CSAC Excess Insurance Authority (EIA)

**INDUSTRY**
Governmental Entity – Joint Powers Authority

**LOCATION**
Folsom, California

**FEATURED SOLUTION**
Abila MIP Fund Accounting™

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**CHALLENGE**
To respond to members’ evolving needs, CSAC EIA continually adds programs, modifies its structures, and adapts to a highly-cyclical insurance marketplace. It needs an accounting system that can adapt with equal speed, flexibility, and responsiveness.

**SOLUTION**
A true fund accounting system, Abila MIP Fund Accounting enables CSAC EIA to grow its membership, add programs, efficiently and transparently manage budget reporting, and meet stringent California State Controller’s audit requirements.

**BENEFITS**
The EIA’s accounting workload has increased approximately 30 percent year-over-year for the past three years, yet it has been able to grow and scale without adding any additional staff. MIP has enabled the team to work “smarter, faster, and leaner,” according to CFO Marianne Stuart.

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CSAC EIA Accounting Team Works Smarter, Faster, Leaner with Abila MIP Fund Accounting

**THE CHALLENGE**
A member-directed insurance risk sharing pool, the CSAC Excess Insurance Authority (EIA) offers insurance solutions and risk management services to help California public entities proactively control losses and prepare for various exposures. It offers programs like excess and primary workers’ compensation, excess and primary liability, medical malpractice, and property insurance.
The EIA’s membership includes 55 of the 58 counties in California, 60 percent of the state’s cities, numerous school districts, housing authorities, fire districts, and other Joint Powers Authorities.

“We were founded in 1979 in response to an insurance crisis,” explains CEO Michael Fleming. “Our members banded together because it became very difficult for them to buy insurance. Public agencies tend to be high risk in certain areas, so this difficulty was somewhat related to the riskiness of our membership, but it also had to do with general conditions in the insurance market.”

The EIA CARES
The EIA clearly cares about its members. In fact, its mission is built around the acronym CARES – it strives to provide programs and services that are Competitive, Available, Responsive, Equitable, and Stable.

MIP Fund Accounting helps the EIA further this mission in numerous ways, particularly when it comes to being competitive and stable.

Controller Vicki Walter, CPA explains, “A lot of the functionality in MIP helps us work efficiently, which makes us competitive and helps us maintain financial stability. We bill about $285 million worth of receivables in July of each year. To accomplish this, we use the import function in MIP, uploading very complex invoicing spreadsheets into the system. We’re not rekeying all of that data, so that saves us a lot of time and potential keying errors.

“We also use the functionality that enables us to email invoices to members. That’s a big time and money saver for us, versus printing and mailing. And, in many cases, our members request that two or three or even four people receive a copy of their invoice. It’s very easy to just ‘CC’ them when we’re emailing invoices out of the system.”

The Authority’s CFO, Marianne Stuart, says the fiscal stability that MIP’s email functionality enables is twofold: First, it helps ensure invoices are received and paid efficiently. “In July last year, for instance,” she explains, “we billed 800 members for $285 million, and by September, we had collected all but $5,000.”

“A lot of the functionality in MIP helps us work efficiently, which makes us competitive and helps us maintain financial stability.” –Vicki Walter, CPA

Controller
Second, she says, it helps the EIA keep staffing needs in-check. “We're probably issuing 10 to 15 percent more invoices now than we did three or four years ago, and we’re getting them all out with the same number of staff members in under a week’s time. It used to be a two-week process, so we cut our production time by about 50 percent. This year, we even got our annual invoices out when we were down one staff member. We're only a five-person accounting department, so we were down 20 percent, and still got them out with no missteps.”

MIP Helps the EIA Respond to Members
“We want to provide our services transparently,” continues Stuart. “One of the things that Abila has allowed us to do is report accurately to our members. They each can belong to some or all of our different programs, depending on their needs. So, we have to be able to communicate to them our results of operation effectively and accurately.”

“MIP was recommended by our CPA firm who does a lot of other Joint Powers Authorities, and so it was one that we checked out right away. It was just head-and-shoulders above the others that we looked at.” ~Marianne Stuart, CFO
“We have 13 funds in entirety,” adds Walter. “These 13 programs all have to be accounted for and reported on separately. The five of us have to make sure this gets done, and provide the information to our committees for decision making. We can always count on our funds being in balance, thanks to MIP.”

EIA Performs “Corporate Class” Accounting

“I’ve been here since 2006, so I was here for a long time under our old accounting system,” says Stuart. “As soon as I got to be CFO and could make a change, the first thing on my agenda was to go look in the market and get a true fund accounting system. MIP was recommended by our CPA firm who does a lot of other Joint Powers Authorities, and so it was one that we checked out right away. It was just head-and-shoulders above the others that we looked at.

“We converted to MIP within the middle of our fiscal year. We got our end-of-year reports out, closed our audit on time, and did our fieldwork on time. Everything was just there. We didn't have to dig up old stuff. The conversion went so smoothly, under budget, and on time. For a CPA, for an accountant, that kind of thing matters.

“We couldn't be where we are today without a good fund accounting system, and this system works,” concludes Stuart. “There's an ease of use and a transparency in what's happening in the system, and built-in checks and balances that you need to have. It can't make a mistake. It can't allow us to make a mistake. That's the kind of accounting system you need.

“At the end of this year’s audit, our accountants said their bid would have been higher had we been using our old methods and our old accounting system, so we're happy. Our fee this year is actually less than it has been in previous years. This is because our accountants understood that because we’re using true fund accounting software, they didn’t have to audit our transactions as thoroughly as if we had been creating them all ourselves. They knew the system was working the way it was supposed to, and appropriately posting to the correct funds. They consider us ‘corporate class’ accounting now.”

About Abila

Abila is the leading provider of software and services to associations, nonprofit organizations, and government agencies that help them improve decision making, execute with greater precision, increase engagement, and generate more revenue. With Abila solutions association, nonprofit, and government professionals can use data and personal insight to make better financial and strategic decisions, enhance member and donor engagement and value, operate more efficiently and effectively, and increase revenue to better activate their mission. Abila combines decades of industry insight with technology know-how to serve more than 8,000 customers across North America. For more information, please visit www.abila.com.