November 13, 2025

To: Members of the Board of Trustees, University of Illinois

From: Tim Killeen, President, University of Illinois System

Subject: Annual Insurance Disclosure and Delegated Purchases

In accordance with the authority delegated by the Board of Trustees on March 15, 2012, this letter provides a summary of commercial insurance purchases for Fiscal Year 2026.

The Office of Risk Management, in coordination with the Office of the Comptroller, successfully renewed the University System's excess commercial insurance policies in support of its self-insurance programs. These policies continue to provide financial stability and protection against a broad range of institutional risks. As in prior years, final terms and pricing were negotiated close to the renewal date to ensure continuity of coverage and favorable market positioning.

FY26 Insurance Highlights

Board Legal & Public Liability: Renewed with industry-standard terms and adjusted premiums. The annual cost rose from $3,561,232 to $4,262,697.

Medical Professional Liability: Renewed excess coverage for claims-made policies, including customized protection for certain off-site providers. The cost for operations designated as onsite increased from $4,555,244 to $6,322,895 while off-site coverage decreased slightly from $2,474,433 to $2,473,654.

Property Insurance: Updated valuations and coverage limits to reflect approximately $1.5 billion in insured property systemwide. The annual premium decreased from $7,754,724 to $6,379,081.

Cyber Liability: Maintained cyber liability and breach response insurance. The annual cost decreased from $526,902 to $496,992.

In addition, and as previously authorized, the Comptroller retains settlement authority up to $1.0 million. In accordance with reporting obligations, settlements exceeding $250,000 but below $1.0 million are summarized annually. For Fiscal Year 2025, there were 11 settlements that fell within this range. In addition, there were 27 claims settled below $250,000 for a total of $1.4 million, and five claims exceeded $1.0 million for a total of $19.8 million.

The University System remains committed to a disciplined, proactive approach to risk financing–balancing prudent financial stewardship with the protection of institutional assets and operations.

Thank you.