

Risk Management Fact Sheet

Insurance, Claims and Liability Information for FY10

Introduction

The ISU Office of Risk Management (ORM) works with ISU Extension to coordinate risk management functions including insurance, loss control and claims. The ORM staff provides counties with “one-stop shopping” for risk management services and resources. Please contact ORM directly for:

- Certificates of insurance
- Claim reporting
- Risk management and liability questions
- Waivers and releases
- Contract review/Legal questions
- Insurance needs

Overview

The 4-H Program and other similar State programs that are coordinated by ISU Extension and operate throughout the State are treated similarly to other State agencies with regard to liability and claims. The information that follows summarizes the insurance programs and any related changes to coverages and procedures for ISU Extension activities and operations. It has been separated into three categories:

1. County Extension Operations
2. ISU/State Extension Operations
3. Volunteers for 4-H Programs

1. County Extension Operations

A. General Liability Insurance

Operations and activities that are strictly limited to those of the County Extension Offices and those employees paid as County Extension employees are covered by a commercial general liability policy through LaMair-Mulock-Condon and Cincinnati Insurance Company. The policy provides coverage for claims incurred due to County Extension operations or acts by County Extension employees that occur on the county office premises only. **This commercial policy does not cover 4-H activities or Master Gardener activities.**

B. Auto Liability Insurance

County Extension employees are covered by a commercial auto policy through LaMair-Mulock-Condon and Cincinnati Insurance when driving their personal vehicle for business related purposes. The Non-Owned and Hired Auto limit of liability coverage for any one accident or loss is \$1,000,000. This coverage is excess over the county employee’s personal auto coverage. The policy is limited to excess liability only and does not provide physical damage coverage to the employee’s vehicle.

Claims

To file a claim for auto liability, please contact Deb Keys in the Office of Risk Management (ORM) by phone 515-294-7711 or via e-mail at dlkeys@iastate.edu .

C. Property coverage – Business Personal Property (Group Contents) (OPTIONAL)

This insurance is optional. The policy provides coverage for business office property, including computers and satellite dishes. A summary of coverages follows:

- Comprehensive coverage, except for specific policy exclusions.
- Replacement cost on business personal property.
- Replacement cost on computer equipment and satellite dish.
- \$250 deductible per occurrence.
- The following limits per county have been built into the policy:
 - Computers and equipment \$10,000 (higher computer limits are available per county request)
 - Debris Removal \$10,000
 - Cargo, All Risk \$10,000
 - Valuable Papers \$50,000
 - Extra Expense \$50,000
 - Accounts Receivable \$50,000
 - Fine Arts \$25,000
 - Personal Property (Off Premises) \$5,000
 - Fire Department Service Call \$25,000
 - Personal Property of Others \$1,000

The business personal property coverage with Cincinnati Insurance is coordinated through the Office of Risk Management in conjunction with LaMair-Mullock-Condon. If you have an interest in purchasing this optional coverage, please contact Deb Keys in the Office of Risk Management at 515-294-7711 for assistance.

Claims

To report a property damage claim, please contact Deb Keys in the Office of Risk Management (ORM) by phone at 515-294-7711 or via e-mail at dlkeys@iastate.edu.

D. Workers Compensation

Workers compensation coverage for County Extension employees is provided by a commercial insurance policy through LaMair-Mullock-Condon and Accident Fund Insurance Company. County Extension employees should contact the Office of Risk Management to report incidents or file a claim involving work-related accidents or injuries, including bodily injury in a vehicle accident.

Who handles the claim services?

The Office of Risk Management has contracted with Accident Fund Insurance Company to handle workers compensation claims for County Extension employees. The Accident Fund is responsible for determining compensability (accepting or denying a claim), authorizing the use of any alternate medical care provider, issuing benefits to employees based on lost work time, payment of medical bills and paying permanent impairment benefits related to claims as required by Iowa Workers Compensation law.

The Office of Risk Management is the Extension contact for workers compensation questions, claims processing, and for assistance with appropriate and timely return to work issues.

How do employees report a work-related accident, injury or illness?

The employee should contact their supervisor, who will fill out a First Report of Injury Form (FROI) and send it to the Office of Risk Management. The FROI form is available on the Extension Finance website or by contacting the Office of Risk Management at 515-294-7711. Any medical bills received for an employee's work related injury should be forwarded to the Office of Risk Management for processing.

NOTE: The completed First Report of Injury Form is to be mailed or faxed to the Office of Risk Management within 24 hours of the incident/injury. (FAX 515-294-3105)

E. Crime Bond Insurance (OPTIONAL)

State of Iowa code requires each county carry crime bond insurance for their county's Extension District Treasurer. Aside from the Treasurer, there are many additional crime exposures to consider from other employee classifications and volunteer positions that are routinely responsible for handling checks and cash. In our continuing efforts to provide insurance options of value to county operations, ORM offers the optional blanket crime bond insurance coverage to protect counties against criminal actions in the workplace. The major advantage in purchasing crime insurance on a blanket basis is that the coverage is not specific to job titles and automatically extends to all of the following: 1) Treasurer, 2) all employees, 3) board members, and 4) volunteers.

Under the current blanket policy with Cincinnati Insurance, we have the ability to offer a variety of coverage options and limits which are outlined below, each with a \$250 deductible:

Levels of Coverage	Limit	2009 Annual Premium (per county)
Option 1: Public Official Bond - Treasurer Only (Required by state code; however, not recommended by ORM)	\$20,000	\$106
Option 2: Blanket Bond – Treasurer, All employees, Board, and volunteers	\$25,000	\$191
Option 3: Blanket Bond – Treasurer, All employees, Board, and volunteers	\$50,000	\$297
Option 4: Blanket Bond – Treasurer, All employees, Board, and volunteers	\$100,000	\$394
Option 5: Higher limits in excess of \$100,000 available on a per county basis. If interested, please contact ORM.	>\$100,000	

Unlike other county extension commercial insurance policies which renew July 1st each year, the crime bond policy renews annually on January 1st. The coverage offered through the Office of Risk Management is optional; however, we urge all counties to consider it. We do understand that circumstances in some counties would not make participation in this program beneficial, such as those counties where the bond coverage is paid by the county.

If you have any questions or an interest in purchasing this crime bond coverage, please contact Deb Keys in the Office of Risk Management at 515-294-7711 for assistance.

F. Directors and Officers Insurance

Directors and Officers (D&O) coverage is for Extension Council members. Coverage is for the individuals in their capacity as a council member offering advice on the operations of the organization. The policy provides defense and judgment coverage for claims arising out of their position on the council. Exposures are diverse and would include business judgment, financial direction and program related decisions. In addition to the positions listed above volunteers are also covered while under the direction of the council or employees.

The D&O coverage is also extended to cover Employment Practices Liability. Exposures related to this are from discrimination, harassment, and termination related claims from current and future employees. Coverage includes both defense and any possible judgment.

Limits are \$1,000,000 for each occurrence, subject to a \$1,000,000 aggregate in any policy year.

The policy has -\$0- deductible for individual board members, -\$0- for all board members as a group, \$10,000 deductible for the entity, and \$20,000 for employment related claims.

Limits are currently shared for all counties under the same policy. Defense costs are covered in the policy and are included within the limits of liability. The deductibles listed above also apply to defense costs. The insurance carrier will assist Extension in securing qualified defense counsel in the event of a claim.

Extension contracted for D&O coverage beginning with FY02. Therefore, only claims made and claim occurrences after July 1, 2001 will fall within the scope of coverage going forward.

Claims

To report a Directors and Officers claim, please contact Deb Keys in the Office of Risk Management (ORM) by phone at 515-294-7711 or via e-mail at dlkeys@iastate.edu.

G. Requests for Certificates of Insurance

All requests for certificates of insurance are coordinated through the Office of Risk Management (ORM). If an outside entity is requiring you to provide a certificate or proof of insurance, please send an email request to Deb Keys (dlkeys@iastate.edu) or to the Office of Risk Management (!orm@mail.ats.iastate.edu). To facilitate processing the certificate request, the following details should be included in your email:

- Name of event/activity (include brief description)
- Beginning and end dates of event/activity
- Location of event/activity
- Name and address of the outside entity requiring the proof of insurance
- Distribution instructions (would you prefer the certificate be mailed, emailed, faxed, etc.)

2. ISU/State Extension Operations

A. General Liability Insurance

The ISU Extension programs, including 4-H and Master Gardeners, operate as agencies of the State of Iowa which are self-insured. Claims against the State of Iowa are handled as provided in Chapter 669 of the Code of Iowa which authorizes tort claims against the State of Iowa on account of wrongful death, personal injury or property damage incurred by reason of the negligence of the University or its employees (Iowa Tort Claim System). Chapter 669 also sets forth the procedures by which such claims may be brought.

Claims

To file a claim for third party property damage or injury resulting from a 4-H or Master Gardener related activity or event, please contact the Office of Risk Management (ORM) at 515-294-7711 for assistance.

B. Auto Liability

Personal Vehicles Used For University Business

Note: We refer to the term “primary insurance” throughout this section. Primary insurance means that it is the first insurance responsible in a loss. Other insurance may be considered secondary, or in some cases, losses can be shared on a percent basis.

ISU Extension employees are not covered by the commercial auto policy through LaMair-Mulock-Condon. Extension employees using their own vehicles on official university related business are required to carry auto liability insurance with minimum limits as required by the State of Iowa and that coverage is considered primary. Employees using their own vehicle for University related business should submit university travel mileage as a reimbursement expense. The University's travel reimbursement program incorporates insurance expenses into the mileage rate calculation for personal vehicle use.

In an accident, the vehicle owner must use their own automobile insurance coverage as the primary insurance. The University will **not** reimburse an employee, or other private owner, or their insurer for any deductible or liability claim paid by their auto insurance policy or for any damage to the vehicle. This same policy applies to employees using their vehicle only on occasion for business as well as those required to use their personal vehicle as a condition of employment.

The Regents Motor Vehicle Self-Insurance Program will apply as excess liability coverage when the employee was on University related business at the time of the loss and the limits of the vehicle owner's policy have been exhausted. Although most standard auto policies will not exclude coverage when using your personal vehicle for occasional business trips, extensive use may mean adding additional coverage. The only way to be sure is to check with your carrier to ensure you are covered for your type of business use.

If any personal property is damaged or stolen as a result of being transported or stored in a vehicle, the property is not covered by the university. Employees should consult with their personal lines insurance provider to determine if coverage for property in vehicles is included in their homeowners insurance policy.

Recommendations for Personal Auto Insurance Coverage and Excess Liability (Non-Owned, Borrowed, Personal Vehicles)

The personal lines insurance market is fairly divided between split limits and combined single limit options. The general preference is to move to combined single limits which have more flexibility than a specific Bodily Injury (BI) and Property Damage (PD) limit.

Combined Single Limit – these are each occurrence limits and can be used for BI or PD on a combined basis. Umbrella policies are used for limits above the \$500,000. Most companies are requiring the \$500,000 level before attaching the umbrella.

Split Limit Options – These limits are Bodily Injury each person/ Bodily Injury each accident/property damage each accident. Umbrella policies are used for limits above the 500 / 500 / 500 level. Most companies will offer the Umbrella attaching at 500 / 500 / 100. This will vary by insurance company.

University employees must carry a minimum of at least \$250,000 each accident; however, the Office of Risk Management recommends that all employees using personal vehicles for business would provide \$1,000,000 as a minimum level coverage.

Claims

Accidents involving personal vehicles and a third party must be reported to the Office of Risk Management. To report a claim, please contact Deb Keys in the Office of Risk Management (ORM) by phone at 515-294-7711 or via e-mail at dlkeys@iastate.edu .

University/State Owned Vehicles

Vehicles owned by Iowa State University are covered for both liability and physical damage by the Regents Motor Vehicle Liability Pool (RMVLP). This coverage is considered primary. A monthly premium is paid for each vehicle which covers the following:

- Injuries to Others
- Damages to Vehicles or Property of Others
- Damages to University Vehicles - \$500 Department Deductible

Restrictions:

- Coverage is limited to department-owned or leased vehicles registered with Transportation Services.
- University owned vehicles are to be used for university related business only. Private or improper use of the vehicle invalidates the coverage and the driver is responsible for any liability or damages.
- Drivers are responsible for all tickets and citations.

Employee Injuries – Medical Insurance

Workers' Compensation covers injuries that occur during the course and scope of employment even if it is while driving or riding in a vehicle. Contact Human Resource Services at 294-3753.

Auto Claims in University/State Owned Vehicles

Reporting Accidents

If you are involved in an accident while driving a University vehicle, no matter how minor and regardless of who is at fault, you must inform your department immediately and submit a RMVLP Accident Report Form to Transportation Services within 24 hours. A packet with complete instructions on what to do if you are in an accident, insurance information, and the reporting form is located in all Transportation Services vehicles. To report vehicle accidents see Transportation Services Accident Reporting at http://www.transportation.iastate.edu/accident_report.html

Claims

Vehicle claims are coordinated by the Office of Risk Management. For questions or to provide information, call 515-294-7711.

C. Property Insurance

Miscellaneous University-Owned, Leased or Loaned Property Coverage

The Office of Risk Management (ORM) and Cincinnati Insurance offers an optional protection program to provide coverage for miscellaneous property items you may want or need to insure. The program provides protection for property (owned or leased) against theft or other “all risk” perils. This program is not designed for computer or computer related equipment. A separate electronic data processing program is available to protect computer equipment.

A summary of coverages follows:

- Comprehensive coverage, except for specific policy exclusions.
- Coverage based on replacement cost.
- \$1,000 deductible per occurrence.

If you have any questions regarding this optional coverage or have an interest in obtaining a quote, please contact Deb Keys in the Office of Risk Management at 515-294-7711 for assistance.

Claims

To report a property damage claim, please contact Deb Keys in the Office of Risk Management (ORM) by phone at 515-294-7711 or via e-mail at dlkeys@iastate.edu .

Property - Personal and Non-University Owned Coverage

ISU Extension, the University and the State of Iowa do not assume responsibility for personal or non-university owned property kept or stored. Individual staff members are responsible for their own belongings, including personal books, journals, library materials, manuscripts, and other personal belongings that may be kept on the campus. Should damage or loss occur, the payment for loss or replacement is the responsibility of the individual. Staff members are encouraged to be sure that their personal insurance covers their personal property kept away from home.

Compensation may be made in cases where the ISU Extension program has been negligent or has assumed the responsibility because the property has been specifically authorized for use in an

Extension activity. Compensation will require both the recommendation from the Extension Office and central administration approval, and is subject to the availability of funds from the operating unit.

D. Workers Compensation

Workers Compensation coverage for University paid employees is provided through provisions of Chapter 85 of the Code of Iowa, Section 85.57 and 85.58, Employees of the State. To report incidents involving work-related accidents or injuries to employees contact the Department of Human Resource Services at <http://www.hrs.iastate.edu/workerscomp/homepage.shtml>.

E. Requests for Certificates of Insurance

All requests for certificates of insurance are coordinated through the Office of Risk Management (ORM). If an outside entity is requiring you to provide a certificate or proof of insurance, please send an email request to Deb Keys (dlkeys@iastate.edu) or to the Office of Risk Management (!orm@mail.ats.iastate.edu). To facilitate processing the certificate request, the following details should be included in your email:

- Name of event/activity (include brief description)
- Beginning and end dates of event/activity
- Location of event/activity
- Name and address of the outside entity requiring the proof of insurance
- Distribution instructions (would you prefer the certificate be mailed, emailed, faxed, etc.)

3. Volunteers for 4-H Programs

A. General Liability

Authorized volunteers for ISU Extension Programs are provided personal liability protection by the Iowa Tort Claims Act, Iowa Code Chapter 669, and the Federal Volunteer Protection Act, 42 United States Code Chapter 139, while acting within the scope of their volunteer duties and responsibilities. The State will defend, indemnify, and hold volunteers for the University harmless against a tort claim caused by an act or omission of the volunteer unless the act or omission of the volunteer involved intentional or criminal misconduct, a knowing violation of the law, or a transaction from which the volunteer derives an improper personal benefit.

B. Auto Liability Insurance

Personal Vehicles used for 4-H Activities

Authorized volunteers driving their own personal vehicles or vehicles provided by the county for 4-H activities are covered by a commercial auto policy through LaMair-Mulock-Condon. This coverage is excess over the volunteer's personal auto coverage. The policy is limited to excess liability only and does not provide physical damage coverage to the volunteer's vehicle.

Documentation must be on record in the county office to verify that the individual is an authorized volunteer in order to qualify for this auto coverage.

University or State Vehicles used by Volunteers

Authorized volunteers may drive University or State of Iowa vehicles; however, they must have a satisfactory MVR check to drive an ISU vehicle.

C. Volunteer Authorization Process

Authorized volunteers for ISU Extension Programs are provided personal liability protection by the Iowa Tort Claims Act, Iowa Code Chapter 669, and the Federal Volunteer Protection Act, 42 United States Code Chapter 139, while acting within the scope of their volunteer duties and responsibilities. A 4-H Volunteer Policy, including procedures and appropriate authorization forms, has been developed and information is available by contacting Judy Levings, Extension Youth Development Specialist, Youth and 4-H.

D. Workers Compensation and Medical Coverage

Volunteers for ISU Extension programs are not covered under the State of Iowa Workers Compensation Program or the workers compensation policy through LaMair-Mulock-Condon.

Accident/Medical insurance is not automatically provided, but is available through American Income Life Insurance Company. The policy covers leaders, volunteers, and members from the time they leave home until they return from any 4-H activity. Forms can be obtained at the County Extension Offices and sent directly to the insurance company. For additional assistance or questions regarding this type of coverage, please contact the Office of Risk Management at (515) 294-7711.

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ORM Contacts

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