



Liability Minefields to Avoid

October 20st, 2022



Presenters



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Operations



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Risks



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Manager,
Loss Control
Services





- General Liability
- School Leaders Liability
- Employment Practices Liability
- Cyber
- Transportation
- Student Accident
- Special Events
- Risk Transfer Considerations

Discussion Topics

School District Insurance Coverage Requirements



IMPORTANT: INSURANCE REQUIREMENTS VARY BY SCHOOL DISTRICT

- School Districts define their own Charter School insurance requirements.
- This can create differences in coverage requirements by county that may apply to:
 - Charter contract number or
 - School location
- Knowing each county's requirements is **important** to ensuring proper coverage.



School District Insurance Coverage Requirements



Coverage	Broward CSD Policy Limits Requirements	Lee CSD Policy Limits Requirements	Pasco CSD Policy Limits Requirements
General Liability	\$1/\$2 Million	\$1/\$3 Million	\$1/\$2 Million
School Leaders Liability	\$1 Million	\$3/\$3 Million	\$1 Million
Employment Practices Liability	\$1 Million	\$3/\$3 Million	\$1/\$2 Million
Auto Liability	\$1/\$3 Million	\$1 Million	\$1 Million
Crime/Fidelity	\$1 Million	\$ 100,000	\$ 100,000
Worker Compensation	Statutory	Statutory	Statutory
Termination Clause	4 Years	4 Years	3 Years
Line of Coverage	ELL, EPLI	G/L, ELL, EPLI, A/L	ELL, EPLI
Limits Required by Charter Contract	Yes	No	No

General Liability Example



- ABC Great Charter School (“ABC”) is having a Spirit Day and the school hires Terrific Event Coordinators (“Terrific”) to come on-site at the school and manage the event.
- One of the most popular events is Sumo Wrestling in air inflated Sumo costumes. While Sally is “wrestling” with her classmates, she falls and hits her head and she alleges injuries due to Negligent Supervision by the vendor Terrific.
- The plaintiff (Sally) names both ABC and Terrific in a lawsuit that ultimately resulted in:
 - Defense Cost \$102,000
 - Claim Settlement \$160,000

Most frequent causes of liability claims:

- Slips, trips, and falls
- P.E./Athletics related injuries
- Physical altercations/fighting
- Horseplay
- Failure to maintain
- Negligent Supervision



GL policies pay legal obligations up to the policy limits.

- 3rd party policy covering negligence of school or school personnel
- Bodily Injury and Property Damage
- Personal and Advertising Injury

General Liability Trends

Abuse & Molestation claims on the rise

- Employee exposures
- Volunteer exposures
- Vendor exposures

Social Inflation

- Shifting sentiment
- Capitalizing on emotions
- Desensitization to \$\$\$\$



General Liability - Medical Payments Coverage

Preventing Ripples From Becoming Waves

"Medical Payments Coverage" protects from accidents on school grounds.

- Policy pays small limit (typically between \$2,500 - \$5,000) and
- Paid regardless of fault. Note: Not all carriers provide

Medical Payments Coverage is one method for compensating parents for out-of-pocket student medical expenses.

- Not designed for students that participate in athletic events.
- Designed to handle routine injuries efficiently or expeditiously.



- What are typical wrongful acts alleged against Charter Schools Governing Boards?
 - The failure to educate students;
 - Disciplinary decisions;
 - Mismanagement of public funds;
 - Violation of Florida's Sunshine Laws
 - Less commonly known "wrongful acts"
- Offers comprehensive protection to charter school board members, employees, and authorized volunteers from "wrongful acts" committed while performing their duties as leaders of their school.
 - "Wrongful acts" means any act, error or omission by any person the policy identifies as being covered

Employment Practices Considerations

- Coverage for “wrongful employment practices” arising from the management of school employees which include:
 - Wrongful:
 - Termination
 - Deprivation of career opportunity
 - Discipline
 - Discrimination
 - Sexual Harassment
 - Retaliation
 - Failure to employ, promote, or grant tenure
 - Failure to provide an adequate workplace environment
- Pre-termination coverage

- Cyber Risk - Risk of harm, including financial, reputational, legal and compliance impacts, to an organization resulting from the failure or disruption of its computer systems.
- Cyber Threats:
 - Spoofing / Phishing (Social Engineering)
 - Data Breach / Unauthorized Disclosures
 - Ransomware
 - What to do, who to call?



- Train and re-train your staff
 - Human Factor
- Develop a staff culture of cybersecurity
- Institute an additional verification
- Backups, backups, backups
- Patches and updates



Cyber Coverage – Coverage for lost or stolen data as a result of a cyber incident, as well as fraud, extortion, business interruption and third-party liability.

- Security and Privacy Liability
- Network Interruption and Recovery
- Network Extortion
- Social Engineering Fraud
- Reputational Damage



- Employees driving their own autos on behalf of the school
 - Verify your insurance includes Hired & Non-Owned Auto Liability Coverage
 - Develop driver safety program standards
 - Access Motor Vehicle Reports
 - Verify Personal Auto Liability coverage and limits
 - Negligent Entrustment



TRANSPORTATION SAFETY PROGRAM

- Why you should develop a Safety Program
 - Demonstrates Duty of Care
 - Screens for safe drivers
 - Sets safety standards / protocols
- The program should include:
 - Driver qualification and criteria
 - Insurance verification
 - Vehicle standards
 - Code of Conduct
 - Safety standards
 - Emergency procedures



Student Accident Coverage

- Provides for medical expenses
 - Coverage for injuries sustained while attending school
 - Includes physical education
- Organized sports-related injuries
- Includes coverage for domestic day or overnight field trips
- Typically, standard limits provide up to \$25,000 of medical expense coverage
- Catastrophic coverage available up to \$1,000,000



- Special Events Coverage (SEC) provides liability coverage for a specified period, typically in 24-hour increments.
- SEC should be secured when the general public is invited to a school or PTO event.
 - Fairs, Festivals, Carnivals
 - Fundraisers, Walk / Run Events
 - Food & Beverage Sales
- Use of Vendors for Special Events



Why is Risk Transfer Important?



- Remember the sumo scenario?
- *The question becomes whose insurance is primarily responsible for defending and handling the claim?*
 - The answer is straightforward: If there is an agreement in place and ABC is properly named as an “Additional Insured” on Terrific's policy as evidenced on their COI, then Terrific's insurer will be primary, otherwise the burden falls on ABC.





- Risk Transfer is most effective as a layered approach:





Hold Harmless & Indemnification Provisions

- Properly worded **contracts and agreements** can provide the most comprehensive protection.
 - Includes insurance requirements (coverage lines, limits, additional insured)
 - Outline responsibilities of each party
 - Vendor agrees to hold harmless and indemnify the school

What is a Certificate of Insurance?



- COI is a form that is issued by an insurer or their authorized representative and provides evidence that a company carries insurance.
- It is the customary method of showing that the party providing the certificate has met their insurance requirements.
- The certificate summarizes the essential terms, conditions, and duration of the specified policy at the time that the certificate is prepared.

ACCORD CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURER AFFORDING COVERAGE	NAIC #
INSURER A	
INSURER B	
INSURER C	
INSURER D	

COVERAGE

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. BOTH THE ENDORSEMENTS AND CONDITIONS OF ANY POLICY OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. ADDITIONAL LIMITS INFORMATION MAY BE REQUIRED BY THIS CLAIM.

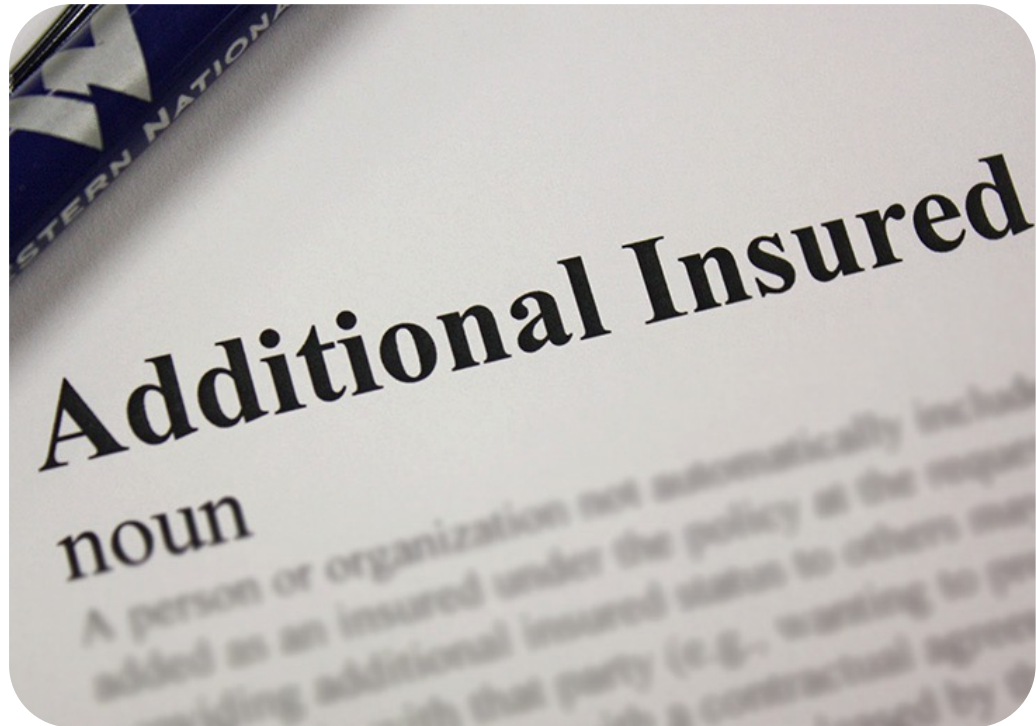
TYPE OF COVERAGE	FORM OF ENDORSEMENT	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS
<input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> SOCA <input type="checkbox"/> POLLUTANTS <input type="checkbox"/> PRODUCT LIABILITY <input type="checkbox"/> PROJECT <input type="checkbox"/> AOC					SOCA POLICIES POLICY LIMITS POLICY PERIOD POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE
<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> AUTO <input type="checkbox"/> NON-AUTO <input type="checkbox"/> AUTO <input type="checkbox"/> NON-AUTO <input type="checkbox"/> AUTO <input type="checkbox"/> NON-AUTO					COVERED AUTO POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE
<input type="checkbox"/> UMBRELLA LIABILITY <input type="checkbox"/> AUTO <input type="checkbox"/> NON-AUTO					SOCA POLICIES POLICY LIMITS POLICY PERIOD POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE
<input type="checkbox"/> EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> SOCA <input type="checkbox"/> REACTORS <input type="checkbox"/> REACTORS					SOCA POLICIES POLICY LIMITS POLICY PERIOD POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE
<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS LIABILITY <input type="checkbox"/> SOCA <input type="checkbox"/> REACTORS <input type="checkbox"/> REACTORS					SOCA POLICIES POLICY LIMITS POLICY PERIOD POLICY TYPE POLICY NUMBER POLICY EFFECTIVE DATE POLICY EXPIRATION DATE
<input type="checkbox"/> OTHER					

CANCELLATION

IF ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL INDICATE TO MAIL DAYS WITHIN WHICH TO THE CERTIFICATE HOLDER AND TO THE LEFT, NOT TAKING THE 30 DAY NOTICE PERIOD INTO ACCOUNT, OF ANY KIND FROM THE INSURER, ITS AGENT OR REPRESENTATIVE.

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Additional Insured Status



- The main advantage of being an additional insured on an insurance policy as opposed to being a certificate of insurance holder for that same policy is that the additional insured has certain rights under the policy.
- Additional insureds are only covered for operations that involve the named insured in some way.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/01/2021

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IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Trusted Insurance Inc 101 Coverage Way Orlando FL 32746	CONTACT NAME: Joe Insurance PHONE (A/C, No, Ext): 407-123-4567 FAX (A/C, No): E-MAIL ADDRESS: jinsurance@trustedinsurance.com
INSURED Acme Carnival Rides, LLC 456 Fun City Lane Kissimmee FL 34741	INSURER(S) AFFORDING COVERAGE INSURER A: XYZ Insurers INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: 20-21 Master Liab REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	UBR/AVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		123456789	07/01/2020	07/01/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Included MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Included GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/POP AGG \$ Included
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			123456789	07/01/2020	07/01/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ 1,000,000
	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE			123456789	07/01/2020	07/01/2020	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	123456789	07/01/2020	07/01/2021	<input type="checkbox"/> PER-STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES: FORM 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate Holder is included as an Additional Insured.

CERTIFICATE HOLDER Perfect Scholars Charter School 2016 Education Parkway Kissimmee FL 34741	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Joe Insurance</i>
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Does the COI show AI?



- Again, the COI by itself may not convey Additional Insured Coverage rights on the policy to your school unless it is completed properly.
- Two things to check for include
 - Confirming that the ADDL INSD box is checked with a Y or X.
 - Ensuring that you are listed as an additional insured in the Description of Operations section.



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DATE (MM/DD/YYYY)

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PRODUCER Trusted Insurance, Inc 101 Coverage Way Hollywood, FL 32020	CONTACT NAME: Joe Insurance	FAX (A/C, No):
	PHONE (A/C, No, Ext): 954-123-4567	FAX (A/C, No):
	E-MAIL ADDRESS: jinsurance@trustedinsurance.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED Acme Carnival Rides, LLC 456 Fun City Lane Pembroke Pines, FL 33026	INSURER A: XYZ Insurers	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is included as an additional insured.

CERTIFICATE HOLDER	CANCELLATION
Perfect Scholars 2016 Ed...	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
YOUR SCHOOL HERE	AUTHORIZED REPRESENTATIVE
	<i>Joe Insurance</i>

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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is included as an additional insured.

CERTIFICATE HOLDER	CANCELLATION
Perfect Scholars Charter School 2016 Education Parkway Sunrise, FL 33323	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
YOUR SCHOOL HERE	AUTHORIZED REPRESENTATIVE
	<i>Joe Insurance</i>

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Risk Transfer Considerations



Description and Name of Certificate Holder



Questions?

About us

- Personalized Approach
 - In-depth Analysis and Ongoing Communication
 - Training and Education
- Trust Administrator, Florida Insurance Alliance
 - Property, Casualty, and Workers Compensation Insurance
 - Risk Management Services
 - Member Advocacy
- Florida Charter Schools & Special Districts
 - Over 1,000 Public Entities
 - 240 Public Charter Schools
 - Leading Charter School Insurance Services Provider

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