hills	smilton1@csudh.edu	310-243-3707
Representative	Tom Poon	Risk Management & Internal Control	East Bay	California State University, East Bay	tom.poon@csueastbay.edu	510-885-2841
Alternate	Myeshia Armstrong	VP, Administration and Finance, and CFO	East Bay	California State University, East Bay	myeshia.armstrong@csueastbay.edu	510-885-3749
Representative	Jaime Horio	Interim EHS Director/Risk Manager	Fresno	California State University, Fresno	jhorio@csufresno.edu	559-278-8787
Alternate	Matt Hawkins	Vice President for Administration and Chief Financial Officer	Fresno	California State University, Fresno	matthawkins@mail.fresnostate.edu	559-278-2083
Representative	Michael Coughlin	Risk Manager	Fullerton	California State University, Fullerton	mcoughlin@fullerton.edu	657-278-8673
Alternate	Anne Grogan	Compliance Manager	Fullerton	California State University, Fullerton	agrogan@fullerton.edu	657-278-5465
Representative	Christina Koczera	Director of Risk Management and Safety Services	Humboldt	Cal Poly Humboldt	christina.jones@humboldt.edu	707-826-4635
Alternate	Sherie Gordon	Interim Vice President for Administration and Finance	Humboldt	Cal Poly Humboldt	Sherie.Gordon@humboldt.edu	707-826-3351
Representative	Scott Apel	Vice President and Chief Financial Officer, Administration and Finance	Long Beach	California State University Long Beach	scott.apel@csulb.edu	562-985-1658
Alternate	Jeff Wood	Risk Manager	Long Beach	California State University, Long Beach	Jeff.Wood@csulb.edu	562-985-2396
Representative	Claudia Lindow	Senior Associate VP Administration & Finance	Los Angeles	California State University, Los Angeles	clindow@calstatela.edu	323-343-3500
Alternate	Nidavone Niravanh	Director of Risk Management and EH&S	Los Angeles	California State University, Los Angeles	nnirava@calstatela.edu	323-343-3527
Representative	Angela Kraetsch	Acting CFO	Maritime	California Maritime Academy	akraetsc@calpoly.edu	707-654-1038
Alternate	Vacant		Maritime	California Maritime Academy		

CSURMA BOARD OF DIRECTORS MEMBERS

AS OF JULY 2025

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
Representative	Melissa Jarnagin	Vice President for Administration and Finance	Monterey	California State University, Monterey Bay	mjarnagin@csumb.edu	831-582-3478
Alternate	Amy Thomas	Director for Environmental Health, Safety & Risk Management	Monterey	California State University, Monterey Bay	amythomas1@csumb.edu	831-582-4766
Representative	Edith Winterhalter	Director, Administrative Services	Northridge	California State University, Northridge	edith.t.winterhalter@csun.edu	818-677-4066
Alternate	Lisa Telles	Risk Manager	Northridge	California State University, Northridge	lisa.telles@csun.edu	818-677-2079
EC	Colin Donahue	VP, Administration & Finance	Northridge	California State University Northridge	colin.donahue@csun.edu	818-677-2333
Representative	Mike Yu	Executive Director of Parking, Transportation & Administrative Services Risk Management	Pomona	California State Polytechnic University	myyu@cpp.edu	909-869-4631
Alternate	Joseph Encarnacion	Risk Manager	Pomona	California State Polytechnic University	encarnacion2@cpp.edu	909-869-2498
Representative	Christopher McAlary	Interim Vice President and Chief Financial Officer for Administration and Business	Sacramento	California State University, Sacramento	c.mcalary@csus.edu	916-278-6312
Alternate	Gary Rosenblum	Senior Director, Risk Management Services	Sacramento	California State University, Sacramento	gary.rosenblum@csus.edu	916-278-5252
Representative	Lynniece Warren	Executive Director Risk Management	San Bernardino	California State University, San Bernardino	Lynniece.Warren@csusb.edu	951-963-1546
Alternate	Dr. Samuel Sudhakar	Administrator-in-Charge	San Bernardino	California State University, San Bernardino	ssudhakar@csusb.edu	909-537-5100
Representative	Agnes Wong Nickerson	Interim VP and CFO	San Diego	San Diego State University	awongnickerson@sdsu.edu	619-594-6017
Alternate	Jessica Rentto	Associate Vice President Administration	San Diego	San Diego State University	jrentto@mail.sdsu.edu	619-594-8640
Representative	Jeff Wilson	Vice President of Administration and Finance, CFO	San Francisco	San Francisco State University	wilsonjd@sfsu.edu	415-338-2599
Alternate	Michael Beatty	Risk Manager	San Francisco	San Francisco State University	mbeatty@sfsu.edu	415-338-1124
Representative	Karen Vogler	University Risk Manager	San Jose	San Jose State University	karen.vogler@sjsu.edu	408-924-2159
Alternate	Kathy Kaoudis	Vice President of Administration and Finance, CFO	San Jose	San Jose State University	kathy.kaoudis@sjsu.edu	408-924-1500
Representative	Mike Morgan	Risk Manager, Strategic Business Services	San Luis Obispo	California Polytechnic State University, San Luis Obispo	mmorga35@calpoly.edu	805-756-6755
Alternate	Allison Baird-James	Senior Vice President of Administration & Finance	San Luis Obispo	California Polytechnic State University, San Luis Obispo	abj@calpoly.edu	805-756-2171
Representative	Brittani Brown	AVP of Administration	San Marcos	California State University, San Marcos	bbrown@csusm.edu	760-750-4955
Alternate	Leon Wyden	Vice President, Finance & Administrative Services	San Marcos	California State University, San Marcos	lwyden@csusm.edu	760-750-4950
Representative	Tyson Hill	Interim Senior Director for Risk Management	Sonoma	Sonoma State University	tyson.hill@sonoma.edu	707-664-4039
Alternate	Vacant		Sonoma	Sonoma State University		
Representative	Rose McAuliffe	Vice President Business & Finance / CFO	Stanislaus	California State University, Stanislaus	rmcauliffe@csustan.edu	209-667-3077
Alternate	Vicki Jones	Director, Safety & Risk Management	Stanislaus	California State University, Stanislaus	vjones1@csustan.edu	209-667-3572

**CSURMA BOARD OF DIRECTORS MEMBERS
AS OF JULY 2025**

Representative /Alternate	Member	Position	Campus	Organization	E-Mail	Telephone Number
AORMA/EC	Chuck Kissel	Executive Director	Fullerton	CSU Fullerton Auxiliary Services Corporation	ckissel@fullerton.edu	657-278-4101
AORMA/EC	Bill Olmsted	Executive Director	Sacramento	University Union Operation of CSUS, Inc.	olmsted@csus.edu	916-278-7911
AORMA Rep	Leslie Levinson	Chief Financial Officer	San Diego	San Diego State University Research Foundation	llevinson@sdsu.edu	619-594-1076
AORMA Rep	Tranitra Avery	Executive Director	Dominguez Hills	Toro Auxiliary Partners, CSU Dominguez Hills	tsavery@csudh.edu	310-243-2501
AORMA Rep	Cecilia Ortiz	Executive Director	Northridge	University Student Union, Inc. at CSUN	Cecilia.ortiz@csun.edu	818-677-3024
AORMA Rep	Raven Tyson	Associate Director of Business Operations	San Diego	Associated Students, San Diego State University	rtyson@sdsu.edu	619-594-3760
AORMA Rep	Barnaby Peake	Executive Director	Los Angeles	Associated Students, Inc., CSU Los Angeles	bpeake@calstatela.edu	323-343-5858
AORMA Rep	Rosa Hernandez	Director, Human Resources	Long Beach	Forty-Niner Shops, Inc. & Associated Students, Inc.	rosa.hernandez@csulb.edu	562-985-7854
AORMA Rep	Keith Crawford	Risk Manger	Chico	Associated Students of CSU, Chico	tkcrawford@csuchico.edu	530-898-3447

CSURMA Service Matrix			
Coverage	Contact	E-Mail Address	Office
JPA Program Administrator – Alliant Insurance Services, Inc.			
Alliant Claims Consulting	Elaine (Kim) Tizon	elaine.tizon@alliant.com	415-403-1458
	Diana Walizada	dwalizada@alliant.com	415-403-1453
	Robert Frey	rfrey@alliant.com	415-403-1445
Certificate of Insurance Requests	La Shaunda Wallace	lashaunda.wallace@alliant.com	415-403-1489
	Tevea Him	thim@alliant.com	415-403-1416
CSURMA Budget	Mimi Long	mlong@alliant.com	415-403-1423
Form 700	Tevea Him	thim@alliant.com	415-403-1416
General AORMA Coverage Questions (Auxiliary Organizations only)	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
	Daniel Howell	dhowell@alliant.com	415-403-1426
General CSURMA Coverage Questions (CAMPUS only)	Van Rin	vrin@alliant.com	415-403-1408
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
	Daniel Howell	dhowell@alliant.com	415-403-1426
General Risk Management Questions (AORMA)	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
	Daniel Howell	dhowell@alliant.com	415-403-1426
General Risk Management Questions (Campus)	Van Rin	vrin@alliant.com	415-403-1408
	Daniel Howell	dhowell@alliant.com	415-403-1426
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
Risk Pool Rating Plans (AORMA)	Mimi Long	mlong@alliant.com	415-403-1423
Risk Pool Rating Plans (Campus)	Mimi Long	mlong@alliant.com	415-403-1423
Website and Technology Questions	Tevea Him	thim@alliant.com	415-403-1416
	La Shaunda Wallace	lashaunda.wallace@alliant.com	415-403-1489
	Myron Leavell	mleavell@alliant.com	415-403-1404
Workers' Compensation Claims Consultant	Deanna Jacona	deanna@hudsonclaimsconsulting.com	530-605-7152

Contacts by Coverages			
ADWRP (Alliant Deadly Weapon Response Program)	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
AIME	Stacey Weeks	sweeks@alliant.com	415-403-1448
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
AMVP (Alliant Mobile Vehicle Program)	La Shaunda Wallace	lashaunda.wallace@alliant.com	415-403-1489
	Yvonne Killian	yvonne.killian@alliant.com	916-643-2748
Boiler & Machinery Program - AORMA	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
Boiler & Machinery Program - Campuses	Van Rin	vrin@alliant.com	415-403-1408
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
BRIP (Builders Risk Insurance Program)	Shadi Jalali	shadi.jalali@alliant.com	949-433-8238
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
	Mimi Long	mlong@alliant.com	415-403-1423
Club Sports / Intramurals	Stacey Weeks	sweeks@alliant.com	415-403-1448
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
CPL (Contractors Pollution Liability)	Shadi Jalali	shadi.jalali@alliant.com	949-433-8238
CSU Medical Malpractice Coverage	Van Rin	vrin@alliant.com	415-403-1408
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
CSU Rocketry Program	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
Cyber Liability	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423

CSURMA Service Matrix			
Coverage	Contact	E-Mail Address	Office
DRIP (Drone Insurance Program)	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
FAAAP (Fine Arts, Artifacts & Archives Program)	PJ Skarlanic	pskarlanic@alliant.com	415-403-1455
Fidelity-Crime Program	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
Foreign Travel Program	Van Rin	vrin@alliant.com	415-403-1408
	Yvonne Killian	yvonne.killian@alliant.com	916-643-2748
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
Inland Marine	Van Rin	vrin@alliant.com	415-403-1408
	Yvonne Killian	yvonne.killian@alliant.com	916-643-2748
	Mimi Long	mlong@alliant.com	415-403-1423
Non-Owned Aviation Liability	Van Rin	vrin@alliant.com	415-403-1408
	Mimi Long	mlong@alliant.com	415-403-1423
OCIP (Owner Controlled Insurance Program)	Pamela Quiroz	pamela.quiroz@alliant.com	213-443-2469
	Jim Holobaugh	jholobaugh@alliant.com	214-273-3156
OPPI (Owners's Protective Professional Insurance)	Amy Lightner	amy.lightner@alliant.com	415-403-1457
PAI (Participant Accident Insurance)	Tevea Him	thim@alliant.com	415-403-1416
	Van Rin	vrin@alliant.com	415-403-1408
SAFECLIP (Student Academic Field Experience for Credit Liability Insurance Program)	Van Rin	vrin@alliant.com	415-403-1408
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
Special Events Insurance	Yvonne Killian	yvonne.killian@alliant.com	916-643-2748
	Van Rin	vrin@alliant.com	415-403-1408
SPLIP (Student Professional Liability Insurance Program)	Van Rin	vrin@alliant.com	415-403-1408
	Amy Lightner	amy.lightner@alliant.com	415-403-1457
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