

December 30, 2025

Tomiquia Moss, Secretary
California Business, Consumer Services and Housing Agency
500 Capitol Mall, Suite 1850
Sacramento, CA 95814

Dear Secretary Tomiquia Moss,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the State Athletic Commission submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2025.

Should you have any questions please contact Andy Foster, Executive Officer, at (916) 263-2478, Andy.Foster@dca.ca.gov.

GOVERNANCE

Mission and Strategic Plan

Mission

The California State Athletic Commission is dedicated to the health and safety of participants, and the welfare of all stakeholders in regulated combat sporting events, through ethical and professional service.

Goal 1: Health and Safety

The Commission oversees a safe and healthy environment for participants in regulated combat sporting events.

- ? Enhance drug testing practices to protect licensees.
- ? Enhance concussion management protocols to protect licensees.
- ? Increase communication and education about the risks of weight cutting to fighters, matchmakers, and promoters to maintain appropriate matches.
- ? Educate matchmakers on establishing appropriate matches and compensation for participants.
- ? Educate on-site ambulance drivers on the statutes and regulations[1] which require the immediate transportation of injured fighters.

Goal 2: Licensing and Enforcement

The Commission is recognized as an international leader in promoting licensing standards for participants and stakeholders in regulated combat sporting events and protects consumers by preventing violations and effectively enforcing laws and regulations when violations occur.

- ? Develop and implement an online system for applying for and renewing licenses to improve efficiency.
- ? Publish the Commission's rules available online and on social media in multiple languages to ensure equitable access and improve compliance.

Goal 3: Legislation, Regulation, and Policy

The Commission pursues statutes, regulations, policies, and procedures that strengthen and support their mandate and mission.

- ? Implement the Association of Boxing Commission (ABC) unified rules for all CSAC regulated sports.

Goal 4: Organizational Effectiveness

The Commission builds an excellent organization through proper governance, effective leadership, and responsible management.

- ? Document internal processes to maintain continuity of the Commission's day to day functions.
- ? Improve the Commission's website to provide a more user-friendly experience.
- ? Explore alternative funding sources, including funding models from other states, to increase the stability of the Commission's fund.

Goal 5: Economic Development and Pension Plans

The Commission effectively manages the California Professional Boxers Pension Fund and the Mixed Martial Arts Retirement Benefit and promotes the increased economic benefits at the state and local level through licensed events that the Commission oversees.

- ? Identify and develop additional revenue streams to increase pension payouts to athletes.
- ? Increase awareness of the pension plan program through public outreach.
- ? Collaborate with local governments to develop a formal tax exemption for promoters to hold major events.

Goal 6: Outreach and Stakeholder Engagement

The Commission proactively communicates its mission, vision, and goals to stakeholders.

- ? Build partnerships with peer governing bodies to foster collaboration and build partnerships.
- ? Strengthen the Commission's social media presence to highlight its role and dedication to serving California.
- ? Seek an incentive package with the Legislature to help tribal communities and the state benefit from event-based tourism.
- ? Proactively collaborate with tribal communities to build and maintain relationships.

Control Environment

The Executive Officer (EO), Andy Foster, is the head of the Commission and is responsible for the overall establishment and maintenance of the internal control and monitoring systems. The Executive Officer reports directly to a Commission of 7 members that are appointed by the Governor, the Senate Committee on Rules and the Speaker of the Assembly. The EO maintains regular communication with the Chair of the Commission as well as weekly reports to all Commission members, per Commission Policy. Executive management is responsible for recruitment and ensures a competent workforce, evaluates staff performance and enforces accountability.

Management establishes integrity and ethical values by demonstrating respect, dedication to a job well done, collaboration with staff on important issues arising, establishing an employee code of conduct, and ultimately gaining employees' trust. Management regularly coaches and trains staff on excellent customer service and commitment to our licensees.

The Commission's primary functions are licensing, regulation of events, and enforcement. California Code of Regulations section 206 states the jurisdiction, duties and responsibilities of all commission representatives and employees shall be established by the Executive Officer, subject to the approval of the Commission.

Management documents all processes and procedures by developing and regularly updating Standard Operating Procedures, which are maintained in a centralized location on a shared electronic file, distributed to all staff via email and a printed hard copy.

Management fills vacancies as needed if funding is available, and works to recruit the best possible candidates by utilizing screening criteria and best practices. In addition to the recruitment of civil service staff in the office, the Executive Officer works diligently to recruit the best possible officials for the high-level matches held in California. Recruitment of these officials in boxing often involves input from sanctioning body stakeholders such as the World Boxing Council (WBC), International Boxing Federation (IBF), World Boxing Organization (WBO),

World Boxing Association (WBA), and International Boxing Organization (IBO). Recruitment of the officials in mixed martial arts requires analysis from MMA Decisions, or any other analytical tools available to ensure that high level judges and referees are officiating high level mixed martial arts, and the highest-level judges and referees are officiating the title fights in UFC and Bellator. We also host regular trainings for the officials via videoconference and in person so that they are the most competent in the country.

Management works with staff on Individual Development Plans and provides opportunities for staff to grow in their careers. These opportunities include training through the Department of Consumer Affairs (DCA), internal cross training amongst staff, and outside training provided by private vendors or other state agencies such as CalHR and Office of Administrative Law. Staff also have opportunities to apply and participate in DCA's Mentorship Program. Management holds all staff accountable for their workload and actions by holding counselling sessions, issuing counselling memorandums, and if needed, formal discipline.

Information and Communication

The Commission has several means to share information regarding operational, programmatic and financial decision making. The Assistant Executive Officer works closely with the EO and meets regularly to discuss areas of concern associated with the industry, internal and external risks to the Commission, staff performance, staff accountability, field operations, and fiscal concerns. The EO also provides weekly EO Reports to the Commissioners containing updates regarding the budget, administrative issues, staffing updates, industry concerns, regulatory affairs, and upcoming events.

In addition, the Commission meets four times per year in a public setting to handle matters relating to licensure and appeals of license denials, suspension and fines, propose and review regulations or legislation focused on maintaining the health and safety of fighters, oversee its delegated entities, consider issues related to the Boxer Pension Program and the Neurological Examinations Account, evaluate funding and revenue strategies, and address a variety of topics brought forth by stakeholders.

Commission staff utilizes TEAMS, an online Microsoft program used to share electronic files, instant messaging, and live video meetings. The EO, AEO, Chief Athletic Inspector, and Assistant Chief Athletic Inspector maintains regular communication via TEAMS, telephone and/or email with all Athletic Inspectors. The Athletic Inspectors attend mandatory training at least twice per year.

The Commission actively leverages social media platforms—Facebook, Instagram, and X—as strategic tools for public outreach and engagement. These platforms enable the Commission to share timely updates, promote initiatives, and foster dialogue with diverse communities. This

digital presence complements traditional outreach efforts and ensures broader access to information across demographic and geographic boundaries.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the State Athletic Commission monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Andy Foster, Executive Officer.

The Commission's EO reports risks and risk management strategies to the Commissioners on a weekly basis and at the Commission's public meetings four times per year. The following activities are performed to ensure internal controls are effective:

- ? EO meets regularly with executive management to discuss the day to day operations;
- ? Executive management holds routine staff meetings and one-on-one meetings with staff regarding staff performance and expectations;
- ? Routine internal audits are conducted on Event Packets to determine effectiveness of internal procedures and processes in place;

RISK ASSESSMENT PROCESS

The following personnel were involved in the State Athletic Commission risk assessment process: executive management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, external stakeholders, and consideration of potential fraud.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, potential impact of remediation efforts, and tolerance level for the type of risk.

RISKS AND CONTROLS

Risk: Lack of Online Licensing and Tracking System

The Commission currently lacks robust, integrated systems to effectively collect, process, and monitor licensing and enforcement workloads online. In the absence of such infrastructure, staff rely on workaround solutions—often manual or fragmented—which introduce significant inefficiencies and operational deficits. These limitations hinder: workload tracking, business analytics and actionable insights.

Control: Business Modernization Plan

The Commission, in partnership with the Department of Consumer Affairs (DCA), has initiated a comprehensive Business Modernization Plan to address longstanding inefficiencies in licensing and enforcement workload management. This effort is designed to replace outdated workaround systems with a robust, integrated platform that supports operational excellence and data-driven decision-making. The plan objectives are:

- Streamline Licensing & Enforcement: Replace fragmented systems with a unified digital platform.
- Enhance Data Capabilities: Improve workload tracking, analytics, and reporting for strategic management.
- Ensure Compliance: Align with the California Department of Technology's Project Approval Lifecycle (PAL) requirements.

The Administrative Executive Office (AEO) continues to work closely with the Office of Information Services (OIS) to advance these modernization efforts, while strategically monitoring its fund, expenditures, and revenues. It will define critical business needs, assess cost-effective solutions, and develop phased implementation schedules.

Risk: Reliance on Key Personnel

The Commission operates with a lean staff while regulating more combat sports events than any other state commission. It relies heavily on a few key individuals—EO, AEO, Chief Athletic Inspector, and Assistant Chief Athletic Inspector—for field operations and regulatory oversight. Any long-term absence could disrupt operations, compromise fighter safety, and weaken regulatory integrity.

Control: Training of Personnel

Staff members are being cross-trained to ensure continuity of operations in the event of personnel absences. Critical procedures and event protocols are being documented and standardized to reduce reliance on individual expertise. The Chief Athletic Inspector and the Assistant Chief Athletic Inspector actively train the Lead Inspectors and the Inspectors that work in the field so that they are able to perform the duties necessary to ensure the health and safety of the participants at Commission regulated events.

Risk: Boxers Pension Plan

The Commission is responsible for administering the Boxer Pension Plan. Lack of administrative and fiscal resources make it difficult to fully run this program at an acceptable level.

Control: Outreach

The Commission will continue to use the resources available to reach out to potential Boxer Pension Plan participants and continue to look at other possible alternative options to promote the Boxer Pension Plan.

Risk: Uncertainty within the Combat Sports Industry

The Commission's revenues are not predictable, not always stable and fluctuate greatly depending on the number of combat sporting events held in California for which the Commission provides oversight.

Control: Working Closely with Major Industry Stakeholders

The Commission remains committed to expanding opportunities and elevating the profile of combat sports in California. The Commission will continue to work closely with promoters to attract larger, high-profile events to the state. The Commission also intends to collaborate with the United States Congress to ensure that professional boxers in California benefit fully from the opportunities that H.R. 4624 may provide

Control: Closely Monitor Fund

To ensure financial stability and operational continuity, Commission staff will continue to work in close coordination with the Department of Consumer Affairs (DCA) Budget Office to monitor the California State Athletic Commission (CSAC) fund. This ongoing collaboration is designed to proactively identify and address any fiscal issues that may necessitate operational adjustments or fee modifications.

CONCLUSION

The State Athletic Commission strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Andy Foster, Executive Officer

CC: California Legislature [Senate, Assembly]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency