



## **PROPERTY LOSS PREVENTION POLICY**

It shall be the policy of Northern California Schools Insurance Group (NCSIG) to require all of its members to be in compliance with the minimum steps in the prevention of property claims related to the JPA's major known loss drivers as stated below. Compliance with this policy by all NCSIG members will assist in the long term reduction of excess property rates by improving the JPA's negative property claims experience.

### **1. Property Loss Education**

- a. NCSIG Risk Control will host two webinars each year intended to educate NCSIG member administrators and facilities staff on the policies and procedures required of members to take the minimum steps in the prevention of certain common property claims.
- b. NCSIG Risk Control will disseminate monthly risk control flyers. These are to be disseminated to all staff in an effort to decrease property claims.

### **2. Property Loss Prevention Measures**

In the event of a claim in the following categories, NCSIG members must provide proof of having performed the preventative measures as described below at the time of the claim. Any evidence that these protocols were not followed, the member will be **subject to a \$10,000 higher Self Insured Retention (SIR)** for the related claim.

#### **a. Winter Storm Preparation**

- i. Clean/clear debris and other objects from the roof, gutters, roof drains, and downspouts annually prior to the start of the winter season, before Thanksgiving, Christmas, and spring breaks.
- ii. Maintain building temperatures above 40°F (4°C) at the coldest points in the building (e.g., corners at the windward end of a building, at the eaves and in spaces with no direct heat).
- iii. Install insulation sleeves or heat tape on plumbing vulnerable to freezing such as pipes located outside walls and windows, uninsulated pipes, and pipes installed near unheated spaces.
- iv. Monitoring of heating equipment during school closure at least every 3 days to ensure equipment is properly working and that pipes have not burst OR utilization of freeze alarm(s) to notify a district representative.

#### **b. Fire**

- i. The practice of overloading or daisy chaining multi-plug surge bars is prohibited. Equipment should be connected directly to a main power supply, or if this is not possible, one surge bar may be used.
- ii. Electrical wiring should be concealed and never exposed.
- iii. Using an extension cord for permanent electrical wiring configurations is prohibited.

**c. Wind / Rain**

- i. Ensure building shell/envelope is in good condition, (i.e. windows, doors, skylights, and other penetrations are weather-tight).
- ii. Clean/clear debris and other objects from the roof, gutters, roof drains, and downspouts within one week of anticipated in-climate weather as monitored by National Oceanic and Atmospheric Administration (NOAA) weather forecasts or other reputable weather forecasting service.
- iii. Roofing is inspected annually, within a month of the first anticipated rainstorm. Look for signs of damage or drainage issues that may result in water infiltration, such as blistering or bubbling roof surfaces, cracks or defects in roofing materials, standing/ponding water, clogged drains, plant growth, and sagging/stained ceiling tiles. Necessary repairs or temporary protection needs to be in place prior to the first anticipated rainstorm.

**d. Vandalism**

- i. More than one occurrence within a three year time period of vandalism or break-in's resulting from an unsecured facility after hours, i.e. doors left unlocked or alarm system left unarmed will result in the higher SIR.

**e. Illegal Activities**

- i. A **\$20,000 higher SIR** will result for claims resulting from illegal activities performed by a district employee(s), such as smoking on school property.

**f. Repeat Occurrences**

- i. If there are additional losses within a three year time period within the same loss category, the higher SIR will double for subsequent claims.

*Example: The above \$10,000 higher SIR will become a \$20,000 SIR on the second claim.*

**3. Emergency Remediation Protocols:**

NCSIG has established an authorized Remediation Vendor list with vendors who have entered a formal agreement with NCSIG outlining terms, conditions, transfer of liability risk, and rates as a basis of what NCSIG will pay Remediation Vendors. As such, NCSIG members must utilize an authorized NCSIG remediation vendor.

- a. Failure to utilize an Authorized Remediation Vendor will result in a \$100,000 SIR unless the NCSIG Member engages the Remediation Vendor in an agreement that includes the same legal requirements, transfer of liability risk, and insurance terms that are included in the NCSIG Remediation Vendor agreement. If the protections provided by the agreement are met with a non-approved vendor, the NCSIG member will be responsible to pay the difference between what NCSIG would have paid an approved Vendor and the invoice received by the non-approved Remediation Vendor.

*Example: If the NCSIG remediation agreement terms and conditions would have resulted in a \$25,000 payment to an approved Remediation Vendor and the bill from the non-approved Remediation vendor selected by the NCSIG member was "out of network" Remediation vendor selected by the NCSIG member was \$35,000, NCSIG would reimburse the member for the \$25,000 and the NCSIG*

*member would be responsible to their chosen Remediation Vendor for the \$10,000 difference.*

- b. NCSIG members will be called upon to help manage the scope of the project. Any requests of the remediation vendor or contractor that falls outside of the scope of the claim will result in a separate estimate/invoice and will not be included as a part of the claim. Additionally, NCSIG members are to report to the claims administrator if the remediation contractor attempts to exceed the scope of the claim.
- c. NCSIG members are required to permit the Remediation Vendor to perform work during normal business hours whenever possible in order to prevent the prevailing wage overtime costs associated with evening and weekend work by the Remediation vendor.

#### **4. Use of Creative Teaching Techniques**

It is the responsibility of NCSIG members to educate and hold their educators accountable to implementing prudent risk management techniques. Use of the following will be subject to a \$10,000 higher SIR in the case of a claim related to those activities.

- a. Any use of large amounts of water inside a container not designed for educational use. Example, filling up a children's pool inside a classroom.
- b. Any use of fire producing devices not designed for, or within the scope of accepted educational purposes. Example – using Bunsen Burners in creative measures outside the scope of their commonly accepted educational purposes.

#### **5. Valuable Papers**

- a. There shall be a \$10,000 coverage limit related to the drying and restoration of valuable papers damaged in a water loss.
- b. It is recommended that no valuable papers be stored in boxes of filing cabinets at ground level and that Electronic copies are kept of all valuable papers.

#### **6. Use of Electronic Emergency Systems Shut Off System**

While not required at this time, it is **strongly recommended** that each NCSIG member utilize an electronic system to assist quick and effective shutoff of systems in the case of a property emergency. This system should:

- a. Provide details on every water, gas, and electrical shutoff location for every building.
- b. Include photos, maps, and diagrams to allow for easy identification by staff and emergency personnel not familiar with these systems.
- c. Be sharable via email so the first person on the scene can quickly access the data. NCSIG does not endorse or promote any particular company or tool to utilize for this purpose. It is known that ServPro has a tool that can be used for this purpose and it already utilized by some NCSIG members.

**7. Use of the NCSIG Property Loss Prevention Program**

- a. NCSIG Risk Control has created a resource that will assist members in fulfilling the requirements of this Property Loss Prevention Policy.

**8. Exceptions & Appeals**

- a. NCSIG Members may petition the NCSIG Officers to consider an exemption to this policy for extenuating circumstances.
- b. NCSIG Members may appeal to the NCSIG Board of Directors at the next regularly scheduled board meeting if a petition to the NCSIG Officers is declined.