REPORT ON EXAMINATION
OF THE
SEGREGATED GIFT ANNUITY FUND
OF THE
SKIDMORE COLLEGE

AS OF December 31, 2023

EXAMINER: Hasan Ahmed

DATE OF REPORT: December 12, 2025

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March 9, 2026

Honorable Kaitlin Asrow
Acting Superintendent of Financial Services
New York, New York 10004

Dear Kaitlin Asrow:

In accordance with instructions contained in Appointment No. 32642, dated July 1st, 2024, and annexed hereto, an examination has been made into the condition and affairs of the Segregated Gift Annuity Fund of the Skidmore College. The Fund's home office is located at 815 North Broadway, Saratoga Springs, NY 12866.

The report indicating the results of this examination is respectfully submitted.

1. EXECUTIVE SUMMARY

The Investment Policy Statement should be approved by the board of trustees. (See item 4A of this report)

The examiner's review of the Fund's treatment of annuitants did not reveal significant instances which deviated from the New York Insurance Law, Department regulations and circular letters and the operating rules of the Fund. (See item 6 of this report)

2. SCOPE OF EXAMINATION

This Scope of Examination summarizes the nature of the Superintendent of the Department of Financial Services' (the "Department") examination and assessment of the Skidmore College (the "Fund") through which Skidmore College (the "College") provides annuity benefits.

The prior examination was conducted as of December 31, 2018. This examination covers the period from January 1, 2019 through December 31, 2023. As necessary, the examiner reviewed transactions occurring subsequent to December 31, 2023 but prior to the date of this report (i.e., the completion date of the examination).

This report outlines DFS's supervisory expectations or priorities and articulates DFS's general views regarding the exceptional circumstances where the College or Fund, in relation to their annuity activities, could have better satisfied statutory standards or to adhered to practices or methods of dealing that are regularly observed among similar circumstances.

The Fund is subject to the solvency and examination requirements of New York Insurance Law § 1110 and of New York Insurance Law articles 1, 2, 3, 25, and 74.

The investment of the Fund's required admitted assets is subject to N.Y. Estates, Powers and Trust Law § 11-2.3. The investment of the remainder of the Fund's admitted assets is subject to N.Y. Not-for-Profit Corporation Law Article 5-a. Both establish that the trustees are to invest the assets consistent with prudent person standards.

The examination comprised a verification of assets and liabilities as of December 31, 2023 to determine whether the Fund's filed 2023 annual statement fairly presents its financial condition. The examiner reviewed the Fund's income and disbursements necessary to accomplish such verification. The examiner also reviewed the corrective actions taken by the Fund with respect to the violation and recommendations contained in the prior report on examination. The results of such review are contained in item 7 of this report.

3. DESCRIPTION OF FUND

A. History

Skidmore College was chartered in 1911 and is organized for the promotion of education. The College established the Fund to issue gift annuity agreements in return for gifts from donors in 1993. The Superintendent of Insurance granted to the Organization a Charitable Annuity Society special permit on March 5, 1999.

B. Structure

The Fund is overseen by the College's board of trustees. All operations related to the issuance, maintenance and settlement of annuity agreements are handled by the Fund.

C. Assets under the Board of Trustees

As of the May 31, 2023, audited financial statement, the Organization's Board of Trustees oversaw an endowment comprising $428,878,236 in total assets. The Fund, as of December 31, 2023, held total admitted assets of $3,861,565.

D. Third Party Service Providers

Bank of New York Mellon ("BNY Mellon") is the custodian of the Fund's assets and investment manager. BNY Mellon is responsible for Fund accounting, annual statement preparation, and annuity payments.

4. INVESTMENT REVIEW

A. Investment Policy Statement

New York Estate Powers and Trust Law § 11-2.3(b)(3)(A) requires trustees to "pursue an overall investment strategy to enable the trustee[s] to make appropriate present and future distributions to or for the benefit of the beneficiaries under the governing instrument, in accordance with risk and return objectives reasonably suited to the entire portfolio."

New York Not-for-Profit Corporation Law § 552(e)(2) requires institutions to adopt "an overall investment strategy having risk and return objectives reasonably suited to the fund and to the institution." New York Not-for-Profit Corporation Law § 552(f) provides that each "institution shall adopt a written investment policy setting forth guidelines on investments … and delegation of management and investment functions in accord with the standards of this article."

The examiner's review of the Fund's Investment Policy Statement ("IPS") revealed that the board failed to approve the IPS.

The Investment Policy Statement should be approved by the board of trustees.

5. ASSETS AND LIABILITIES SUMMARY

The following summary table indicates the decline in various categories of the Fund's assets, liabilities, and fund balance during the period under review:

	December 31, 2018	December 31, 2023	(Decrease)
Admitted assets	$4,456,925	$3,861,565	$(595,360)
Liabilities	$3,141,625	$2,610,140	$(531,485)
Minimum required fund balance	$ 314,162	$ 261,014	$ (53,148)
Excess fund balance (surplus)	1,001,137	990,411	(10,726)
Total annuity fund balance	$1,315,300	$1,251,425	$ (63,875)
Total liabilities and annuity fund balance	$4,456,925	$3,861,565	$(595,360)

The decrease in assets, liabilities, and annuity fund balance reflects a decrease in the total number of annuities in force and investment losses. Annuities decreased from 139 with annual payment amounts of $363,558 as of December 31, 2018, to a total of 126 with annual payment amounts of $322,181 as of December 31, 2023.

The Fund's admitted assets, as of December 31, 2023, were invested in equity securities (96.41%).

6. TREATMENT OF ANNUITANTS

The examiner reviewed a sample of annuity files to determine whether the annuitants were treated fairly and in accordance with the provisions of the annuity agreements. The examination also consisted of a review of the various controls involved, a check of the accuracy of the computations and the tracing of accounting data to the books of account.

Based upon the sample reviewed, no significant findings were noted.

7. PRIOR REPORT VIOLATION & RECOMMENDATIONS

Following are the violation and recommendations contained in the prior report on examination and the subsequent actions taken by the Fund in response to each citation:

Item	Description
A	The Fund's use of gift annuity forms that differed from the gift annuity form that had been filed with the Superintendent violated New York Insurance Law § 1110(a). The examiner recommends that the Fund use only those gift annuity agreement forms that had been filed with the Superintendent. The Fund used only those gift annuity agreement forms that had been filed with the Superintendent.
B	The examiner recommends that upon the death of an annuitant, the Fund obtain and maintain a death certificate or other reliable documentary evidence that supports such information terminating an annuity contract. The Fund maintained a death certificate or other reliable documentary evidence that supported such information terminating an annuity contract.

8. RECOMMENDATION

Following is the recommendation contained in this report:

Item	Description	Page No(s).
A	The Investment Policy Statement should be approved by the board of trustees.	5

Respectfully submitted,

/s/
Hasan Ahmed
Senior Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF NEW YORK)

HASAN AHMED, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

/s/
Hasan Ahmed

Subscribed and sworn to before me

this _____ day of _____

APPOINTMENT NO. 32642

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

*I, **ADRIENNE A. HARRIS**, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:*

HASAN AHMED

as a proper person to examine the affairs of the

SEGREGATED GIFT ANNUITY FUND OF THE SKIDMORE COLLEGE

and to make a report to me in writing of the condition of said

FUND

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed my name and affixed the official Seal of the Department at the City of New York

this 1st day of July, 2024

ADRIENNE A. HARRIS
Superintendent of Financial Services

By: Mark McLeod

MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU